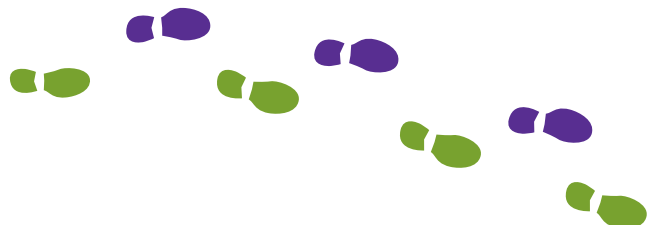


OUR JOURNEY TO GROWTH.

The Scout Association's
Annual Report and Accounts
2008/9



scouts.org.uk/impact



WHO WE ARE

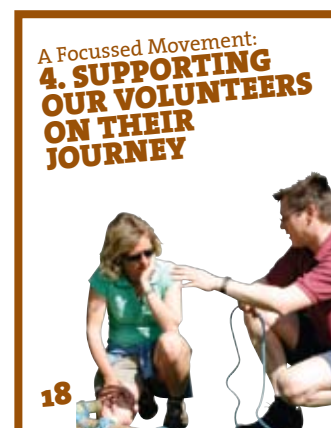
We believe that through adventure we challenge individuals so that they learn and experience new things and enrich their lives.

Each week almost 400,000 young people and 100,000 adult volunteers take part in Scouting projects and activities at the heart of the UK's communities. It is our role to ensure that every one of our Members has the facilities, needs and support to take part safely in these activities.



CONTENTS

OBJECTIVES, ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE 4



Our Scouting journey:

From Beaver to leader, meet a member at each step the Scouting journey



17
BEAVER SCOUTS



23
CUB SCOUTS



33
SCOUTS



43
EXPLORER SCOUTS



OBJECTIVES, ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The purpose of Scouting is to contribute to the development of young people in achieving their full physical, intellectual, social and spiritual potentials, as individuals, as responsible citizens and as members of their local, national and international communities.

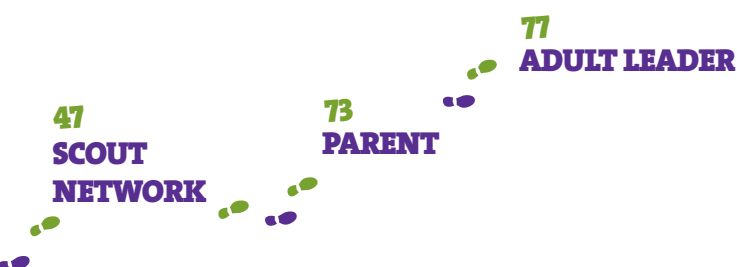
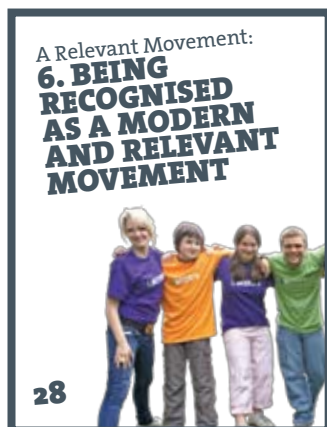
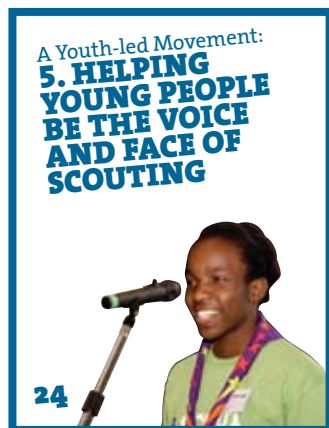
Scouting uses a method, which is young people in partnership with adults: enjoying what they are doing; learning by doing; participating in varied and progressive activities; making choices for themselves; taking responsibility for their own actions; working in groups; taking increasing responsibility for others; taking part in activities outdoors; sharing in prayer and worship; and making and living out their Scout Promise.

Under the Charities Act 2006 The Scout Association is required to demonstrate that our

aims are for the public benefit. Our assessment is that we have met the public benefit criteria under both the advancement of education and the advancement of citizenship or community development headings.

Two principles demonstrate that Scouting's aims are for the public benefit.

- Principle 1a – through the Scout method young people develop towards their full potential
- Principle 1b – the clear link between the benefits for young people and the purpose of Scouting
- Principle 1c – the safety of young people is taken very seriously and the benefits Scouting activities provide far outweigh the risks.



9. OUR FINANCES 48

Overview
Consolidated statement of financial activities
Balance sheets
Consolidated cash flow statement and notes
Notes to the consolidated financial statements
Independent auditor's report

10. HOW WE OPERATE 74

Committee, structure and management
Structure, governance and membership

11. OUR THANKS 76

- Principle 2a – the aim of Scouting refers to young people and the beneficiaries, aged between six and 25.
- Principle 2b – full Scouting membership is restricted to young people who are willing to make the Scout Promise.
- Principle 2c – the Association does not exclude those in poverty from its benefits. While the Association charges a subscription to its Members, the benefits of Scouting are not restricted by the ability to pay. Locally there are arrangements to waive subscriptions and other costs for young people who cannot afford to pay. Nationally there are funds available for uniform and activities so that young people are not excluded from activities by virtue of being unable to pay.
- Principle 2d – any private benefits from Scouting are incidental, other than to those as a beneficiary.

About this report

The report shows what we aimed to achieve in 2008/9, whether we achieved it, and how we plan to achieve even more in 2009/10.

As in our strategic plan, 'Towards 2012', we have grouped our activities under six headings, that by 2012 The Scout Association will be:

- A GROWING MOVEMENT
- A DIVERSE MOVEMENT
- A FOCUSED MOVEMENT
- A YOUTH-LED MOVEMENT
- A RELEVANT MOVEMENT
- A SOUND MOVEMENT

Each area of our work is broken down, showing our specific aims and targets for last year ('What we said we'd do'). We then show our achievements against those targets ('How we did') and identify our new aims and targets for next year ('Our next steps').

Key The symbols summarise our performance

 Fully achieved  Part achieved  Not achieved

1. CHANGE, CHALLENGE AND GROWTH

Explorer Scout Becky Alexander met our Chairman, Mike Gooderson, to discuss the year's highlights and challenges



Becky: How do you think the year's gone?

Mike: Really well. We've seen another increase in membership for the fourth year in a row. Our programme is more relevant than ever and more people are recognising the positive impact of Scouting. However, I think our greatest single achievement of the year has been providing the means for young people to be true decision makers for Scouting. We celebrated more young people representing us on national media, **engaging** with politicians on matters that affect you and created more opportunities to decide on the future direction of Scouting. As an Explorer Scout, how has your year been?

Becky: This is my tenth year as a Scout and I'm having more fun than ever. I'm finding that as a Young Leader I'm given more opportunities to **lead** young people, which is a really rewarding and fun experience.

Mike: We've also worked hard to make Scouting more relevant to young people and adults. What have you seen that's worked?

Becky: We produced **Everyday Adventure**, a series of programmes on the Community Channel. I presented one of them and I think it was great that it was only young people fronting each episode. It helped show people in and out of Scouting exactly what we do and what Scouting can offer and I think it was a really nice idea which worked well. There's also the new range of i.Scout clothing, which I think is really cool and definitely great to wear at events.

Becky: In what ways has Scouting become more diverse over the last year?

Mike: We've obviously got the highest ever number of girls in Scouting. There's also been lots more ethnic Scout Groups opening up and we're particularly pleased in the number of young Muslims joining, following increased support to the Muslim

Scout Fellowship. Scouting is an **inclusive** Movement, and it is our aim to reflect the communities in which Scouting operates.

Becky: Have there been any other important changes within Scouting over the last year?

Mike: There have been significant changes in the governance of the Association. These don't affect the day-to-day running of Scouting locally but it has helped to bring the administration into the 21st century.

Becky: Bear Grylls, our new Chief Scout, is a brilliant choice. He's our youngest ever Chief Scout and I really think he will **inspire** everyone, adults and children. How was he selected?

Mike: We have a process that's open so we actually asked the Movement about what they would like to see in the next Chief Scout. We then put together a search group and advertised the role, producing a list of 50. This was reduced to a shortlist and I'm delighted **Bear Grylls** was approached. I think the impact he will have was demonstrated the week we announced his appointment. We saw a 400% increase in volunteering enquiries on the same week last year. Working in partnership with Bear is another

volunteer, Wayne Bulpitt, who took on the new role of UK Chief Commissioner. Wayne provides leadership to all volunteers within Scouting.

Becky: What challenges would you set the Movement for the coming year?

Mike: We still need to attract and retain more adults to help provide opportunities to the 33,000 young people waiting to join Scouting. This will only be possible by recruiting more adults and then ensuring we have the mechanisms in place to meet the needs of these volunteers. We have to be fully **flexible**, rather than trying to fit square pegs into round holes as tended to happen in the past. We've made significant changes in the last year, but I think we've still got some very real challenges ahead.



Towards 2012: A Growing Movement

2. OUR JOURNEY TO GROWTH

When we provide better quality programmes, more adventurous activities, and additional support to our volunteers, Scouting flourishes. And in 2008, we grew again for the fourth consecutive year. From the six-year-old Beaver Scout to the 60-year-old volunteer, more people joined and benefited from the Scouting adventure



Welcoming more young people to our adventure

Scouting is for girls as well as boys. In 2008 more females than ever signed up to take part in our weekly activities, taking their number to over 55,000. This surge of over 5,500 new girls means that over the past 12 months almost as many girls as boys have signed up. Girls now account for 14% of all youth Members.

Attracting more young people

What we said we'd do

- Increase youth membership across all age ranges.

What we did

- Improved our national joining system.
- Ran a number of projects to help retain young people moving between the youth sections.
- Restructured our Regional Development Service, to help support local managers growing their District.
- Promoted Scouting as a modern and relevant choice in the national media such as on *Blue Peter* and *Newsround*.
- Shared positive news stories and coverage about Scouting on social networking sites, including Facebook, Twitter and YouTube.
- Implemented an agreed process for reviewing and updating our youth programme.

How we did

Youth membership increased by 12,234 across all five sections, with the greatest growth in our Scout section (10-14 year olds).

Almost 30,000 national joining enquiries on www.scouts.org.uk alone.



We improved the retention of young people as they moved between the youth sections.



We were challenged by our inability to fully meet the demand for Scouting. Joining lists have increased by 4.5%, with over 33,000 young people wanting to join. While we are enjoying renewed success, more young people than ever are desperate to join but there are no places in many areas until more adult volunteers are recruited.

Our next steps

To increase overall youth membership by at least 3% and aiming for 5% by:

- Improving the conversion of national youth membership enquiries and have an effective system for managing these in every Scout District.
- Reducing joining lists by 10% by January 2010 by providing guidance and support for local Scouting to address joining lists in new and innovative ways.
- Further improving the number of young people moving on between sections.
- Continuing to focus on the recruitment and retention of adult volunteers.

Promoting non-leader roles



What we said we'd do

- Promote the value of non-leader roles to young adults.

What we did

- Piloted a student recruitment initiative at three English universities. Flyers and posters were put up around each campus and a team of volunteers was on hand to discuss Scouting's benefits.
- Launched our first online recruitment initiative to attract 16-25 year olds.

How we did

-  Following the student recruitment initiative, 900 students registered an interest in joining Scouting.
-  The 16-25 online recruitment initiative attracted nearly 400 people.

Our next steps

- Roll out the student recruitment initiative nationally.
- Review and develop the online recruitment initiative.

Case Study

Joining the adventure

In early 2009 we ran our first online recruitment initiative. Using money given to us by Sainsbury's, and match-funded by the youth volunteering charity **v**, our marketing team has been targeting 16 to 25-year-olds. Potential volunteers were directed to www.jointheadventure.com via Facebook adverts, Google AdWords and postings on relevant Facebook group walls.



From January to March 2009, 15,500 people from across the UK visited the site. Of these, nearly 400 people filled out a form requesting volunteering information. These enquiries are now being followed up to ensure that those who wish to volunteer are found suitable positions for their skills and availability.



Students wake up to volunteering



In three universities (Essex, Lancashire and Bedford) a mixture of volunteers, Scout Association staff and professional event specialists descended on campuses to start conversations and recruit new Members. We have often found it hard to sell volunteering and the benefits of Scouting to students who have never considered joining us before, so the pilot initiative was an opportunity to address this challenge.

Prior to the events, posters, flyers, door hangers and articles in student media helped generate a buzz about the three one-day events. A free barbecue helped attract people. In no time at all our climbing walls were being scaled, and goodie bags were flying out of the door.

The benefits of volunteering

While this was all going on, our team was weaving in and out of the crowds, seeking out new volunteers and Network members. The key was identifying areas which would interest potential new Members. For example, by asking people what courses they were doing we were able to highlight how volunteering could benefit them. With hundreds of

volunteering enquiries generated from each event, all the indications are that the initiative is being successful.

What the students thought

'We were on our way to get some money from the cash machine, saw the display and barbecue and thought we'd check it out. I think Scouting needs to be remarketed for older young people – it's not just for little kids. Everyone wants to go on an adventure weekend or do something silly!'

'I stopped by because I didn't know what Scouting was about, especially the travel opportunities and being able to volunteer.'



Welcoming more adults

Scouting provides adventure and development opportunities for adults. In 2008 more people than ever helped deliver Scouting locally.

Recruiting more adult volunteers

What we said we'd do

- Recruit more adults to Scouting.

What we did

- With the aim of attracting parents as Scouting volunteers, we launched a parent recruitment campaign, The Big Adventure and produced a new parent pack.

- Implemented a new appointment process with a better joining service, including a new welcome pack.
- Created a series of role-specific resources for volunteers, *Keys to Success*.
- Restructured our Regional Development Service to increase the number of staff focussed on supporting volunteers who develop local Scouting.
- Organised volunteer recruitment mailings in key areas with large waiting lists.
- Achieved regular on-brand coverage in newspapers, on TV, radio and online, promoting Scouting as a modern and adventurous choice. This included a Cub Scout Leader winning second place at the Paralympics, an 8,000 strong international camp in Essex and Scouts planting 500,000 trees in partnership with the Woodland Trust.

Turning camps into an even bigger adventure

Camps and residential experiences are a powerful way to show our 700,000 parents what we do and encourage them to get more involved.

The Big Adventure was launched to help encourage parents to make the move from passive to active involvement.

Sponsored by Millets, Wall's and Garmin, we produced free resources for leaders to use to turn their Scout camp into a Big Adventure. The first camp took place in spring 2009 and they will be running throughout summer 2009.

Case Study



How we did

- Our adult membership has grown again, with 2,600 more people delivering the Scouting adventure. This is an increase of 2.6%, only the third time over the last 23 years growth has exceeded 2%.
- The number of volunteering enquiries on www.scouts.org.uk has increased to 450 a month.

Our next steps

To increase the overall number of adult volunteers in Scout Groups by at least 3% and aiming for 5% by the time of the January 2010 census by:

- Developing a comprehensive volunteer recruitment and retention strategy.
- Encouraging and supporting local volunteers to engage with and recruit adult volunteers.
- Reviewing Campfire Circle, a membership scheme for supporters who are not actively involved in Scouting.
- Recruiting 3,000 parents through the Big Adventure initiative.



Towards 2012: A Diverse Movement

3. REFLECTING AND CELEBRATING DIVERSITY IN OUR COMMUNITIES

Scouting is inclusive, open to any child or adult regardless of gender, colour, race or religion. We understand that communities vary throughout the UK, and over the year increased our support so that local diversity can flourish. Every one of our 7,200 Scout Groups strives to reflect its community, which is why we provided specific support to local development and diversity projects



Increasing diversity

What we said we'd do

- Increase the percentage of females in Scouting.
- Increase social diversity of our membership.
- Provide increased support for local diversity and development initiatives.

What we did

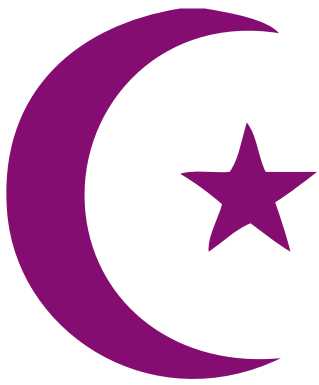
- Set up a Think Tank of members and non-Members to examine our youth programme. The group includes specialists in youth volunteering across the private and charity sectors.
- Enhanced our induction process for District Commissioners, focussed on development plans.
- Provided specific support to Fellowships working in minority groups. This included working with the Muslim Scout Fellowship to promote Scouting in predominantly Muslim communities. Our mailshot *Nine Million Muslims Can't be Wrong* was aimed directly at the Muslim community.
- Created a resource in conjunction with the National Deaf Children's Society, *Deaf Friendly Scouting*. Crammed with practical tips on how to adjust a meeting place to cater for a young person or adult with hearing difficulties, it is designed to make Scouting more accessible. Over 7,000 copies were sent out to Group Scout Leaders.

