

**SCOTTISH FENCING LTD**

Meeting of the BOARD of DIRECTORS of SCOTTISH FENCING LIMITED
21 OCTOBER 2021 BY MICROSOFT TEAMS

Present	George Liston	Chair (GDL)
	Stan Stoodley	President (SS)
	Sheila Anderson	Director of Operations (SA)
	Paul Vaughan	Director of Talent and Performance (PV)
	Hugh Kernohan	Director of Governance (HK)
	Adam	Director of Development (AS) – items 1-5
	Szymoszowskyj	Finance Director (DC) – Items 1-4
	David Carson	Director (MM)
	Mhairi McLaughlin	Independent Director (JS) – Items 1-5
	Jude Salmon	Independent Director (GL)
	Giles Lomax	
In Attendance	Barry Cook	Partnership Manager, sportscotland (BC)
	Vincent Bryson	Chief Executive Officer (VB)
	Jacqui Dunlop	Minute Taker

	Item	Action
1	Introduction 1.1 <u>Welcome and Apologies for Absence</u> The Chair welcomed everyone to the meeting. GL was welcomed to his first Board meeting. SA confirmed she was working on the Board inductions and would be in touch with GL and JS. 1.2. <u>Declaration of conflicts of interest</u> There were no new conflicts of interest declared.	SA
2	Minutes of Previous Meeting and Matters Arising 2.1 <u>Review of Minutes of 15 September 2021</u> It was unanimously agreed that the minutes of the meeting of 15 September were a true record. It was noted that all the Board Minutes were available on the website.	
3.	Reports Chair GDL reported that there has been range of activities focusing on the Strategy	

development and thanks were expressed to the members of the Sub-group. Board Members were thanked for their feedback on the refreshed Strategy with the next step being to deliver the supporting presentation to sportscotland on Tuesday, 26 October. GDL explained that nothing had been removed from the Strategy, but there had been additions and some elements had received increased emphasis. The Strategy combines both the “traditional” activities and progressing the Changing Lives work.

It was noted that Scottish Fencing would only be able to deliver as much as the investment allowed. The submission to sportscotland had been made on that basis; a level of ambition required a level of investment to match it. If the level of investment differed, the ability to deliver the scope and pace identified would also. GDL noted that the delivery of the Plan was likely to present more challenges over the coming year: if Scottish Fencing was successful in securing increased investment the Board would have a broader range of activities to oversee and direct strategically, so it would have to develop improved ways of working.

It was confirmed that the outcome of the strategic review would not be known until the end of 2021 or early in 2022. GDL agreed to report back to the Board following the sportscotland presentation.

GDL

CEO

VB submitted the CEO Report, the one-month summary was noted as:

- Home-based remained *status quo* – likely January 2022 before any access to Caledonia House granted but home/hybrid working would remain for all staff.
- PM had now moved on.
- SF Membership Number – 698, 8 months of small but sustained increase. 10% on free tier, with potential for drop in numbers in December.
- Selection criteria updated.
- Strategy finalised and issued to sportscotland along with preliminary request for investment.
- 1st Pathways Session completed.
- Significant uptake on social media competition reports.
- Cash at Bank – (From Xero/Paypal) Aug 11th c.£71K (second investment payment from sportscotland expected late October 2021).
- BF had “stood up” Home Nation Safeguarding Group.

Dates for the Scottish Open and Scottish Youth Championships had been finalised and a working group established. There was still some debate between the Home Nations as to whether a Five-nations’ Match in the Commonwealth year was required and a date at the end of March or in April at Edinburgh University had been offered.

The Scottish Open organising committee was taking shape, and Martin Foley was involved as part of the Group. The weapon timetable had yet to be finalised. A

