

**Zarząd Okręgu (ZO) Wielka Brytania**  
**Extraordinary meeting of the UK National Executive Council Meeting**  
**PSA (UK Region) Ltd**  
**Videoconference Call**

**Thursday 13<sup>th</sup> 2023 20:00 – 22:00 Zoom**

**Present:** Ali Szwagrzak hm (AS) – Chair  
Wanda Petruszewicz-Allen hm (WPA) – UK Guide Commissioner  
Marcin Roth hm (MR)- UK Scout Commissioner  
Zosia Edmond pwd (ZE) – Safeguarding and HR  
Szymon Erdzik pwd (SE) – Data Protection  
Pawel Grabowiecki phm (PG)  
Leszek Indyk phm (LI) – Health & Safety  
Krzysztof Jakubowski hm (KJ) - St Briavels Project Manager  
Alicja Macheta pwd (ALM)  
Dorota Matuszewska hm (DM) – Secretary  
Jan Minor hm (JM) – Covid 19 Response  
Irena Sobolewska phm (IS) – Treasurer  
Agnieszka Wojtkowiak phm (AW) - Media & communication  
Docia Zasadzka (DZ)  
Jerzy Zychowicz phm (JZ)  
Andrzej Ciuksza phm (AC)

**Apologies:** Ks Roman Werner hm (RW) – Chaplain  
Dzh Krystyna Buyukardicli – Friends of Scouting  
Teresa Ciecierska hm (TC) – Senior Scouts  
Aneta Macheta hm (AM) – Treasurer Project St Briavels,

**Absent:**

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk,  
P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor,  
W Petruszewicz-Allen, M Roth, I Sobolewska, A Szwagrzak, Chaplain: Rev. R Werner,  
A Wojtkowiak, D Zasadzka, J Zychowicz



#### Agenda:

<b>1. Opening, welcome, quorum, acceptance of agenda, declaration of conflict of interest, apologies</b>	
<b>2. St Briavels Refurbishment Loan Proposal (KJ)</b> 2.1. Presentation of proposal 2.2. Questions and discussion 2.3. Next Steps	19:30
<b>3. Meeting close</b>	21:00

#### Minutes

<b>3. Opening, welcome, quorum, acceptance of agenda, declaration of conflict of interest, apologies</b> Agenda was accepted. Quorum established. No conflict of interest declared. Apologies received from AM, KB and TC	
<b>2. St Briavels Refurbishment Loan Proposal</b> AS - Objective of the meeting is to continue with the presentation of the loan proposal with a view to vote on the Committee (Zarząd Okręgu, ZO) on 15/04/2023. Every confirmed that they had received and read the updated loan proposal document which included KJ responses to Olena Zakrzewska's (OZ) comments. This was done following a meeting 11/04/2023 that AS, KJ, IS had with Stas Berkietta (SB) Treasurer at PSA (International) and OZ. <b>Actions from meeting 25/05/2023</b> <ol style="list-style-type: none"> <li>KJ to send updated document after his meeting with SB and OZ. completed.</li> <li>IS to request a revised budget from the St Briavels Activity Centre Manager ACM, and give help if required. IS does not have the revised budget. She had a meeting scheduled for today, but WO did not join, and IS was unable to reach her. Will try again tomorrow.</li> </ol> <b>Introduction</b> KJ – Organised the meeting 11/04/2023 with OZ, who requested that IS and AS attended and KJ invited SB, Treasurer of PSA (Int'l) (Naczelnictwo). SB had reviewed the document. OZ did not want to have a joint version of the document, and so SB suggested that KJ responded to OZ comments. KJ – accepts doc is not perfect, OZ and SB both said that some information needs to be presented in more detail. He will explain where they made the comments as he goes through the document. <b>Summary page</b> KJ, JZ, LI, JM £831k is required to complete the project. The loan is £577k and OZ suggested that the total cost of loan should be included in the summary. The total cost of loan is £1,040,638, cost of borrowing is £463,638. There are lots of opportunities at Stanica, and WO is already tapping in to other groups that would be interested in rentals so we	<b>Actions:</b>