How we did

- 🔦 Female youth Members now make up 14% of our total youth membership.
- 🔦 Female adult volunteers are now just under half with 43%.
- 🔦 Our Black, Minority and Ethnic (BME) membership increased by 1% to just under 4% of our total membership. While an improvement, it is recognised our BME make up still falls short of the national average of 9%.

Our next steps

- Further increase the percentage of female youth Members to be 15% of the 2010 census and increase public awareness of this diversity.
- Establish a working group to review the Association's equal opportunities policy and its implementation.
- Complete the initial round of Programme Think Tank work by March 2010, with identified appropriate recommendations clearly scheduled for by September 2010.
- Increase our level of support to local development initiatives to develop Scouting's impact in local communities, especially where it is currently significantly under-represented.



Reaching out to new communities

Scouting has always been a multi-faith Movement, and a third of Scouts worldwide are Muslim. But in the UK, historically it has been

a challenge to attract diverse communities. Over the last few years this has changed and the 100th Coventry Muslim Scout Group is one of the latest to be launched.

The Group was started in February 2009 by Mohammed Saleem and his wife after they recognised a need to provide more outdoor and adventurous opportunities for Muslims in the local area.

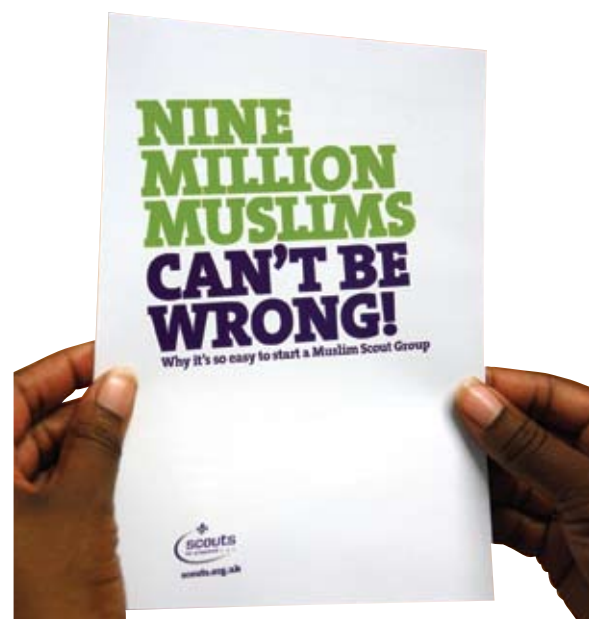
open to all faiths. You just need to look at all the different countries and cultures around the world that Scouting is involved in to see that.'

'We work alongside other Scout Groups in the District, taking part in District activities and attending camps. I like to think through Scouting we recognise that while we're all one big family, we are able to celebrate our differences too.'

'In the UK, Scouting can often be perceived as being a white, middle-class Christian organisation, but it has always been open to all faiths.'

'There were already some youth clubs,' says Mohammed, 'but we wanted to bring something different that would provide local Muslim children with skills they could use for life. Scouting provides a structured set of activities, which gives them a sense of achievement. This was just one thing we were looking for.'

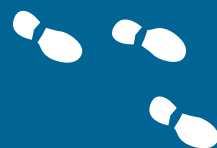
'When it started as a trial last year, there were some initial problems in challenging the perception of Scouting within the local community. In the UK, Scouting can often be perceived as being a white, middle-class Christian organisation, but it has always been



Our Scouting Journey

BEAVER SCOUTS

6-8 years



The first step in the Scouting journey. Easily recognisable by their distinctive turquoise sweatshirts, Beaver Scouts enjoy their first taste of adventure, whether it's a first sleepover, their first climb or their first campfire, it's an exciting time.

Beaver Scout Jack has been awarded one of The Scout Association's highest awards for bravery after saving the life of his younger brother. Jack rescued three-year-old Sam when he got into difficulty while playing in a swimming pool.

Jack, who was just seven at the time, swam to his brother's aid and managed to bring him to the surface and side of the pool where his parents administered CPR.

He said, 'My brother is very special to me and I love him so much, I just decided to dive in

and save him. It took me three attempts to pick him up.'

In recognition of his bravery, Jack was awarded The Gilt Cross. The cross is awarded to members for acts of bravery in the face of danger where life has been at risk.

Towards 2012: A Focussed Movement

4. SUPPORTING OUR VOLUNTEERS ON THEIR JOURNEY

Whether someone is giving one hour or ten hours a week, we are committed to providing them with the best tools for the job. Over the last year, we have improved our communications, resources and support so that our 100,000 volunteers can get on with Scouting



Providing flexible leadership opportunities

What we said we'd do

- Identify practical actions to give meaning to a more flexible approach to leadership.

What we did

- Reviewed our supporters' group, Scout Fellowship as a method of flexible volunteering. Improving the Fellowship leads to more flexible volunteering.
- Restructured our Regional Development Service to provide more focussed support to local Groups. This happened in the first quarter of 2008. We are continuing to develop this service, with indications from local Scouting that support has improved.
- Shared best practice and success stories to promote more flexible ways of running weekly meetings.

How we did

- We identified the need for a fresh start to the Fellowship. For over 30 years, Scout Fellowships have provided invaluable support to Scouting.

There are 10,000 volunteers in our Fellowships but research told us that:

- many Members don't know what Fellowships are and don't know how to contact them.
- many people believe Fellowships are for older Members only.
- many younger Members would join if they knew they could.
- many Fellowships feel undervalued and underused.
- the name 'Fellowship' is considered old fashioned and out-of-date and does not accurately describe its activities.

Our next steps

- Rebrand Scout Fellowship, with a new name and coordinated communications campaign.
- Identify and promote different ways of volunteering.
- Create additional support materials for programme planning, to help section leaders free up their time.

Case Study

Celebrating ten years of support

The Scout Information Centre and warehouse first opened in 1999. Its purpose was to provide a quality service through a single point of contact with up-to-date information that is available for all. It has been dedicated in helping Scouting volunteers, parents and many

more ever since. The small team of nine deal with everything from queries to sending out the correct forms and assisting on how to fill them out. They also go on the road to events to provide support and advice face-to-face.

'In ten years the Scout Information Centre has dealt with 200,000 joining and 1.24 million general enquiries.'

Developing the Cub Scout section


What we said we'd do


- Address specific challenges of supporting the development of the Cub Scout section.

What we did

- Set up a working group to look at Cub Scouting, where we are seeing the greatest retention challenge.
- Produced a number of support materials for District Commissioners and Group Scout Leaders to help grow this section. These included an online booklet, as well as articles in our volunteer manager magazine, *Focus*.
- Ran a quarterly online survey for 500 Cub Scout Leaders and assistants. This focussed on finding out how the support needed to make lives easier for front line leaders.
- Focussed on best practice and shared success stories in the Cub Scout supplement for Cub Scout Leaders. These also contained practical advice and interviews with successful Cub Packs.

How we did

 The survey highlighted that Cub Scout Leaders clearly feel that it is most important for Assistant District Commissioners to develop the section. We are now looking into how we can help all Assistant District Commissioners to focus on development and support to section leaders.

 Through the additional support to managers in the section, we now have 3,000 more Cub Scouts.

Our next steps


- Develop further support for Cub Scout Leaders and managers to make the growth sustainable.


Improving our communications

What we said we'd do

- Deliver a new fully, integrated website to deliver the content Members need, and be role specific so that our volunteers will be able to access the information they need, quickly and easily. This will work hand in hand with our online membership database, where adults can easily update and manage their own data.

How we did

 The membership area of the site has been live for over a year now and sign-up has been good, with over 40,000 volunteers registered online (an improvement of 20,000 on last year). By signing up, Members can update details, update training and email fellow leaders from their membership area.

 A new integrated website interface exists but the development of the fully integrated site is taking longer than we'd planned.

Our next steps

- To deliver the integrated website in the third quarter of 2009, following rigorous testing.
- Deliver a local communications centre hosted on www.scouts.org.uk that will provide templates, images and other resources to help promote local growth, diversity and impact.
- Deliver a comprehensive customer relationship management (CRM) strategy.

Flexible thinking

When adults volunteer their time with us, we want to ensure we are offering them the opportunity to give something to Scouting in the time they have available. We have to be fully flexible. And for four enterprising mums, being fully flexible was key to making sure their children could take part in Scouting.

Shireen Waterer, Pauline Beresford, Jude Edmondson and Liz Morris have 10 children between them, all work full time and live within one mile of each other in a small Wiltshire village. Liz Morris shares their enterprising solution to bring Beaver Scouting to their community.

'We wanted our children to join Scouting but there was no local Colony,' says Liz. 'Because our eldest three children were reaching Beaver Scout age, we realised that the only way to let them experience Scouting was to take action ourselves. Jude's husband is the local Assistant Cub Scout Leader and he suggested opening a Colony.'

'It was a big challenge as none of us had been Beaver Scout Leaders before. None of us could commit fully to the responsibility of the section leader, so after speaking with our Group Scout

Leader decided to all become joint leaders, with one as the leader, one assistant leader, the parent helper, and the fourth acting carer for the seven younger siblings. It is run on a rotational basis. 'One person will provide childcare and feed the younger children at their house while the other three run the meeting. One will act as leader every four weeks. This means planning activities and games for the evening. And you act as leader only once every four weeks.'

'Our Beaver Scouts meet on a Monday evening, so on the Saturday the acting leader for the following week will send round a list of the games and activities, along with jobs for the two "assistants". This could be anything from buying crafts to organising food.'

'It works because we all have different skills and not one of us was keen on being the sole leader. It's an easy way to split our time and takes away what we all felt would be a daunting prospect of being fully responsible for the role.'

'The support out there is great, both locally and nationally. We've had an enormous amount of support from our Executive committee. 'They raised the funds for us to do our training course' (which we all did together!).'



Increasing our support to Group Scout Leaders and District Commissioners

What we said we'd do

- Increase support to Group Scout Leaders and District Commissioners, our volunteer managers who in turn support local Scouting.

What we did

- Delivered Group Scout Leader and District Commissioner forums.
- Increased the number of locally employed Development Officers (part funded by our Development Grants Board.)
- Improved communications to Group Scout Leaders and District Commissioners through a targeted weekly email.

How we did

- 🔦 We now have nearly 100 more Group Scout Leaders than last year.
- 🔦 Refocussing the priorities of Group Scout Leaders and District Commissioners allows them to concentrate on supporting local Scouting.

Our next steps

- Continue to increase support to Group Scout Leaders and District Commissioners and to include an enhanced induction for all District Commissioners.

Providing better programme support

What we said we'd do

- Provide more materials for leaders to access what they want when they want.

What we did

- We uploaded 1,000 programme ideas to Programmes Online.

How we did

- 🔦 Volunteers can now access 34,533 activities at the click of a mouse. (www.scouts.org.uk/pol)

Our next steps

- Provide support for the areas of the programme that leaders find most challenging to deliver – Faiths and Beliefs and Global issues.



Our Scouting Journey

CUB SCOUTS

8-10 ½ years



The second step in the journey, and one where young people can experience week-long camps, develop leadership skills as a Sixer and undertake challenging activities.

Nine-year-old Rebecca has become the first girl Cub Scout to earn all 33 activity badges, and the youngest ever to do so.

Activity badges are designed to further develop a young person's skills or interests and Rebecca used it as an opportunity to try out new things. It took the determined Cub Scout little more than a year to earn them all, averaging two a week. She mastered activities ranging from astronomy to animal care and DIY to martial arts.

'I wanted to achieve my Chief Scout's Silver Award, the highest one in Cub Scouting, so decided to go for all the badges available.' After looking after her family's pets for the Animal Carer Activity Badge, she's decided she would like to become a vet.

She worked on most of the badges during her summer holiday. For the Air Activities badge, she took her first flight in a small private aeroplane, which was organised by her stepfather, who has a private pilot's licence. She also attended judo lessons, made a computer desk, cooked her family a roast dinner, repaired a puncture on her bicycle, visited a synagogue, learnt how to read a map, sail a boat and tidy up her local churchyard.

Towards 2012: A Youth-led Movement

5. HELPING YOUNG PEOPLE BE THE VOICE AND FACE OF SCOUTING

Young people are at the heart of everything we do, and it makes sense that they are the ones who shape Scouting and communicate what we are about. As a Scout journeys from a six-year-old Beaver Scout to an adult leader, we want them to be involved in decision-making at every stage



Helping young people speak out

What we said we'd do

- Promote the value of our Young Spokespeople by providing training and supporting Counties needing support with media work.

What we did

- Over the year, we ran five Young Spokespeople courses, with 120 Young Spokespeople trained.

How we did

- With over 100 more Young Spokespeople than last year, more young people than ever appeared on news channels, websites and in print, discussing the benefits of Scouting.

Our next steps

- Further develop the network of Young Spokespeople.

Working for all young people

What we said we'd do

- Provide our young people with both the opportunity and confidence to make their voices heard.

What we did

- Ran workshops at three Party conferences, with follow up constituency visits. Scouts from all over the UK met Liberal Democrat, Conservative and Labour MPs.

How we did

The events were a unique opportunity for young people to directly engage with decision makers on the matters that impact their everyday life. Nearly 60 MPs and 80 young people participated.

- Following the event a report called *Hoodies, Binge Drinkers, Future Leaders? Do Politicians Really Know What Young People Think?* was published and mailed to all MPs and participants. Scouts then visited the House of Commons to meet with MPs to discuss the report and the main issues raised from the workshops.

Case Study

In the spotlight

When we announced our record census results, Lucy, a 16-year-old Explorer Scout who had recently completed her Young Spokespeople training, was the face of Scouting over two days.

From Bedfordshire, she joined Chief Scout Peter Duncan on *BBC Breakfast* to discuss our results. 'It was terrifying but afterwards I loved it.' Lucy told presenters why she enjoys Scouting so much: 'Scouting rocks – I love being involved in it.'

'I joined because I wanted to try new things and make new friends, and I've now been involved for six years. There are more girls than boys in my Unit and we all do some amazing activities and events – I'd definitely recommend it to other people: girls and boys!'



Our next steps

- We will be asking the relevant Government departments to respond to the policy suggestions put forward by our Members.
- Secure funding to enable similar events across the UK as part of a major active citizenship project in the run up to the next election.

Taking on leadership roles

What we said we'd do

- Improve the transition from an Explorer Scout Young Leader or Scout Network Member into adult leadership roles.

What we did

- We produced an *Options at 18* leaflet to highlight opportunities to Explorer Scouts and Scout Network Members.
- We further promoted the Young Leader Scheme for Explorer Scouts. The scheme provides leadership training opportunities for our 14-18 year olds. This included updating the resource *Explorer Scout Young Leaders' Essentials*.

How we did

- 🔦 500 Young Leaders completed their training.
- 🔦 Explorer Scout and Scout Network numbers are both up on last year. We have 5% more Scout Network members.

Our next steps

- Implement the actions arising from the agreed Vision for Youth Involvement.
- Increase the number and role of young people in decision-making at all levels in the organisation by ensuring:
 - All Counties/Regions/Areas appoint at least one young person to their Executive Committee and one as a Nominated Youth Representative on the Council of the Association.
 - Our youth engagement initiatives impact across all levels of the organisation, including BYC, Young Spokespeople, the Programme and Adult Support.

A youth issue

To celebrate Takeover Day 2008 we invited nine young Scouts aged between 12 and 21 to edit the December/January 2008 *Scouting* magazine.

The Scouts started work on the magazine in August 2008, controlling every stage of production from initial ideas about content through to the design and layout of the magazine, which they worked on with the publishing company.

They tackled issues such as sexual health, faith and knife crime but also looked at planning and communication within Scouting.

Alec, 15, was one of the young editors. 'We set out to explore issues that are relevant to Scouts today, and focus on how youth members and adult leaders can work together to improve their Scouting.'

'It was a fantastic opportunity for us to share experiences, as we turned 84 blank pages into a magazine packed with articles, photos and contributions all from young people.'

'Soon it was hitting doorsteps across the country, and we had the chance to see our views in print! After receiving lots of feedback, I hope that even more Scouts will have an opportunity like this in the future.'

From our publishing partner

'Think has been producing magazines for almost ten years, but the youth-led issue was a milestone. The young editors involved showed flair, good judgement and imagination in their approach and delivery. The idea to do it was unique and a great way for an organisation to practise what it preaches – the magazine was a genuinely youth-led moment.'

'As magazine publishers it was reassuring to see that in a digital age, print is still revered and admired, and that editing a magazine continues to inspire and reward in equal measure.'

Polly Arnold, Managing Director,
Think Publishing



Towards 2012: A Relevant Movement

6. BEING RECOGNISED AS A MODERN AND RELEVANT MOVEMENT

Scouting may be over 100 years old but today's Scouts are as content doing street sports, rock climbing and pot-holing as they are climbing, hiking and camping. By the end of 2008, our politicians, media and communities were left in no doubt that Scouting is stronger and more relevant than ever



Advocating for all young people




What we said we'd do

- Enable The Scout Association to be seen as an advocacy organisation and as a leading voice in the voluntary sector.