	<p>number of event dates had been confirmed with no clashes identified. There had been a lot of interest in the Competition Round-ups from the Special Correspondent on social media, and these would be continued in the short term. The Social Media data tracker was available to Board members.</p> <p>PV had hosted a discussion on selection criteria with a number of clarifications made, and after a couple of amendments, the selection criteria will be published. PV noted that these had only been points of clarification and nothing in the selection policy had changed.</p> <p>VB noted that he had also been heavily committed with the Strategic Review, and there were more sessions planned to run through the presentation ahead of the meeting with sportscotland.</p> <p>VB noted that, if there was going to be an AGM in December, work would need to begin on the Annual Report. SA noted that the video had been received well the previous year and it was agreed that a Video be produce for this year's AGM.</p> <p>GDL noted that Scottish Fencing was not obliged to have an AGM so it was not tied to having it at a particular time of the year. HK confirmed this and noted that it would be sensible to have news to share with the membership, such as the result of the strategic submission to sportscotland and the draft accounts to 31 March 2021. BC confirmed that there were 23 strategic reviews taking place. Information would go to the sportscotland Board in December with outline figures and then budgets are approved at the sportscotland February board.</p> <p>GL asked about the Scottish Government announcement for extra investment and BC confirmed that there had been a manifesto pledge about extra funding for sport and activity but it remained unclear how much of that extra money would come to sportscotland or if it would be ring-fenced for particular projects.</p> <p>It was noted that the Awards and the AGM were not tied together and the Scottish Open could be a forum for hosting the Awards.</p> <p>GDL agreed to send a proposal by email about the timing of the Awards and the AGM.</p> <p>HR Director – Recruitment of HOPCC</p> <p>SA provided an overview of the recruitment of the HOPCC and thanks were expressed to BC and Steve Kemp for their support.</p> <p>It was noted that since Blair Cremin had left the organisation, VB and LA had put in additional hours and SA confirmed that this was being looked at.</p>	GDL
4.	Priority Area	

Scottish Fencing Accounts

DC reported that the draft Accounts for the Year to 31 March 2021 had been circulated to the Board. He highlighted that it had been a very unusual year due to COVID-19 and there had been an improvement over the previous year with the account showing a £26,700 surplus compared to a £14,500 projected deficit.

He warned that the Board needed to understand what had happened through the past year. The membership numbers had halved, as had coach education income (from £3,600 to £1,800) although the sportscotland investment had remained the same. Income had been secured from British Fencing for the Pathways project, although this had been truncated as only £2,500 of the £16,000 could be taken into 2021 and £10,000 deferred into the following year. There was also income from the COVID grants of £27,000 including a support grant of £24,800 from the local authority, which was not recurring and represented most of the surplus.

DC explained that, as a counter for the reduction in activity, the cost of sales had reduced enormously as activities had been truncated. There had been a lower spend on competitions, squads, coaching, coach education and the development programme. Payroll costs had also seen a reduction due to lower travel-related expenditure. The £46,000 reduction in cost of sales had contributed enormously to the bottom line.

Admin expenses were showing a reduction of £5,000 and this was mainly due to the release of an accrual, £3,000 which was released into income. There was a reduction of £2,000 in board costs due to online meetings, with no Board travel.

Many of these reductions in costs would be non-recurring. DC explained that COVID had bought Scottish Fencing breathing space to allow it to move forward. Without COVID the Board would have been having a different conversation. As a result of the scale of the surplus, all of the tax losses had been used, so tax of £2,000 had to be paid.

The balance sheet at £62,000 was quite high and this had been boosted by the COVID grants of £27,000 and payment in advance for the British Fencing Pathways project. Creditors were high due to deferred income, eg Project Forte, British Fencing, and a Corporation Tax liability of £3,000.

GL asked whether the surplus would have any ramifications for the investment from sportscotland. BC noted that in terms of the vacancy it was only one month's salary costs so this would not be clawed back; also, additional work had been carried out by other staff members which may utilise some of that. In term of the surplus, most of that was not related to sportscotland income. VB would meet with GL to go through the Development budget.

SA asked if there was a projected budget for how the money would be spent. VB

VB/GL

VB

	<p>explained that it was all related to development activity and agreed to circulate information to the Board.</p> <p>DC noted that events and activities could not be run at a loss.</p> <p>The Board approved the Year End Accounts and GDL agreed to sign them. DC explained that they would then be returned to the accountant who would then file them.</p> <p><u>Financial Update</u></p> <p>DC circulated the summary for the year to the end of August 2021. The cash position at the end of August 2021 was £82,000 and if everything continued to plan there was a projected cash surplus of £17,000 at the year end. DC noted that there was a lot of deferred and ring-fenced expenditure that Scottish Fencing was carrying forward and needed to be spent, and £9,500 of squad income was not accounted for in the current budget.</p> <p>DC noted that the non-recurring COVID income from Lothian Council and the projected cash flow to March 2022 should be around £97,000 by the end of the year, which was well above the reserves figures for 2021/22. He noted that Scottish Fencing should be careful about not subsidising activities to any great extent for when hopefully normal sporting interactions and competitions resumed.</p> <p>VB asked BC why the second tranche of sportscotland had not been paid into the account; BC noted that this had been due to a glitch and he would keep VB informed of the situation.</p> <p>GDL thanked DC for his updated and noted that the Board would take seriously his advice about the need to balance the books and hopefully some of what would come out of the strategic review would go some way to towards this.</p> <p>HK noted that even with the best possible outcome next week, Scottish Fencing's non-grant income was not big enough to support its aspirations. Scottish Fencing wanted to run activities and these had to make money. Scottish Fencing either needed more money or more members, and even if there was a perfect result coming out of the strategic review it didn't change that underlying fact.</p> <p>SA noted that one of sportscotland's courses was on Raising Funds; she and SS had signed up for this and GDL would also look into this.</p>	DC/ GDL
5.	<p>sportscotland Update</p> <p>BC outlined the strategic review format, noting that there were 23 reviews taking place. When they were complete, the outcomes would be discussed at the sportscotland Board meeting in December, where an indicative budget was normally set, with final figure budgets known in February. BC agreed to keep VB</p>	

