



NORTHUMBERLAND SCOUTS
ANNUAL REPORT AND
FINANCIAL STATEMENTS
2020/2021



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Scouts
Northumberland

TRUSTEES REPORT TO THE COUNCIL - YEAR TO 31ST MARCH 2021

The Trustees (the members of the Executive Committee, see page 6) present their annual report together with the unaudited financial statements of Northumberland County Scout Council ("the Charity") for the year ended 31 March 2021.

The Trustees confirm that the financial statements below have been prepared in accordance with the Charities Act 2011, the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP, and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

CONSTITUTION

Northumberland County Scout Council (informally known as 'the County' and increasingly as 'Northumberland County Scouts'), is a registered charity in England and Wales (No. 508681).

The County's governing documents are those of The Scout Association. They consist of a Royal Charter, which in turn gives authority to the Bye Laws of The Scout Association, the Policy, Organisation and Rules (POR) of the Scout Association.

THE PURPOSE OF SCOUTING

To ensure **Scouting** is shaped by young people in partnership with adults. Members of **Scouting** in 2021 will feel empowered; valued; proud. Our mission: **Scouting** exists to actively engage and support young people in their personal development, empowering them to make a positive contribution to society.

THE VALUES OF SCOUTING

Integrity We act with integrity; we are honest, trustworthy and loyal.

Respect We have self-respect and respect for others.

Care We support others and take care of the world in which we live.

Belief We explore our faiths, beliefs and attitudes.

Cooperation We make a positive difference; we cooperate with others and make friends.

THE SCOUT METHOD

Scouting takes place when young people, in partnership with adults, work together based on the values of Scouting and:

- Enjoy what they are doing and have fun
- Take part in activities indoors and outdoors
- Learn by doing
- Share in spiritual reflection
- Take responsibility and make choices
- Undertake new challenging activities
- Make and live by their promise

Scouting is open to all young people between the ages of 6 and 25 years irrespective of class, ethnic origin, nationality (or statelessness) or race, gender, marital or sexual status, mental or physical ability, political or religious belief. Full membership is restricted to young people who will take the Scout Promise.

OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

The Scout County of Northumberland covers and operates across the local authority areas of Newcastle upon Tyne, North Tyneside and Northumberland. Two types of service are provided by the County to further the Scout Association's purpose: support to the operation of Scouting in Northumberland and provision of activities for young people.

A programme of activities, run by County volunteers, that furthers our purpose and method and complements those offered by Scout Groups and Districts is provided for members of the Association for each of the sections: Beaver Scouts, 6-8 years; Cub Scouts 8-10 years; Scouts, 10-14 years; Explorer Scouts, 14-18 years; and Network Scouts, 18-25 years. These activities are open to all young members in the County via their Scout Groups and Districts. Some activities are restricted in participant numbers by their nature, in which case places are taken on a first come first served basis or by selection. Any selection process adheres to the Association's diversity policy and will take into account any requirements of the activity. Activities are normally financed by a range of charges, together with fundraising for larger scale activities. Should a young person not be able to pay 100% of the activity costs this would not be a bar to participation.

The County provides support to Districts and Groups operated by volunteer leaders and supporters across Northumberland. A team of volunteer Commissioners, Advisors and Skills instructors provides support to Districts and Groups in the delivery of their Scouting, which is achieved through meetings, visits and one to one assistance.

The County operates a programme of training for leaders and volunteers to equip them with the correct skills for their role. Assistance is provided with the development of Scouting; administrative and communication support is provided to help the operation of Districts and Groups. These services are free at the point of access having been financed by a mix of membership fees, fundraising and donations.

The Trustees confirm that they have had due regard to the guidance on public benefit published by the Charity Commission when reviewing the Trust's aims and objectives and in planning and operating activities during the year.

REVIEW OF FINANCIAL RESULTS

The Trustees acknowledge and thank the various grant making bodies which have supported our activities during the year; a list of the major supporters can be found on page 21.

Details of the County's income and expenditure are reported in the financial statements on pages 16 to 29.

The County's unrestricted income was higher than the previous year due to an increase in fundraising income and receipt of a £10,000 Covid-19 grant from North Tyneside Council; however, there was also a significant reduction in charitable activities income resulting from the extended periods of Covid-19 restrictions in the UK. Membership income remained in line with the prior year; however, the 22% reduction in membership noted in the Q1 2021 census does not affect the membership income in the current year ended 31 March 2021. The Trustees anticipate a £12,000 reduction in membership income for the year ended 31 March 2022. Unrestricted expenditure also decreased in the year driven by the decrease in programme activities and strict cost control. Net movement in unrestricted funds (before investment gains or losses) for the year increased from £10,645 in 2020 to £26,122 in 2021 but the impact from Covid-19 is expected to be more noticeable in the year ending 31 March 2022.

Investment gains were £13,884 in the year (2020: £18,170 loss). This increase in value reflects the overall impact of macroeconomic events on the global economy, including some recovery from the Covid-19 pandemic which significantly impacted the prior year valuation.