What we did

- We provided evidence to the Parliament's Home Affairs Select Committee on how Scouting can help inner city young people avoid getting involved in knife crime.
- Developed the network of Scouting Ambassadors.
- Launched an e-activist survey online at www.scouts.org.uk to engage with Members interested in taking action.
- Regular Media Development Manager (MDM) briefings were provided.

How we did

-  The volunteer MDM network was expanded and trained; work is in progress to identify and fill gaps in local appointments.
-  The e-activist survey was successfully used to engage with UK MEPs. Over 100 Members have registered their details.
-  We increased by 10% the positive national and local media coverage and airtime about Scouting.

Our next steps

- Increase engagement with relevant government policy developments, both nationally and locally.
- Further develop our collaboration with the organisers of the 2012 Olympic and Paralympic Games.
- Research future trends in childhood and adolescence, exploring the concept of 'community' and the impact of technology.





What we said we'd do

Contribute to an improved perception and profile of adult volunteering.

What we did

- Following six months of research, The Morgan Inquiry report was published in June 2008. With significant input from The Scout Association, it includes recommendations for a flexible day off to encourage volunteering, an 'industry standard' award scheme to acknowledge skills developed through volunteering and better signposting of voluntary opportunities.

How we did

-  The report received cross-party support. The recommendations were accepted by the Minister for the Third Sector, and Oliver Letwin MP, Chair of the Conservative Party's policy review also referenced the findings. The report was also debated at Cabinet Office questions.
-  The Secretary of State for Department of Work and Pensions instructed Accenture to conduct a feasibility study of the report's recommendations into volunteering as a route to work. James Plaskitt MP, as Minister responsible for Jobcentre Plus, amended the guidance to Jobcentres to actively encourage volunteering in their jobseekers' guidance.
-  Volunteering England began the process of forming a Volunteering Action Group across the Third Sector while Department of Communities and Local Government announced a consultation on developing volunteering best practice including examining the case for widening the volunteer posts which attract statutory time off work.
-  The report is delivering real policy change that will benefit the entire Third Sector.

Our next steps

- Continue to build on the success of the past year and further promote policy change.

Reviewing KidsOutdoors

What we said we'd do

- Support and deliver the Association's over-arching campaign 'KidsOutdoors'.

What we did

- KidsOutdoors events were held to promote the benefits of outdoor activities.

How we did

- After an initial high level of activity, and 300 adults and young people recruited, the purpose and outcome of the campaign is being reviewed and refocussed.

Our next steps

- Complete the review focussing on profile, recruitment and fundraising.

Case Study

Campaigning for cheaper water rates

During 2008 we became aware that the water regulator Ofwat had instructed water companies to use a new way of charging Scout Groups for the drainage of water that falls on their property.

We estimated that this could cost every local Scout Group an additional £500 or more every year, regardless of the amount of water they use. We decided to take action.

In November 2008 we launched our 'stop the rain tax' campaign, to call for an exemption from these charges for community and voluntary groups like Scouting, churches and sports clubs.

The campaign has already secured substantial victories, including a moratorium on these charges in the north-west and questions in the House of Commons about these charges and the conduct of Ofwat.

An Early Day Motion in parliament supporting the campaign and calling for a social tariff for water charges has been signed by over 70 MPs.

A ten-minute rule bill was heard in parliament on the need for an exemption for community and voluntary groups for these charges.

We will continue to campaign for a reversal of these charges for community and voluntary groups or a social tariff scheme. We will also communicate with every Scout volunteer, parent and leader to help galvanise support by mail and email.



Projecting a modern image

What we said we'd do

- Project a positive and modern image of Scouting.

What we did

- Produced a new series of Scout TV, called *Everyday Adventure*. This TV series is the first time we have used the Community Channel to help communicate directly with current adult volunteers and the parents of youth Members and potential Members about what Scouting is and what we do. The series of six programmes was broadcast on the Community Channel and was also available on iTunes.

How we did

- The TV series was seen by almost 20,000 viewers on the Community Channel and downloaded from iTunes 1,000 times.

Our next steps

- Identify further Scout TV opportunities.

What we said we'd do

- Create a new single visual identity that is inspiring, instantly recognisable and consistent in tone.

What we did

We developed a new set of colours, chose a new font and came up with a simple set of rules that help make our resources more easily recognised.

How we did:

- The new visual identity has defined the look of all our external facing resources and publications.

Our next steps:

- Roll out the new visual identity across all resources.
- Develop an online and easy to use publications template toolkit for Members to use to publicise events and Scouting locally in our new visual identity.



Big badges for big stars

To mark our 101st birthday in 2008, we decided to do something a bit different. We presented giant badges to celebrities with Scouting skills.

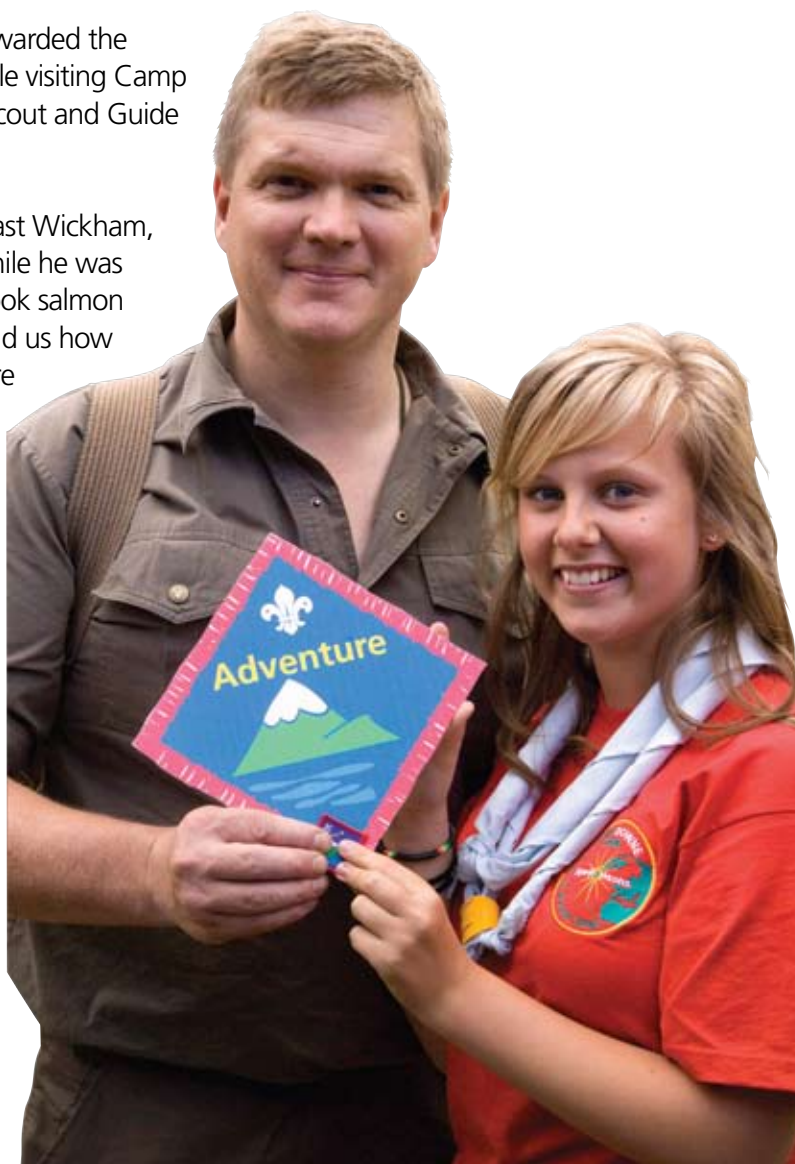
Top Gear driver The Stig joined Jamie Oliver, Alexa Chung, Ewan McGregor and Ray Mears in being awarded a Scout badge.

Amy Brunson, a 17-year-old Explorer Scout from Reading, who sat on the Scouting Birthday Honours Panel, said: 'We chose to honour these individuals as they were all mentioned as having inspired us and our friends to learn new skills and try new activities.'

'Their achievements over the last year were judged to reflect the skills and knowledge required to achieve a Scout badge.'

Survival expert Ray Mears was awarded the Adventure Challenge Badge while visiting Camp Downe 2008, an International Scout and Guide Camp in Kent.

Chloe, an Explorer Scout from East Wickham, awarded him with the badge while he was showing some Scouts how to cook salmon on an open fire. She said. 'He told us how Scouting's belief in fun, adventure and outdoor activities is very much his own too and it's great to see an organisation encouraging young people.'



Our Scouting Journey

SCOUTS



10 ½ -14 years

The Scout Troop is the third and final section in the Scout Group. Participation rather than meeting set standards is the key approach. Scouts find out about the world in which they live. The international aspect gives the section a special appeal and many Scouts will travel abroad during this time.

Emily had a traumatic childhood. Now a confident teenager with a positive outlook, she credits Scouting with changing her life

When Emily was six her parents split, and a five-year custody battle followed, where it emerged that she had been abused. Those five years were very stressful for her and her behaviour suffered. It was only when she was old enough to make up her own mind, that she could choose to go and live with her mother.

Her mother has since remarried, and the family moved to South Wales, where Emily was encouraged to join a new Group that had opened. The Group was created after a development need was identified. There had never been a Scout Group in the village and the nearest one was miles away, so few young people could attend.

‘When we moved here I tried many things, with the help of my mum – swimming clubs, dance clubs, but never really felt that I fitted in,’ says Emily.

‘The group opened at the same time we moved and everyone was new, even the leaders, so we

were all learning Scouting together. I went along for about six weeks and decided to give it a go. The adults and people my age were really friendly and welcoming.

‘We’ve done many things and I’ve learned a lot, such as cooking outdoors. I have been taught to navigate using a map and compass and have done several hikes. I attended the All Wales Scout Camp, which was brilliant and met many other Scouts from all over the country. I have been to archery events and can now kayak. The last two years have been really fun.

‘Scouting really does change your life; I am more confident now in myself and am able to pass on all the skills I have gained to the younger Scouts joining the Troop.

‘It gave me the opportunity to do things and learn new skills, as well as to make many new friends. I would never have done any of this if I had not been persuaded to give it a try.’

Towards 2012: A Sound Movement

7. MAPPING OUR FUTURE

We believe Scouting should be accessible to every young person in the UK, regardless of their background or economic situation. This is why we strive to keep the cost of Scouting low and support to volunteers high. This was made possible again by a big year of successful fundraising and trading



Fundraising for the future





What we said we'd do

- Further develop high value fundraising and commercial partnerships.
- Improve institutional giving to the Association.
- Establish a legacy fundraising campaign.

What we did

- Created the Association's first ever continuous campaign by establishing the Scout Fellows Programme.
- Focussed on increasing the number and value of donations from commercial partnerships.
- Improved and expanded our approaches to grant giving institutions.
- Set up a national legacy campaign and mail-shots following input from Member focus groups held across the UK.

How we did

-  We now have over 50 Scout Fellows.
-  The number of commercial partners rose from 17 to 26, securing almost £400,000 for Scouting through badge and event sponsorship (such as The Big Adventure).
-  Received over 40 new legacies and received another 40 enquires.
-  Institutional giving secured over £1m+ donations and support.

Our next steps



- Establish a national legacies programme through the marketing and training of local Volunteer Legacy Officers.
- Secure financial support from an additional ten Trusts and Foundations.
- Develop a strategy for licensing and for other active exploitation of our intellectual property and trademarks.
- Further expand the Scout Fellows and commercial partnerships programmes, despite the challenging economic climate.

Supporting local fundraising

What we said we'd do

- Provide high-quality support to local Groups and develop new fundraising initiatives that benefit them.

How we did

-  More than 50 local fundraising workshops were carried out throughout the year. They were attended by over 2,000 adults in Scouting.
-  New fundraising web packs have been prepared and articles included in our membership magazine, *Scouting*.

Our next steps

- Continue to provide much improved quality support to local Groups to maximise their income.

Funding local projects


What we said we'd do

- Develop a simple building grants scheme for local Groups to access.

What we did

- A sum of £400,000 was set aside for grants, as part of the pilot project.

How we did

-  Nine Groups benefited from the scheme. From the shortlist of 14, the Board selected the nine projects to receive a building grant, each of varying nature and scale, including inner city and rural locations, new build, refurbishment and extensions, as well as special needs and Sea Scout Groups.

Our next steps

- A full report on the pilot project will be completed by summer 2011.

Grants for growth

- Fundraising nationally helps support Scouting locally. There has always been a number of grants available but the system was complicated and confusing for some.
- We simplified this, creating a one-stop shop for national Headquarter's Grants, in the form of the new and improved Development Grants Board.
- In September 2008, the Development Grants Board launched a pilot project to provide building grants to local Groups for the refurbishment of meeting places that would support the further growth of Scouting locally.

Leader Jayne Milne's Group now meet in a refurbished building, thanks to the new grant. 'I knew there was an old Scout building nearby that had been lying idle for a number of years and managed to negotiate the lease. The roof was leaking and it needed a lot of work, but everyone put up with it. Our new Group Scout Leader, Paul, spent most of his time filling in grant applications, and we had some success – but it was not until the Development Grants Board wrote to say we had £68,000 that we made the real breakthrough. Now we are repairing the roof and installing heating and hot water so we can provide a decent place for our Beavers, Cubs, Scouts and 18 Explorer Scouts.'

It can help cover the costs of camps, uniforms, travel to events, training equipment and trainer support

Our trading subsidiaries

SCOUT SHOPS

Scout Shops is a place where everyone can shop for all their Scouting needs and outdoor equipment.

Because all Scout Shops profits are returned to Scouting, another growth year means more support for local Scouting.

Looking cool

What we said we'd do

- Launch a range of non-uniform clothing for young people and adults in Scouting.
- Begin a five-year rolling cycle to refresh our uniforms for both youth and adult members. The current uniform was designed in 2001 with a focus on practical activity wear. Still popular and highly practical, it is now time to update and refresh elements to retain a modern look and feel.

What we did

- Developed a range of hoodies, T-shirts and polo shirts in conjunction with Members. The range was created to be ideal for activities and informal events, while following the look and feel of the new Scout visual identity.

How we did



Launched in June 2008, initial take up of the i.Scout clothing was strong. In less than one year, i.Scout products already account for 8% of all searches online at www.scouts.org.uk/shop.



The uniform refresh is in its early stages but feedback to date is very positive.

Our next steps

- Further promote the current i.Scout products and investigate options to expand the range.
- Implement stage two of the uniform refresh.

Looking after our Members


What we said we'd do

Continue to deliver a higher level of service to our 500,000 Members.

What we did

- We targeted the right products to the right people, through *Scouting* magazine, section supplements, our online weekly newsletter and catalogues to District Scout Shops and local retailers.

How we did

-  During the year we continued to improve the level of service offered to our Members, with a very low level of customer complaints. This helped deliver profits of £2 million and build on the success of the last two years.

Helping the public to Scout for outdoor equipment


What we said we'd do

Build on the launch of our online brand www.outdoors.co.uk – selling a range of outdoor camping and equipment products to the general public. All profits are channelled back into Scouting so buying on www.outdoors.co.uk means investing in Scouting.

What we did

- www.outdoors.co.uk, managed by our Scout Shops team, had a strong presence at the annual Outdoors Show at the NEC in March 2009. We also developed a marketing strategy, with advertisements placed in outdoors magazines and a monthly customer email newsletter, announcing offers, news and promotions.

How we did

-  Public awareness and sales are increasing but growth is much slower than planned, partly due to the economic downturn and the scale of competition in this market.

Our next steps

- Continue to build on the positives of the past year and develop a more focussed marketing strategy.

New clothing range

- The new clothing range is a simple, yet powerful statement and great for telling the public who we are. Indeed, the range was all over the news, as our new Chief Scout wore the hoodie during a day of interviews following the announcement of his appointment.

'I absolutely love the hoody. Really modern. Really cool. We all loved them!'

Dannie, Explorer Scout and product tester



Case Study

UNITY INSURANCE SERVICES

Our subsidiary insurance broking company, Unity, specialises in providing cover for all Scouting-related needs and other charities' insurance needs.

From insuring a Scout building, to sorting out travel insurance, volunteers need peace of mind as well as good value. Last year saw some significant changes to the company, in order to help build a successful future.

Insurance for the charity sector

What we said we'd do

- Develop new insurance products for Scouting volunteers.
- Establish the supply of insurance broking services with at least one other major not-for-profit youth organisation.
- Increase the company's financial contribution to Scouting.

What we did

- A new managing director was appointed, with a view to focussing on new business development.
- A survey with Scouting volunteers helped to determine the best arrangements for a new policy for mini-bus cover.

- Updated and revised some existing Scout insurance policies to meet identified needs.
- Implemented 'Treating Customers Fairly' policies and procedures.
- Developed proposals for new business from other not-for-profit youth organisations.

