

CITY OF NEWCASTLE DISTRICT SCOUT COUNCIL

Registered Charity No (England & Wales): 522413

Scout Registration No: 14626

Charity Report and Financial Statements
for the year ended 31 March 2022

CITY OF NEWCASTLE DISTRICT SCOUT COUNCIL
YEAR ENDED 31 MARCH 2022
REPORT OF THE TRUSTEES

The Trustees are pleased to present their report together with the financial statements for the year ended 31 March 2022.

Reference and Administrative Details

Charity name: City of Newcastle District Scout Council
Other names by which known: Newcastle (City) Scouts
Previous names: Newcastle Coordinating Committee
Great North Scout District
Newcastle East Scout District

Charity registration number: 522413 (England & Wales)
Scout Registration No: 14626

Operational address:

Independent Examiner: Ms Niki Leach

Trustees: The Trustees who served during the year were as follows:

Dr Peter Avery	<i>District Chair</i>	<i>ex-officio</i>	
Mr Tony Stephenson	<i>District Commissioner</i>	<i>ex-officio</i>	to 25 February 2022
Mrs Kath Tyson	<i>District Commissioner</i>	<i>ex-officio</i>	
Mr Daniel Mercer	<i>District Commissioner</i>	<i>ex-officio</i>	
Mr Andrew Bassett FCA	<i>District Treasurer</i>	<i>ex-officio</i>	
Mr Robert (Bob) Tyson	<i>District Secretary</i>	<i>ex-officio</i>	
Ms Laura Humphries	<i>District Explorer Commissioner</i>	<i>ex-officio</i>	to 31 January 2022
Ms Victoria (Vix) Wallis	<i>District Scout Network Leader</i>	<i>ex-officio</i>	
Mr James (Jim) McDonald		<i>elected</i>	
Mr Jonathan Portlock		<i>elected</i>	
Mr Geoffrey (Geoff) Coulson		<i>nominated</i>	
Mr Scott Ideson		<i>elected</i>	
Mr Aidan Byrne		<i>elected</i>	from 22 September 2021
Mr Trevor Cox		<i>nominated</i>	from 22 September 2021
Mrs Lorraine Metcalf		<i>nominated</i>	from 22 September 2021
Mr Joseph Ingram	<i>District Youth Commissioner</i>	<i>ex-officio</i>	from 16 October 2021
Mr Logan O'Hara	<i>District Youth Commissioner</i>	<i>ex-officio</i>	from 16 October 2021
Mr Jack White	<i>District Scout Network Commissioner</i>	<i>ex-officio</i>	from 6 March 2022

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Structure, Governance and Management

Organisation of the charity

The charity was registered on 3rd July 1964 and formally changed its name in October 2011.

The District'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 Association and The Policy, Organisation and Rules ('POR') of The Scout Association.

The District is a trust established under its rules which are common to all Scouts.

The Trustees are appointed in accordance with the Policy, Organisation and Rules of The Scout Association.

The District covers the same boundaries as the Newcastle upon Tyne City Council.

The District comprises 21 Groups (2021:21) (separate charities delivering Scouting for Squirrel Scouts, Beaver Scouts, Cub Scouts and Scouts in local areas) for which the District Executive has an advisory and support role. The district delivers Scouting through 8 Explorer Scout Units and a Young Leader Unit (for 14 to 18 year olds), a District Scout Network (18-25 year olds) and 3 Scout Active Support Units (SASU).

The District is managed by the District Executive Committee, the members of which are the 'Charity Trustees' of the Scout District which is an educational charity. As charity trustees they are responsible for complying with legislation applicable to charities. This includes registration, keeping proper accounts and making returns to the Charity Commission as appropriate.

The Committee consists of 3 independent representatives, Chair, Treasurer and Secretary together with the District Commissioner(s), District Explorer Scout Commissioner, District Youth Commissioners, District Scout Network Leaders and a maximum of 5 each of elected, nominated and co-opted representatives, and meets every 2 months.