Restricted expenditure relates to non-refundable deposits that were paid towards the Camp Together event (previously known as 'Camp Marra') due to take place in May 2020 and were rolled forward towards the postponed event due to take place in summer 2021 however have since been identified as unrecoverable therefore have been provided for or written off.

During the year the Trustees released £42,818 of designated funds that were previously allocated to fund activity training and shortfalls in activities to the unrestricted County general funds. These amounts had been designated prior to 2015 and all training costs and subsidising of activities have been considered general County expenditure therefore the Trustees felt the designation was no longer required.

At 31 March 2021 the general reserve on hand was £350,577 (2020: £292,713); of this £120,010 (2020: £120,010) is held as a fixed asset for the County's use. The free reserves at 31 March 2021 are £230,567 (2020: £172,703). Of these, 64% are held in investments which can be made available at short notice.

The Trustees have reviewed the level of reserves against the requirements of core expenditure and a surplus of funds of £196,008 has been identified as of 31 March 2021. The Trustees acknowledge that the reserves are in excess of these requirements however Covid-19 continues to present a financial risk to Scouting in Northumberland and the County and the Trustees are prepared to utilise the excess reserves we hold to support the County, Districts and Groups to protect the continuation and return of Scouting in Northumberland.

There continues to be uncertainty regarding the impact the virus will have on Scouting in Northumberland. This is being closely monitored by the Trustees and Finance Sub-committee, see the Serious Matters or Incidents and Going Concern sections of the Trustees report for further detail.

INVESTMENT POLICY

The Trustees investment policy is reflected in the holdings of units in investment funds designed for charities. The units purchased include both fixed interest and income-producing investments; and represent 64% of the surplus free funds identified (see Finance Report).

RESERVES POLICY

The Trustees consider that general reserves held should represent at least 12 months of core County expenditure, determined to be £65,000; under normal circumstances this allows necessary confidence for the continued financial stability of the County. As of 31 March 2021 the Trustees acknowledge that the reserves are in excess of these requirements; however, Covid-19 continues to present a financial risk to Scouting in Northumberland and the County and the Trustees note that the financial impact of the reduction in membership of the County will impact the years ahead, with a £12,000 reduction in membership income expected for the year ended 31 March 2022. The Trustees are prepared to utilise the excess reserves we hold to support the County, Districts and Groups to protect the continuation and return of Scouting in Northumberland.

SERIOUS MATTERS OR INCIDENTS

The Trustees consider Covid-19 and the associated lockdowns that occurred in the UK from the 23rd March 2020 to be a significant incident that will have an adverse impact on the Charity and as such reported this to the Charity Commission in the prior year who noted that the Trustees governance and management of the incident was appropriate and responsible. The situation is improving but still considered significant.

The County has been following TSA and Government guidance to ensure appropriate safeguarding procedures are in place for all beneficiaries, volunteers and members. This has resulted in temporary closure of all premises and face-to-face Scouting in the County. The measures involve a high degree of social disruption which has an impact on the delivery of and demand for the activities of the County, the availability of volunteers to support the charity, and levels of illness and potential unemployment across society which will affect the beneficiaries of the Charity.

The Trustees are continuously assessing the financial impact of Covid-19 on Scouting in the County and are prepared to utilise the excess reserves we hold to support the County, Districts and Groups. The Trustees have made enquiries to ascertain the financial position and forecast impact on Districts and Groups within the County and have performed sensitivity analysis based upon a range of scenarios. Based on the latest census completed in Q1 2021 the Trustees note there has been a 22% reduction in membership across the County (c1,300 members) which is considered significant and could lead to funding shortfalls by Groups or Districts within the County that may require financial support in the year ahead. This could be adversely affected should there be future extended periods of lockdown.

GOING CONCERN

The Trustees have prepared these financial statements on the basis that the Charity is a going concern; however, there are uncertainties surrounding this assessment.

The Charity meets its day-to-day working capital requirements through its bank accounts and excess reserves (see the Reserves Policy note included within the Trustees Report). The current economic conditions continue to create uncertainty over the level of demand for the Charity's services (Scouting in Northumberland) and the related financial impact. The Charity's forecasts and projections, taking account of reasonably possible changes in performance, show that the Charity should be able to operate within the level of its current excess funds. After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and consider the systems and procedures in place sufficient to mitigate our exposure to the major risks with the exception of the impact of Covid-19 which is considered significant and ongoing.

- **Covid-19.** The County has been following TSA and Government guidance regarding Covid-19 to ensure appropriate safeguarding procedures are in place for all beneficiaries, volunteers and members. This has resulted in temporary closure of all premises and face-to-face Scouting in the County. The Trustees are assessing the financial impact of Covid-19 on the Charity continuously and are prepared to utilise the excess reserves we hold to support the County, Districts and Groups. Based on the latest census completed in Q1 2021 the Trustees note there has been a 22% reduction in membership across the County (c1,300 members) and as such the Trustees anticipate a £12,000 reduction to the County in membership income in the year ending 31 March 2022.
- **Failure to follow Safeguarding Procedures.** All adults are trained in Safeguarding procedures. The Scout Association ("TSA") maintains a dedicated team to support and address any issues as a matter of urgency.
- **Damage to the building, property and equipment.** The County has sufficient buildings and contents insurance in place to mitigate against permanent loss.
- **Injury to beneficiaries, volunteers, and members.** The County through membership fees contributes to the Scout Association's national accident insurance policy. Risk assessments are undertaken before all activities.