How we did

- 🔥 The team successfully won the contract to provide insurance cover to GirlGuiding UK, a major success for the business.
- 🔥 The new mini-bus cover, exclusive to Scouting, received very positive feedback and initial take up.
- 🔥 Due to management change and a refocussing of the strategy, the financial contribution to Scouting did not meet targets. We expect the above changes to start increasing contribution during the second half of 2009.

Our next steps

- Increase contributions through successfully developing quality and good value policies for The Scout Association, GirlGuiding UK and other charities.



NATIONAL CENTRES

We manage and operate four national Scout Activity Centres, which run tailored educational and activity programmes for all youth groups, not just Scouts.

Last year saw more young people visit us for an activity day, or residential weekend. Our two conference centres continued to deliver more conferences to businesses and not-for-profit organisations.

Providing great facilities

What we said we'd do

- Develop and implement new national centres business plans.
- Increase support to local Scout Activity Centres.
- Increase usage and income across all centres.

What we did

- Improved the quality and delivery of educational programmes, by adapting the programmes to meet the National Curriculum.
- Opened two new accommodation units at Hawkhurst and Gilwell Park Scout Activity Centres.
- Established the National Centres Advisory Board.

How we did



There was continued growth in the overall turnover and financial contribution from the centres on a 'like for like' basis, after excluding the impact of Scouting's Centenary activities. This is very positive news, especially during a recession.

Our next steps

- Continue to develop and implement business plans for all our centres.
- Develop and implement management plans for the Association's property portfolio.
- Increase support to local Scouting in managing Scout premises safely.



Supporting our staff

Our 250 staff support our 100,000 volunteers. As in Scouting, there is a wide range of skills, specialisms and knowledge. Whether it's George in our Information Centre, Qurat in Finance or Rosie in Adult Training, we value our team and want to ensure they have the right skills to meet the needs of our services.

Riding the recession

What we said we'd do

- Develop sound management of finances, assets and business systems throughout the organisation, supporting executive and administrative functions.
- Implement an IT strategy to help streamline workflows.

How we did

-  Implemented a new financial reporting tool to enable managers to improve their financial management of their areas of responsibility.
-  Focussed on improving management and appraisal skills and started work on the introduction of a new framework for staff development.
-  The IT strategic review was completed and we are in the early stages of implementation. We expect noticeable impacts of the strategy in the third quarter of 2009 onwards.

Our next steps

- Retain a productive and inspired workforce by developing and implementing a modern HR strategy and enhancing communication across the charity.
- Continue to implement the system changes identified in the IT strategy.

Strengthening the volunteer leadership and management of the organisation

Scouting is run by volunteers at every level of the organisation. Over the last five years Peter Duncan has led the Association as our ninth Chief Scout, and has played a significant part in projecting Scouting's relevant and modern image. In his voluntary role he represented Scouting during our Centenary year, reminding people that Scouting is a safe and exciting activity, transforming us into a growing organisation for four consecutive years.

A new Chief Scout


What we said we'd do

- Recruit the tenth Chief Scout, our head volunteer of Scouting, to succeed Peter Duncan whose five-year tenure ended in July 2009.

What we did

- The Committee of the Council was responsible for searching for suitable candidates for this voluntary post. It looked for someone who had the skills, profile and spirit of adventure with the same values of 21st Century Scouting.
- During the research it was concluded that while the Chief Scout post would be predominantly external facing, a new post of UK Chief Commissioner should be created to work in partnership with the Chief Scout. The UK Chief Commissioner takes responsibility for volunteer leadership in the Association.

How we did

-  TV Adventurer Bear Grylls was officially appointed Chief Scout at the Council meeting in May 2009.

Already Bear has had significant impact on our profile and during the week of the announcement of his appointment we received a 400% increase in adults signing up on our national 'Want to join' area on www.scouts.org.uk.

Wayne Bulpitt has been appointed to the role of UK Chief Commissioner, which will carry with it Trustee Board membership.

Our next steps

- Continue to strengthen the volunteer leadership and management of the organisation through the work of the UK Leadership Team of the Chief Scout and the UK Chief Commissioner.

'Why every child has the right to adventure'

We are proud that Bear Grylls is our tenth Chief Scout, providing inspiration for our half million Members, taking us forward over the next five years. Bear will be the youngest ever Chief Scout.

He first got involved in Scouting aged eight as a Cub Scout and attributes his times as part of the inspiration behind his adventures presenting TV shows such as *Born Survivor*: 'So much of who we are as an adult is formed when we are kids,' said Bear.

'Every child has the right to adventure. Life is about grabbing opportunities. The prizes don't always go to the biggest, the best and the strongest – they go to those who persevere. These are simple lessons that Scouting teaches people.'

Working together for Scouting

Working in partnership with Bear is volunteer Wayne Bulpitt, who takes on the role of UK Chief Commissioner. Wayne will take responsibility for volunteer leadership:

'I am delighted to have been invited to take on this position at such an exciting time,' said Wayne. 'The success over the last few years means that we are all well placed to make the most of a high public profile and fulfil our vision of providing personal development and exciting opportunities to increasing numbers of young people.'



Case Study

'I hope I can use this post to encourage masses of adults in the UK to volunteer as leaders. We have more people wanting to join than there are places available.'

An organisation fit for the future


What we said we'd do

- Implement governance changes at national level.

What we did

- The Council of The Association received revised proposals for governance changes at its September 2008 Annual General Meeting.

How we did

-  The proposals were agreed and new Bye Laws were adopted. The changes were approved by the Privy Council in April 2009.

Our next steps

- The first new members of the renamed and restructured Board of Trustees will be elected in September 2009. The transition arrangements to the new structure will be completed following the Annual General Meeting in 2011.



Our Scouting Journey

EXPLORER SCOUTS

14 – 18 years

Expeditions, community-based works and developing specialist skills are all a big part of Explorer Scouting. The Young Leaders' Scheme for Explorer Scouts gives teenagers the chance to work with the younger sections. Over 1,000 14-18 year olds joined the scheme in 2008, taking our total number to 8,500.



Explorer Scout Michael from Birmingham has recently completed his Young Leader training.

'I get a lot out of Scouts – If I wasn't here, I'd be staying at home watching TV. I became a Young Leader at 16, helping out at Cubs every week. I generally help run games, show them how to tie knots and teach them all the skills I have learned as a Scout and Explorer.'

'I use Scouting to develop my own skills and I try and contribute to the Group in as many ways as I can. As being a Scout has done so much for me I wanted to give something back to the younger kids by helping. I've just turned 18 so have become an Assistant Beaver Scout Leader. I've been helping out as Young Leader for three years so I was more than ready to take on a full leadership role. The timing was good as well as the Colony's leader was moving out of the area.'

I'm definitely much more confident from it and my non-Scouting friends think it is quite cool actually.

'I still go to Explorers and I love learning all the outdoors skills. We live in inner city Birmingham but have a great green outdoor space, where we do all our activities.'

'I'm also working towards my Gold DofE and Queen's Scout Award and I am preparing for my final expedition. I did a practice hike in the Peak District, soon we're off to Snowdonia for our qualifying Queen Scout's and Gold DofE hike.'

'We received a grant for the week-long expedition. I know me and a few others wouldn't have been able to afford it otherwise.'

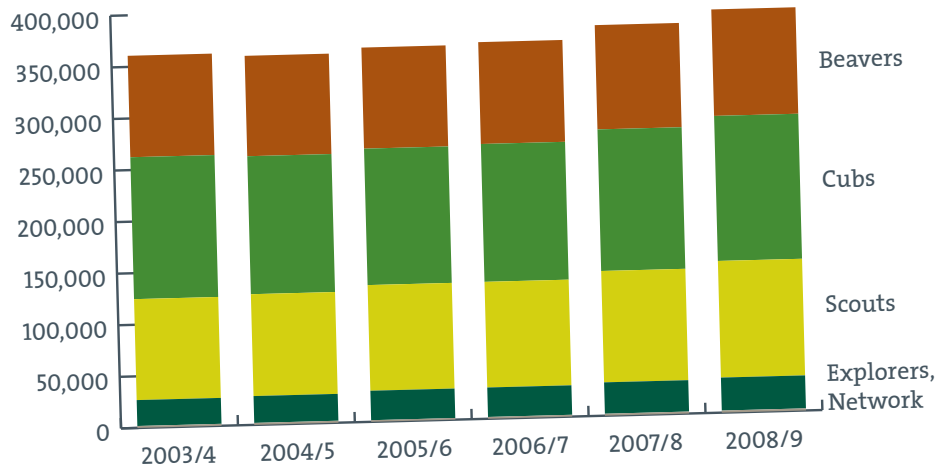
8. HOW WE'VE GROWN

Scouting has grown for the fourth year running. Adult volunteering is increasing at the fastest rate for 23 years and there are now just as many girls as boys joining the Movement. Every one of our age ranges grew, with Explorer Scouting for 14-18 year olds seeing its biggest ever increase since it was introduced in 2001

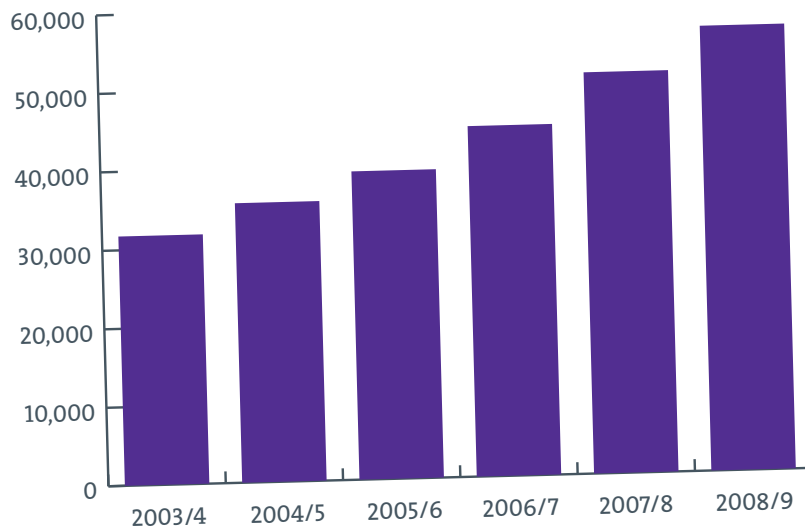
Membership



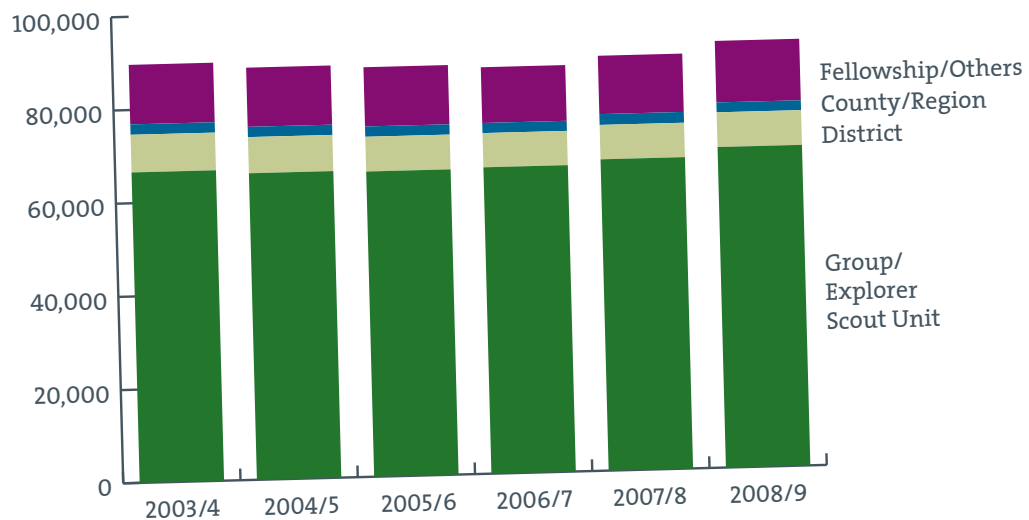
Membership – young people



Female membership – young people



Adult membership



2007/8

2008/9

Our census of membership for year ended 31 March 2009

	Male	Female	Total
YOUTH MEMBERSHIP			
Beaver Scouts	91,040	12,186	103,226
Cub Scouts	124,113	16,508	140,621
Scouts	94,264	18,794	113,058
Explorer Scouts	23,488	8,460	31,948
Network members	1,319	729	2,048
TOTAL YOUTH MEMBERSHIP	334,224	56,677	390,901

LEADERSHIP			
Section leaders	26,974	22,685	49,659
Sectional Assistants and Skills Instructors	7,134	6,397	13,531
Group Scout Leaders	4,114	1,466	5,580
District Skills Instructors and Advisors	677	171	848
District Scouters	603	326	929
Commissioners in Districts	1,653	849	2,502
County Skills Instructors and Advisors	476	112	588
County Scouters	226	129	355
Commissioners in Counties	487	174	661
TOTAL LEADERSHIP	42,344	32,309	74,653

ORGANISATIONAL SUPPORT			
District Administrators	643	650	1,293
District Office Bearers	1,234	644	1,878
County Administrators	141	112	253
County Office Bearers	210	54	264
Scout Fellowship	4,557	3,593	8,150
Individual Members and Associate Members	2,843	2,211	5,054
TOTAL ORGANISATIONAL SUPPORT	9,628	7,264	16,892

TOTAL MEMBERSHIP	386,196	96,250	482,446
Members	385,113	95,191	480,304
Associate Members	1,083	1,059	2,142

STATISTICAL INFORMATION			
Young Leaders	5,685	2,768	8,453
Network members (recorded elsewhere)	1,751	813	2,564
Total Network members	3,070	1,542	4,612

UNITS			
Beaver Scout Colonies			6,862
Cub Scout Packs			7,790
Scout Troops			6,735
Explorer Scout Units			2,141
Local Scout Networks			317
Scout Fellowships			808

Groups			7,244
Districts			814
Counties/Areas			93

Our Scouting Journey

SCOUT NETWORK

18-25 years

The Scout Network is for 18-25 year olds. Many will have leadership roles in other sections, but will use being a member of a Network to continue their development through Scouting.



The Queen's Scout Award is the highest award in Scouting that a young person can achieve. Not just for personal development, the award is widely recognised and well-regarded by tutors and employers. Samantha Slingsby has used it to help progress her career.

'I have always enjoyed canoeing, from an early age, so decided to do this as my skills element of the Queen's Scout Award. We canoed the Ardeche in France in open-top Canadian canoes.

'I had to gain my two star qualification and be at a three-star level. I would train with my team at weekends on local canals and rivers.

'It was a brilliant experience but hard work. On the Ardeche, the water level was extremely low which meant that through many of the rapids we had to get out the boats and push and drag them along!

'The progression through the 12 months was hard work but definitely worth it. If I did not take on the extra training at the local paddling club then

I wouldn't have had the confidence and experience to take on the challenge. I was also able to learn extra techniques that have helped me since the trip.

'Completing the training and expedition has given me a huge amount of confidence which I have used within my personal development and within my career. Without the confidence I have gained, I would not be able to progress through my chosen career of finance and accountancy.

'I've learned that you need to work hard to achieve things and it has driven me to complete my AAT Accountancy qualification and to want to carry on with additional studies towards completing ACCA qualification.'

9. OUR FINANCES

The Association's Accounts have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' introduced in 2005, more commonly referred to as the Charities SORP



Overview

2008/9 was a successful year in many ways for the Association, including the financial performance of most of the operational activities. Like for like net income growth was achieved at the National Activity Centres, Conference Centres, Scout Shops and Scout Insurance (Guernsey) Limited. With support and overhead costs remaining well controlled this allowed for increased charitable expenditure in core operational activities and grants while still achieving an operational surplus of £0.7m. This strong performance was achieved in a year where the volatility in the financial markets resulted in a significant decline in the value of both the Association's and the pension scheme's investments. Overall this caused a decline of £6.9m in the Association's reserves. However, both the Association's and the pension scheme's investments are long term and the Trustees expect the value of these investments to recover in the future.

To fully understand the Association's financial performance in 2008/9 it is necessary to first think back to the previous year. 2007/8 was an extraordinary year for the Association from a programme perspective, from a profile perspective and from a financial perspective. It encompassed most of Scouting's Centenary events and activities including the 21st World Scout Jamboree, Live 07, Brownsea Island 1st August celebrations, Centenary Camps, Reunion 57, Join-In-Centenary, Jamboree Home Hospitality and much more around the UK. This resulted in a near doubling of both incoming resources and expenditure. The financial impact was most apparent in terms of income from and expenditure on charitable activities although it also had a significant impact on retail sales and costs, donations, commercial income and related fundraising costs.

It is against this background that the 2008/9 results need to be assessed. There was an expected significant reduction in overall income and expenditure with the impact seen across most categories. Where possible the income and expenditure directly attributable to Scouting's Centenary events and activities has been separately identified and the following commentary focuses on achievement compared with expectations and like for like comparisons.

