



**Northumberland
National Park**

**Northumberland National Park Mountain Rescue Team
Trustees' Annual Report
and Financial Statements
for the year ended 31 December 2020**

**Northumberland National Park
Mountain Rescue Team**

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for the year ended
31 December 2020**

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**Northumberland National Park
Mountain Rescue Team**

**Charity Information
for the year ended
31 December 2020**

Trustees	G Forrester A Mace S Montgomery I Nixon D Waters
Principal Address	121 Cardigan Terrace Heaton Newcastle upon Tyne NE6 5HS
Charity Number	1189987
Independent Examiner	I D Renwick 6 Roman Avenue Chester le Street County Durham DH3 3PW

Northumberland National Park Mountain Rescue Team

Trustees' Report for the year ended 31 December 2020

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with Northumberland National Park Mountain Rescue Team's governing document, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities.

Governing Document

Northumberland National Park Mountain Rescue Team is constituted as a Charitable Incorporated Organisation. It is governed in accordance with its constitution dated 9 June 2020 and associated Team Rules. Changes to these documents require a resolution either (a) passed by a 75% majority of votes cast at a General Meeting, or (b) agreed in writing by all members.

Change of Legal Status from Trust to CIO

Prior to 31 December 2020, Northumberland National Park Mountain Rescue Team was structured as an unincorporated trust with registration number 511313. At their Annual General Meeting held in October 2019, the members of the trust agreed in principle that the Team should change its legal status to a Charitable Incorporated Organisation (CIO).

The mechanism specified by the Charity Commission for such a change is to (a) register the CIO, (b) transfer assets and liabilities from the trust to the CIO and (c) wind the trust up. At a Special General Meeting held on 9 June 2020, the members of the Team duly approved the process. The CIO was entered into the Register of Charities on 17 June 2020 with registration number 1189987 and with a first accounting period ending on 31 December 2020.

The Trustees of the trust considered that the most appropriate date on which to make the transfer of assets and liabilities was 31 December 2020. This would allow sufficient time for the CIO to register with HMRC and complete other formalities before the Team commenced operations as a CIO. Another benefit was that the financial position shown in the CIO's first financial statements would be the financial position of the trust immediately prior to transfer.

The assets and liabilities of the trust were therefore transferred to the CIO on 31 December 2020, completing the Team's transition from an unincorporated trust to a Charitable Incorporated Organisation.

Recruitment and Appointment of Trustees

The Team normally has between five and nine Trustees although the number may fall as low as three. Five of the Trustees hold the following Team Officer posts: Chair, Team Leader, Treasurer, Secretary and Members' Representative.

The Trustees retire by rotation: one-third of their number retires at each Annual General Meeting with the exception of the first such meeting at which all Trustees retire. The vacancies arising are filled in accordance with the decision of the members at the Annual General Meeting.

Structure

The Team's committee oversees the running of the Team. It comprises the Trustees and the Team's Deputy Leaders with other Team officers being invited as required.

Officers are appointed to take responsibility for specific areas of the Team's operations such as training, vehicles and various other categories of equipment. These officers, together with the Team's incident controllers, Team Leader and Deputy Leaders comprise the Team's Operations Group. This has overall responsibility for operations and reports regularly to the committee.

Objects

The objects of the Team, as set out in its constitution are:

- to provide a search and rescue service for people who are lost, injured or endangered regardless of the circumstances in which their need arises;
- to provide appropriate medical care to mitigate further harm, injury or distress to such people; and

Northumberland National Park Mountain Rescue Team

Trustees' Report for the year ended 31 December 2020

- to provide these services particularly in rural upland areas but also in semi-rural and urban environments primarily in the counties of Northumberland and Tyne & Wear but in the wider North East region and further afield if requested by another mountain rescue team.

Activities

The Team is involved in the following activities:

- *Mountain search and/or rescue* – for missing/injured walkers, fell runners, mountain bikers and other outdoor enthusiasts, in summer and winter conditions;
- *Non-mountain search* – for high risk, vulnerable or despondent individuals missing from home in urban and rural areas (e.g. elderly individuals with dementia, young children);
- *Non-mountain rescue* – in 'difficult to access areas' (e.g. body recoveries, rope access);
- *Water search and rescue* – for kayakers/canoists and other water related incidents, where bankside searching is required;
- *Resilience* – response to severe weather events (e.g. snow bound motorists, flooding events).