- **Reduced income.** The County is primarily reliant upon membership income in the form of subscriptions and this income is inherently linked to the performance of Groups and Districts within the County. The County holds excess reserves to ensure continuity of activities should there be a major reduction in income.
- **Unauthorised expenditure.** Delegated approval limits are in place and the Treasurer, the Finance Sub-Committee, or the Executive Committee authorise all transactions depending on the nature and amounts involved. The County Treasurer approves all bank payments.

Cash flow risk

- The Charity's activities expose it primarily to the financial risks of changes in membership numbers and interest rates.

Credit risk

- The Charity's principal financial assets are bank balances and cash, investments and trade and other receivables. The Charity's credit risk is primarily attributable to its receivables and loan debtors. The amount recognised in the statement of financial position are net of allowances for doubtful receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Investments held are in investment funds designed for charities and can be released at short term notice.

Liquidity risk

- The Charity has excess reserves and net current assets providing sufficient funds for ongoing operations. The Charity generally receives income ahead of the associated expenditure however where this may not be the case, for example for specific large events, the Charity actively manages any delays between receipts and expenditure to ensure the timing does not present liquidity issues for the Charity, or any shortfall.

EXECUTIVE COMMITTEE & TRUSTEES

The Executive Committee is appointed at the Annual General Meeting of the County Scout Council. The Executive Committee are the Trustees of the charity and take the responsibilities of supporting and managing Scouting with the following key responsibilities:

- Comply with the Policy, Organisation and Rules of The Scout Association.
- Protect and maintain any property and equipment owned by and/or used by the County.
- Manage the County finances.
- Provide insurance for people, property and equipment.
- Provide sufficient resources for Scouting to operate.
- Promote and support the development of Scouting in the local area.
- Manage and implement the Safety Policy locally.
- Ensure that a positive image of Scouting exists in the local community.
- Appoint and manage the operation of any sub-Committees.
- Ensure that Young People are meaningfully involved in decision making at all levels within the County.
- The opening, closure and amalgamation of Districts, Scout Network and Scout Active Support Units in the County as necessary.
- Appoint and manage the operation of an Appointments Advisory Committee.

EXECUTIVE COMMITTEE 2020/2021		Appointment Method	Membership of Sub Committee	Attendance as % of possible *
EX OFFICIO:				
Prof Sir Alan Craft (Chairman)		1		100
Mark Beckwith (Treasurer)			b	100
Michael Wood-Williams (County Commissioner)		3		100
ELECTED:				
Graeme Popay 2017 (End 09/20)		4		50
David Charlton 2017 (End 09/20)		4		100
Colette Anson 2018		4		75
Daniel Thirlaway 2018		4		50
Jim Allan 2020		4		100
Daren Bailey 2020		4		100
Peter Thorp 2020 (Vice Chair)		4		75
NOMINATED:				
Joycelyn Collie		1		100
Alan Kelly		1		100
Tony Stephenson		1		100
John Harvey		1	b	100
CO-OPTED:				
Naomi Hughes		5		100

SUB COMMITTEES

The Executive Committee operates with a number of sub-committees focusing on specific areas of responsibility. Executive Committee members are encouraged to sit on one or more sub-committees. The following sub-committees operated during the year. The County Chairman and County Commissioner are ex-officio members of all sub committees.

- Appointments Advisory Sub-Committee (a)
- Finance Sub-Committee (b)

APPOINTMENT METHOD:	
1	Nominated by County Commissioner and confirmed by County Scout Council at the AGM.
2	Elected by County Scout Council at AGM.
3	Appointed in accordance with Scout Association rules.
4	Elected from the County Scout Council by the County Scout Council at the AGM. Elected members serve for an initial term of three years and may stand for election for a further term.
5	Co-opted by the County Executive Committee.

COUNTY ADMINISTRATION AND SUPPORT

Our Administration Team continue to work effectively further improving our process and systems to provide volunteers better information and support. The staff team continue to provide solid support and the Trustees are appreciative of their flexibility.

APPOINTMENTS

Our Appointments Advisory Committee continues its on-going tasks of processing and monitoring of DBS checks appointments,

VOLUNTEERS AND STAFF

The commitment of our employees and the vast amount of help and support Scouting receives from volunteer leaders and supporters throughout the County is acknowledged by the Trustees. We are indebted to this support that ensures the success of Scouting in Northumberland.

STATEMENT OF ACTIVITIES

The Executive Committee met 4 times during the year. The Executive's sub-committees continue with their work on the delegated tasks and responsibilities. This work is acknowledged by the Trustees who are grateful for the efforts of all the sub-committee members.

TOP AWARD PRESENTATIONS

During the suspension of face to face Scouting our young people continued to work towards their top sectional awards. Many were achieved during this time and a virtual celebration took place in October 2020.