Financial results

The Association's financial result was an operating surplus of £0.7m in the year compared with the previous year's surplus of £9.2m. The unrestricted operating surplus, before transfers and recognised gains and losses, was £0.9m whereas the restricted deficit was £0.2m.

	2009 £m	2008 £m
Net unrestricted incoming resources before 'one-off' items	0.6	1.2
Net restricted outgoing resources before 'one-off' items	(0.2)	0.3
Surplus on disposal of assets	0.7	1.6
Special pension contributions	(0.2)	(4.0)
Movement in pension scheme deficit recognised in resources expended	(0.2)	3.9
Net Centenary income/expenditure	0.0	6.2
Net incoming resources	0.7	9.2
Net (losses) on investment assets	(2.8)	(0.9)
Actuarial (losses)/gains on defined benefits pension scheme	(4.8)	2.3
(Decrease)/Increase in funds	(6.9)	10.6

The operating results in both 2009 and 2008 include several one off items: £0.2m (2008: £4.0m) special pension contributions, £0.2m (2008: £3.9m) movement in the pension scheme deficit, £0.7m (2008: £1.6m) surplus from asset disposals and £0.0m (2008: £6.2m) net Scouting Centenary income. The net unrestricted income before these 'one-off' items was a surplus of £0.6m (2008: £1.2m).

The decline in the value of the pension scheme's investments caused an actuarial loss as measured by Financial Reporting Standard 17 of £4.8m while the extreme volatility and severe decline in world equity and bond markets, particularly in the second half of the year caused an unrealised loss of £2.8m (2008: £0.9m) on investments; resulting in an overall decrease of £6.9m (2008: £10.6m increase) in the Association's total funds.

Incoming resources

Total incoming resources for the year amounted to £24.1m compared with £49.7m last year. Within this decrease of £25.6m, £18.6m is income from charitable activities directly related to Scouting's Centenary charitable activities. In addition, total incoming resources in 2007/8 included approximately £4.3m income from Centenary related grants, gifts in kind and activities for generating funds from retail and commercial activities. National Activity Centre income, Conference Centre income and net profit at Scout Shops Limited and Scout Insurance (Guernsey) Limited were all well ahead of target whereas investment income, net profit from Scout Insurance Services Limited and fundraising income were lower than expectations.

In June 2007 the Committee of the Council decided that the net national membership subscription for 2008/9 should remain unchanged at £18.60 per Member, after a 50p rebate for prompt payment. With the growth in membership this resulted in membership fee income rising by 3.1% to £8.0m.

Donations, legacies and similar income amounted to £1.3m, a decrease of £1.5m on 2008. Legacy income was £0.1m lower at £0.4m following the receipt of some significant legacies in the previous year. Donated services and facilities (Gifts in Kind) were £0.1m (2008:

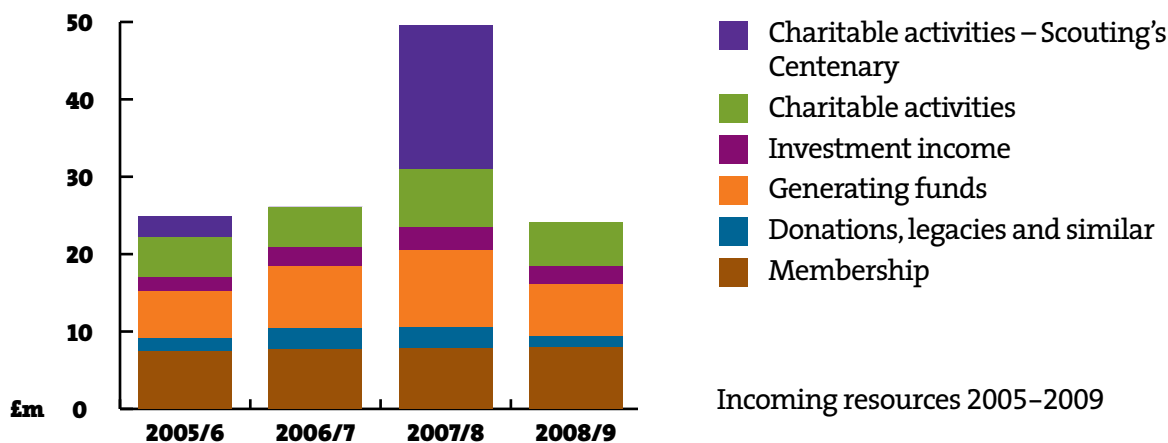
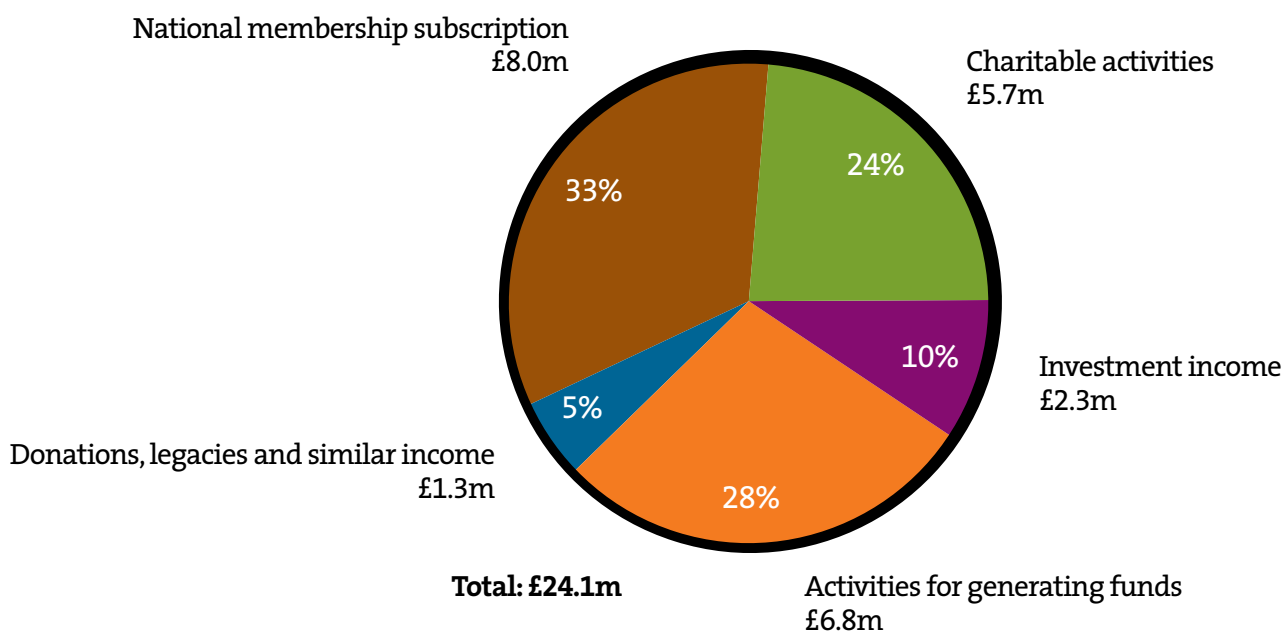
£0.5m) being resource materials linked to commercial sponsor agreements. The 2008 donated services and facilities income was entirely Scouting Centenary related. All other income was £0.4m and was in line with expectations.

Activities for generating funds include the retail sales of Scout Shops Limited, sponsorship and promotional income, together with non-Scouting income generated by Baden-Powell House and Gilwell Park Hotel and Conference Centre. This income decreased by £3.2m to £6.8m with lower retail sales (£2.3m), hostel and conference income (£0.2m) and sponsorship and promotions (£0.7m). The decrease in all categories is due to the exceptionally high level of activity during Scouting's Centenary, and the underlying performance in all categories is positive.

Investment income fell by £0.7m to £2.3m due to the significant reduction in interest rates in the second half of the year.

Incoming resources from charitable activities comprise the income from the sale of goods and services as part of the charitable activities of the Association and of ancillary trades carried on in support of its primary purpose. These include camping, training and accommodation charges at Baden-Powell House, Gilwell Park and the other National Scout Activity Centres. In addition, there are Scout Information Centre sales, insurance commissions earned both by Scout Insurance Services Limited and by Scout Insurance (Guernsey) Limited and the surplus on asset disposals. Incoming resources from charitable activities achieved strong underlying growth and a better than expected financial performance due to a combination of increased usage of the Scout Activity Centres and increased insurance income.

Incoming resources for the year ended 31 March 2009



Resources expended

Resources expended of £23.4m were in line with expectations and were £17.3m less than last year. Within the reduction in total resources expended £16.7m is directly due to Scouting's Centenary charitable activities expenditure in 2007/8 and a further approximately £1.3m to Centenary related retail operating costs. Excluding the impact of the Centenary, resources expended increased by approximately £0.9m with expenditure on charitable activities increasing by £0.5m.

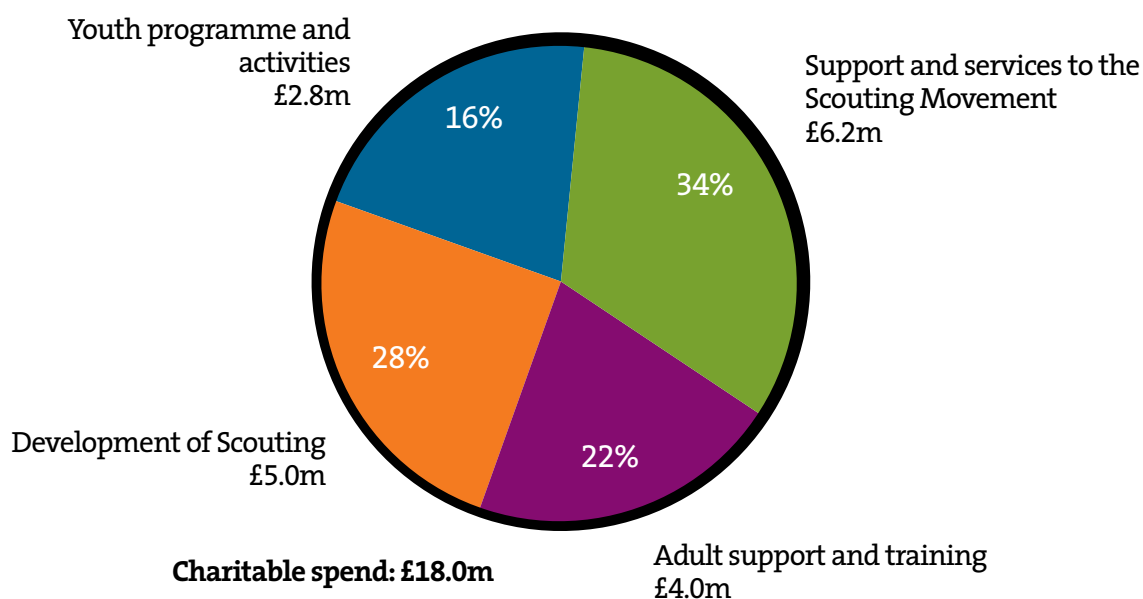
The cost of generating funds of £5.3m was lower than planned due to the impact of favourable exchange rates on the cost of products from suppliers and strong cost control at Scout Shops. Conference, sponsorship and promotion expenditure was £0.2m less than in 2007/8 following the high level of activity during the Centenary year.

Expenditure on charitable activities totalled £18.0m. The expenditure has been analysed under the following headings:

- Youth Programme and Activities (eg revision of Youth Programme Resources)
- Development of Scouting (eg external relations and Regional Development Service)
- Adult Support and Training (eg Members' records and updating adult training material)
- Support and Services to the Scouting Movement (eg child protection, insurance and Information Centre)

Excluding Scouting Centenary expenditure, the £0.5m increase in charitable expenditure was principally focussed on the Development of Scouting and Support and Services to the Scouting Movement with a decline in Youth Programme and Activities.

Our spend on charitable activities for the year ended 31 March 2009



Support costs comprise the expenditure that enables a fundraising or charitable activity to be conducted, but do not in themselves constitute a charitable activity. They include depreciation, irrecoverable VAT, central management, finance, human resources and legal costs. They have been attributed to the costs of generating funds and to charitable activities based on an estimate of staff resources employed in delivering these activities.

Governance costs are incurred in meeting the Association's compliance with constitutional and statutory requirements. They were unchanged at £0.1m.

Losses on investment assets

The losses of £2.8m (2008: £0.9m) represent the difference between the market value of our investment portfolios at the start and end of the financial year.

The Scout Association's funds

The Scout Association's consolidated reserves decreased by £6.9m to £36.5m at the end of the year. A net cash outflow of £1.2m was incurred, mainly due to continued investment in the infrastructure and buildings at Gilwell Park, the other National Activity Centres and the Lancing warehouse. After excluding from consolidated reserves the £15.5m funds invested in fixed assets, Restricted and Endowment Funds of £4.2m, the Pension deficit of £5.9m and funds retained in subsidiaries of £3.8m, the Association's unencumbered funds amount to £13.0m. Out of this amount £7.3m has been set aside into designated funds to meet future calls on the Association's finances, including buildings at Gilwell Park, development of the National Activity Centres, the provision of grants towards attendance at future World Scout events and to further support the future growth of Scouting in the UK.

Volunteers

During the year over 100,000 adults volunteered their time, energy, skills and commitment to Scouting at Group, District, County, Area, Region or National level. This ranged from regularly leading a section meeting, organising a camp, to helping with administration, training future leaders and attending meetings at every level. Without this contribution, Scouting would be unable to offer the wide range of challenging and inspiring activities that ensures that Scouting is the largest coeducation youth Movement operating in the UK today.

Scout Shops Limited

Scout Shops Limited is a wholly owned subsidiary of The Scout Association that is incorporated in England selling Scouting and ancillary products mainly to Members of The Scout Association.

During the year Scout Shops continued to focus on developing its core business and key customer base, the Scout Movement, and offering a higher level of service to our Members.

Turnover in the year totalled £5.4m (2008: £9.1m) and operating costs were £3.9m (2008: £5.9m). The 2007/8 performance includes Centenary and Jamboree related turnover of £4.0m with underlying sales growth in 2008/9 being 6%. The company delivered a profit after taxation of £2.0m (2008: £3.7m) with underlying profit growth being more than 10%. Of the £2.0m profits 85% has been covenanted to the Association and the remaining 15% donated to the Association. With selling prices held static the improvement in underlying profitability was principally due to negotiating improved prices from suppliers and good cost control.

Scout Insurance Services Limited

Scout Insurance Services Limited, trading as Unity Insurance Services, is a wholly owned subsidiary of The Scout Association that is incorporated in England. Its principal activity is that of an insurance broker providing insurance broking services in the main to The Scout Association and the Scout Movement.

In the year to March 2009, Scout Insurance Services Limited generated a profit after taxation of £0.3m (2008: £0.4m). 100% of the profit was covenanted to The Scout Association.

Scout Insurance (Guernsey) Limited

Scout Insurance (Guernsey) Limited is a wholly owned subsidiary of The Scout Association that is incorporated in Guernsey. Its principal activity is that of an insurance captive. The company continues to play an important role in providing the Association with a valuable insurance and risk management tool in an increasingly litigious society as well as enabling the provision of competitive property and equipment insurance for Groups, Districts, Counties, Regions and Areas.

In the year to March 2009 the net profit before taxation was unchanged at £1.1m (2008: £1.1m). During the year the directors paid a dividend of £0.7m to the Association.

Scout Services Limited

Scout Services Limited is a wholly owned subsidiary of The Scout Association that is incorporated in England. Its principal activities are that of commercial property management, fundraising and sponsorship activity on behalf of The Scout Association.

Scout Services Limited produced a net profit of £0.3m (2008: £0.6m) that was passed to the Association under a Deed of Covenant. The decrease in profit was principally due to the high level of commercial activities in 2007/8 related to the Association's Centenary.

The Scout Association Pension and Life Assurance Scheme

The most recent full valuation of The Scout Association Pension and Life Assurance Scheme (the defined benefits pension scheme) was carried out as at 31 March 2007. The market value of the assets of the scheme was £24.1m and the actuarial value of those assets represented 85% of the value of the benefits that had accrued to members. Based on this valuation the Trustees have agreed a funding plan to address the deficit.

The actuarial valuation of the defined benefit pension scheme at 31 March 2009, for the purposes of Financial Reporting Standard 17 (FRS 17), showed a funding deficit of £5.9m (2008: £0.9m). The increase in the liability is principally due to a decline in the value of the scheme's assets. The Association contributed £0.6m (2008: £4.5m) to the scheme, including special contributions totalling £0.2m (2008: £4.0m).

The cash flow required to meet the £5.9m deficit relates to future pension contributions. Therefore, this deficit is expected to arise over the long term rather than in the immediate future, and the amount of the deficit is subject to considerable variability because it depends on a range of demographic and financial assumptions, which are likely to change over time. The scheme was closed to new members in the year ended 31 March 2001 and the Trustees regularly monitor the pension scheme funding deficit to ensure that general reserves provide adequate cover against the future liability.