In addition, the Team undertakes educational sessions related to safety in the outdoors as part of a preventative strategy.

Achievements and Performance

This is the first reporting period for the Team as a Charitable Incorporated Organisation and, as such, there are no operational achievements to report.

Financial Review

The Team, as a CIO, had no income or expenditure during this period.

The reserves transferred from the unincorporated trust to the CIO on 31 December 2020 were £276,700. This was made up of £5,062 of restricted funds, £256,055 of designated funds, including fixed assets, and £15,583 of unrestricted funds.

Future Developments

The Team is starting to raise funds to replace its oldest vehicle which, at just over 10 years old, is nearing the end of its useful service life.

Further investments, including purchase of equipment to improve the Team's communications systems, additional water rescue equipment and winter rescue equipment, are planned.

The COVID-19 pandemic will continue to have a negative impact on the Team's income and will continue to increase the complexity of operations.

It is the Trustees' intention to close the unincorporated trust during 2021.

Investment Policy

The Trustees adopt a risk-averse approach to investment. The strategy is to hold sufficient liquid funds to cover short-term operational and investment needs in bank and instant-access building society accounts. Funds that are surplus to this requirement may be invested in fixed-term accounts with a higher yield.

The Trustees consider that investment in gilts, corporate bonds or equities would only be appropriate were the Team to be in receipt of an endowment. In such circumstances, the endowment would be invested with the aim of generating an income and long-term capital growth.

Northumberland National Park Mountain Rescue Team

Trustees' Report for the year ended 31 December 2020

Unrestricted Reserves

The Trustees regularly review the level of unrestricted funds with regard to forecast income and expenditure in detail over the next 12 months and at a coarser level over 5 years. This ensures that the Team is able to meet its objectives in the short and long terms.

Forecasts of income and expenditure are based on the Trustees' past experience of fund raising and operating costs as well as planned investment expenditure.

Restricted Reserves

Funds that are donated to the Team for a specific purpose, typically grants, are identified as restricted funds. Any expenditure in relation to the income is allocated to the fund. If a fund is intended for the purchase of a fixed asset, that asset is transferred to the designated Fixed Asset Reserve once it enters service.

Restricted funds held by the unincorporated trust have been transferred to the CIO as similarly restricted funds.

Designated Reserves

In order to manage the reserves as effectively as possible, the Team makes use of designated funds. While these are unrestricted funds, in the sense that there is no requirement to spend them for a particular purpose, they are nonetheless held for a specified purpose within the Team.

The *Fixed Asset Reserve* holds all the Team's fixed assets and therefore matches their net asset value at any time. Since it is not in the form of cash, it doesn't represent funds available for expenditure.

The *Trustees Reserve* is set aside to provide operating funds should the Team experience a significant fall in income. It is set at twice the level of the previous year's expenditure, excluding depreciation, plus an amount that the Trustees believe to be prudent based on any forecast change in expenditure compared with the previous year.

The *Vehicle Reserve* is an amount set aside as a contribution towards future replacement of vehicles.

The *Comms & IT Reserve* is an amount set aside to fund improvements in communications such as establishing hi-band digital radio repeaters and improving internet access for the Team in remote areas.

Safety and Risk Management

The Trustees actively review the major risks which the Team faces on a regular basis. They believe that maintaining reserves at current levels, combined with an annual review of insurance policies and the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the Team and confirm that they have established systems to mitigate the significant risks.

As the vaccination programme continues and lockdown measures are eased, the Team expects to respond to an increased number of incidents. The overall effect is likely to be an increase the Team's operating costs for the year. The Trustees will continue to monitor operating costs in order to quantify any risks arising.

At the start of the pandemic, the Trustees of the unincorporated trust developed several financial scenarios ranging in severity from mild to severe. The Team's financial performance was monitored monthly against these scenarios and the Trustees of the CIO intend to continue to do so.

Grant Making

The Team does not make grants to individuals or other organisations. However, it does share donations with other teams when it has received a donation from an individual who has been the subject of an incident and where those other teams have been involved in the incident.