MEMBERSHIP

Northumberland Scout's total membership at the census 2021 was, 6,537.

During the year the County provided a range of virtual activities whilst Face to Face meetings were suspended to maintain Scouting across Northumberland during these unprecedented times.

- The Beaver Scouts enjoyed many challenges on a month to month basis the A-Z Challenge, a festive challenge, a virtual Science Day & Camping at Home
- The Cubs were challenged to badge work and mixed section challenges.
- The Scouts participated in the What3Word, Spy & Photography challenges
- The Explorer section enjoyed a bake off, virtual Gilwell 24 and the mixed section challenges
- All sections had the opportunity to Camp@Home, Zoom with Santa in the North Pole, What3Words, photography challenge, JOTA-JOTI, Virtual Pride Festival, Virtual Winter Camp and many more..

Membership Numbers 2021			
January 2021		Total	Total
Young People	Boys	3,589	4,840
	Girls	1,236	
	Self ID	1	
	Prefer not to say	14	
Adults			1,697
Total			6,537
Membership Numbers 2020			
January 2020		Total	Total
Young People	Boys	4,811	6,409
	Girls	1,593	
	Self ID	1	
	Prefer not to say	4	
Adults			1,916
Total			8,325

Northumberland Scouts Young People Top Awards



Chief Scout Bronze
Award
121



Chief Scout Silver
Award
78



Chief Scout Gold
Award
45



COUNTY CHAIRMAN'S WELCOME AND OVERVIEW

This year has been unprecedented for all of us. Covid19 has impacted every aspect of our lives. It has necessitated changes to everything we do and Scouting has not been exempt from this. None of us have been exempt from national rules and guidance which has been imposed upon us. The County Commissioner in his report has detailed the extraordinary efforts that have been necessary to keep scouting “ticking over” until the pandemic is at least under control, if not ended. We will learn to live with this new threat to us. Huge efforts have been put into adapting to virtual scouting even though we have not been able to meet for regular weekly meetings.

As we start a new year it is gratifying to see that all of the hard work from our leaders has paid off and although total numbers of members are down they are nowhere near what might have been. We can look forward to the future with optimism. We have a solid and devoted cadre of leaders and young people who are anxious to return to face to face scouting

I thank the CC and his team and all of those who have kept the show on the road.

Professor Sir Alan Craft
County Chairman & President

As Scouts, we believe in preparing young people with skills for life.

We encourage our young people to do more, learn more and be more.

Each week, we give young people the opportunity to enjoy fun and adventure while developing the skills they need to succeed, now and in the future. We're talking about teamwork, leadership and resilience – skills that have helped Scouts become everything from teachers and social workers to astronauts and Olympians.

We believe in bringing people together. We celebrate diversity and stand against intolerance, always.

We're a worldwide movement, creating stronger communities and inspiring positive futures.

#SkillsForLife



Scouts
Northumberland

COUNTY COMMISSIONER REVIEW

More than a year has passed since the beginning of the COVID-19 pandemic. Like the rest of the world, everyone at Northumberland Scouts has experienced great upheaval as we have had to adapt to living and doing things differently; personally, professionally and also within Scouts.

As the crisis hopefully starts to draw to a conclusion, we can say with pride that volunteers across the County rose to the challenge, finding new and innovative ways to continue to deliver brilliant programme and support our young people. We continued, throughout this financial year, to ensure the safety of our colleagues and our young people, whilst enabling them to still have the opportunity to Scout, either in a digital space or through ensuring that we adapted our environments to Covid restrictions when opportunities presented themselves to meet face-to-face. Maintaining and adapting such provision, on an ongoing basis, helped to prevent loneliness and isolation for so many.

Here are some of the highlights of the financial year:

Creating a Digital Community

At the start of the pandemic, a 50 strong digital SASU came together and mobilised to support improved digital administration and communication across the County. The team helped to ensure that online programmes could be delivered and that meetings could effectively take place in a virtual environment.

A new County website was also launched, with members of the county Media and Digital Team consulting with our members to ascertain what they would like to see.

We have increasingly used our Office 365 infrastructure to allow our volunteers to work more efficiently through the use of appropriate tools and automation and Office 365 has been instrumental in supporting our GDPR compliance.

We are now very well placed to proactively support the roll out of new programme planning, programme management and adult journey tools from Scout Association HQ in the coming months and years.

Delivering an Amazing Programme

Whilst we had to postpone our County Camp, the team quickly took to a virtual space and Camp at Home took place as a completely interactive digital County Camp, again demonstrating that, through extraordinary imagination and creativity, great scouting experiences can happen in new and brilliant ways. I am looking forward to Camp Together with the whole of the County collaborating to bring about our biggest and best camp yet.

Our Explorer Scout Leaders, District Explorer Scout Commissioners and Duke of Edinburgh Award team are doing an amazing job in supporting the efforts of so many DofE participants, resulting in some phenomenal achievements. Northumberland Scouts entered more members to DofE than any other County in the UK over the last financial year and had the best 'per Explorer' DofE entry rate of all the large Counties with 38.84% participation. The next closest County achieved 21.69%.

