



Trustees' Annual Report for the period

Period start date		Period end date	
From	01 May 2021	To	30 April 2022

Section A Reference and administration details

Charity name **Blyth Valley District Scout Council**

Other names charity is known by **n/a**

Registered charity number (if any) **1116322**

Charity's principal address **Walker Hall**

Edward Street

Blyth

Postcode **NE24 1DW**

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Mr Shaun Barkley			
2	Mr Adrian Chamberlain			
3	Miss Carol Worfell	ADC Beavers		
4	Mr Jonathon Finlay	Secretary		
5	Mr Paul Kelly	District Explorer Commissioner.		
6	Ms Mica MacInnes	District Commissioner		
7	Dr Allen Ricalton	Treasurer		
8	Ms Leanne Exley	Chairman		
9	Mr David Mason			
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
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Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

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Section B Structure, governance and management

Description of the charity's trusts

Type of governing document (eg. trust deed, constitution)	The organisation operates under the Scout Association Policy Organisation and Rules. (POR September 2021)
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	Election at District AGM of the Scout Council held in May each year.

Additional governance issues (Optional information)

You **may choose** to include additional information, where relevant, about:

- policies and procedures adopted for the induction and training of trustees;
- the charity's organisational structure and any wider network with which the charity works;
- relationship with any related parties;
- trustees' consideration of major risks and the system and procedures to manage them.

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Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

The Purpose of Scouting

Scouting exists to actively engage and support young people in their personal development, empowering them to make a positive contribution to society

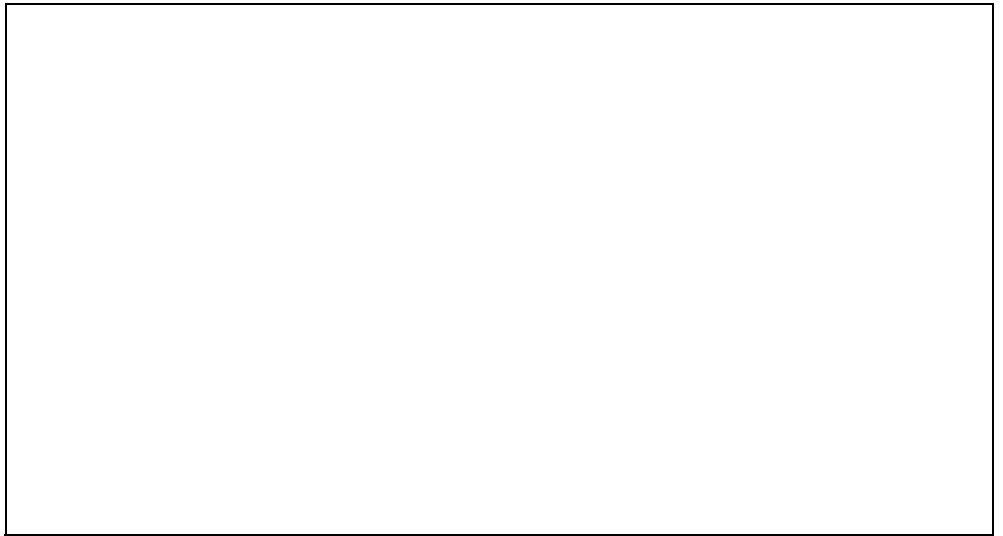
Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

The District of Blyth Valley covers and operates over the areas of Blyth, Cramlington and Seaton Valley of Northumberland County and provides services to further the Scout Association's purpose. These services undertaken by volunteers support the provision to Beaver Scouts (6-8 years), Cub Scouts (8-10 years) and Scouts (10-14 years), through scout groups, within the district and directly by the District to Explorer Scouts (14-18 years) and members of the Scout Network (18-25 years). The services include the provision of a programme of activities for all the young members, the provision of equipment, premises and facilities to support the activities and necessary administrative support. Training for the District adult volunteers and those within the Scout Groups is provided by the district through the provision of the required expertise or a service offered by Northumberland Scout County, to ensure everyone has the required skills and expertise to undertake their roles as defined by The Scout Association. Provision of the services is funded via membership fees, fundraising and donations.

Additional details of objectives and activities (Optional information)

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.



Section D	Achievements and performance
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Section D

Achievements and performance

Summary of the main achievements of the charity during the year

Chairman's Report

It has been great to see a return to face-to-face Scouting following the Covid pandemic, although there were some disruptions to planned activities due to on-going cases. Many of the Groups have had camps and sleepovers, and those who haven't have plans to do so in the near future. We are also looking forward to the return of District camps.