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Mountain Rescue Team**

**Trustees' Report
for the year ended
31 December 2020**

Public Benefit Guidance

The Trustees confirm that they have complied with the duties in section 4 of the Charities Act 2006 to have due regard to the guidance published by the Charity Commission, including public benefit guidance.

Trustees Responsibilities in relation to the Financial Statements

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 and 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 resources and application of resources 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that 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. They are responsible for safeguarding the assets of the charity and, hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 11 October 2021 and signed on their behalf by



David Waters
Chairman

**Northumberland National Park
Mountain Rescue Team**

**Independent Examiner's Report
for the year ended
31 December 2020**

I report on the accounts for the CIO for the year ended 31 December 2021 which are set out on pages 7–14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year, under section 144(2) of the Charities Act 2011 (the 2011 Act), and that an independent examiners report is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



I D Renwick
6 Roman Avenue
Chester le Street
County Durham
DH3 3PW

Date: 11 October 2021

**Northumberland National Park
Mountain Rescue Team**

**Statement of Financial Activities
for the year ended
31 December 2020**

		2020			
	Notes	Unrestricted	Designated	Restricted	Total
		£	£	£	£
INCOME					
Donations and legacies		-	-	-	-
Investment income		-	-	-	-
Other income		-	-	-	-
Total income		-	-	-	-
EXPENDITURE					
Charitable activities		-	-	-	-
Cost of raising funds		-	-	-	-
Total expenditure		-	-	-	-
Net income / (expenditure)		-	-	-	-
Transfers between funds		-	-	-	-
Transfer from trust		15,583	256,055	5,062	276,700
Net movement in funds		15,583	256,055	5,062	276,700
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward	7	15,583	256,055	5,062	276,700

All income and expenditure has arisen from continuing activities.

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Mountain Rescue Team**

**Balance Sheet
as at
31 December 2020**

	Notes	31 Dec 2020	
		£	£
Fixed Assets			
Tangible fixed assets	3		118,625
Current Assets			
Debtors	4	4,127	
Cash at bank and in hand		154,561	
		<u>158,688</u>	
Creditors: amounts falling due within one year			
Creditors and accruals	5	<u>613</u>	
Net current assets			<u>158,075</u>
Total assets less current liabilities			<u>276,700</u>
NET ASSETS			<u>276,700</u>
Funds			
Unrestricted funds	6	15,583	
Designated funds	6	256,055	
Restricted funds	6	5,062	
Total funds carried forward	7	<u>276,700</u>	

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Approved by the Trustees on 11 October 2021 and signed on their behalf by:



David Waters
Trustee



Stephen Montgomery
Trustee

**Notes to the Financial Statements
for the year ended
31 December 2020**

1. Accounting Policies

Statement of compliance

The accounts have been prepared in accordance with the Charities Act 2011, and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Basis of preparation

The Team meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Cash flow Statement

The Team opted to adopt Bulletin 1 for the SORP and therefore did not include a cash flow statement in these financial statements

Going concern

These financial statements have been prepared on a going concern basis. The Trustees have considered the levels of funds held and the expected income and expenditure for 12 months from authorising these financial statements. The budgeted income is sufficient with the level of reserves and budgeted expenditure for the Team to be able to continue as a going concern.

Fund accounting policy

Restricted funds are those donated for use in a particular area or for a specific purpose, the use of which is restricted to that area or purpose. Designated funds are those set aside by the Trustees out of general funds for a specific purpose. Further details of the funds are in Note 6.

Income

Donations are recognised when the Team has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Team before the Team is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Team and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Team.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Team to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The Team is not VAT registered but, as a search and rescue charity, is able to reclaim VAT on non-business expenditure. Expenditure and asset purchases are therefore recorded net of any reclaimable VAT.

**Northumberland National Park
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**Notes to the Financial Statements
for the year ended
31 December 2020**

Charitable expenditure comprises those costs incurred by the Team 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.

Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are initially recorded at cost. Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Motor vehicles	7 years straight line
Computers and IT equipment	3 years straight line
All other equipment	5 years straight line

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Team does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

2. Trustee Remuneration and Expenses

No Trustees received any remuneration during the year.

