



National Management Committee Update August 2020

National Management Committee Update

August 2020

28 August 2020



Contents

Introduction	3
1. Scouting Trust Companies.....	4
2. Association Accounts	4
3. Delays arising from outstanding appeals/disciplinary matters	4
4. Outstanding Claims and Liabilities	4
5. The orderly and legal transfer of assets from the Association to Scouting Ireland CLG.....	4
Work completed to date.....	5
Company only structure and roadmap to implementation.....	5
Safeguarding Action Plan	5
Relationship between the NMC, Scout Groups, Scout Counties and Scout Provinces	5
Conclusion.....	5

Introduction

Dear Member,

As you know, it was anticipated that within a few months of the October 2018 EGM of National Council, the work of the NMC would be completed by way of the Association being wound up/dissolved. At that time members of the NMC stayed in place on the assumption that the Association would be wound down in very short order; no other issues which might preclude the windup of the Association, had been identified. It was perceived that when the accounts of the Association for the year ended 31st August 2018 had been completed and approved, the NMC would move to preparing a Transfer Agreement between Scouting Ireland the Association and Scouting Ireland CLG.

In November of 2018, the board of Scouting Ireland CLG engaged the services of a legal firm to assist with the preparation of the transfer agreement.

Several meetings took place between January and March 2019 in order to progress a comprehensive transfer agreement, in attendance were the relevant members of the Board of Scouting Ireland CLG, NMC and legal advisory team. A draft operational transfer agreement was produced along with the relevant motions to be placed before a meeting of National Council, a meeting of which we had hoped would take place in April or May of 2019. A key factor in progressing to a meeting of National Council was that the operational transfer agreement, which would include the Associations Auditors Report. Quote from legal advisors assisting with the preparation of the transfer agreement ... The convening of a National Council is "Subject to the Accountants/Auditors Report being produced to the meeting confirming that the Association has no unpaid liabilities".

In September 2019, the accounts for the year ended 31st August 2018 were completed by the auditors and subsequently reviewed and approved by the NMC on the 12th September 2019. The accounts were returned to the Auditors for them to prepare the Association's Financial Statements. The final accounts were returned by the auditors for NMC signature on the 9th December 2019. However, as a result of the progress of time we will now require the accounts for year ended 31st August 2019 in order to complete the operational transfer agreement. There were a number of challenges in getting the final accounts for 2018 which are addressed under the section "Association Accounts".

A joint meeting of the Scouting Ireland CLG and the NMC took place during May 2019 in Larch Hill, based in the context that the windup of the association was dependent on the conclusion of accounts for the year ended 31st August 2018, the transfer of the relationship from the association to the Scouting Ireland CLG and work to be completed on appeals/disciplinary matters.

Due to the complex relationships between the NMC/Association and other scouting entities it became evident that it would not be possible to windup the Association in relatively short order.

The complex issues currently being addressed by the NMC are:

1. Scouting Trust Companies transfer of relationship from the Association to Scouting Ireland CLG.
2. Association Accounts for year ended 31st August 2019.
3. Delays arising from outstanding appeals/disciplinary matters.
4. Outstanding Claims and Liabilities.
5. The orderly and legal transfer of assets and liabilities from the Association to the Scouting Ireland CLG.

Therefore, we are unable to progress the completion of a transfer agreement until such issues are resolved.

1. Scouting Trust Companies

In line with the decision of the members on 6th October 2018, the relationship between the Association and Trust Companies is being progressed to Scouting Ireland CLG. This work continues and includes complex issues that must be addressed prior to winding down the Association.

2. Association Accounts

The accounts for 2019 have not yet been completed, in fact the audit of same has not yet commenced. Please note that the accounts for the Association are based on the accounts of the Scout Counties and Scout Provinces. Due to a significant portion of supporting documentation from the Scout Counties not having been received into National Office, the auditors qualified the Association accounts in 2018 due to limitation of scope and noted in their management letter that "Prior to commencement of any future audits GT will need formal confirmation from the Board of Trustees' that the accounting records and control processes have improved and the limitation has removed or further audits cannot be performed."