Membership fees have been paid for the next year, with the District keeping its share to a bare minimum again.

The sale of Walker Hall has not yet gone through, although the District has been assured the sale is due to conclude soon. The building continues to be a drain on District finances as we pay utilities and insurance on a building for which we receive no income, so completing the sale is a priority. As previously mentioned, the proceeds of the sale year will be 'ring-fenced' in the District accounts and detailed discussions will take place on the distribution of the money.

Seghill Pavilion which had been temporarily used by Newcastle Gang Show as a temporary wardrobe store, was vacated in January. However, we are unable to hand the building back to Northumberland County Council as they do not recognise Blyth Valley Scouts as the leaseholder. We are currently at a standstill as to how to progress with this. As with Walker Hall, we continue to pay insurance and utilities for the building, so a swift resolution is required.

The cottage at Spylaw continues to be a popular venue and is used regularly. Improvements have been made to make the building comfortable with more plans for the future.

The camp site at Selby Wood continues to provide the District and many other organisations, with a great venue. Previous flooding has left the toilet area damaged and this will need to be replaced in the near future.

The Wansbeck building we hired to store the Gang Show costumes, was relinquished in January and the wardrobe was added to Newcastle Gang Show's. The ring-fenced money from the Gang Show account remains in the District account.

Finally, on behalf of the District Commissioner, I would like to thank the Members of the Executive Committee for their attendance and support over the last year and hope they will remain on the Committee next year, ideally with additional members from the District joining them.

Leanne Exley
District Chairman

Section E

Financial review

Brief statement of the charity's policy on reserves

The aim is to have at least two years running cost as a reserve in an accessible account.

Details of any funds materially in deficit

n/a

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

Annual District Levy

Donations from Charitable trusts for District events including the Gang Show. No investment policy at present .

Section F

Other optional information

Section G

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)



Full name(s)

Rachael Clifton

Leanne Exley

Position (eg Secretary, Chair, etc)

Treasurer (from Oct 2022)

Chair

Date

25/01/2023

Blyth Valley Scout District
Income and Expenditure Account
for the period 1st April 2021 to 31st March 2022

	Expenses £	Income £	Net £
Capitation	19,005	20,160	-1,155
<u>Premises</u>			
Seghill	306	1,125	-819
Selby Wood	1,000		1,000
Spylaw	912	425	487
Walker Hall	2,853		2,853
<u>Other</u>			
Interest		2	-2
Grants		8,000	-8,000
Rent	600		600
Insurance	3,183		3,183
Miscellaneous	798	50	748
Gangshow	145	150	-5
Closure of Gangshow Account		1,958	-1,958
Fees	276		276
Surplus for year	2,792		
Totals	<u>31,870</u>	<u>31,870</u>	

Balance Sheet as at 31st March 2022

Assets

Outstanding Capitation 2022		2,928
Current Account	24,202	
Deposit Account	19,268	
Walker Hall Account	<u>102</u>	<u>43,571</u>
		46,499

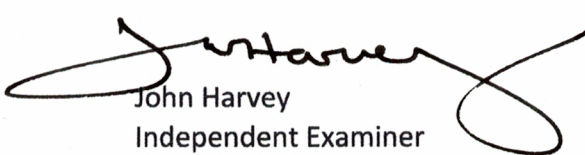
Less

Capitation for 2022		<u>19,005</u>
		<u>27,494</u>

Represented by:

Balance brought Forward	24,703	
Surplus for year	<u>2,792</u>	
		<u>27,494</u>

Dr Allen Ricalton
District Treasurer


John Harvey
Independent Examiner

Blyth Valley Scout District
Income and Expenditure Account
for the period 1st April 2021 to 31st March 2022

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Dr Allen Ricalton
District Treasurer

John Harvey
Independent Examiner

Blyth Valley Scout District
Independent Examination of the Accounts
for the year ended 31st March 2022

I can confirm that the accounts are an accurate record of the District's finances as verified from the invoices, bank records and other supporting data.

Charities with income greater than £25,000 require either an independent examination or audit. Verifying the accuracy of the final accounts is only one aspect of a review. The auditor is also required to confirm that, as charity trustees, the executive has sound financial controls in place. It is my duty to report, that several essential controls, are not in operation. The main shortcomings are noted below.

The executive has a number of sub-committees and these should form part of the review process and be reported along with the main accounts. Ideally, as the executive is responsible for all of these accounts, they should be consolidated into the main annual accounts.

A separate bank account exists for Selby Woods, which is outside the normal controls expected for the District's account. It was noted, from the minutes reviewed, that financial information is not regularly reported to the executive.