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk, P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor, W Petruszewicz-Allen, M Roth, I Sobolewska, A Szwagrzak, Chaplain: Rev. R Werner, A Wojtkowiak, D Zasadzka, J Zychowicz



<p>should be able to make capital payments throughout the term of the loan. KJ - Highest risk identified is if we do not go ahead with the loan. Would be helpful to have various scenarios for the loan in the document, ie 20 years, at current interest rate, 6.75% if went up 2% and if went down 2% and provide the full cost of the loan for each. This is how financial documents scale themselves.</p> <p>Important that everyone understands that we will be paying back £1million.</p> <p>The document looks at the worse case scenario, does not include reduced interest rate, nor any capital payments which could be made. If the interest rates went up to 8.75% repayments would be £5,099 monthly, £61,200 annually, total cost of loan £1,224,000. This is £52,032 a year, above Stanica's current income. Proposal assumes Stanica would reach break even point after two years in 2025. 110 – 120 extra nights rentals a year, and would give a comfortable margin. IMF predicts interest rates are likely to go back to pre-pandemic level in the next 6-8 years. Financial betting shows that the bank rate will fall to 3.5% within a year or so.</p> <p>Main issue, a lot of people are nervous about the loan. It is whether you are a glass half full, half empty person.</p> <p>The likelihood of not being able to service the loan is down as a low risk, what is this based on. Current break even point is a 106 days, how are we guaranteeing that will happen. KJ – said that this will be covered later in the document.</p> <p><b>Goals and Objectives</b> AS, ZE</p> <p>Previous plans were revised and the footprint of the White House was not expanded. White House is independent to Wood House, but would also compliment it. Andrzej Borowy (AB) previous ACM had said that he had turned down several booking, because they needed 60 beds, and he could only provide 40 beds.</p> <p>We received funds from MSZ and we need to provide them financial reconciliations, and other objectives, one of which was that we should have a building available for harcerstwo to use. We did not achieve this in 2022, and they accepted that we had done as much as we could with the money received.</p> <p>No limits set by our agreement with MSZ. Assumption that it will be used by Polish Groups, but no restriction from MSZ as to who can use the facilities. MSZ they want their logo at Stanica, stating it is funded by Polonia.</p> <p><b>Business Case</b> KJ, LI, AS, IS, SE, ZE, AC</p> <p>Explanation, why we are in a situation where we need more money. With initial spend have a water tight building. Next stages are the two fixes, plumbing, heating, electrics and finishes to walls floor and fixtures and fittings, utilities, planning, building control, fire strategies. Costs a lot of money to get all these done. Contract manager and contractors have been very accommodating and flexible. Contract manager signed for 12 months, but is happy to carry on without extra payment. Continually looking to save money, without compromising on quality.</p>	
---	--

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk,

P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor,

W Petruszewicz-Allen, M Roth, I Sobolewska, A Szwagrzak, Chaplain: Rev. R Werner,