Whilst there has been a 61% overall drop in DofE entries nationally Northumberland is one of two Counties to improve their rate of award entries this year, this is an incredible achievement in any event but particularly so given the challenges of the pandemic. Well done and many thanks to everyone involved.

These are just two examples among so many great programme initiatives that have had a profound positive impact throughout the financial year and particularly in a time of global crisis. It has demonstrated the very best

that Scouting has to offer and seeing thousands of happy faces joining virtually each week or camping in their gardens, front room forts, and cardboard castles, was incredibly uplifting.

Training in a Virtual World

The training team has continued to work incredibly hard throughout the year, moving very quickly to virtual training once lockdown was instigated. They have not compromised on the quality of training delivery and have continued to focus on training compliance, ensuring keeping young people safe remains at the heart of what we do.

Scouting for All

Inclusivity is a fundamental value of Scouting and we continue to do all we can to make sure Scouting feels inclusive and accessible to all.

We continued to support Northern Pride with our colleagues from Durham Scouts and it was great to see fantastic participation in the virtual events. I very much look forward to when we can all get together at Pride again.

We've been working really hard to highlight the availability of resources to support diversity and it's great to see how we constantly challenge ourselves to be as inclusive as we can be, we've come a long way, we've got to continue to work hard to make Northumberland Scouts the most welcome it can be for all.

Together with District and Group teams, we've refocused our funding support to make Scouting more affordable for those members in disadvantaged areas and for those members who require short- or long- term financial support to take a fully active part in Scouting.

Being Led by Our Young People

Absolutely everything we do, every decision we make, is shaped by our Youth Commissioner and the young people within Northumberland Scouts to ensure that we are not only a youth focused organisation but are also a youth led organisation.

The County Youth Team have made considerable progress, ensuring that we listen to the input and feedback of our youth members when planning and running county led activities, events and competitions.

Our County Youth Commissioner is leading on our Adult Journey Project ensuring that youth shaped is at the heart of one of our most impactful projects to date.

Making an Impact in Our Community

This year our impact within the community has taken on completely different dimensions. Through beaming our programmes out virtually into homes across the county and across social media, we have been able to take our activities wider to parents and other family members and to the wider community at large, putting a smile on people's faces through difficult times. Through our continuing efforts we have been there for one another when opportunities to interact have been so considerably reduced.

It has been heartening to see the difference we have made to the lives of residents in care homes, young carers and as a result of a host of initiatives taken by groups and districts across the County.

Northumberland in Numbers

Over the last six years, Northumberland Scouts have, year on year, been leading the way on growth across the country. This year, the County has, sadly, seen a decline in membership due to the pandemic but, despite this, we have still outperformed the national trend. Despite the pandemic, youth membership retention has remained at

77.9% , including opening 7 new sections.

Our extraordinary efforts have ensured we still have more members now than we did 6 years ago. This is testament to the brilliant volunteers who have kept things going so well in the face of adversity.

All of these things have been made possible by the dedication of thousands of incredible volunteers and young people across Northumberland. Now more than ever, I feel so grateful that we have so many who are so passionate about Scouts and so willing to make this movement the best it can be.

Thank you for all that you do.

Michael Wood-Williams

County Commissioner

cc@northumberlandscoouts.org.uk

Trustees Responsibilities Statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Use the going concern basis of accounting unless they intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so;

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the requirements of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 2nd September 2021 and signed on their behalf

by:

Sir Alan Craft
Chairman

Independent Examiner's Report to the Trustees of Northumberland County Scout Council

I report to the Trustees on my examination of the financial statements of Northumberland County Scout Council for the year ended 31 March 2021, which are set out on pages 16 to 29.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act'). You consider that the audit requirements of section 144 of the 2011 Act do not apply and that an independent examination is required.

Having satisfied myself that the financial statements are not required to be audited, I report in respect of my examination of the financial statements carried out under section 145 of the 2011 Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- (2) the financial statements do not accord with those records; or
- (3) the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants

West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne

2nd September 2021

Statement of Financial Activities for the year ended 31 March 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME					
Membership subscriptions	2	-	63,899	63,899	62,393
Donations and legacies	3	-	11,750	11,750	5,721
Charitable activities	4	-	968	968	136,756
Other trading activities	5	-	29,313	6,843	35,773
Investment income	6	-	5,713	5,713	6,743
Other income			1,104	1,104	
TOTAL INCOME		-	112,747	112,747	247,386
EXPENDITURE					
Raising funds	7	-	22,470	22,470	2,080
Charitable activities	8	3,170	59,688	62,858	240,165
Other	11	-	4,467	4,467	4,854
TOTAL EXPENDITURE		3,170	86,625	89,795	247,099
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		(3,170)	26,122	22,952	287
(Losses)/gains on investment assets	15	-	13,884	13,884	(18,170)
NET INCOME/(EXPENDITURE)		(3,170)	40,006	36,836	(17,883)
Transfers between funds	20	-	-	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(3,170)	40,006	36,836	(17,883)
Total funds at 1 April 2020		18,369	341,012	359,381	377,264
TOTAL FUNDS AT 31 MARCH 2021		15,199	381,018	396,217	359,381

All activities relate to continuing operations.