The accounts should be accompanied by an annual report on the main achievements of the District and how resources have been applied. Such a report might usefully include statistical data of, for example, the use of campsites and other activities supported by the District.

To help trustees ensure that they have appropriate control in place, the Charity Commission have issued extensive guidance and a self-assessment checklist. While many of the key issues are not applicable to the District's accounts, there are some key control that are relevant. (A copy of the checklist is attached for information.)

Annual Budget – this should be prepared by December each year in order to determine any annual membership charge, and to control expenditure for the following year.

Reserves Policy – The trustees should determine how much to hold as a contingency for unexpected events, and how any extra funds can be best applied to support the charities objectives.

Control of Income – All income should be banked without deduction of expenses, with a record of receipts, (e.g. a register or appropriate list). During the course of my examination it was found that records of events were inadequate, with expenses being paid from income.

Purchases and Payments – There should be a written policy on the authorisation of expenditure, including the identification of budget holders and who is responsible for authorisation. Normal practice would be to have a set of financial regulations covering for example, the setting of a budget, seeking quotes for expenditure, authorisation of payments, bank signatories, etc.

Recommendation

I therefore recommend that an action plan is agreed to address these shortcomings in the financial controls appropriate to the District.

Historic Notes – I was the DC for seven year up to 2003, and I can confirm that a budget was agreed each year and there was a financial regulations document setting out basic rules.



Internal financial controls for charities

Checklist

Contents

1. Self-assessment checklist
2. Some key issues, monitoring arrangements and risk of fraud
3. Income
4. Purchases and payments
5. Assets and investments

1. Self-assessment checklist

The questions in this checklist are designed to help charity trustees and their advisers evaluate the charity's performance against the legal requirements and good practice recommendations set out in the commission's guidance on internal financial controls for charities. Trustees should review their charity's performance at least once a year.

Each of the questions on the checklist links to a paragraph of the guidance, where further details can be found. Not all the controls listed will be appropriate for all charities, for example, where a section of the checklist deals with an area of activity that the charity does not undertake then that section of the checklist will not apply.

Charities must always comply with legal requirements and these requirements are identified in the checklist. A 'yes' answer for good practice recommendations does not mean there is no scope for further improvement. A 'no' answer does not always indicate a problem. It may be that the charity has not put in place a particular control because the risk involved is small and the potential loss is acceptable, given the cost that would be involved in putting in place stronger internal controls.

Finally, the answers in the checklist should be based on the trustees' knowledge of what actually happens in the charity and not what they expect to happen. Having an internal control in place is only part of the picture. It must operate in practice to be effective.

2. Some key issues, monitoring arrangements and risk of fraud

2.1 Financial controls throughout the charity	Yes	No
Is the segregation of duties to provide 'double check'?		
Do the trustees carry out an annual review of the internal financial controls?		
2.2 Monitoring activities	Yes	No
Are the budgets of income and expenditure prepared, and approved by the trustees?		
Is performance measured against budgets at regular intervals and explanations sought for variances?		
2.3 Internal audit and audit committee	Yes	No
Have the trustees considered the need to appoint an internal auditor or set up an audit committee?		
2.4 Information and communication	Yes	No
Are the trustees provided with regular information about the financial performance of the charity?		
Do the trustees discuss the financial performance of the charity at each of their meetings?		
Are terms of reference in place for any finance sub-committee, or similar sub-groups of the trustee board?		
Does any finance sub-committee report to the full board of trustees for final decision making?		
2.5 Trustees' responsibilities	Yes	No
Are sufficient accounting records kept of all transactions? (legal requirement)		
Have the trustees considered the need for a reserves policy and put in place a reserves policy if one is needed? (legal requirement)		
Do the accounts comply with legal requirements? (legal requirement)		
Are the accounts formally approved by trustees at an annual meeting?		
Have the trustees appointed an auditor or independent examiner? (legal requirement)		
Are newly appointed trustees given a copy of the latest accounts?		
Do the trustees file the annual report and accounts and annual return on time? (legal requirement)		
2.6 and 2.7 Managing the risks of financial crime and abuse	Yes	No
Are trustees and staff made aware of why the charity is at risk from financial crime and abuse and of typical examples of potential fraudulent activities?		
Does the charity have an anti-bribery policy, policies on the acceptance of hospitality, the acceptance of donations and a register of interests in place?		
Does the charity have policies and controls over access to and storage of electronic information?		
Does the charity have computer programmes to protect its data and systems from external interference?		
Does the charity have procedures for reporting suspicions internally, and to the commission and the police?		