**Northumberland National Park
Mountain Rescue Team**

**Notes to the Financial Statements
for the year ended
31 December 2020**

3. Tangible Fixed Assets

	Motor vehicles	Comms and IT equipment	Other equipment	Total
	£	£	£	£
COST				
At 17 June 2020	-	-	-	-
Additions	165,154	29,733	105,112	299,999
Disposals	-	-	-	-
At 31 March 2020	165,154	29,733	105,112	299,999
DEPRECIATION				
At 17 June 2020	-	-	-	-
Charge for year	117,975	20,912	42,487	181,374
Eliminated on disposals	-	-	-	-
At 31 December 2020	117,975	20,912	42,487	181,374
NET BOOK VALUE				
At 31 December 2020	47,179	8,821	62,625	118,625
At 17 June 2020	-	-	-	-

On 31 December 2020, all the tangible fixed assets of Northumberland National Park Mountain Rescue Team, registered charity 511313 were transferred to the Team. The "Additions" line reflects the original costs of these assets and the "Charge for the year" line reflects the accumulated depreciation to 31 December 2020.

**Northumberland National Park
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**Notes to the Financial Statements
for the year ended
31 December 2020**

4. Debtors

	2020
	£
Accrued income	-
Prepayments	410
VAT reclaimable	2,777
Gift Aid due	940
	4,127

All debtors were transferred from Northumberland National Park Mountain Rescue Team, registered charity 511313, on 31 December 2020.

5. Creditors

	2020
	£
Trade creditors	(342)
Accruals	-
Deferred income	955
	613

All creditors were transferred from Northumberland National Park Mountain Rescue Team, registered charity 511313, on 31 December 2020.

**Northumberland National Park
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**Notes to the Financial Statements
for the year ended
31 December 2020**

6. Fund Movements

	At 17 June 2020 £	Transfer from trust £	Outgoing Resources £	Transfers	At 31 Dec 2020 £
Restricted					
Calor Rural CF	-	480	-	-	480
Newcastle BS CF	-	1,800	-	-	1,800
Ray Wind Farm	-	966	-	-	966
Other grants	-	1,816	-	-	1,816
	-	5,062	-	-	5,062
Designated					
Trustees Reserve	-	72,914	-	-	72,914
Comms & IT Reserve	-	31,872	-	-	31,872
Fixed Asset Reserve	-	118,625	-	-	118,625
Vehicle Reserve	-	29,513	-	-	29,513
Other designated funds	-	3,131	-	-	3,131
	-	256,055	-	-	256,055
Unrestricted	-	15,583	-	-	15,583

On 31 December 2020, all funds were transferred from Northumberland National Park Mountain Rescue Team, registered charity 511313. All restricted and designated funds transferred have been similarly designated or restricted upon receipt.

The Fixed Asset Reserve holds all the Team's fixed assets and therefore matches their net asset value at any time. Since it is not in the form of cash, it doesn't represent funds available for expenditure.

The *Trustees Reserve* is set aside to provide operating funds should the Team experience a significant fall in income. It is set at twice the level of the previous year's expenditure, excluding depreciation, plus an amount that the Trustees believe to be prudent based on any forecast change in expenditure compared with the previous year.

The *Vehicle Reserve* is an amount set aside as a contribution towards future replacement of vehicles.

The *Comms & IT Reserve* is an amount set aside to fund improvements in communications such as establishing hi-band digital radio repeaters and improving internet access for the Team in remote areas.

7. Net Assets by Fund

	At 31 December 2020 after transfer from trust			
	Unrestricted £	Designated £	Restricted £	Total £
Tangible fixed assets	-	118,625	-	118,625
Current assets	16,139	137,430	5,119	158,688
Creditors: amounts falling due within one year	(556)	-	(57)	(613)
Total net assets	15,583	256,055	5,062	276,700

**Northumberland National Park
Mountain Rescue Team**

**Notes to the Financial Statements
for the year ended
31 December 2020**

On 31 December 2020, all assets and liabilities were transferred from Northumberland National Park Mountain Rescue Team, registered charity 511313.

8. Related Party Transactions

There have been no related party transactions during the period.