



3rd Woodthorpe (St Mark's) Scout Group



Trustees' Annual Report and Financial Statements 2022/23

SCOUT GROUP REGISTRATION NUMBER: 32167

CHARITY REGISTRATION NUMBER: 507206

PRINCIPAL ADDRESS: c/o Ron Hodges, 2 Knighton Road, Woodthorpe, Nottingham NG5 4FL.

CHARITY TRUSTEES ACTING DURING THE YEAR ENDING 31 MARCH 2023

Rebecca Mellors (Chair from 22 July 2022), Dean Robinson (Chair to 22 July 2022), Tracey Box, Derek Corke (Treasurer), Paul Collier (from 22 July 2022), Ben Danvers (Group Scout Leader), Rosalie Hawks, Ron Hodges (Secretary), Ellie Hopkins, Lawrence Staniforth, Rob Powley, Simeon Ractliffe, Tara Rose (from 22 July 2022), Mike Smith, Jonathan Wilson.

HOLDING TRUSTEE OF PEPPERPOTS Scout Association Trust Corporation Limited.

LEADERS AND SECTION ASSISTANTS DURING THE YEAR ENDING 31 MARCH 2023

Group Scout Leader: Ben Danvers.

Beaver Colonies: Danielle Blackman, Tracey Box, Heather Hattersley, Joan Hodges, Sintija Macqueen, Amy White, Vicky Wright.

Cub Packs: Trish Adams, Louise Carey, Tony Danvers, Fred Perkins, Lawrence Staniforth, Mark Woolley, Marc Wright, Lisa Whistance.

Scout Troops: Andrew Burger, James Dunn, Ellie Hopkins, Lawrence Staniforth.

The associated Peppers Explorer Scout Unit: Matt Etchells-Jones, Rob Powley, Neil Smith, William Walker.

REVIEW OF ACTIVITIES

Welcome to our Annual Report, covering the year ended 31st March 2023.

The year seems to have flown by in a whirl of section meetings, camps, badgework, sleepovers, crafts and seasonal activities to name a few things - and that's just the young people! Our leaders of course are the ones making all of it happen, for which they have our greatest thanks. There have inevitably been some slightly less exciting but no less important aspects of the year as well, such as regular trustee and leader meetings and continuing maintenance activities of our building and the rest of the Pepperpots site. Thanks to everyone who got involved with those. One final round of thanks too for all of the continued support from parents / carers.

Many of you may be wondering what is happening regarding our new land alongside Arnold Lane. Some may have seen that the land is now fenced, grassed and has had hedgerow planted along the edge; this is not something that we have done, rather the developers are contractually obliged to undertake this work. We were anticipating that ownership of the new land would be transferred to us during 2022/23, but this has not happened and so we have been unable to make a start on moulding it to best suit our needs. We do not currently have a specific date for expected completion of the transfer due to legal complications, but please be assured that we are increasing pressure on Nottinghamshire County Council for a resolution of this matter. This delay may result in the cancellation of our annual Bonfire Party for yet another year, in which case we will advance our case for compensation for this loss from the developers and the Council. It is our sincere hope that the transfer will take place at some point during the course of this year so that all of our young people can finally benefit from our expanded site and we can start working to develop it to its full potential.

Another land issue to give an update on is the situation around the land to the left of Pepperpots as you look from Mapperley Plains. A planning application was lodged with Gedling Borough Council some years ago for it to be developed as a residential site, but there was no further action on this until early in 2023 when amended plans were received by the council. We provided a response to the amended plans by the council deadline, but the application is yet to be discussed by the council planning committee. We will continue to monitor the situation just as we will continue to plan and oversee the future development of Pepperpots.

Activities have increased over the year as the impact of the pandemic has reduced. We estimate that time contributed by leaders, helpers, committee members and parents & carers during the year, was in the region of 4,400 hours (last year 3,800 hours). This was driven largely by the additional hours contributed by our leaders and section assistants at camps and overnight activities, which have been pushed back to pre-Covid levels. There remains a need to expand voluntary work on the Pepperpots site and the Trustees are taking action to increase the opportunities for parents and carers at the site. However, this cannot be fully realised until we obtain our due legal ownership of the new land from Nottinghamshire County Council.

The UK Scout Association is introducing changes to the constitution of Scout Groups, which will require certain additional resolutions to be passed or noted at this year's AGM. The changes are primarily to emphasise the strategic role of the Board of Trustees. We do not believe that this will result in significant changes to way in which the Group is governed and run. We take the Board of Trustees as responsible for overseeing the development of Group resources, securing financial stability and ensuring that major risks are appropriately identified and managed. The Leadership Team holds responsibility for running safe and successful Scouting programmes for our young members.