A Wojtkowiak, D Zasadzka, J Zychowicz



<p>The document is internal, if we agree to go ahead with the loan, the document will be updated.</p> <p>IS – we as trustees and directors will be liable for our decision on this loan, not for the duration of our term, or our lives, but the rest of history. This is an internal document at the moment, but we will need to share a document, so that it needs to be updated, because we will need to cover ourselves.</p> <p>SB introduced concept of stress test. We should make a plan if the base rate goes up 50% we would be paying 8.75%. Not included if the interest rate reduced by 50%.</p> <p>The commercial loan was the last resort and always was the last resort. We have failed to get any funding from outside the Polish Government and Polish Organisations in the UK. We received money from Sue Ryder and used money from ZO in first two phases. We cannot assume that we will get further funding from eg Berek foundation who gave us £75k for phases I and II. We are still looking into further donations. Investigated the possibility of a commercial loan, with broker Mark Sharpe (MS) from Nuco Funding when base rate 1%, and he said that it would be easy to get a commercial loan for £700k. However, since then, there are many changes. MS advises we should go with a big lender, smaller lender would be more likely to call in loan if they were in trouble. MS has a contact at Barclays, who are large and stable enough lender, less likely to call in loan before the completion of the term. MS explained that Barclays interest was 2.35% over base rate. Both OZ and SB expressed an opinion that this was high, however, that is all that is available. Additional costs would be valuation fee, £7,200 set up cost, brokers commission £2k. Term of loan is 20 years, renegotiated every 5 years, with a minor cost. At this point, Barclays could increase the interest rate or call in the loan, latter is unlikely, but we could go to a different lender. According to MS it is normal practice to have a break clause. At this point we could pay off part or the full loan, go with another lender. We can pay off 10% of the loan ie £57k every year, with no penalty, if we had the money from donations or other sources. The base rate will change and it may go up .25 or .5%, but unlikely that it will go higher. If the base rate goes down, likely that repayments would go down.</p> <p>National Lottery, no longer funds projects such as this. Youth improvement fund, which funds capital projects, is dependent on the location of the project, Stanica is in St Briavels which is a too affluent area. Have not explored everywhere, funding is KJ's Achilles heel, but have secured funds from Poland and two large personal donations.</p> <p>KJ – there will be more detail in the document, but a broad example of the income we could expect.</p> <ol style="list-style-type: none"> <li>At the moment, when the Wood House is rented to a kolonia, they receive £480 per night, for 46-48 beds.</li> <li>External scouting organisation or Polish non scouting organisations, £550.</li> <li>All other lettings are £600 for the building.</li> </ol>	
--	--

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk,



P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor,  
W Petruszewicz-Allen, M Roth, I Sobolewska, A Szwagrzak, Chaplain: Rev. R Werner,  
A Wojtkowiak, D Zasadzka, J Zychowicz

Assumed that the same pricing for the White House, as it has similar facilities to the Wood House. For prudence, estimated income per night as £500. Reasonable to get £1000 per night, for both buildings. Costs have been increased from £46,000 to £75,000. To cover loan, and Stanica's operating costs, we would £106,000 - £120,000 ie 106 – 120, which is a third of the year. KJ thinks that this is realistic. A lot of these would not be overlapping. This is using today's prices, without providing other offerings such as catering.

#### **Management Structure** KJ, AC, ZE

Project team sub-committee report to ZO. Day to day decisions are made by Project Team, but important decisions are made by ZO. There is also a sub-committee that manage the day to day running of Stanica. Need to consider Stanica management structure of the 20 years, marketing and management of the site, should it be a volunteer or paid role?

We will not be able to generate the money for a loan as we are. WO job to manage the site. Where is her job description? We are relying too much on the good will of people. If marketing is in her role, need to look to expand the prominence on the Internet.

In the past the plan was that caretaker role, to change to a paid manager. KJ as PM for the refurbishment of the White House, concentrated on the affordability of paying off the loan.

If we get the money to pay the rest of the work now, we will be able to complete the refurbishment at the end of August 2023 and could then have rentals.

#### **Market Analysis and Marketing Strategy** KJ, DM,

This was done for phases I and II. There is a need for this type of facility in the area. WO is visiting facilities to update our information. We have three markets.

1. Polish scouting organisation abroad and in Poland. We've already had enquiries from ZHR.
2. Local and not so local English Scouts, Polish Groups, such as Orleta dance group, scouting families.
3. External organisations, by eg schools.

Group 3 rent during term time when harcerstwo does not use the facilities.

Each of these groups will have to have a different marketing approach. We need to market internally so more of our scouts to use the facilities. WO has a group of volunteers who regularly help with the upkeep of Stanica. Perhaps they could volunteer to run activities as well. One day or weekend.

#### **Financials** JZ, LI,

##### **Table 1 Okreg's accounts Summary** KJ

At meeting with OZ, SB, AS and IS agreed that this was not useful and will be removed.