The notes on pages 18 to 29 form part of these financial statements.

Balance Sheet at 31 March 2021

	Note	31 March 2021 £	31 March 2020 £
FIXED ASSETS			
Tangible assets	14	120,010	120,010
Investments	15	147,321	133,437
		<u>267,331</u>	<u>253,447</u>
CURRENT ASSETS			
Stock	16	-	147
Debtors	17	10,614	19,708
Cash at bank		189,651	247,358
		<u>200,265</u>	<u>267,213</u>
CREDITORS: < 1 year	18	<u>(71,379)</u>	<u>(161,279)</u>
NET CURRENT ASSETS		<u>128,886</u>	<u>105,934</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>396,217</u>	<u>359,381</u>
FUNDS OF THE CHARITY			
Restricted funds	20	15,199	18,369
Unrestricted funds		381,018	341,012
TOTAL CHARITY FUNDS		<u>396,217</u>	<u>359,381</u>

The financial statements on pages 18 to 29 were approved by the Trustees, and authorised for issue on 2nd September 2021

and signed for and on their behalf, by:

Prof Sir Alan Craft
Chairman

Mark Beckwith
Treasurer

Notes to the Financial Statements for the year ended 31 March 2021

1. ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements have been prepared in accordance with the Charities Act 2011, the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP (effective January 2019), and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019). Northumberland County Scout Council constitutes a public benefit entity as defined by FRS 102.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Going concern

The Trustees have prepared these financial statements on the basis that the Charity is a going concern.

The Charity meets its day-to-day working capital requirements through its bank accounts and excess reserves (see the Reserves Policy note included within the Trustees Report). The current economic conditions continue to create uncertainty over the level of demand for the Charity's services (Scouting in Northumberland) and the related financial impact. The Charity's forecasts and projections, taking account of reasonably possible changes in performance, show that the Charity should be able to operate within the level of its current excess funds. After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Fund Accounting

Unrestricted funds are general funds which are available for use at the trustee's discretion in furtherance of the objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income and expenditure for events are accounted for on the accruals basis with the amounts being recognised in the period to which the event relates. For major activities such as World Scout Jamborees and Marra camps, where expenditure is incurred in advance of the activity taking place it is recognised as a prepayment, and where amounts are received by instalments from the participants in advance these are recognised as deferred income (amounts received in advance). When the event takes place, these balances are released as income and expenditure via the appropriate restricted fund.

1.4 Income Recognition

Income is recognised in the Statement of financial activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. No amounts are included in the financial statements for services donated by volunteers.

Notes to the Financial Statements for the year ended 31 March 2021

1.4 Income Recognition (Continued)

The following specific policies are applied to categories of income:

- Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and that the amount can be measured reliably.
- Grants are recognised when the Charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.
- Income for events is recognised once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Income for events is recognised using the accruals basis with the amounts being recognised in the period to which the event relates (see Fund Accounting section above). For major activities such as World Scout Jamborees and Marra camps, where amounts are received by instalments from the participants in advance these are recognised as deferred income (amounts received in advance) and are released to the appropriate fund when the event occurs.

1.5 Expenditure Recognition

Expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable settlement is required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

The following specific policies are applied to particular categories of expenditure:

- Charitable expenditure comprises of those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include an apportionment of the costs, including salaries, of the administration of the County based on the allocation of staff time.
- Governance costs are those incurred in connection with compliance with constitutional and statutory requirements, including an allocation of the costs of administration of the County.

1.6 Tangible Fixed Assets and Depreciation

Individual fixed assets costing more than £500 are capitalised and initially held at cost.

Tangible fixed assets other than freehold property are stated at cost less depreciation. Freehold property is stated at valuation, the valuation being the current market value assuming vacant possession.

Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Asset Class	Depreciation method and rate
Freehold property	See note above
Fixtures & fittings	33% straight line
Computer equipment	33% straight line

Notes to the Financial Statements for the year ended 31 March 2021

1.7 Investments

Fixed asset investments are included at market value at the balance sheet date. Investments are initially recognised at their transaction value and subsequently measured at fair value at the balance sheet date.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value (or purchase date if later).

1.8 Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

1.9 Cash and cash equivalents

Cash at bank in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments.

1.10 Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

1.11 Financial Instruments

The Charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. These basic financial instruments other than investments (see 1.7 above) are initially recognised at transaction value and subsequently measured at amortised cost.

Notes to the Financial Statements for the year ended 31 March 2021

2 MEMBERSHIP SUBSCRIPTIONS INCOME

	Restricted Funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Membership subscriptions	-	63,899	63,899	62,393

3 DONATIONS INCOME

	Restricted Funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	-	-	3,660
General grants	-	11,750	11,750	2,061
	-	11,750	11,750	5,721

General grants are those received from or via government agencies and charitable trusts, not conditional on delivering specified services, whilst donations are all other voluntary gifts and bequests. The Trustees are grateful for all these grants and donations which provide valuable assistance in maintaining support for scouting in the county.