In accordance with Charity Commission guidance (*Charity Reserves and Defined Benefit Pension Schemes*), the Trustees have reviewed the cash flow impact on general reserves of the planned funding of the deficit. Since this is met from anticipated future income streams a separate designated fund is not required.

Short Term Investment Service

As at 31 March 2009, deposits by Scout Groups, Districts, Counties, Areas and Regions in the Short Term Investment Service totalled £16.1m (2008: £14.7m), an increase of £1.4m in the year.

These funds generated investment income for depositors of £0.7m (2008: £0.9m).

National Membership Subscription

The Committee decided that the National Membership Subscription for 2010 would increase by 2% to £19.50 per Member with a rebate of 50p for prompt payment. This was after careful consideration of our income growth and diversification, cost pressures and the latest three-year rolling forecast.

Reserves Policy

The Trustees agreed that general reserves should be held representing between six and 12 months' revenue expenditure within the Association. This takes account of anticipated revenue projections as well as ensuring the provision of a suitable contingency to protect the continuity of business and services for the foreseeable future. Major capital and revenue projects are funded by setting aside appropriate amounts into Designated Funds accordingly. This policy is reviewed annually.

At the balance sheet date general funds stood at £11.6m, a decrease of £1.8m in the year and representing approximately six months of the Association's unrestricted resources expended.

Investment Policy

The annual review of the investment policy made no changes to the Association's performance objectives, which remained:

- To maintain an optimum level of income tempered by the need for capital growth in order to safeguard future grant-making capacity
- To outperform benchmarks on a rolling three year basis.

Risk management

The Association's key risks are reviewed on an ongoing basis by senior management and through regular meetings of various sub-Committees. The Association has a comprehensive set of policies and rules applicable to the Movement, which are routinely monitored both by senior volunteers and by staff employed across the UK. A comprehensive insurance service exists to ensure that all insurable risks are covered. The Records department carries out checks on adults to safeguard the reputation of Scouting and to minimise the risk of inappropriate persons being accepted into the Movement.

The Association continues to identify, monitor, review and manage the major operational and business risks that it faces on a regular basis. It is recognised that the nature of the Association's work requires active acceptance and management of some risks in undertaking activities in order to achieve the Association's objectives.

During the year a fundamental review of the Association's risk management strategy and processes was commenced. The review is due to be completed and the outcomes implemented during 2009/10.

Trustee responsibilities

The Trustees are responsible for preparing financial statements for each year which give a true and fair view of the Association's financial activities during the year and its financial position at the end of the year. They are responsible for keeping accounting records, which disclose the financial position of the Association and to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The Association is operating efficiently and effectively
- Its assets are safeguarded against unauthorised use or disposition
- The Association complies with relevant laws and regulations

Systems of internal control are designed to provide reasonable, but not absolute, assurance against material mismanagement or loss. They include:

- An annual budget approved by the Trustees
- Appropriate delegation of authority and segregation of duties
- Identification and management of risks

Assistance and guidance to the Movement

Specialised guidance and advice has continued to be provided on lotteries, grants and other fundraising activities, as well as on VAT, charity trading and on charity accounting regulations.

During the year the Association provided loans to assist Groups, Districts, Counties, Areas and Regions to acquire or modernise local meeting places, and made a series of grants from restricted funds to assist Scouting at local, national and international levels.



Derek M Twine

Chief Executive & Trustee, for the Committee of the Council
17 July 2009

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31 March 2009

		2009				2008
		Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000	Total £'000
	Notes					
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income						
Membership subscriptions	3(c)	8,048	-	-	8,048	7,806
Donations, legacies and similar income	5(a)	551	759	-	1,310	2,787
		8,599	759	-	9,358	10,593
Activities for generating funds	5(b)	6,759	-	-	6,759	9,925
Investment income	5(c)	1,404	856	-	2,260	2,991
Incoming resources from charitable activities	5(d)	5,710	-	-	5,710	26,179
TOTAL INCOMING RESOURCES		22,472	1,615	-	24,087	49,688
RESOURCES EXPENDED						
Costs of generating funds						
Costs of generating voluntary income		281	-	-	281	171
Fundraising trading: costs of goods sold and other costs	6(a)	5,037	-	-	5,037	6,061
		5,318	-	-	5,318	6,232
Charitable activities	6(b)	16,139	1,824	-	17,963	34,191
Governance costs		99	-	-	99	98
TOTAL RESOURCES EXPENDED		21,556	1,824	-	23,380	40,521
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		916	(209)	-	707	9,167
Transfers between funds		1,055	(1,145)	90	-	-
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,971	(1,354)	90	707	9,167
OTHER RECOGNISED GAINS AND LOSSES						
Net (losses) on investment assets	3(e)	(2,066)	(589)	(155)	(2,810)	(882)
Actuarial losses/(gains) on defined benefit pension scheme	7	(4,790)	-	-	(4,790)	2,280
NET MOVEMENT IN FUNDS	8	(4,885)	(1,943)	(65)	(6,893)	10,565
Fund balances brought forward at 1 April 2008		37,191	5,269	974	43,434	32,869
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2009	15	32,306	3,326	909	36,541	43,434

BALANCE SHEETS

For the year ended 31 March 2009

	Notes	CONSOLIDATED		THE ASSOCIATION	
		2009	2008 Restated	2009	2008 Restated
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible fixed assets	9	15,614	14,124	15,511	14,009
Investment in subsidiary companies	10	-	-	370	370
Investments	11	17,182	17,928	11,436	14,198
		32,796	32,052	27,317	28,577
CURRENT ASSETS					
Stocks	12	517	570	223	227
Debtors	13	4,656	5,489	4,125	6,190
Current asset investments		23,541	21,760	23,541	21,760
Short term deposits		2,591	4,182	-	-
Bank and cash balances		4,699	5,866	1,864	2,173
		36,004	37,867	29,753	30,350
CURRENT LIABILITIES					
Creditors	14	(24,859)	(23,696)	(18,401)	(17,894)
NET CURRENT ASSETS		11,145	14,171	11,352	12,456
TOTAL ASSETS LESS CURRENT LIABILITIES		43,941	46,223	38,669	41,033
CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		(1,543)	(1,894)	-	-
NET ASSETS EXCLUDING PENSION LIABILITY		42,398	44,329	38,669	41,033
PENSION LIABILITY		(5,857)	(895)	(5,857)	(895)
NET ASSETS INCLUDING PENSION LIABILITY		36,541	43,434	32,812	40,138
THE ASSOCIATION'S FUNDS					
Unrestricted funds	15(a)				
General funds		11,550	13,316	11,638	13,355
Designated funds	15(b)	22,796	21,435	22,796	21,435
Non-charitable trading funds	10	3,817	3,335	-	-
Unrestricted Funds Excluding Pension Liability		38,163	38,086	34,434	34,790
Restricted funds	15(c)	3,326	5,269	3,326	5,269
Endowment funds	15(d)	909	974	909	974
Total funds excluding pension reserve		42,398	44,329	38,669	41,033
Pension reserve	7	(5,857)	(895)	(5,857)	(895)
TOTAL FUNDS		36,541	43,434	32,812	40,138

Approved by the Committee of the Council on 17 July 2009 and signed on its behalf by:

Mike Gooderson, Chairman, Committee of the Council

John Capper, Treasurer

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2009

	2009	2008
	£'000	Restated £'000
Reconciliation of net movement in funds to net cash inflow from operating activities		
Net movement in funds	(6,893)	10,565
Investment income	(2,260)	(2,991)
Depreciation	761	1,587
Net loss on investment assets	3,028	882
(Surplus) on disposal of tangible fixed assets	(674)	(1,569)
Decrease in stocks	53	210
Decrease in debtors	833	3
(Increase)/decrease in current asset investments	(1,781)	8,699
Increase/(decrease) in creditors	812	(13,558)
Increase/(decrease) in pension liability	4,962	(6,179)
Net cash (outflow) from operating activities	(1,159)	(2,351)
Cash Flow statement		
Net cash (outflow) from operating activities	(1,159)	(2,351)
Returns on investments	2,260	2,991
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(2,398)	(1,216)
Receipts from sale of tangible fixed assets	822	1,717
Net (additions)/reductions to fixed asset investments	(2,283)	1,056
	(3,859)	1,557
(Decrease)/increase in cash	(2,758)	2,197

1. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN CASH

	2009	2008
	£'000	Restated £'000
(Decrease)/increase in cash	(1,167)	826
(Decrease)/increase in short term deposits	(1,591)	1,371
Movement in cash in the period	(2,758)	2,197

2. ANALYSIS OF CASH

	At 1 April 2008 Restated £'000	Cash Flow £'000	At 31 March 2009 £'000
Cash in hand and at bank	5,866	(1,167)	4,699
Short term deposits	4,182	(1,591)	2,591
	10,048	(2,758)	7,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2009

1. Constitution

The Scout Association is incorporated by Royal Charter and is a registered charity whose purpose is to promote the development of young people in achieving their full physical, intellectual, social and spiritual potentials, as individuals, as responsible citizens and as members of their local, national and international communities.

2. Scope of the financial statements

These financial statements cover the activities directly controlled by The Scout Association. The activities of the Scout Councils of Northern Ireland, Scotland and Wales together with Scout Counties, Areas, Regions, Districts and Groups are not reflected in these financial statements. These bodies are separate autonomous charities that are affiliated to The Scout Association.

3. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities", published in 2005, except as described in note 14.

(a) Accounting convention

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments.

(b) Basis of preparation of consolidated financial statements

The financial statements consolidate the financial statements of The Scout Association and its subsidiary companies. The financial statements of all entities are made up to 31 March 2009.

The Balance Sheets and Profit and Loss accounts of the subsidiaries have been consolidated on a line by line basis as required by the Statement of Recommended Practice.

(c) Recognition of income

National membership subscriptions

Membership subscriptions are payable in advance for a year ended 31 March. The amount receivable for the year ended 31 March 2009 is shown in the Statement of Financial Activities. Subscriptions are treated as voluntary income because they are more similar in nature to donations than to payments for goods or services.

Investment income

Dividends are accounted for on a receipts basis. Interest is accounted for on an accruals basis and includes all amounts earned up to 31 March 2009. Associated tax recoveries are included for all amounts shown as income.

Legacies

Legacies are accounted for on a receivable basis as the Charity becomes entitled to the income. This occurs when the Charity becomes reasonably certain that the legacy will be received, the value of the income can be measured with sufficient reliability and all conditions associated with payment have been fulfilled. No significant legacies have been notified but not yet received. Where legacies include non cash items these are included in income at the lower of probate value or market value at the date of receipt.

Gifts in kind

Properties, investments, other fixed assets and any other assets or services donated to the charity are included as donated services and facilities income at their estimated market value at the time of receipt.

(d) Allocation of income and costs

Activities for generating funds and Fundraising trading: costs of goods sold and other costs

Income and expenditure from Scout Shops Limited, Scout Services Limited and from commercial activities carried out at Baden-Powell House and the Gilwell Conference Centre are classified under these headings.

Incoming resources from charitable activities

This comprises income from the provision of services supporting the objects of the Association through operations including the Information Centre, insurance services, and SCOUTING Magazine as well as the National Activity Centres. A percentage of accommodation and training fees receivable at Baden-Powell House and the Gilwell Conference Centre are also included under this heading. The percentages used in respect of these two sites are 20% and 80% respectively. The remaining income from Baden-Powell House and the Gilwell Conference Centre is included in Activities for Generating Funds.

The charitable activities have been analysed under the following headings:

- Youth Programme and Activities
- Development of Scouting
- Adult Support and Training
- Support and Services to the Scouting Movement.

The Association's activities are largely financed by national membership subscriptions and income from the trading subsidiaries rather than income from the charitable activities. The activities have been classified as described in note 6 below, and where income arises from these activities it is classified in the same manner.

Where possible the income and costs relating to a department or cost-centre are allocated in full to one of the above categories, but in practice many departments have an involvement in more than one activity. The other major allocations, which are reviewed annually by the Trustees, are set out below.

	Youth Programme and Activities	Development of Scouting	Adult Support and Training	Support and Services
World and European membership fees				100%
Members records and awards			40%	60%
Membership services	20%	20%	20%	40%
Child protection				100%
Public relations		100%		
Insurance				100%
Scouting magazine	33%	33%	33%	
Short Term Investment Service				100%
Regional Development Service		33%	33%	33%
Baden-Powell House	20%			
Gilwell Park Conference Centre	27%	27%	27%	
Other national activity centres	33%	33%	33%	

Support costs

These are costs incurred directly in support of the objects of the charity. The costs are attributed to the activities that they support. Where a department supports all the charity's activities the costs have been apportioned pro-rata to the staff resources directly engaged in that activity. The percentages that apply are:

Fundraising Trading	6%
Youth Programme and Activities	13%
Development of Scouting	29%
Adult Support and Training	25%
Support and Services to the Scouting Movement	27%

Governance costs

These are the costs associated with the governance arrangements of the charity which relate to compliance with legal and statutory requirements of the charity as opposed to those costs associated with fundraising or charitable activities. They include audit fees, the costs of trustee meetings and of preparing statutory accounts.

(e) Fixed assets

The cost of acquiring fixed assets used for charitable purposes is capitalised and depreciation is calculated to write off the cost of assets brought into use at the Balance Sheet date on a straight line basis over their estimated useful lives. Assets costing less than £200 are not capitalised.

In the case of freehold buildings the useful life is normally taken as 50 years. Where land and buildings were acquired together it has been assumed that the buildings represent 50% of the initial cost of freehold properties. No depreciation is provided on freehold land.

Gains or losses on the disposal of fixed assets held for charitable use are reflected in Net Incoming Resources before Transfers shown in the Statement of Financial Activities.

Fixed assets held for investment purposes are stated at market value on the Balance Sheet date. Any gains or losses on the disposal or revaluation of investment assets are shown as Net Gains or Losses on Investment Assets.

(f) Stocks

Stocks are valued at the lower of cost and estimated net realisable value. Cost, using the first-in-first-out basis, consists of the original cost of goods without any addition for overheads.

(g) VAT

The Association is partially exempt for VAT purposes and is not able to reclaim all the VAT it pays. It is not practicable to allocate

irrecoverable VAT to the expenses and assets concerned, and irrecoverable VAT is normally written off. For large acquisitions of property, irrecoverable VAT is added to the capital cost.

(h) Leases

Significant assets held under finance leases and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight-line basis over the shorter of the lease term and the useful life of the asset.

Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligations.

All other leases have been treated as operating leases and the rentals written off as they are paid because of the insignificant amounts involved.

(i) Pension costs

Contributions payable to The Scout Association Pension and Life Assurance Scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over the working lives of employees in the scheme. The pension charge is calculated on the basis of actuarial advice.

The pension scheme liabilities are measured using a projected unit method and discounted at an AA corporate bond rate. The pension scheme deficit is recognised in full on the balance sheet.

The current service cost and net return on the scheme's assets and liabilities for the year is allocated across the resources expended categories in the Statement of Financial Activities. The actuarial gain/(loss) on the scheme for the year is included in the gains/(losses) section of the Statement of Financial Activities.

Contributions towards personal pension policies, which are defined contribution schemes, are charged to the Statement of Financial Activities as they are incurred.

(j) Grants payable

Grants payable are included in the Statement of Financial Activities as expenditure in the period in which the award is made. Grants which have been approved by the Trustees and agreed with other organisations but which are unpaid at the year end are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued.

4. Nature of funds

Following the requirements of the Statement of Recommended Practice all Funds have been identified as falling into one of three categories.

(a) Endowment Funds

Endowment Funds are those received to be held as capital with only the income available to be spent. Subsequent gains or losses on the disposal of the underlying assets of the fund become part of the capital.

(b) Restricted Funds

Restricted Funds are those received which have been earmarked for a special purpose by the donor or the terms of an appeal.

(c) Unrestricted Funds

Unrestricted Funds are those received, which are not subject to any special restriction. They are divided between General Funds and Designated Funds. Designated Funds comprise amounts set aside by the Committee of the Council to be used for particular purposes.

5. Incoming resources

(a) Donations, legacies and similar income

	2009			2008
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Grants	-	-	-	370
Legacies	401	1	402	510
Appeals	-	461	461	546
Donated services and facilities	60	-	60	548
All other income	90	297	387	813
	551	759	1,310	2,787

(b) Activities for generating funds

	2009			2008
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Retail sales	5,507	-	5,507	7,781
Hostel, conference and commercial training	826	-	826	1,047
Sponsorship, promotions and royalties	426	-	426	1,097
	6,759	-	6,759	9,925

(c) Investment income

	2009			2008
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Quoted investments	359	145	504	470
Short Term Investment Service	-	659	659	891
Other deposit interest	1,009	52	1,061	1,554
Rental income	36	-	36	76
	1,404	856	2,260	2,991

(d) Incoming resources from charitable activities

The income in this category is derived from the Association's Insurance subsidiaries, National Activity Centres, and training courses. The majority of these activities are not conducted with the prime intention of generating net income. Instead, the Association's charitable activities are largely financed by fundraising activities and by membership subscriptions.