##### **Table 2 Renamed cash in cash out Stanica** KJ, DM, ZE, AS, AC

Submitted with our accounts to the external auditors. Used figures here to project the figures for the future. Income £56k and expenses £47k. In the income £4,595 was a grant from council which would not

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk,

P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor,

W Petruszewicz-Allen, M Roth, I Sobolewska, A Szwarzak, Chaplain: Rev. R Werner,

A Wojtkowiak, D Zasadzka, J Zychowicz



<p>be repeated, but also in expenses there are repairs that that would not be repeated.</p> <p>Do not currently have actual year to date and budget for this year, unlikely to be able to include before Saturday. Fuel cost have tripled. Having year to date figures would add another £16k fuel cost, the £9k of profit would be a deficit of £10k. The sensitivity of both the income and costs is vital and we cannot just tell the positive story without being realistic and looking at the other side.</p> <p>Include the bookings spreadsheet that shows a 43% occupancy so far this year.</p> <p><b>Table 3 – project costs KJ</b></p> <p>March 2022 £50k opening balance from previous phase. Spent £745,686, £107k remaining which includes loan from Naczelnictwo.</p> <p><b>Table 4 – planned expenditure &amp; guaranteed income KJ, DM, JM, MC</b></p> <p>Shows best estimate of what need to do to complete the project. LJO contactors- £738,900; admin report around planning fire strategy - £10k; other contractors such as MNE design- £39,591 to complete the installation of the heating system, two more payments to Contract Manager, and the £7500 is for final checks before keys are handed over. Income donations is gift-aid, £450 money from regular donors would carry, assumes need to payback £150k to Naczelnictwo. Need £831,222 to pay for everything.</p> <p>Included all finishing off, all sanitary wear, light fittings, charging points, fully working commercial kitchen. Not included beds and bed side cabinets.</p> <p>No contingency included as Contract Manager is adamant that these figures will not increase a</p> <p>Tables cutlery, crockery not included, could use from the Wood House</p> <p>Cost to complete is £831,222, commercial loan £577k. There is a risk that if we do not get the remaining money, we can end up with a commercial loan and the house not being completed.</p> <p><b>Table 5 impact of loans – KJ, AS</b></p> <p>Added the commercial and personal loans to table 4. Result that the repayment figure is greater. Interest payable rises as more loans are taken on. The project will pay off the loans for 2023.</p> <p>Naczelnictwo have said that we may be able to delay the repayment to the end of the year, or possibly June 2024.</p> <p>More information is required about two additional loans for £300k. ZO needs to approve the Barclays loan, and the two loans of £300k in order for the project to be finished.</p>	
<p><b>4. Next Steps AS, IS, SE, DM, WPA, JZ</b></p> <p>At 21:45 still have half document to go through. Not possible to have another meeting before Saturday 15/04/2023 when vote is due. Will continue this on Saturday, as too important to rush through. We should get external source, such as Auditors to review the proposal for business sense before we take vote.</p> <p>The reason for the rush to make a decision on Saturday, was because we would be running out of money and the project will stall. If we</p>	<p><b>DM</b> to ask WO to include current cost of electricity and oil in her report.</p> <p><b>IS</b> to ask for cost of auditors to review proposal for business sense</p>

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk, P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor, W Petruszewicz-Allen, M Roth, I Sobolewska, A Szwagrzak, Chaplain: Rev. R Werner, A Wojtkowiak, D Zasadzka, J Zychowicz



<p>decide to not take the loan, and mothball the project, the refurbishment may never be finished.</p> <p>Is it not possible to look at other options perhaps do room by room. Maybe get two bedrooms completed first, at least get some use of the building. It is not as black and white, that if we don't get the loan then it is mothballed.</p> <p>Nobody is pushing to get the loan vote quickly, as it is the biggest decision that this ZO has ever had to make. We have got enough money to get through the end of the month.</p> <p>Agreed to start the meeting review of document on 15/04/2023AS – keep to 1.5 hours. At the end of that time, we will make a decision if we vote on the day or need to plan another date.</p> <p>AS closed the meeting and thanked everyone for their attendance.</p>	
--	--

**Circulation:** Krysia Buyukardicli, T Ciecierska, A Ciuksza, Z Edmond, S Erdzik, L Indyk,  
P Grabowiecki, K Jakubowski, Alicja Macheta, Aneta Macheta, D Matuszewska, J Minor,  
W Petrusiewicz-Allen, M Roth, I Sobolewska, A Szwagrzak, Chaplain: Rev. R Werner,  
A Wojtkowiak, D Zasadzka, J Zychowicz