Sums of £500 each or more were received from:

Handley Charity grant	£1,750
NTC Covid-19 grant	£10,000

Donations Income for 2020 included £3,200 restricted income.

4 INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from Scouting activities	-	968	968	136,756

Income for 2020 included £110,744 restricted income.

5 INCOME FROM OTHER TRADING ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from fundraising activities	-	29,313	29,313	31,013
Income from sales	-	-	-	4,760
	-	29,313	29,313	35,773

Notes to the Financial Statements for the year ended 31 March 2021

6 INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income - UK investments	5,708	5,708	6,738
Bank and building society interest	5	5	5
	<u>5,713</u>	<u>5,713</u>	<u>6,743</u>

7 EXPENDITURE ON RAISING FUNDS

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising goods purchased	22,470	22,470	2,080

8 ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Direct 2021 £	Support 2021 £	Total 2021 £	Total 2020 £
Scouting activities	15,205	1,723	16,928	180,895
County services	25,826	20,104	45,930	59,270
	<u>41,031</u>	<u>21,827</u>	<u>62,858</u>	<u>240,165</u>

9 DIRECT COSTS

	Scouting activities 2021 £	County services 2021 £	Total 2021 £	Total 2020 £
Training	388	-	388	3,848
World Jamboree	-	-	-	141,885
Marra Camp	2,970	-	2,970	1,668
Grants paid	-	-	-	9,102
Other projects	2,030	11,100	13,130	37,356
Explorer Belt	-	-	-	-
Wages and salaries	9,544	14,315	23,859	24,100
Pension costs	273	411	684	712
	<u>15,205</u>	<u>25,826</u>	<u>41,031</u>	<u>218,671</u>

Basis of allocation

Direct costs are those incurred in providing the activities and services undertaken by the County.

Notes to the Financial Statement for the year ended 31 March 2021

10 SUPPORT COSTS

	Scouting activities 2021 £	County services 2021 £	Total 2021 £	Total 2020 £
Training	1,723	-	1,723	1,603
Other projects	-	13,559	13,559	13,276
Wages and salaries	-	6,362	6,362	6,427
Pension costs	-	182	182	190
	<u>1,723</u>	<u>20,104</u>	<u>21,827</u>	<u>21,496</u>

Basis of allocation

Where support costs cannot be specifically attributed to the provision of activities or services, they are allocated on the basis of staff time.

11 OTHER COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Governance costs			
Independent examiners fee	1,500	1,500	1,500
AGM expenses	1,331	1,331	1,700
Wages and salaries	1,591	1,591	1,607
Pension Costs	46	46	47
	<u>4,467</u>	<u>4,467</u>	<u>4,854</u>

12 NET INCOME/EXPENDITURE

	2021 £	2020 £
Depreciation of tangible fixed assets owned by the charity	<u>-</u>	<u>-</u>

During the year, no Trustees received any remuneration or benefits in kind (2020: £NIL); one Trustee received travelling expenses of £nil (2020: £1,148) other than in their role as Trustee.

Notes to the Financial Statements for the year ended 31 March 2021

13. STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	31,812	32,133
Pension costs	912	949
	<hr/>	<hr/>
	32,723	33,082

The average monthly number of employees during the year was as follows:

	2021	2020
	No.	No.
Employees	3	3

No employee received remuneration amounting to more than £60,000 in either year.

Eligible employees may participate in the County's 'money-purchase' pension scheme with NEST (set up in October 2016).

14. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures & fittings	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2020 & 31 March 2021	120,000	13,386	1,354	134,740
Depreciation				
At 1 April 2020 & 31 March 2021	-	13,376	1,354	14,730
Net book value				
At 31 March 2021	120,000	10	-	120,010
At 31 March 2020	120,000	10	-	120,010

The purchase and refurbishment of the building was completed in April 2013 at a total cost of £162,086. The property was valued by ID Jefferson TD BA BSc MRICS, Chartered Surveyor, of Hindmarsh and Partners (who is external to the County) at £120,000 current market value with vacant possession in July 2014 and the Trustees consider that there has been no change in value since that date. Valuations will be carried out on a regular basis in future years. The Trustees consider that to reflect the building at valuation rather than at cost reduced by future depreciation charges correctly reflects the purpose of acquiring a property for use as a County Office.

Notes to the Financial Statements for the year ended 31 March 2021

15. INVESTMENTS

Fixed Asset Investments

	Units	Total
	£	£
Market value		
At 1 April 2020	133,437	133,437
Revaluation	13,884	13,884
At 31 March 2021	<u>147,321</u>	<u>147,321</u>
Historical cost	<u>143,520</u>	<u>143,520</u>

Material investments being more than 10% in value of the portfolio

	Units	Total
	£	£
M and G Charifund Income units	79,008	64,148
COIF Fixed interest units	68,313	69,289
	<u>147,321</u>	<u>133,437</u>

16. STOCK

	2021	2020
	£	£
Stock for resale	-	147

17. DEBTORS

	2021	2020
	£	£
Loan debtors	794	3,069
Income Debtors	-	-
Prepayments and accrued income	9,820	16,639
	<u>10,614</u>	<u>19,708</u>

Loan debtors includes £244 (2020: £519) due for repayment after more than one year but less than five years.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accrued expenditure	1,959	3,867
Monies received in advance	69,420	157,412
	<u>71,379</u>	<u>161,279</u>

Notes to the Financial Statements for the year ended 31 March 2021

19. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets measured at fair value through income and expenditure	147,321	133,437
Financial assets measured at amortised cost	200,265	267,065
	<hr/>	<hr/>
	347,586	400,502
	<hr/>	<hr/>
Financial liabilities measured at amortised cost	71,379	161,279
	<hr/>	<hr/>

Financial assets measured at fair value through income and expenditure are based upon bid price and comprise unit trusts (see Note 15 above).

