Thanks for all the ideas that have been coming in on this, but it’s clear that not everyone is that familiar with the way NWOA works or its finances, so there’s been a sudden focus on just one big figure. We therefore thought it might help if we add a bit of background to give some context.

To set the scene, NWOA was restructured in the mid 1990’s so that its members were the clubs rather than individuals. There are currently 10 open clubs and 1 closed (GMOA, which operates solely to offer POC’s). The region is set up so that clubs decide on all matters of policy, generally at one of the two Club Delegate Meetings held each year, and then a small Executive Committee implements those decisions, interpreting as necessary.

A number of financial policies have been adopted at those meetings; the relevant ones here are:

* The region should aim to cover its routine ongoing costs from regular sustainable sources of income, where:
	+ Ongoing costs, the main items of which are running the NW Junior Squad (but not the costs of Squad members’ food, accommodation, travel or orienteering activity), all grants made to NW athletes selected for international representation or for official BOF/JROS training camps, our membership of Orienteering England (so that we can have athletes selected for Home Internationals) and the general costs of running the region;
	+ Sustainable income currently comes from annual club subscriptions and event levies.
* Income from major events (notably the 4-yearly Lake District 5 Days) should be used primarily to fund development activities and not simply to make the sport cheaper for members of NWOA clubs.

Consistent application of the above has enabled us to always pay our way whilst building a strong financial position in both the region and, as far as we understand, pretty much all our member clubs. The regional position is heavily influenced by the cycle of L5D events where the profit earned has to fund development activity over the next 4 years. Our August 2022 year end occurred about 3 weeks after the last L5D so funds were at their highest point – as intended by those clubs attending last year’s AGM and Club Delegate Meeting, who did not want to miss the opportunity to top them up.

There’s also some confusion amongst people who seem to think these funds are held as reserves. They’re not – apart from £10k which we do need to hold in reserve to cover contingencies, they are there to be used, preferably to develop our sport and strengthen our organisation over the next 4 years.

We’ve retained the funds centrally so that they can be used for big ideas if they come up, and one of the advantages of having deep pockets is that we can be a little bit ambitious with ideas without fear of bankrupting ourselves. But we know that many projects are best run locally, so for many years now clubs have been encouraged to apply for grants for any (equally ambitious) development activity they have in mind. Clubs also receive grants to help develop their members through qualifications in first aid, coaching or similar, where relevant courses receive a 50% grant. We’ve not yet had to refuse to pay grants through lack of funds, though it has sometimes required careful consideration.

However, applications for development projects have been infrequent of late and have not fully utilised the funds that have been generated, so our assets have inevitably grown. That suggests that clubs are not financially constrained but don’t have capacity or people to devote to development activity. This may change within the current 4-year funding cycle as we know a number of clubs are actively contemplating taking on a part-time development officer. They’re currently watching LOC’s experience with this, in a project approved during the summer that is partially funded by a NWOA grant which will absorb a portion of this contentious £100k, whilst developing suitable ideas of their own. We’d like to be in a position to offer similar support to those other clubs.

To provide the promised context, a summary of the figures over the period 2006 – 2019, so covering the three L5D events and the period prior to the pandemic, shows:

 £’000 £’000

 Routine costs 72

 Sustainable income 71

 Surplus on ongoing activities 1

 Grants to clubs 101

 Regional development projects 13

 Other, less interest received (7)

 107

 Major event income 137

 Surplus on development funds 30

 Other irregular income 4 35

 Increase during pandemic period 2020 – 2022, incl. L5D22 37

 Net assets at 1/9/06, brought forward 29

Net assets at 31/8/22 101

Of this, planned utilisation over the coming funding cycle to August 2026 is:

 £’000 £’000

Net assets at 1/9/22 101

Less planned spending:

 Planned deficit 2022/23 4

 Commitments under existing policies for courses etc. 12

 Lake District 5 Day 2026 advance spending 25

 (mapping, marketing and to ensure we can pay co-ordinator)

 41

Net assets at 31/8/26, after above but before L5D 2026 profit 60

Less minimum reserves to be retained 10

Available to spend 50

While £50k still seems a decent sum to have to work with, it has to last 4 years, so about £12.5k a year to support 11 clubs and any region-wide activity we may identify. That is still considerably better than most other regions, but it has only been achieved by hard work on the part of NWOA members. We are not embarrassed by our strong financial position – indeed are quite proud to belong to so strong a region. To see that strong position dissipated would be to devalue the work of all the members who built it, but we do need to put it to good use and would therefore welcome all ideas to do so with a very strong preference for those which can realistically strengthen our clubs and our sport. There is no desire to just sit on it, but we need good ideas from everywhere.

Unfortunately, there are no magic bullets to achieve this but if you have some thoughts on where we might find them then please Email davidmccann2020@outlook.com by 11 December so that we can begin the process of sifting and combining as many ideas as possible to get the nearest we can to finding some.