
THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

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THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS AS AT 31 DECEMBER 2020

Charity name: The Scout Association County of Birmingham

Other name the charity is known by: Birmingham County Scouts

Registered charity number: 524566

Registered charity date: 25 March 1964

HQ Registered number: 00103

HQ Registered date: 16 March 1931

Charity Registered address: Centenary House, 89-91 Hatchett Street, Newtown, Birmingham B19 3NY Tel:
0121 330 1212

Email: headquarters@birminghamscouts.org.uk

Web: www.birminghamscouts.org.uk

Subsidiary name: Blackwell Adventure

Subsidiary principal address: Blackwell Court, Agmore Road, Blackwell, Worcester, B60 1PX

Tel: 0121 445 1285

Email: info@blackwelladventure.co.uk

Web: www.blackwelladventure.co.uk

Custodian Trustee The Scout Association Trust Corporation

Independent auditor Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG

Bankers HSBC Bank plc
130 New Street
Birmingham
B32 4JU

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Barclays Bank plc
Leicester
LE87 2BB

Investment Managers Charles Stanley & Company Limited
55 Calthorpe Road
Edgbaston
Birmingham
B15 1TH

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of The Scout Association - County of Birmingham for the year 1 January 2020 to 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 the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Trustees of the charity

The trustees who have served during the year and since the year end were as follows:

Committee Members Ex-Officio (trustee, voting)

Andrew Lloyd - County Commissioner
Dave Allen - County Chairman Amanda Cardall County Secretary
Linda Gurmin - County Treasurer
Janie Burrell - County Youth Commissioner

Committee Members Ex-Officio (trustee, voting)

Chris Wallace
Daniel Smith
Alex Sexton
Randal Brew
Simon Cardall
Paul Fennel

Committee Elected Members (trustee, voting)

Lynn Whittaker
Mark Rowe
Gemma Dixon
James Paddock
Paul Gilmour
Sarah Keenam

Committee Co-opted Members (non, voting)

Chair of the County Shop Committee - Gerald Peel

Committee Members - that stood down at the AGM 2020

Pete Oldham
Paul Little
Maggie Jones
Heidi Guest
David Archer
Abigail McMillan
James Holmes

Objectives and activities

a. Policies and objectives

Summary of the objects of the charity set out in the governing document as follows:

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.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

The Values of Scouting

As Scouts we are guided by these values:

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

Respect - We have self-respect and respect for others.

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

Belief - We explore our faiths, beliefs and attitudes.

Co-operation - We make a positive difference; we co-operate with others and make friends.

The Scout Method

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

- enjoy what they are doing and have fun
- take part in activities indoors and outdoors
- learn by doing
- share in spiritual reflection
- take responsibility and make choices
- undertake new and challenging activities
- make and live by their Promise.

b. Main activities undertaken to further the Charity's purposes for the public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and in planning for future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives set.

Achievements and performance

a. Review of activities

2020 has been an exceptional year due to the Covid-19 pandemic, that it's called on our Trustees, County Team, District Teams and all of our Leaders to think differently about how to support our members during such these times when we've been unable to meet face to face for much of the year and our families of our young people and adult volunteers have all faced different challenges.

The first priority for the Trustees and the County Team was in understanding and taking the appropriate actions to mitigate risks arising from the pandemic, particularly around our financial exposure through ongoing events and activities, supporting groups in managing their finances and providing help in pivoting to delivering Scouting remotely.

We had to take some tough decisions in cancelling events and activities, however we focussed on making decisions in a timely manner, focussing on our members needs and refunding monies quickly - a huge undertaking but one we managed well and were able to successfully mitigate the majority of the financial risk.

The County Team stepped up and supported our Groups and Districts in delivering a range of virtual activities including our very own County Camp, iJam@Bham, Weekly Challenges, VirtuallyBrumVenture, CubBrumChallenge, IceScout, BrumBeaversGoEco, Beaver and Cub Christmas events and a virtual Remembrance event - great participation with hundreds of young people, parents and leaders getting involved.