3. Income

3.1 Income received in the post	Yes	No
Is the incoming post opened in the presence of two unrelated people?		
Are all incoming cheques and cash recorded immediately?		
Does the charity keep unopened mail secure?		
3.2 Income from public collections and fundraising events	Yes	No
If the charity undertakes public collections or fundraising events:		
• are public collections undertaken within legal requirements? (legal requirement)		
• are collection boxes numbered and their allocation and return recorded?		
• are all collection boxes sealed?		
• are all collection boxes regularly opened and counted by the charity and a record kept of their locations and history of takings?		
• are collections counted in the presence of the collector and a receipt given to them?		

• are two unrelated people involved in counting and recording the income?		
• is cash banked as soon as possible and without deduction of expenses?		
• are records maintained for each fundraising event?		
For ticket incomes are:		
• tickets pre-numbered?		
• records kept of all persons issued with tickets to sell, and which ticket numbers they have been allocated?		
• records kept of which tickets sold?		
• reconciliations made of money received against tickets sold?		
Has the charity complied with Part II of the Charities Act 1992 where professional fundraisers are engaged? (legal requirement)		
3.3 Gift Aid donations	Yes	No
Does the charity maximise the lawful take-up by its donors of Gift Aid?		
Are regular checks made to ensure all eligible tax repayments are obtained?		
Does the charity keep the records required by HMRC for Gift Aid claims?		
3.4 Legacies	Yes	No
Does the charity identify and monitor the receipt of large legacies and ensure that they are correctly included in the accounts?		
3.5 Tainted charity donations and substantial donors	Yes	No
Has the charity kept the necessary records to identify transactions with 'substantial donors' for donations received up to April 2011? (legal requirement)		
From April 2011, have the trustees put in place procedures to identify 'tainted charity donations'?		
3.6 Trading income	Yes	No
If the charity undertakes trading activities (either trading in furtherance of its objects or non-charitable trading):		
• if the level of non-charitable trading is significant is it carried out in a trading subsidiary?		
• does the charity have a pricing policy for the goods and services supplied?		
• does the charity have invoicing procedures for goods and services supplied?		
• does the charity review outstanding debts and collection procedures?		
• are there procedures to reconcile amounts invoiced and cash received to outstanding invoices?		
3.7 Banking and custody procedures	Yes	No
Are incoming receipts banked promptly?		
Is insurance held to cover the contents of the safe or cash box and cash in transit?		
Are funds banked without deduction of expenses?		
3.8 Checks on income records	Yes	No
Are regular checks made to ensure income records agree with the bank paying-in books and statements?		
Are checks made by someone other than the person who made the entry in the accounting records?		

4. Purchases and payments

4.1 Controls and authorisation of expenditure on goods and services	Yes	No
Is there a written policy on the authorisation of expenditure?		
Are invoices received checked against orders confirming pricing and the receipt of the goods or services ordered?		
4.2 Controls and authorisation of expenditure on grants	Yes	No
If the charity makes grants, does it have a grant-making policy?		
Does the charity make and monitor grants in accordance with the grant-making policy?		
4.3 Payment by cheque	Yes	No
Does the charity follow any stipulation in the governing document about who can sign cheques?		
Does the bank mandate require at least two signatories?		
Is there a practice of not signing of blank cheques?		
Are cheque books etc kept in a secure place with access only by nominated persons?		