The Trustees have had regard to the UK Charity Commission's public benefit guidance. The Trustees are satisfied that the objectives of the Group fall within the description of charitable purposes set out in the Charities Act 2011, and that in delivering these objectives the Group provides public benefit as required by the Act. Membership of the Group is open to young people of all faiths and ethnicities. Arrangements ensure that membership of young people and their participation in activities is not restricted as a result of economic

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factors. Pepperpots is made available for use by other Scouting and community organisations on a non-profit basis, subject to health and safety provisions and to limitations contained in planning legislation.

FINANCIAL REVIEW

The Group's financial statements are shown on pages 5 to 7 of this report. The accounts have been examined by George Alex Weatherall FCA, our honorary Independent Examiner. His report is on page 4. We are most indebted to Alex for his continuing support as our Independent Examiner and a resolution to reappoint him will be tabled at the AGM.

The Group's income and expenditure are detailed on page 6. This shows that income from Scouting activities has increased over the previous year, mainly due to the resumption of full Section programmes, camps and sleepovers as Covid restrictions were eased. Fundraising income was boosted by our most successful Beer Festival to date and we were compensated for the cancellation of our Bonfire Party due to delays in the construction of the Gedling Access Road. We are grateful for several grants and donations received during the year, which are outline in Note 1 on page 7 of the accounts. We have also benefitted from increased interest rates on bank deposits.

Inevitably, our expenditure is also higher than in the previous year. Most of the increase is due to the resumption of section and camping activities post-Covid. A fixed rate energy contract negotiated two years ago by Derek Corke, our Treasurer, ended towards the end of the 2022/23 financial year and so we are now suffering from the much higher energy costs that will be familiar to everyone. However, Derek was able to negotiate a reduced cost for our building insurances, and water charges were also lower as a result of inaccurate billing by our supplier last year. The depreciation charge includes £4,501 relating to the recent revaluations of the buildings on the Pepperpots site.

The Trustees have sought to limit the extent of subscription increases for 2023/24 as we recognise the difficulties caused by current rates of inflation and, as a result, the Group has budgeted for a loss in cash terms in 2023/24. We believe that this a reasonable position to take in the short term, but the financial position will be carefully monitored by the Trustees during the year and, ultimately, higher costs will need to be reflected in future levels of subscriptions.

Our statement of financial position is shown on page 7 and this shows our net assets and reserve funds totalling some £269,000 at 31st March 2023. The trustees approved transfers to designated reserves for development works of £7,500 towards improvements to kitchen facilities in the Ellis Building and work on the enlarged Pepperpots site. These designated reserves and our strong asset base show that the Group is in a satisfactory financial position going forward. A charity is required to determine and disclose its policy for the maintenance of reserves. The policy adopted is to maintain free reserves of at least twelve months of expected normal levels of expenditure. The actual level of free reserves at 31st March 2023 was 9.1 months of such expenditure (last year 12.5 months).

Signed on behalf of the Trustees

Rebecca Mellors

Rebecca Mellors, Chair of the Board of Trustees
5th June 2023

Ben Danvers

Ben Danvers, Group Scout Leader

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STATEMENT ON THE PREPARATION OF THE ACCOUNTS

The accounts set out on pages 5 to 7 have been prepared on behalf of the Trustees of the Group and they were approved at the Executive Committee meeting held on 5th June 2023.

Rebecca Mellors

Rebecca Mellors, Chair

Derek Corke

Derek Corke, Treasurer

INDEPENDENT EXAMINER'S REPORT

I report on the accounts of the Group for the year ended 31st March 2023 set out on pages 5 to 7.

Respective responsibilities of the 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 the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. It is my responsibility to examine the accounts (under section 145 of the 2011 Act); to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and to state whether particular matters have come to my attention.

Basis of the independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - a. to keep accounting records in accordance with Section 130 of the 2011 Act and
 - b. to prepare accounts which accord with the accounting records and comply with the accounting requirement of the Act.have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

George Weatherall

George Weatherall, FCA
Nottingham
5th June 2023.

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STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2023

Basis of Preparation

The financial statements have been prepared under the historical cost convention, except for the valuation of land and buildings at Pepperpots, which is explained under 'Fixed Assets' below. The financial statements cover general Group activities and those of our beaver, cubs and scout sections, but not of the Peppers Explorer Scout Unit as that is a separate and independent Unit within the Central Nottinghamshire Scout District. The financial statements adopt the going concern assumption as the Trustees have a reasonable expectation that the Scout Group will continue its operational existence in the foreseeable future.

Recognition of Income

Membership subscriptions are due at the start of each school term and are recognised when received. Gift aid is recognised as income when it is received. Income from hiring of Pepperpots is recognised when the hiring period has been completed. Income from donated goods is recognised only when those goods are sold. The Scout Group benefits greatly from the involvement and support its volunteers. The monetary value of the time provided by volunteers is not recognised in the accounts.