The District Executive Committee exists to support the District Commissioner(s) in meeting the responsibilities of their appointment and is responsible for: promoting the development of Scouting in the District and arranging for harmonious co-operation with other organisations; the raising of funds and the administration of the District's finances and property, including Explorer Scout Units, District Scout Network and District Scout Active Support Units; appointing a District Appointments Advisory Committee, Chair and Secretary as per POR: The Appointment Process; appointing other sub-Committees and their chairs as the Committee may require; supervising the administration of Groups, particularly in relation to finance and the trusteeship of property; attending to District administration, particularly: matters relating to Leader, Manager and Supporter appointments; the appointment of Section Assistants and Skills Instructors, Administrators and Advisers; registrations, membership of the Movement, appointing a Badge Secretary for the District; the presentation of an Annual Report and annual statement of accounts to the Annual General Meeting of the District Scout Council.

Trustee changes

These are shown in the reference and administrative details of the charity. New Trustees are provided with full support and induction into their role as Executive members on appointment.

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Risk Management

The District Executive has identified the major risks to which they believe the District is exposed; these have been reviewed periodically and systems have been established and continue to develop to mitigate against them. The main areas of concern that have been identified are:

- Damage to buildings, property and equipment. The District would request the use of buildings, property and equipment from Scout Groups within the District. The District has sufficient buildings and equipment insurance in place to mitigate against permanent loss-
- Injury to leaders, helpers, supporters and members. The District through membership fees contributes to the Scout Association's national accident insurance policy. Risk Assessments are undertaken before all activities. Casual helpers are insured directly by the District.
- Reduced income. Whilst the District currently has substantial funds arising from earlier property disposals and is not dependent on current incoming revenues, it also has substantial investment income arising from a property owned by the District. There are sufficient reserves to cover all current development prospects (including a new two year employment (via The Scout Association) of a development officer at a budgeted cost of c£94,000).
- The District has in place systems of internal controls that are designed to provide reasonable assurance against material mismanagement or loss; these include 2 signatories for all payments and comprehensive insurance policies to ensure that insurable risks are covered.
- The District prepares an annual budget before the commencement of the year to ensure that there are sufficient funds to cover at least the following year's expected requirements.
- The Executive have reviewed the situation that has arisen due to the coronavirus pandemic and is satisfied that there are sufficient funds to support Scouting throughout the District and to provide support to individual Groups if necessary.

Our aims and objectives

The objectives of the District are as a unit of the Scout Association.

The purpose of Scouting is to actively engage and support young people in their personal development, empowering them to make a positive contribution to society. Scouting uses a Method, which is 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 and challenging activities
- make and live by their Promise.

Scouting is open to all young people between the ages of 4 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.

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Ensuring that we achieve our aims

A programme of activities, run by District volunteers, that furthers our purpose and method and compliments those offered by Scout Groups is provided for members of the Association for each of the sections: Squirrels 4-6 years; Beavers 6-8 years; Cubs 8-10½ years; Scouts 10½-14 years; Explorers 14-18 years; and Network 18-25 years. These activities are open to all young members in the District via their Scout Groups. Some activities are restricted by their nature, in which cases places are taken on a first come, first served basis or by selection. Any selection process adheres to the Scout 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. Detailed reports are in the Annual Report for the District.

Financial Review

The charity reports a deficit on total funds for the year of £87,048 decreasing the net cash funds held by the charity to £176,406. This was against a budgeted deficit of £111,355. The various lockdowns and bans from face-to-face Scouting continued through the year under review. Where Scouting could continue virtually or face-to-face, activities run at District level were supported financially. An investment was made in a wide range of activity equipment for use by both District and Groups. Additional costs were (and continue to be) incurred to ensure that buildings were 'Covid safe'. Difficulties in the hospitality sector continued to impact on the investment income from our property with the arrears of rent increasing over the year but additional Government Covid related grants and an unexpected distribution from a ceased charity mitigated the adverse cash flow.

The charity does not seek to raise funds and does not charge a subscription to its members at District level. Individual members of District Explorer Scout Units pay subscriptions (as do members of the Groups within the District) to finance their sections' activities. Subscriptions collected by the District are passed in full to Northumberland County Scouts. In 2020-21, and the two following years, the District has and will be supporting the subscriptions payable and incurring a deficit of that income over the payment to County and Headquarters.

The invested funds – generated largely from property disposals in previous districts – are held pending developments within and for the District in particular with properties but provide some income in the meantime. The District Executive intends to apply substantial funds to property development and improvements within the District to improve facilities for the provision of Scouting. There is also a commitment of c£45,000 p.a. utilising the benefit of the Development Officer.