Despite the pandemic, we've still been able to recognise our young people's and adult volunteers achievements

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

and during 2020 we saw 488 Chief Scout Awards, one Queen Scout Award, five Higher Awards granted. We've had to change the ways in we celebrate our successes but have done all we can to do so.

Our leaders across the County have done a great job in keeping Scouting alive, through online meetings and sharing individual challenges and activities, and then in many cases learning how to deliver face to face activities in a Covid safe manner - a huge achievement requiring a new set of skills.

Inevitably, our membership has been impacted by the pandemic and we've seen a number of our young people and adult volunteers fall away, coupled with not being able to recruit new members in the ways we normally have done so. Our membership is down -29.6% in youth members to 3,940 and - 12.18% in adult volunteers to 1,729 - overall the County now numbers 5,669, which is a total of -25.04% on last year. Our focus once the pandemic is over and Scouting can get back to normal will be to replace our lost members and resume the growth we've seen over recent years.

To support this, the County has worked to extend the Pears Project team through a combination of internal funded and grants from external donors and have launched our Places to Grow Together project which work with Groups to support them in delivering Scouting virtually, resuming face to face Scouting when possible, and growing their membership. This will continue in 2021.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

b. Financial review

County

The charity had total revenue of £357,657. The result for the year shows a surplus of £54,099 which is primarily due to the timing of when income is received and when the related expenditure is incurred. Included within Charitable expenditure is refunds paid to participants amounting to £139,883.

Blackwell Adventure

Under normal circumstances a large range of activities are offered to provide fun, challenge, Adventure, and excitement to groups of young people and adults from a wide range of sectors. Primarily this supports their personal development and allows the opportunity to enjoy managed risk within a safe, structured, and supportive environment..

The Trustees recognise and acknowledge that 2020 could in no way be seen as enabling Blackwell Adventure to operate under anything like "normal circumstances".

The company has been cash positive throughout the year while reaching out to grant making bodies for funds. Due to the COVID-19 pandemic restrictions on School, Scouting and other youth-based activities income from regular activities was only £114,000 (previous year £960,644) however income was augmented by £125,000 of customer deposits forfeit under contractual terms providing total charitable activity revenues of £239,000. Affected customers have been offered a non-contractual goodwill discount equivalent to their forfeit deposits if they take and pay for an equivalent service or activity in 2021 at prevailing prices.

Expenditure has been reduced as much as possible consistent with security, health and safety requirements, and immediate maintenance needs. A staffing review concluded that some permanent roles did not fit the optimum staffing model going forward. While not impacting on the ability to bring the centres back to full capacity when restrictions are lifted regrettably some redundancies were arranged. Core staff have been on furlough though, because of the large number of bookings that required rearranging or cancelling and the agreed policy of "taking care of our customers", customer care staff have been on duty while schools have been open.

The Trustees have continued to invest in the site infrastructure to complete the Roberts Village development for which a grant was received from the National Lottery Community Asset Fund shown in restricted funds as £48,690 carried forward.

The trustees and the senior management team devised an effective plan to reduce costs, look after customers and staff while seeking all avenues for financial support.

The trustees are confident as Covid-19 restrictions recede 2021/2022 will return to normal.

c. Future developments

The County continues to support all the events run by various sections and to support the Blackwell Adventure board.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

d. Risk management

The County Executive Committee has identified the major risks to which they believe the County is exposed, these have been reviewed and systems have been established to mitigate against them. The main areas of concern that have been identified are:

Damage to the buildings, property and equipment. The County has sufficient buildings and contents insurance in place to mitigate against permanent loss.

Injury to leaders, helpers, supporters and members. The County through the capitation fees contributes to the Scout Association's national accident insurance policy. Risk assessments are undertaken before all events and meetings.