Grants and compensation are recognised when the Scout Group becomes unconditionally entitled to income. Grants received for specific purposes are treated as restricted income. Grants and compensation relating to future accounting periods are deferred and recognised as income in those periods. If a grant or compensation received is due to be repaid it is recognised as a current liability.

Recognition of expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payment to a third party and the amount of that obligation can be measured reliably.

Fixed assets

The land and buildings of the Pepperpots site were professionally valued in March 2021 and the valuations have been recognised in the statement of financial position since 31st March 2021. Land is assessed using a market valuation based upon its Existing Use Value. Buildings are assessed using the Depreciated Replacement Cost basis.

Fixtures & fittings and tents & camping equipment are recognised in the statement of financial position at their historical cost less accumulated depreciation. Heritage assets are not recognised in the balance sheet as the Trustees believe that there is no reliable method to determine their costs or value to the Scout Group.

Depreciation of fixed assets

Land is not depreciated. From 1st April 2021 buildings have been depreciated on a straight-line basis, based upon their useful lives which were estimated at the date of their valuation, typically over 20 to 30 years. Other fixed assets are depreciated on a reducing balance basis of 15% per annum for fixtures and fittings and 25% per annum for tents and equipment. Assets no longer in use are removed from the balance sheet.

Reserves

The General Fund is an unrestricted fund available for use to resource any activities in conformity with the Scout Group's charitable objectives. The Development Fund and the Environmental Fund are designated by the Trustees to be used to support the future development and environmental sustainability of the Pepperpots site. Restricted Funds are those earmarked for a special purpose by donors; the Scout Group currently has no Restricted Funds. The Pepperpots Revaluation Reserve records the unrealised surplus on the revaluation of land and buildings.

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STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2023

| | 2022 | | | |
|--|------------------|-----------------|-------------------------|----------------------|
| | £.p | £.p | £.p | £ |
| Income from Scouting Activities | | | | |
| Subscriptions received | | | 14,183.00 | 12,440 |
| Gift Aid received on subscriptions | | | 0.00 | 0 |
| Camp fees and section income | | | 9,003.47 | 2,829 |
| Pepperpots and equipment hire | | | 660.00 | 2,656 |
| Loss on the sale of clothing (profit in 2022) | | | -1.80 | 65 |
| | | | <u>23,844.67</u> | <u>17,990</u> |
| Fundraising and Other Income | Gross | Expenses | | |
| Compensation in lieu of Bonfire Party | 3,543.00 | 0.00 | 3,543.00 | 3,543 |
| Beer Festival | 4,899.15 | 2,043.83 | 2,855.32 | 1,342 |
| Winter Fair and other fundraising | 169.30 | 70.41 | 98.89 | 182 |
| Bank interest received | 354.17 | 0.00 | 354.17 | 2 |
| Government Covid-19 Grants Received | 0.00 | 0.00 | 0.00 | 10,667 |
| Other grants and donations received (Note 1) | 1,400.42 | 0.00 | 1,400.42 | 243 |
| | <u>10,366.04</u> | <u>2,114.24</u> | <u>8,251.80</u> | <u>15,979</u> |
| Total Net Income | | | <u>32,096.47</u> | <u>33,969</u> |
| Expenses | | | | |
| Section and camp expenditure | | | 10,375.43 | 4,124 |
| National, County and District capitation fees | | | 6,267.50 | 4,300 |
| Rent of church hall | | | 759.50 | 462 |
| Broadband, website, card and OSM charges | | | 1,803.25 | 1,271 |
| Insurance | | | 1,004.44 | 1,346 |
| Electricity charges | | | 1,390.82 | 837 |
| Water charges | | | 58.74 | 222 |
| Badges, flags, uniforms & training | | | 1,762.34 | 1,150 |
| Cleaning and maintenance (includes £1,008 to Environment Designated Fund in 2021/22) | | | 3,008.19 | 2,345 |
| Banking and finance charges less recoveries | | | 72.50 | -14 |
| Donations paid (Note 2) | | | 700.00 | |
| AGM costs and sundry expenses | | | 229.01 | 344 |
| Depreciation of buildings, fixtures and equipment (includes £4,501 relating to revaluations) | | | 7,295.73 | 7,545 |
| Total expenditure | | | <u>34,727.45</u> | <u>23,932</u> |
| Excess of expenditure over income (surplus in 2021/22) | | | <u>-2,630.98</u> | <u>10,037</u> |

CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2023

| | 2022 | |
|---|-------------------------|----------------------|
| | £.p | £ |
| NET CASH INFLOW FROM SCOUTING AND FUNDRAISING ACTIVITIES | | |
| Excess of expenditure over income for the year (surplus in 2021/22) | -2,630.98 | 10,037 |
| Depreciation expenses | 7,295.73 | 7,545 |
| | <u>4,664.75</u> | <u>17,582</u> |
| (Increase) / Decrease in stocks of clothing | 50.40 | 32 |
| (Increase) / Decrease in debtors and prepayments | 5,962.58 | -2,743 |
| Increase / (Decrease) in creditors and accrued expenses | -105.27 | -2,091 |
| Net cash inflow from Scouting and fundraising activities | <u>10,572.46</u> | <u>12,780</u> |
| NET CASH INFLOW FROM INVESTING ACTIVITIES | | |
| Cash outflow on the purchase of fixed assets | 280.73 | 1,479 |
| NET CASH INFLOW FOR THE YEAR | <u>10,291.73</u> | <u>11,301</u> |
| Increase in bank deposit account | 25,311.96 | 13,701 |
| Decrease in current account | 15,020.23 | 2,400 |
| INCREASE IN TOTAL BANK AND CASH BALANCES | <u>10,291.73</u> | <u>11,301</u> |

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STATEMENT OF FINANCIAL POSITION AT 31ST MARCH 2023

| | £.p | £.p | £.p | 2022 £ |
|---|----------------------|-----------------------------|-------------------|----------------|
| Fixed Assets | Cost or Valuation | Accumulated Depreciation | | |
| Land and buildings at Pepperpots | 205,000.00 | 12,750.00 | 192,250.00 | 198,625 |
| Pepperpots fixtures and fittings | 6,798.00 | 4,998.00 | 1,800.00 | 1,832 |
| Tents and equipment | 8,183.00 | 6,344.00 | 1,839.00 | 2,447 |
| Total fixed assets | 219,981.00 | 24,092.00 | 195,889.00 | 202,904 |
| Current Assets | | | | |
| Stocks of clothing | | | 125.40 | 176 |
| Debtors and prepayments | | | 1,084.92 | 7,048 |
| Deposit account | | | 50,641.03 | 25,329 |
| Current account | | | 23,394.26 | 38,414 |
| Total current assets | | | 75,245.61 | 70,967 |
| Less: Current Liabilities | | | | |
| Creditors, accrued expenses and deferred income | | | 1,635.82 | 1,741 |
| Net current assets | | | 73,609.79 | 69,226 |
| Net assets | | | 269,498.79 | 272,130 |
| Reserves | | | | |
| General Fund | | | 40,339.18 | 46,969 |
| Pepperpots Development Designated Fund | | | 42,500.00 | 35,000 |
| Pepperpots Environmental Designated Fund | | | 10,281.61 | 9,282 |
| Pepperpots Revaluation Reserve | | | 176,378.00 | 180,879 |
| Total Reserves | | | 269,498.79 | 272,130 |

CHANGES IN GROUP RESERVES FOR THE YEAR ENDED 31ST MARCH 2023

| Name of Fund | General Fund (Unrestricted) £.p | Pepperpots Development (Designated) £.p | Pepperpots Environmental (Designated) £.p | Revaluation Reserve (Permanent) £.p | Total £.p |
|-------------------------------------|--|--|--|--|-------------------|
| Funds at 1 st April 2022 | 46,969.16 | 35,000.00 | 9,281.61 | 180,879.00 | 272,129.77 |
| Income and Expenditure | 870.02 | | 1,000.00 | -4,501.00 | -2,630.98 |
| Transfer to Designated Funds | -7,500.00 | 7,500.00 | | | |
| Funds at 31st March 2023 | 40,339.18 | 42,500.00 | 10,281.61 | 176,378.00 | 269,498.79 |

| | 2023 £.p | 2022 £ |
|--|-----------------|------------|
| Note 1: Other grants and donations received | | |
| Arnold Clarke Community Fund (Pepperpots Environmental Fund for hedgerow planting) | 1,000.00 | |
| Leslie Sell Charitable Trust (Restricted income toward World Scout Jamboree) | 150.00 | |
| Cllr. Bob Collis of Gedling B.C. (Restricted income toward World Scout Jamboree) | 100.00 | |
| Other donations | 150.42 | 243 |
| | <u>1,400.42</u> | <u>243</u> |

Note 2: Donations paid

| | | |
|--|---------------|----------|
| To a 3W Scout Member towards World Scout Jamboree costs (from restricted income) | 250.00 | |
| To a 3W Scout Member towards World Scout Jamboree costs (Group donation) | 350.00 | |
| St. Mark's Church for hosting our Remembrance Service | 100.00 | |
| | <u>700.00</u> | <u>0</u> |