The District makes grants and provides other assistance to Groups and individuals in need to assist in achieving the objects of, in particular, personal development.

Reserves Policy

The District has substantial cash reserves but is aware of possible short-term needs arising from the developments referred to. The Treasurer has been delegated to place available cash funds on short/medium term deposits whilst ensuring sufficient liquid funds are maintained to meet the immediate needs of the District when interest rates make this beneficial.

In addition, the District 'inherited' (from a previous District) invested funds totalling £255,000 with a market value at 31 March 2022 of £827,875 (2021: £745,359) which are invested to either protect the capital or provide some income for the future. The invested funds are managed by CCLA (Church, Charity and Local Authority) fund managers.

Future Plans

The budgets for the current (2022-23) year were approved in March showing a deficit of £137,791. The actual outcome will depend on the speed with which any development of House on the Hill and the provision of other District facilities are achieved and also whether our tenant is able to reduce the arrears that accumulated during the pandemic lockdowns.

This Trustees' Report has been approved by the Executive of the District and signed on their behalf by:

Dr Peter John Avery (Chair)
31 May 2022

Andrew Graham Bassett (Treasurer)

Independent examiner's report to the Trustees of City of Newcastle District Scout Council

I report on the accounts of the Council (Charity Number 522413) for the year ended 31 March 2022 which are set out on pages 1 to 3.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

The charity's trustees consider that an audit is not required for this year under section 144 of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the applicable Directions given by the Charity Commission (under section 145(5)(b) of the Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- * accounting records were not kept in accordance with section 130 of the Charities Act or
- * the accounts do not accord with the accounting records

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

Nicola Leach
33 Amberley Gardens
Cochrane Park
Newcastle upon Tyne
NE7 7JR

31 May 2022

CITY OF NEWCASTLE DISTRICT SCOUT COUNCIL

Financial report for the Year to 31 March 2022

Receipts and payments

	Unrestricted	Restricted	Total Funds £	2021 Year (all funds) £
Receipts				
Donations, legacies and similar income				
Membership subscriptions	47,296		47,296	51,192
Less paid to County/TSA	(54,791)		(54,791)	(53,200)
Net membership subscriptions	(7,495)	0	(7,495)	(2,008)
Donations	244		244	728
Gift Aid	347		347	3,044
Legacies	-		-	-
Sub total	(6,904)	-	(6,904)	1,764
Grants				
Newcastle City Council	-		-	-
Other grants	44,288		44,288	78,566
Sub total	44,288	-	44,288	78,566
Fundraising (gross)				
Badge Sales & Commissions	948		948	665
Explorers	910		910	-
SASU	-		-	76
Other fundraising activities	135		135	(9)
Sub total	1,993	-	1,993	732
Investment income				
Interest Received	3,719		3,719	4,477
Property Rent income	45,406		45,406	12,408
Sub total	49,125	-	49,125	16,885
Receipts from Charitable Activities				
District Uniformed: Explorers	13,860		13,860	2,808
Network	-		-	-
SASU	-		-	-
Gang Show	-		-	3,542
Section Activities: Beavers	3,318		3,318	576
Cubs	4,255		4,255	-
Scouts	2,455		2,455	-
2/more sections together	13,701		13,701	96
Leader Training (adults)	630		630	280
Leader Training (YIs)				30
Loans repaid	-		-	-
St George's Day & Carol Serv's	-		-	-
Sundry	15		15	50
Ford Camp Site	-		-	(40)
Sub total	38,234	-	38,234	7,342
Total Gross Income	126,736	-	126,736	105,288
Asset and investment sales, etc.				
				-
Total receipts	126,736	-	126,736	105,288