	2009			2008
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Youth Programme and Activities	1,448	-	1,448	3,001
Scouting's Centenary	-	-	-	18,649
Development of Scouting	1,163	-	1,163	1,339
Adult Support and Training	1,224	-	1,224	1,429
Support and Services to the Scouting Movement	1,874	-	1,874	1,761
	5,709	-	5,709	26,179

6. Resources expended

(a) Fundraising trading: costs of goods sold and other costs

	2009			2008
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Retail operating costs:	3,822	-	3,822	4,700
Hostel, conference and commercial training	787	-	787	829
Sponsorship and promotions	428	-	428	532
	5,037	-	5,037	6,061

Hostel, conference and commercial training expenditure includes support costs of £251,000 (2008 £204,000). The basis for allocation of support costs is explained in note 6 (c).

(b) Costs of charitable activities

Charitable activities have been analysed into five categories as explained in note 3 (d). Costs are allocated using the principles explained in that note.

Youth programme includes the various educational activities that members participate in. Development activities are those which are aimed at growing the Scout Movement. Adult support and training includes those activities that support leaders and other adults involved in scouting. Support and Services to the Scouting Movement includes activities such as child protection and insurance, which assist the activities of Scout Groups.

	Unrestricted £'000	2009 Restricted £'000	Total £'000	2008 Total £'000
Youth Programme and Activities	2,520	262	2,782	3,730
Scouting's Centenary	-	-	-	16,682
Development of Scouting	4,183	818	5,001	4,342
Adult Support and Training	3,874	71	3,945	3,715
Support and Services to the Scouting Movement	5,562	673	6,235	5,722
	16,139	1,824	17,963	34,191

Analysis of costs of charitable activities

	Direct £'000	2009 Grant funding £'000	Support costs £'000	Total £'000	2008 Total £'000
Youth Programme and Activities	2,012	249	521	2,782	3,730
Scouting's Centenary	-	-	-	-	16,682
Development of Scouting	3,052	758	1,191	5,001	4,342
Adult Support and Training	2,871	19	1,055	3,945	3,715
Support and Services to the Scouting Movement	5,028	90	1,117	6,235	5,722
	12,963	1,116	3,884	17,963	34,191

Grant funding

Grants are paid from the restricted funds administered by the Association to a large number of Scout Groups, Districts, Counties, Areas and Regions in accordance with the objectives of the respective funds.

Analysis of grants	Grants to institutions £'000
Development Grants	683
International Fund Grants	74
Benevolent Fund Grants	37
Special Needs Grants	43
Ralph Reader Memorial Fund Grants	49
Grants to Sea Scout Groups – Admiralty Fund and Trinity House Fund	92
King George VI Leadership Fund Grants	19
Other	119
	1,116

(c) Support costs allocation

	2009 Unrestricted and Total £'000	2008 Total £'000
Property and equipment depreciation	559	494
Irrecoverable VAT	500	289
Office accommodation and services	525	522
Central management	669	667
HR, legal and secretarial	565	462
Finance and accounting	453	390
Information technology	331	262
Movement in pension scheme deficit recognised in resources expended	372	101
Other	161	112
	4,135	3,299
Allocated to activities:		
Fundraising trading	251	204
Charitable activities	3,884	3,095
	4,135	3,299

Support costs comprise the costs that enable a fundraising or charitable activity to be conducted, but do not in themselves constitute an activity.

The support costs listed above have all been allocated to the costs of generating funds and charitable activities pro-rata to the full-time equivalent number of staff directly engaged in the appropriate activities. The relevant percentages are analysed in Note 3(d).

(d) Resources expended include:

	2009 £'000	2008 £'000
Auditor's remuneration:		
Audit fees	63	70
Other	5	25
Trustees' expenses reimbursed	38	35

During the year 24 (2008: 22) Trustees were reimbursed for their out of pocket expenses arising from attending meetings and carrying out their duties. The Association provided accommodation for the Chief Scout and others while they carried out Scout business.

7. Staff costs

	2009 £'000	2008 £'000
Wages and salaries	6,218	6,269
Social security costs	667	675
Other pension costs	574	615
	7,459	7,559

The average number of persons employed during the year (full-time equivalent) was:

Activity	2009	2008
The Scout Association	195	202
Scout Shops Limited	31	30
Scout Insurance Services Limited	8	8
Total	234	240

The numbers of employees whose total emoluments for the year exceeded £60,000 were as follows:

	2009	2008
£70,001 to £80,000	1	-
£80,001 to £90,000	2	2
£90,001 to £100,000	-	1
£100,001 to £110,000	-	2
£110,001 to £120,000	1	-
£120,001 to £130,000	1	-
£150,001 to £160,000	-	1

The Chief Executive, who is also a Trustee, received remuneration and benefits for his service as Chief Executive which amounted to £127,055 (2008: £150,549).

Retirement benefits are accruing under The Scout Association Pension and Life Assurance Scheme defined benefit scheme for 4 (2008: 4) higher paid employees. In addition, the Association paid £7,425 (2008: £7,087) into a defined contribution pension scheme for 1 (2008: 1) higher paid person.

Pension schemes

(a) The Scout Association Pension and Life Assurance Scheme

The Association operates a pension scheme providing benefits based on final pensionable salaries. The scheme is funded with the assets being held by the pension scheme's Trustees separately from the assets of the Association. The pension costs are assessed by a qualified actuary and are charged to the Statement of Financial Activities so as to spread those costs over the employees' working lives with the Association. The Scheme was closed to new members in the year ended 31 March 2001.

Triannual actuarial valuation

A full actuarial valuation of the Scheme was carried out as at 31 March 2007 using the projected unit method and showed a deficit of £4,406,000. The Scheme's assets and liabilities were valued in accordance with Part 3 of the Pensions Act 2004 and associated regulations and the Scheme Specific Funding framework as published by the Pensions Regulator.

The market value of the assets of the Scheme as at 31 March 2007 was £24,129,000 and the actuarial value of those assets represented 85% of the value of the benefits that had accrued to members, after allowing for expected future increases in salaries.

The Association contributed £632,000 (2008: £4,457,000) to the Scheme, including special contributions totalling £200,000 (2008: £4,000,000), and normal contributions of £432,000 (2008: £457,000), which was 20.0% (2008: 21.9%) of pensionable salaries.

Financial Reporting Standard 17 (FRS 17) valuation

For the purposes of FRS 17 the most recent full valuation has been updated to 31 March 2009 by a qualified independent actuary.

The major assumptions used by the actuary were (in nominal terms):

	31 March 2009	31 March 2008
Discount rate	6.8%	6.6%
Inflation assumption	2.8%	3.5%
Rate of increase in pensions in payment	2.8%	2.5%/3.5%
Rate of increase in pensions in deferment	2.8%	3.5%
Rate of increase in salaries	4.3%	5.0%
Post-retirement mortality assumption	PA92 tables based on the average year of birth for each membership group and incorporating a medium cohort projection	PA92 tables based on the average year of birth for each membership group and incorporating a medium cohort projection
Tax-free cash	No allowance has been made for members to commute pension for cash on retirement	No allowance has been made for members to commute pension for cash on retirement
Long term expected rate of return on the Scheme's assets for the following year	6.27% pa	5.93% pa

Under the mortality tables adopted, the assumed future life expectancy at age 65 is as follows:

Life expectancy at age 65	31 March 2009	31 March 2008
Male currently aged 45	23.1	23.1
Female currently aged 45	25.9	25.9
Male currently aged 65	22.0	22.0
Female currently aged 65	24.9	24.8

The assets in the scheme and the expected rate of return were:

Asset category	2009
Equities	45%
Property	3%
Gilts	20%
Bonds	31%
Cash	1%
Total	100%

The expected return on assets is a weighted average of the assumed long-term returns for the various asset classes. Assumed equity and property returns are based on the selection of an appropriate risk premium above the risk-free rate which is measured in accordance with the yield on government bonds. Bond returns are selected by reference to the yields on government and corporate debt as appropriate to the Scheme's holdings of these instruments. Cash returns are based on the Bank of England Base Rate.

Amounts recognised in the balance sheet at 31 March 2009	2009 £'000
Fair value of assets	20,047
Present value of funded obligations	(25,904)
(Deficit)	(5,857)

Amounts disclosed on the balance sheet are made up of:	2009 £'000
Liabilities	
Present value of funded obligations	(25,904)
Assets	
Fair value of assets	20,047
Net liability	(5,857)

Amounts recognised in the Consolidated Statement of Financial Activities over the year	2009 £'000
Actuarial (loss)	(4,790)
Effect of limit on recognisable surplus	-
Amounts recognised in the Consolidated Statement of Financial Activities over the year	(4,790)

Amounts recognised in the Statement of Total Resources Expended over the year	2009 £'000
Current service cost	571
Interest on pension scheme liabilities	1,804
Expected return on pension scheme assets	(1,570)
Total	805

Reconciliation of assets and defined benefit obligation

The change in assets over the period was:

	2009 £'000
Fair value of assets at the beginning of the period	**26,897
Expected return on pension scheme assets	1,570
Employer contribution	632
Contributions by Scheme participants	147
Benefits paid	(1,329)
Actuarial (loss) on assets	(7,870)
Fair value of assets at the end of the period	20,047

** assets taken at bid value at beginning of the period.

The change in defined benefit obligation over the period was:

	2009 £'000
Defined benefit obligation at the beginning of the period	27,791
Current service cost	571
Contributions by Scheme participants	147
Interest on pension scheme liabilities	1,804
Benefits paid	(1,329)
Actuarial (loss) on assets	(3,080)
Defined benefit obligation at the end of the period	25,904

Summary of prior year amounts

	2009 £'000	2008 £'000	2007 £'000	2006 £'000	2005 £'000
Present value of defined benefit obligation	(25,904)	(27,791)	(31,445)	(29,528)	(26,660)
Scheme assets	20,047	26,896	24,371	22,617	18,859
(Deficit)	(5,857)	(895)	(7,074)	(6,911)	(7,801)
Experience gains and losses on Scheme liabilities	1,109	544	-	-	(1,351)
Experience adjustments on Scheme assets	(7,870)	(2,503)	(490)	1,862	273

The level of employer contributions for 2009/10 has been set at 20%.

(b) The Scout Association Group Personal Pension Scheme

The Association also contributed £156,000 (2008: £146,000) towards individual defined contribution personal pension schemes for certain employees.

8. Net Movement in Funds

The net movement in Funds arises as follows:

	2009 £'000	2008 £'000
The Scout Association	(7,375)	9,844
Subsidiaries	482	721
	(6,893)	10,565

9. Tangible fixed assets

	Freehold Property £'000	Leasehold Property £'000	Furniture, Fittings and Equipment £'000	Motor Vehicles £'000	Total £'000
CONSOLIDATED					
COST					
At 1 April 2008	14,967	1,014	4,550	820	21,351
Additions	1,731	60	343	264	2,398
Disposals	(136)	-	(86)	(203)	(425)
At 31 March 2009	16,562	1,074	4,807	881	23,324
DEPRECIATION					
At 1 April 2008	3,008	714	2,968	537	7,227
Charge for the year	281	29	283	168	761
Eliminated on disposals	(86)	-	(1)	(191)	(278)
At 31 March 2009	3,203	743	3,250	514	7,710
NET BOOK VALUES					
At 31 March 2009	13,359	331	1,557	367	15,614
At 31 March 2008	11,959	300	1,582	283	14,124

THE ASSOCIATION	Freehold Property £'000	Leasehold Property £'000	Furniture, Fittings and Equipment £'000	Motor Vehicles £'000	Total £'000
COST					
At 1 April 2008	14,967	1,014	4,264	736	20,981
Additions	1,731	60	324	249	2,364
Disposals	(136)	-	(85)	(199)	(420)
At 31 March 2009	16,562	1,074	4,503	786	22,925
DEPRECIATION					
At 1 April 2008	3,008	714	2,754	496	6,972
Charge for the year	281	29	255	150	715
Eliminated on disposals	(86)	-	-	(187)	(273)
At 31 March 2009	3,203	743	3,009	459	7,414
NET BOOK VALUES					
At 31 March 2009	13,359	331	1,494	327	15,511
At 31 March 2008	11,959	300	1,510	240	14,009

The net book value of tangible fixed assets used for charitable purposes is £15,422,000 (2008: £13,904,000). Other assets are used in trading by subsidiaries.

Depreciation rates are as follows:

Freehold Property	2% - 10% per annum (see note (e))
Leasehold Property	Over the period of the leases or useful economic life if shorter.
Furniture, Fittings and Equipment including Software	10% - 33.3% per annum
Motor Vehicles	25% per annum

10. Investment in subsidiary companies

	2009 £'000	2008 £'000
Cost		
Cost of shares		
Balance at 1 April 2008 and 31 March 2009	372	372
Provision for diminution in value		
Balance at 1 April 2008 and 31 March 2009	(2)	(2)
Net investment in subsidiaries	370	370

The Association owns 100% of the following unlisted companies:

	Country of incorporation	Issued share capital
Scout Shops Limited	England	£200,000
Scout Insurance Services Limited	England	£70,000
Scout Insurance (Guernsey) Limited	Guernsey	£100,000
Scout Services Limited	England	£100

Scout Services Limited, Scout Shops Limited and Scout Insurance Services Limited have entered into deeds of covenant under which they pay a proportion of their otherwise taxable profits to the Association each year. In the case of Scout Services Limited and Scout Insurance Services Limited the proportion is 100%, and in the case of Scout Shops Limited 85%. In addition, the Directors of Scout Shops Limited have agreed to donate the balance of its taxable profits to the Association.

The Directors of Scout Insurance (Guernsey) Limited declared an interim dividend of £750,000 for the year ended 31 March 2009 (2008: £500,000) that was paid to the Association in December 2008.

The summarised profit and loss accounts for the active trading subsidiary companies are shown below:

	2009					2008
	Scout Shops Limited	Scout Insurance (Guernsey) Limited	Scout Services Limited	Scout Insurance Services Limited	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Trading income	5,400	1,224	1,241	889	8,754	12,788
Cost of sales	(2,578)	(484)	(606)	-	(3,668)	(5,156)
Gross profit	2,822	740	635	889	5,086	7,632
Other income	475	420	-	19	914	544
Other costs and expenses	(1,297)	(75)	(361)	(587)	(2,320)	(2,272)
Surplus before and after taxation	2,000	1,085	274	321	3,680	5,904
Covenant/Dividend/Gift Aid Donation to the Association	(1,986)	(750)	(274)	(333)	(3,343)	(5,254)
Net surplus/(deficit)	14	335	-	(12)	337	650
Net gain on investments	-	145	-	-	145	71
Retained surplus/(deficit)	14	480	-	(12)	482	721
Shareholders' funds						
Share capital	200	100	-	70	370	370
Reserves	(77)	3,908	(2)	(12)	3,817	3,335
	123	4,008	(2)	58	4,187	3,705

11. Fixed Asset Investments

Quoted Investments

	CONSOLIDATED			THE ASSOCIATION	
	2009	2008		2009	2008
	£'000	£'000		£'000	£'000
Market value at 1 April	17,927	19,866		14,198	14,954
Less: Disposals at opening value	(2,196)	(1,501)		(1,205)	(2)
Add: Acquisitions at cost	4,479	445		1,611	199
Net (loss) on revaluation at 31 March	(3,028)	(882)		(3,168)	(953)
Market value at 31 March	17,182	17,928		11,436	14,198
Historical cost at 31 March	18,313	16,056		12,720	12,314

Net losses on investment assets of £2,810,000 in the Statement of Financial Activities consists of £3,028,000 unrealised market value adjustment at 31st March 2009 less realised gains on disposals during the year of £218,000.

Included in quoted investments are amounts of £6,467,000 and £3,583,000 invested in each of the Cazenove Growth Trust for Charities and the Cazenove Income Trust for Charities (2008: £7,958,000 and £3,560,000).

The Association does not pay any investment management fees. The investments held are in Investment Trusts which themselves suffer management charge deductions from the capital of the Trust. These indirect charges are estimated to be in the region of £47,000 (2008: £54,000).

