

## Should Bearsden LTC become a SCIO?

**The Committee will be recommending to members at the AGM that BLTC seeks to further investigate and if appropriate change its charitable status, management and financial reporting style associated with its current status as a CASC to allow it to become a SCIO. (See below for a summary.)**

Bearsden LTC is currently a **CASC** (Community Amateur Sports Club) and as such enjoys some of the benefits of charities (e.g. relief from community and water charges, tax status) but not all. In law, Bearsden LTC does not exist; it is a group of individuals who are jointly responsible for its operation, liabilities and debts.

A **SCIO** (Scottish Charitable Incorporated Organisation) is a fairly new legal entity which offers the advantages of being a charity, but without the complexities of company law (e.g. the need to produce accrual-based accounts, appointment of company directors, etc. ) as would be the case for an incorporated charity. Further information about SCIOs is available at <https://www.oscr.org.uk/becoming-a-charity/becoming-a-scio/>

At last year's AGM, a motion was passed asking the Committee to consider the option of us becoming a SCIO. Accordingly, as agreed by the current Committee, we met recently with a representative from East Dunbartonshire Voluntary Action Group to discuss what was involved. After an informative and constructive discussion and many questions, our conclusions are as follows:

### **Advantages:**

- As an incorporated body, our Office Bearers/Committee would no longer be at risk. Such a risk could mean that, under exceptional circumstances, they could be held personally responsible for any claims, financial or otherwise, against the club.
- We would continue to receive 80% relief on community and water charges. Currently East Dunbartonshire policy is that this is extended to 100% and it is anticipated that in either situation this extension would continue.

- Our bins would be emptied free of charge, thereby saving the Club ~£400 per year, and it would solve our recycling problems too.
- Whilst not being VAT exempt, we would be able to get VAT relief on many items e.g. we could have saved some ~£2,600 on the court rejuvenation, but we would be unlikely to get any relief on the road project. Substantial savings would also be made on future projects such as LED floodlights and court replacement.
- Eligibility to apply to a wider range of bodies for grant funding e.g. Robertson Trust.
- Financial institutions may offer preferential rates of interest to charities.

### **Disadvantages:**

- Our operations would have to be exclusively for charitable purposes, but this would not preclude for example letting out the clubhouse in order to generate income.
- Some modification may be needed in the format of our accounts, but once made things should then be straightforward.
- The accounts need to be examined by an individual who is approved by the Scottish Charities Commission; that person may be a member of the club.
- A considerable amount of work will be involved in both setting up the new entity (including formulating the Constitution), and also the winding up of the CASC. We believe that within the Committee there is the necessary background and experience to take this forward but realise that we may need some outside professional expertise to assist the Committee make this change.

### **Conclusion and Recommendation:**

The Committee is of the opinion that overall it would be highly advantageous for Bearsden LTC to become a SCIO and that we should progress with this as soon as reasonably possible. The following resolution will therefore be put before the member at the AGM on Tuesday 12 November 2019.

**“The AGM empowers the Committee to proceed with the administrative requirements for Bearsden LTC to become a SCIO and to wind up the CASC. When this is complete, an EGM will be called for the membership to approve the new Constitution and to ratify any other changes required”.**

Signed: Keith Wright (Treasurer)  
Josie Beeley (Hon Vice President)  
on behalf of the Committee  
6 November 2019