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				2021
	Unrestricted	Restricted	Total Funds	Year (all funds)
	£	£	£	£
Payments				
Charitable Payments				
Insurances	210		210	-
District Uniformed: Explorers	15,200		15,200	3,417
Explorers Equip't	894		894	155
Section Activities: Beavers	3,581		3,581	640
Cubs	9,427		9,427	7,412
Scouts	5,241		5,241	335
2/more sections together	45,686		45,686	1,714
Gang Show	7,814	6,019	13,833	9,894
Network/SASU	26		26	-
Leader Training (adults)	3,761		3,761	2,462
Leader Training (Yls)	3,189		3,189	105
Property Costs	26,153		26,153	14,001
Growth & Development Officer	38,076		38,076	3,356
GDO expenditure budget	1,663		1,663	86
Postage, stationery & Admin	4,971		4,971	1,216
Media (web PR etc.)	8,576		8,576	4,452
Travel Expenses	191		191	256
St George's Day & Carol Service	-		-	-
AGM and trustee expenses	2,203		2,203	-
Donations & Gifts	222		222	175
Other Grants	26,275		26,275	16,261
Travel etc. Grants	(450)		(450)	-
Loans Advanced	-		-	-
Sundry	3,505		3,505	546
Bill Moon Mem'l fund	-		-	-
Sub total	206,414	6,019	212,433	66,483
Fundraising expenses				
Badges	1,324		1,324	50
Badge rebates	27		27	23
Explorers	-		-	-
Other District sections	-		-	357
	1,351	-	1,351	430
Total Gross Expenditure	207,766	6,019	213,784	66,913
Net of receipts/(payments)	(81,030)	(6,019)	(87,048)	38,375
Transfers between funds				
Invested				-
Cash funds last year end	232,491	30,963	263,454	225,079
Cash funds this period end	151,461	24,945	176,406	263,454

Notes

1. Donations and grants from individuals and charitable trusts include: W A Handley CT; Community Foundation Tyne & Wear and Northumberland; Government Covid support grants;
2. Restricted funds include £12,263 (2021 £12,263) in respect of rent/maintenance deposit in respect of Osborne Road lease. The remaining restricted funds relate to the Newcastle Gang Show.
3. No Trustees receive any remuneration. 4 Trustees received expenses in connection with their Scouting roles amounting to £2,206 (2021-4: £500)

CITY OF NEWCASTLE DISTRICT SCOUT COUNCIL

Statement of assets and liabilities at the end of the year

	31 March 2022		31/03/2021	
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Cash funds				
Bank current accounts	100,224	24,945	125,169	103,200
Bank Deposits	50,000		50,000	160,000
Cash/Floats	1,237	-	1,237	255
Total cash funds	151,461	24,945	176,406	263,454
Other monetary assets				
Rent & Badge Debtors	59,545	-	59,545	50,016
Debtors for District activities, etc	1,730		1,730	-
Loans to Groups:	-		-	-
Sub total	61,275	-	61,275	50,016
Investment assets				
Investment property - detail				
Osborne Road (insured value)	2,150,000	-	2,150,000	2,050,000
Quoted investments:				
COIF Investment Accumulation Units	511,141	-	511,141	457,726
COIF Global Equity Accumulation Units	119,454	-	119,454	110,110
COIF Ethical Investment Income Units	197,280	-	197,280	177,523
Other investments - detail				
Total investment assets	2,977,875	-	2,977,875	2,795,359
Non monetary assets for charity's own use				
Badge stock	93	-	93	526
Land and buildings:				
Silver Lonnen (insured value)	199,821	-	199,821	190,125
Scouting equipment, furniture etc.	20,000	-	20,000	-
Other		-	-	-
Total non monetary assets	219,914	-	219,914	190,651
Liabilities				
Accounts not yet paid	-	-	-	779
Expenses incurred but not invoiced	-	-	-	-
Subscriptions due 9 April	66,109	-	66,109	54,791
Loan - detail	-	-	-	-
Other liabilities- accrued costs	2,735	-	2,735	-
Total liabilities	68,844	-	68,844	55,570

Notes

Contingent liabilities and future obligations

The 99 year lease for House on the Hill from 5 August 2021 with a current rent of £1,325 p.a. has an initial tenant break clause at 4 August 2031. The initial contingent liability at 31 March 2022 is therefore £12,725. The lease for the Scots Gap Campsite at an annual (VAT inclusive) rent of £120 terminates on 10 November 2025. The contingent liability is therefore £420.

The above receipts and payments account and statement of assets and liabilities were approved by the Trustees on 31 May 2022 and signed on their behalf by

Peter Avery Chair
Andrew Bassett Treasurer