12. Stocks

	CONSOLIDATED			THE ASSOCIATION	
	2009 £'000	2008 £'000		2009 £'000	2008 £'000
Goods for resale	517	570		223	227

13. Debtors

	CONSOLIDATED			THE ASSOCIATION	
	2009 £'000	2008 Restated £'000		2009 £'000	2008 Restated £'000
Trade debtors:	2,407	2,186		336	380
Amounts owed by subsidiaries	-	-		1,907	3,065
Other debtors	2,249	3,103		1,702	2,545
Debtors due within one year	4,476	5,289		3,945	5,990
Other debtors due in 2012	180	200		180	200
	4,656	5,489		4,125	6,190

14. Creditors

	CONSOLIDATED			THE ASSOCIATION	
	2009	2008		2009	2008
	£'000	£'000		£'000	£'000
Amounts falling due within one year:					
Deposits by Scout Groups in the Short Term Investment Service	16,130	14,745		16,130	14,745
Trade creditors	3,524	3,108		1,257	1,267
Amounts owed to subsidiaries	-	-		15	142
Other creditors	5,205	5,843		999	1,740
	24,859	23,696		18,401	17,894

Amounts falling due after more than one year:

Insurance technical reserve	1,543	1,894		-	-
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The Insurance technical reserve is a provision made in the financial statements of Scout Insurance (Guernsey) Limited against future claims. Under the terms of Financial Reporting Standard 12 this amount should not be treated as a provision by a non-insurance entity. The Trustees consider that, in order to give a true and fair view, it is necessary for the Association to show this under long-term creditors following the view taken by the directors of Scout Insurance (Guernsey) Limited.

If this treatment had not been adopted, income for the year would have decreased by £351,000 (2008: increased by £18,000) and reserves would have been increased by £1,543,000 (2008: £1,894,000).

15. Fund Balances

(a) Unrestricted Funds

	CONSOLIDATED			THE ASSOCIATION	
	2009	2008		2009	2008
	£'000	£'000		£'000	£'000
General	11,550	13,316		11,638	13,355
Designated	22,796	21,435		22,796	21,435
Non-charitable trading	3,817	3,335		-	-
Unrestricted funds before Pension Reserve	38,163	38,086		34,434	34,790
Pension Reserve	(5,857)	(895)		(5,857)	(895)
Unrestricted funds	32,306	37,191		28,577	33,895

(b) Designated Funds – Consolidated and The Association

	Balance 1 April 2008	Transfer (to)/from General and Restricted Funds	Net (expenditure) / Income in the year	Balance 31 March 2009
	£'000	£'000	£'000	£'000
Fixed Assets	14,009	1,502	-	15,511
World Scout Events	120	-	-	120
National Activity Centres	3,299	(413)	638	3,524
Future Growth	2,515	-	-	2,515
Gilwell Buildings	913	(366)	-	547
Development Grants	579	-	-	579
Total	21,435	723	638	22,796

The Fixed Asset Fund is set aside to match the amount invested by the Association in tangible fixed assets as this is not available to be used for revenue expenditure.

The World Scouts Events Fund provides support to members attending World Scouting events such as future World Jamborees, the World Moot and the World Scout Conference. The Trustees plan to fully utilise the fund in advance of the 22nd World Scout Jamboree in 2011.

The National Activity Centres Fund was established from the receipts from the sale of certain sites, under the National Campsite Strategy. The fund is being applied towards improvements at the National Activity Centres, other than Gilwell Park.

The Future Growth Fund and Development Grants Fund are administered by the Development Grants Board and are used to finance a variety of projects relating to the medium/long-term growth of Scouting.

The Gilwell Buildings Fund is set aside to fund the development of Gilwell Park.

(c) Restricted Funds – Consolidated and The Association

Restricted funds include income received by and paid from the Short Term Investment Service and 34 (2008: 34) funds administered by the Association.

Fund	Balance 1 April 2008 £'000	Net income (expenditure) £'000	Transfers £'000	Investment Revaluation £'000	Balance 31 March 2009 £'000
Development Grants	1,763	(576)	-	(282)	905
King George VI Leadership	704	14	-	(111)	607
International	412	(22)	6	(96)	300
HS Richards Charity for Scouts	89	1	(90)	-	-
Gilwell Development	1,074	352	(895)	-	531
Special Needs	214	(36)	-	(30)	148
Ralph Reader Memorial	167	(40)	-	(15)	112
Benevolent	261	(26)	-	(34)	201
Cornwell	136	4	-	(16)	124
All other funds (25)	449	120	(166)	(5)	398
CONSOLIDATED	5,269	(209)	(1,145)	(589)	3,326

The HS Richards Charity for Scouts has been reclassified as an Endowment Fund.

£895,000 capital expenditure was incurred on construction during the year and consequently that amount was transferred from the Gilwell Development Fund to the Fixed Asset Designated Fund.

Further details on the types of funds and applying for grants from the funds can be found at www.scouts.org.uk/developmentgrantsboard

(d) Endowment Funds – Consolidated and The Association

Endowment funds include the 1914 Endowment Fund and four (2008: 3) other funds administered by the Association. The four other funds had historically been treated as restricted funds prior to a restricted funds review conducted in 2007/8.

As part of the review three of the funds were reclassified as endowment funds in 2007/8 with the fourth being reclassified in 2008/9. Income from the 1914 Endowment Fund and two other funds is unrestricted and passed to General Funds, income from one fund is restricted, and income from the remaining fund is passed to an external Scouting beneficiary.

Fund	Balance 1 April 2008 £'000	Transfers £'000	Investment Revaluation £'000	Balance 31 March 2009 £'000
1914 Endowment	875	-	(137)	738
All other funds	99	90	(18)	171
CONSOLIDATED	974	90	(155)	909

(e) Analysis of net assets between funds

	Unrestricted £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 31 March 2009 are represented by:				
Tangible fixed assets	15,614	-	-	15,614
Investments	13,315	2,958	909	17,182
Current assets	19,506	16,498	-	36,004
Current liabilities	(8,729)	(16,130)	-	(24,859)
Long term liabilities	(1,543)	-	-	(1,543)
	38,163	3,326	909	42,398

16. Other financial commitments

At 31 March 2009 the Association was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2009:

	2009 £'000	2008 £'000
Operating leases on plant and equipment expiring between one and five years	-	1

17. Contingent liability

Following the construction of a new lodge at Gilwell Park during 2008/9 the Scout Association is in negotiations with the building contractors regarding the final construction cost settlement. The amount under negotiation is £45,000 and this is the Association's maximum potential liability to the contractors.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SCOUT ASSOCIATION

We have audited the financial statements of The Scout Association for the year ended 31 March 2009 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The Trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the trustees' Annual Report is not consistent with those financial statements, the charity has not kept sufficient accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Charities Act 1993 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Charities Act 1993 or has

been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and the charitable parent's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the group financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's affairs as at 31 March 2009, and of the group's incoming resources and application of resources, for the year then ended
- the parent charity's financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the parent charity's affairs as at 31 March 2009
- the financial statements have been properly prepared in accordance with the Charities Act 1993.



BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
Epsom, Surrey, 17 July 2009

Our Scouting Journey

PARENT

Some 700,000 parents value what Scouting does for their children and are very much a part of the Scouting journey. Lots of parents choose to get involved with their child's Scout Group.



Paula Robertson is a parent helper who was surprised by how much she enjoyed Scouting.

'A friend of mine who is a Beaver Leader mentioned that she was short of help and I volunteered to give her a hand for a few weeks. I didn't know much about Scouting, just the old fashioned views most people have. I quickly found out what Scouting really is and it certainly has been an eye opener. It's great fun and children can achieve so much even at such a young age. I enjoy it much more than I thought I would.'

'I made the decision recently to take on the role of permanent helper for the Colony and I haven't looked back. The most rewarding thing for me is following the progress and development of the

Beavers. They are each with us for two years and it is an amazing journey for them too, you see their confidence growing and that's why I do it.'

'I have two children myself so I am a busy mum. My Scouting commitment is only one hour a week but I get so much satisfaction from it.'

'Scouting has changed my views on how children can progress and become really confident just by having fun. The activities we do in the summer are what I enjoy most whether it's taking the Beavers out for mini-treks or cooking outside. I now have a totally different outlook on volunteering.'

10. HOW WE OPERATE

Structure, governance and management

The Scout Association exists by authority of a Royal Charter, granted by King George V in 1912 and supplemented by further Charters granted by King George VI and Queen Elizabeth II. These charters give authority to the Bye Laws of the Association which are approved by Her Majesty's Privy Council. The Bye Laws, in turn, authorise the making of rules for the regulation of the Association's affairs. The rules are laid out in the Policy, Organisation and Rules of The Scout Association.

The report and accounts cover the activities directly controlled by The Scout Association Charity Numbers 306101 (England and Wales) and SC038437 (Scotland). The activities of the Scout Councils of Northern Ireland, Scotland and Wales together with Scout Counties, Areas, Regions (Scotland), Districts and Groups are not reflected in this report and accounts. These bodies are autonomous charities affiliated to The Scout Association which together form the Scout Movement in the United Kingdom.

The management of the business of the Association is vested in the Committee of the Council. The Committee comprises 12 Elected Members and three Elected Youth Representatives elected by the Council of The Scout Association at its Annual General Meeting and Ex-officio and Co-opted Members. The total number of Ex-officio and Co-opted Members does not exceed the total number of Elected Members. An induction training programme is provided for all new trustees. The Committee of the Council appoints chairmen and members of sub-Committees annually.

The Members of the Committee of the Council are the Trustees of The Scout Association. The management of the business of the Association is vested in the Committee. The Committee is responsible for policy making but delegates some operational decisions to its Executive and sub-Committees (Operations, Finance, General Purposes and Headquarters Appointments), which may also recommend policies for the consideration of the Committee.

The Committee of the Council met five times during the period under review. Its Executive and sub-Committees met quarterly. The Committee maintains, and keeps under regular review, a business risk management record which identifies potential risks to the key functions of the Association.

Following a review of The Scout Association's national governance, the Council of The Scout Association adopted new Bye Laws in September 2008. These were approved by the Privy Council in April 2009. From September 2009 onwards, the Committee of the Council will be restructured and renamed the Board of Trustees. The transition arrangements to the new structure will be complete following the annual general meeting in 2011.

Committee, structure and membership

FOUNDER

Robert Baden-Powell, OM
First Baron Baden-Powell of Gilwell

PATRON

Her Majesty The Queen

PRESIDENT

His Royal Highness, The Duke of Kent, KG,
GCMG, GCVO

VICE PRESIDENTS

The Rt. Hon. The Earl of Airlie, KT, GCVO, PC
The Lord Baden-Powell

John Beresford, CBE
Sir William Gladstone, KG, Bt, JP
Lt. Col. Bill Hall, OBE, TD, DL
Sir Garth Morrison, CBE, Lord Lieutenant of East Lothian
George Purdy, CBE
Major-General Michael Walsh, CB, CBE, DSO, DL

CHIEF SCOUT

Peter Duncan [to July 2009]
Bear Grylls [from July 2009]

DEPUTY CHIEF SCOUT

Peter Nicol [extended to September 2009]

THE COMMITTEE OF THE COUNCIL

Trustees

John Asplin, Chief Commissioner of England (North) [to June 2009] (67%)⁵
James Boyle (100%)^{3,4}
Wayne Bulpitt, Chief Commissioner of England (South) [to March 2009] (80%)⁵
Wayne Bulpitt, UK Chief Commissioner [from March 2009] (n/a)^{1,4,5}
John Capper, Treasurer (33%)^{1,2}
Peter Duncan, Chief Scout [to July 2009] (67%)^{1,4}
Jill Gloster, Chief Commissioner of Wales (100%)⁵
Michael Gooderson (83%)¹
Graham Haddock (100%)⁵
Nigel Hailey, International Commissioner (83%)⁵
Richard Hames (100%)²
Philip Harnby (67%)²
Stuart Howells (83%)^{1,3}
Nicola Leadbetter [to September 2008] (0%)³
Neil Leatherland [to September 2008] (0%)⁵
Eleanor Lyall, MBE, Chief Commissioner of Scotland (83%)⁵
Christine Jones (83%)⁵
Wilfred Mulryne, OBE, Chief Commissioner of Northern Ireland (0%)⁵
Peter Nicol, Deputy Chief Scout [Co-opted Member] [to July 2009] (100%)^{1,4,5}
Peter Oliver [from September 2008] (80%)³
Philip Power (83%)^{2,4}
Rachel Ruddock [from September 2008] (100%)⁵
Roger Sands (100%)³
John Simmons [to September 2008] (100%)⁵
Kenneth Thomson [to September 2008] (100%)²
Derek Twine, CBE, Chief Executive (100%)^{1,4}
Daniel Wood (100%)^{1,5}
Richard Woolsey (100%)^{1,2}

Right of Attendance (non-voting)

County, Area and Regional (Scotland) Commissioners

Invited to Attend (non-voting)

The Chief Guide, Girlguiding UK
Gary Davis, Director of Finance^{1,2}
John Palmer, Director of Marketing and Communications [to October 2008]^{1,3}
Stephen Peck, Director of Programme and Development^{1,5}
Gail Scott-Spicer, Director of Marketing and Communications [from January 2009]^{1,3}
David Shelmerdine, The Secretary^{1,3}

The Trustees above were also members of the following sub-Committees:

- 1 = Executive Committee Member
- 2 = Finance sub-Committee Member
- 3 = General Purposes sub-Committee Member
- 4 = Headquarters Appointment sub-Committee Member
- 5 = Operations sub-Committee Member

In addition, each of the sub-Committees has non-trustee members invited for their specialist skills.

The percentages indicate the number of Committee of the Council meetings attended.

11. OUR THANKS

We are grateful to the generosity of all our supporters and corporate partners

CORPORATE PARTNERS

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NatWest Bank
Sainsbury's
Serco Rail
Serco Environment
Natural England
Venture Abroad

TRUSTS AND FOUNDATIONS

The Milly Apthorp Charitable Trust
The John Ellerman Foundation
The Freemason's Grand Charity
The Peter Harrison Foundation
The Jack Petchey Foundation
Royal Navy Sea Scout Admiralty Fund
The Sir Peter Shepherd Trust
Souter Charitable Trust
Trinity House
The Roger Vere Foundation

SCOUTING AMBASSADORS

The Rt Hon Baroness Boothroyd
Lord Coe
Ian Hislop
Justin King

PATRON

Her Majesty The Queen

PRESIDENT

His Royal Highness The Duke of Kent, KG, GCMG, GCVO

The Association is grateful for the continuing support of its Patron, Her Majesty The Queen, and its President, His Royal Highness the Duke of Kent.

Our Scouting Journey

ADULT LEADER

Adults in Scouting provide the skills, resources, support and encouragement to enable young people to take part in a balanced programme.



Matthew Walker won five medals at the Beijing 2008 Paralympics. When not in the water he is an Assistant Cub Scout Leader in Stockport.

'I've been involved in Scouting since I was a Cub Scout. Even when my training schedule intensified in the build up to the games, I kept my commitment to Scouting. I use it as a way to relax when I'm out the pool. I always get asked what motivated me to keep swimming over the years – I don't take it too seriously. I just get in there, enjoy it and you never know where you could end up. It's the same with Scouting.'

'I have cerebral palsy, and when I was a kid the doctors told my parents that the best thing for me to do would be to swim, so I used to have lots of swimming lessons and physiotherapy.'

'Beijing was going to be my last Olympics, but after achieving so much – five medals out of five races – I want to compete in London. I don't want to miss it. I want to come back and have more success.'



The Scout Association's Annual Report and Accounts 2008/9

The 100th annual report of the Committee of the Council including the consolidated financial statements for the year ended 31 March 2009.

The Scout Association

Incorporated by Royal Charter
Registered Charity No:
306101 (England and Wales)
SCO38437 (Scotland)

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Web: www.scouts.org.uk

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Fax: 01903 750993
Web: www.scouts.org.uk/shop

Scout Activity Centres

Downe Scout Activity Centre
Birdhouse Lane
Downe, Orpington
Kent BR6 7LJ
Tel: 01959 572121
Web: www.scouts.org.uk/sac

Gilwell Park Scout Activity
Centre, Gilwell Park, Chingford
London E4 7QW
Tel: 020 8498 5411
Web: www.scouts.org.uk/sac

Hawkhurst Scout Activity Centre
Kielder Water, Near Hexham
Northumberland NE48 1QZ
Tel: 01434 250217
Web: www.scouts.org.uk/sac

Youlbury Scout Activity Centre
Boars Hill, Oxford OX1 5HD
Tel: 01865 326264
Web: www.scouts.org.uk/sac

Scout Conference Centres

Baden-Powell House Conference
Centre
Queen's Gate
London SW7 5JS
Tel: 020 7590 6900
Fax: 020 7590 6902
Web: www.scouts.org.uk/
conferences

Gilwell Park Conference Centre
Gilwell Park
Chingford
London E4 7QW
Tel: 020 8498 5300
Fax: 020 8498 5303
Web: www.scouts.org.uk/
conferences

Bankers

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1 Churchill Place
London, E14 5HP

Auditors

BDO Stoy Hayward – Gatwick
2nd Floor
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Investment Managers

Cazenove Fund Management
Limited, 12 Moorgate
London, EC2R 6DA

Investment Powers

The Association's Royal Charter
authorises it to invest funds of
the Association not immediately
required in pursuance of its objects
and to use the services of a private
investment manager or firm.

Insurance Brokers

Willis Limited, Ten Trinity
Square, London, EC3P 3AX

Chief Executive

Mr Derek M Twine