As a result, for the year end 31st August 2019, Scouting Ireland have engaged a resource to review each Scout County's audit file to establish what, if any, information is missing from these files. The purpose of this is to ensure completeness of Scout County files for the auditors, noting that they will not undertake the audit if there is a limitation of scope. This work is in progress and being conducted by the Scouting Ireland CLG Finance Department and the Finance Support Team.

3. Delays arising from outstanding appeals/disciplinary matters

The delays giving rise to the Independent Barrister's Report and its consequences were not foreseen in October 2018. The report was finalised in January 2019. On legal advice, it was the responsibility of the NMC to receive the Independent Barrister's report (January 2019). The NMC subsequently appointed a sub Committee of the NMC to review the findings in the report and determine the outcomes of these findings. The work of the Sub Committee was completed in December 2019. Subsequent appeals to the National Secretary by the four appellants, against the findings and determinations of the Sub Committee, were completed in May 2020. We cannot make any further comment at this time in respect of this matter.

4. Outstanding Claims and Liabilities

An issue has arisen in relation to the indemnity being provided under relevant insurance policies. This issue will take some time to resolve. Accordingly, the legal advice is that the Association should not be wound up until such time as this issue is resolved.

5. The orderly and legal transfer of assets from the Association to Scouting Ireland CLG

The legal transfer would be covered in an operational transfer agreement between the Association/NMC and Scouting Ireland CLG. Again, an exercise needs to be completed in this regard to list any and all assets and liabilities held by the Association.

Work completed to date

Company only structure and roadmap to implementation

In 2014 the GRG was established to determine what work would be required to comply with the voluntary code - the Governance Code for the Community, Voluntary and Charity Sector in Ireland, as a type C organisation. In 2014 changes in charity legislation and the establishment of the Charity Regulatory Authority (CRA) prompted Scouting Ireland to commence an additional review of its governance structures; that review found that changes were required.

In October 2018 Scouting Ireland voted to adopt a company only model. The roadmap to a renewed structure of the organisation was agreed at a meeting of National Council, by an overwhelming majority. This roadmap was handed over to the new board of the new structure, Scouting Ireland CLG. At this time, the newly appointed board took ownership of this roadmap and began the work of implementing the new structure

Safeguarding Action Plan

During a very difficult period for Scouting Ireland which brought our safeguarding policies and procedures under scrutiny; a Safeguarding Action Plan 2018 was developed by the NMC so as to provide a basis on which to report progress in the area of Safeguarding. The Safeguarding Action Plan contained recommendations by Ian Elliot, Jillian Van Turnhout and the NMC. This plan was accepted by the Department of Children and Youth Affairs to report outcomes and advancement of the key points in the plan. The board of Scouting Ireland CLG took responsibility for delivering on the remaining points and reporting on progress to the DCYA from the date of their election. This plan was formally passed from the NMC to the board of Scouting Ireland CLG at a joint meeting in December 2018.

Relationship between the NMC, Scout Groups, Scout Counties and Scout Provinces

The relationship between the Scout Group and the Association changed on 6th October 2018. On this date Scout Groups would become members of Scouting Ireland CLG upon completion of the nominee form SIF-3019A or SIF-3019B.

Whilst the Scout Counties and Scout Provinces continue to operate as support structures within the Association, the plan is to move the operations of Counties and Provinces to Scouting Ireland CLG. The accounts of the Association will form part of the transfer agreement, and will in due course, be transferred to Scouting Ireland CLG. Work is ongoing in this respect.

Conclusion

As you can see the matter of winding down the Association according to the wish of National Council of October 2018, is a complex and prolonged piece of work. The NMC have taken professional advice at every juncture and continue to work towards a legal and orderly wind down of the Association.

We are appreciative of the support of the Staff the CEO and the Board of Scouting Ireland CLG in the wind down of the Association.



Annette Byrne

Interim Chairperson / National Treasurer

National Management Committee