Financial assets measured at amortised cost comprise bank balances and loans repayable to the Charity.

Financial liabilities measured at amortised cost comprise accruals and membership monies received in advance for the Charity and The Scout Association.

Notes to the Financial Statements for the year ended 31 March 2021

20 STATEMENT OF FUNDS

20.1 STATEMENT OF FUNDS FOR THE YEAR ENDED 31 MARCH 2021

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
Interest on Leech funds	5,441	-	-	-	-	5,441
Post Covid Restart Activities	-	-	-	25,000	-	25,000
Activity fund	33,663	-	-	(33,663)	-	-
Activity training fund	9,195	-	(40)	(9,155)	-	-
Designated	48,299	-	(40)	(17,818)	-	30,441
Unrestricted funds						
General County	292,713	112,747	(86,585)	17,818	13,884	350,577
	341,012	112,747	(86,585)	-	13,884	381,018
Restricted funds						
World Jamboree	3,340	-	-	-	-	3,340
Marra Camp	9,487	-	(2,970)	-	-	6,517
Explorer Belt	581	-	-	-	-	581
Mentoring Project	4,540	-	-	-	-	4,540
Project Lindisfarne	221	-	-	-	-	221
Special Needs	200	-	(200)	-	-	-
	18,369	0	(3,170)	-	-	15,199

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	48,299	-	(40)	(17,818)	-	30,441
General funds	292,713	112,747	(86,585)	17,818	13,884	350,577
	341,012	112,747	(86,625)	-	13,884	381,018
Restricted funds	18,369	-	(3,170)	-	-	15,199
Total of funds	359,381	112,747	(89,795)	-	13,884	396,217

Designated Funds

The interest on funds loaned by the William Leech Charity has been set aside as a designated fund available for lending.

The Activity fund and Activity training funds were set up years ago to provide funding for training of instructors and leaders where a specific permit is required to be able to run activities. The Trustees have released these funds into the unrestricted general funds for the County given these activities form part of the normal operations for the County and it was felt the designation was no longer required.

The Post Covid-19 Restart Activity fund has been set up to support the return to scouting in the County following Covid-19 which culminated in a 22% reduction in membership.

Restricted Funds

The restricted funds are held as cash at bank.

Notes to the Financial Statements for the year ended 31 March 2021

20.2 STATEMENT OF FUNDS FOR THE YEAR ENDED 31 MARCH 2020

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
Interest on Leech funds	5,441	-	-	-	-	5,441
Activity fund	33,663	-	-	-	-	33,663
Activity training fund	9,655	640	(1,100)	-	-	9,195
Designated	48,759	640	(1,100)	-	-	48,299
Unrestricted funds						
General County	299,778	102,370	(91,265)	-	(18,170)	292,713
	348,537	103,010	(92,365)	-	(18,170)	341,012
Restricted funds						
World Jamboree	2,929	144,376	(143,965)	-	-	3,340
Uganda	3,011	-	(3,011)	-	-	-
Marra Camp	11,154	-	(1,668)	-	-	9,487
Explorer Belt	581	-	-	-	-	581
Mentoring Project	4,541	-	-	-	-	4,541
Project Lindisfarne	221	-	-	-	-	221
Special Needs	200	-	-	-	-	200
Adventure Fund	6,090	-	(6,090)	-	-	-
	28,727	144,376	(154,734)	-	-	18,369

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	48,759	640	(1,100)	-	-	48,299
Unrestricted funds	299,778	102,370	(91,265)	-	(18,170)	292,713
	348,537	103,010	(92,365)	-	(18,170)	341,012
Restricted funds	28,727	144,376	(154,734)	-	-	18,369
Total of funds	377,264	247,386	(247,099)	-	(18,170)	359,381

Registered Charity Number

508681

President

Prof Sir Alan Craft

Vice Presidents

John Carr-Ellison

Don Charlton MBE

Her Grace the Duchess of
Northumberland

Sir Nigel Sherlock KCVO OBE

Chairman

Prof Sir Alan Craft

Vice Chairman

Peter Thorp

Treasurer

Mark Beckwith

County Commissioner

Michael Wood Williams

County Administrator

Pamela Iley

Advisors

Bankers

Barclays Bank Plc
Newcastle City Branch
Leicester
LE87 2BB

Independent Examiner

Principal: John Oswald
Stephenson Coates Audit Limited
Chartered Accountants
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