Are any monetary limits placed on an individual's signing recorded in writing?		
Is all cheque expenditure recorded in the cash book and noted with the relevant cheque number, nature of payment and payee?		
Are cheques signed only with documentary evidence of the nature of the payment, eg invoice?		
4.4 Payments by debit/credit/charge card	Yes	No
Does the charity have a policy for the use of payment cards, including the criteria for their issue, spending limits and security?		
Does the charity communicate the policy for the use of cards to all trustees and staff using them?		
Are cards cancelled when the holder ceases to work for the charity?		
Is all card expenditure supported by vouchers and invoices and recorded in the accounting records each time the card is used?		
Are card statements sent to the charity finance team and checked to supporting records and invoices?		
Is the cardholder's use of the card independently reviewed periodically to confirm its use is consistent with the policy?		
4.5 Payments by direct debits, standing orders and BACS direct credit	Yes	No
Are only named individuals authorised to set up direct debits, standing orders and direct credits?		
Does the charity use a dual authorisation system for BACS payments?		
Does the charity monitor the arrangements to ensure that automatic payment arrangements are cancelled when the goods and services are no longer being supplied to the charity?		
4.6 Payment in cash	Yes	No
Is every effort made to minimise cash payments?		
Are all payments by cash made from a cash float and not from incoming cash?		
Is supporting documentation authorised by someone other than the person maintaining the petty cash or the person making the claim?		
Are details of all payments entered in a petty cash book?		
Are regular independent checks made of the petty cash float and records?		
4.7 Wages and salaries	Yes	No
Are statutory deductions (tax and NIC) made from employees' wages and salaries and regularly forwarded to HMRC? (legal requirement)		
Does the charity comply with minimum wage legislation? (legal requirement)		
Are any other deductions from salaries made only where they are required or authorised? (legal requirement)		
Are the end-of-year returns (P60 and P11Ds) completed and filed with HMRC by the deadline? (legal requirement)		
If the charity employs staff are the required pension arrangements in place? (legal requirement)		
Do all employees have contracts of employment?		
Are personnel records kept and held separately from wages records?		
Are salary levels properly authorised and recorded?		
Is there a system of authorisation for recording and notifying starters and leavers, changes of hours and other payroll changes?		
Are payments made by BACS?		
4.8 The payment of expenses and reimbursements	Yes	No
Does the charity have a written policy to cover the payment and reimbursement of expenses?		
Is the policy communicated to all trustees, staff and volunteers?		
Are expenses reimbursed only where the individual incurred the expense in the course of carrying out the charity's business?		
Does the expense claim include a self-declaration that the claim is accurate and incurred on the business of the charity?		
Are reimbursements made by BACS transfer or cheque?		
If the charity pays mileage rates for travel are the rates in accordance with HMRC approved rates?		

4.9 Loans	Yes	No
Are the terms of the loan documented?		
Does the charity have a repayment plan in place to repay the principal and any interest due?		
4.10 Checks on expenditure records	Yes	No
Are regular checks made to ensure expenditure records are accurate and agree with the bank statements?		
Are regular checks made to ensure no discrepancies between the payments made and the original invoice or payment records?		
Are checks made by someone other than the person who made the entry in the accounting records?		

5. Assets and investments

5.1 Controls over fixed assets	Yes	No
Is a comprehensive fixed asset list held and updated regularly?		
Are assets checked regularly to ensure they are still in good repair and are of use to the charity?		
Has insurance cover been considered?		
Is the use of fixed assets reviewed annually (to ensure put to best use and serving the charity's interests)?		
5.2 Investments	Yes	No
Does the charity have an investment policy?		
Does this policy include the need to consider diversification of investments, including bank accounts?		
Is the performance of investments regularly reviewed?		
Is professional advice taken, where appropriate, on the selection or disposal of investments?		
Does the charity inspect investment properties to ensure tenant covenants are adhered to?		
Are there controls to ensure that all investment income due is received?		
5.3 Money held as a current asset	Yes	No
Are secure records held of all bank and building society accounts?		
Are bank statements regularly received and regular bank reconciliations carried out?		
Are instructions to open or close accounts properly authorised and reported to trustees?		
Are checks made to ensure that there are no dormant accounts?		
Are the accounts monitored to ensure there is no third party use?		
Do the trustees regularly review the costs, benefits and risks of their current and deposit accounts?		
5.4 Electronic banking	Yes	No
If the charity uses electronic banking to make payments does the system used require authorisation of transactions by two individuals?		
Are PCs kept secure with up-to-date anti-virus and spyware software and a personal firewall?		
Are trustees and staff made aware of the need to ensure that the charity's security details (including the password and PIN) are not compromised?		
Is the PIN and password regularly changed, for example to mitigate the risks of compromising security when individuals leave the charity?		
Does the charity maintain a list of persons (trustees and staff) who are approved to have access to the PIN and password?		
Does the charity keep an audit trail of electronic banking transactions?		
Have those using online banking facilities been trained in their use?		
5.5 Non-traditional banking	Yes	No
If the charity uses non-traditional banking methods:		
• are policies set and approved by trustees defining the circumstances when non-traditional banking methods may be used?		
• is the use of such methods limited to essential transfers where traditional banking		

methods cannot be used?		
• does the charity keep an audit trail of non-traditional banking transactions?		
• does the charity ensure that the controls that are in place for its traditional bank transactions also operate with non-traditional banking transactions?		
5.6 Restricted funds and endowment funds	Yes	No
Are procedures in place to ensure that any restrictions put on the use of funds, by the donor or through an appeal, are observed?		
Does the charity ensure that the conditions attached to permanent endowments are observed?		