	<p>informed of decisions as early as possible to allow planning to take place.</p> <p>BC reported the transgender guidance has been published by the Home Nations' Sports Councils and UK Sport. The previous guidance had been published in 2013 so was considerably out of date and there was recognition that sport at every level required guidance.</p> <p>October had been Women and Girls in Sport Month and the week commencing 25 October would be Women and Girls in Sport week so there would be a lot of social media activity with the hashtag #shecanshewill. There would be a Panel discussion taking place on 28 October 2021 and BC agreed to find out whether this was being recorded.</p> <p>Scottish Fencing would have received information from sportscotland about ongoing work with SAMH and there was a bespoke offer to governing bodies for staff training. BC explained that Local Authority partners had undergone the training over the previous 12 months and a similar model was being offered to governing bodies. JS explained that she had gone through the training and felt that it was very worthwhile. VB and BC agreed to liaise on this.</p> <p>Sportscotland had updated some of the COVID guidance around facilities and coaches.</p> <p>Work would start on coaching, officiating and volunteering champions as part of Volunteer Week in November.</p> <p>There were two SAMH Campaigns which sportscotland was supporting – Feel Your Personal Best and Try Something New.</p>	<p>BC</p> <p>BC/VB</p>
<p>6.</p>	<p>Records of Decisions Made Outside a Board Meeting</p> <p>An offer of Employment to the HOPCC Candidate.</p>	
<p>7.</p>	<p>Submitted Papers and Areas for Discussion</p> <p>a) <u>Selection Updates from External Consultation</u> – PV reported that there had been good dialogue with some members and he was working with LA on the injury form. Once that had been finalised, clarifications on the policy would be issued to the membership. He was also working with SS on bringing some of the Coaches who had expressed an interest together.</p> <p>SA noted that there needed to be a discussion around finances ahead of any decision on Coaches and PV noted that preliminary work had been done on budgets.</p> <p>GDL reported that HK was dealing with eligibility queries.</p>	

	<p>b) <u>Employment/Payment of Staff/Volunteers</u></p> <p>SA submitted a paper regarding HMRC implications for the payment of staff and volunteers. There was a discussion about the implications and it was agreed that a working group should be set up to report back to the Board in early 2022. This would allow a preliminary view to inform the volunteers/staffing for the Commonwealths. It was agreed that the working group would consist of LA, SA, DC, PV and GL.</p> <p>HK noted that there were rules in Company Law about the employment status of directors in relation to the Company, which were separate from the tax issues and these could be quite complicated but also needed to be considered.</p> <p>DC reminded the Board that sportscotland had access to the expert resource which may be able to provide support.</p> <p>c) <u>British Fencing</u></p> <p>GDL reported that he had circulated the reply from British Fencing on Membership fees to the Board. It was noted that there was more work to do on this.</p> <p>d) <u>Women and Girls Week</u></p> <p>As part of Women and Girls Week, MM reported that she would be issuing a short survey which would focus on issues such as periods and menopause. This would then give an idea of how this affected women and girls in fencing and would be considered by the Women and Girls Group. The aim would be to come up with an action plan and distribute information to all clubs and coaches.</p> <p>GL asked if there were any plans to do workshops with athletes or coaches following the survey and MM noted that this was something that could happen.</p>	GDL
8.	<p>Any Other Business</p> <p>a) <u>Quorum</u></p> <p>HK took the opportunity to remind the Board that the quorum for meetings is 5 and 3 need to be elected directors.</p> <p>b) <u>Away Day</u></p> <p>SA noted that she and GDL had a discussion about sportscotland's offer to fund an Away Day which would include an overnight stay. This offer</p>	

	<p>remained available until the end of the financial year and depended on Inverclyde's availability. It was suggested that January would be a good time as there would be an indication of future investment from sportscotland. SA agreed to send round a Doodle Poll with potential dates.</p>	SA
9.	<p>Date of Next Meeting</p> <p>The date of the next Board meeting was confirmed as 24 November 2021. It was suggested that every second meeting should be an informal chat where the Board could look at a particular issue. HK suggested that there should be a programme to highlight when issues are coming to the Board.</p>	