The trustees have a general Health and Safety policy in place which is adhered to. The charity has expended a considerable amount of resources on improving facilities at the activity centers to ensure that activities are carried out in a safe environment.

The trustees recognise the dangers of child abuse in respect of young people under the charity's supervision. The charity carries out enhanced DBS checks on staff and volunteers as detailed in The Scout Association governing document Policy Organization and Rules and the associated guidelines.

Mandatory training is given to adults and leaders as detailed in the Scout Association governing document, Policy Organization and Rules and the associated guidelines.

The trustees monitor all transactions and projects regularly and all major items are discussed at full trustee and sub-committee levels.

The County is primarily reliant upon income from subscriptions and fundraising. The County does hold a reserve to ensure the continuity of events should there be a major reduction in income. The Committee could raise the value of subscriptions to increase the income to the County on an ongoing basis, either temporarily or permanently.

Reduction or loss of leaders. The County is reliant upon volunteers to run and administer the events of the County. If there was a reduction in the number of leaders to an unacceptable level in a particular section, group or district as a whole then there would have to be a contraction, consolidation or closure of a section, group or district. In the worst case scenario the complete closure of the group or district.

Reduction or loss of members. The County through the districts, groups and sections provides events for all young people aged 4 to 18. If there was a reduction in membership in a particular section, group or district as whole then there would have to be a contraction, consolidation or closure of a section, group or district. In the worst case scenario the complete closure of the group or district.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

e. Investment policy and performance

There are no restrictions on the charity's powers to invest and the investment policy is decided upon by the trustees.

At the present time the group has bank accounts with HSBC, Lloyds and Barclays Bank. In addition, it has an investment portfolio of stocks & shares administered by Charles Stanley. The investment objective is to provide capital growth but with a bias towards income, with a view to achieving an overall yield of around 3.5%. The investment portfolio should maintain prospects for an increasing income and capital appreciation through a mixture of equities and bonds.

f. Reserves policy

The Scout Association County of Birmingham's policy on reserves is to hold sufficient resources to continue the charitable activities of the County and the activities of its subsidiary undertaking, Blackwell Adventure, should income and fundraising activities fall short. The Trustees' reserves policy provides support for the day-to-day running of the group's activities, future developments and allows for risk.

In the light of the global Coronavirus pandemic (as reported elsewhere in this report), the Trustees of both County and Blackwell have conducted a preliminary review of the reserves policy and have agreed that, as an early estimate, unrestricted funds not committed or invested in tangible fixed assets should be in the region of £375,000.

The County Executive Committee recognises that the sum held in reserve will at times be increased due to the nature of its activities through Blackwell Adventure and significant events organised by the County where income is received in advance of the associated expenditure being incurred.

The reserves to be considered as part of the policy are the amount of unrestricted reserves which are freely available for use (i.e. those not invested in fixed assets). We include all unrestricted funds and designated funds. Designated funds are funds that the trustees have decided to designate separately. As the trustees could reverse the designation it is not considered to be a restricted fund.

The actual reserve figure is calculated using the first table in Note 17 to the accounts and at 31 December 2020 this amounted to £687,156. It is the unrestricted column less the fixed assets shown in the top line. Capital and revenue projects are funded by setting aside appropriate amounts into Designated Funds accordingly.

The Trustees acknowledge there is a further reserves requirement and are planning suitable strategies.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

g. Going concern

During the year the Group had to respond to the impact of the COVID-19 pandemic.

In terms of Blackwell Adventure, Government imposed restrictions to prevent the spread of the disease and to protect the NHS meant that it was not possible to offer and/or deliver the vast majority of our activities for large parts of the year although GCSE Climbing, Duke of Edinburgh Gold Expeditions and school activity days were supported in the limited periods of operation.

For County, events have been cancelled and deposits have been refunded where necessary. The County Shop has also been temporarily closed and hence income, along with associated costs, has dropped considerably for the year to 31 December 2020.

The Trustees have reviewed budgets and forecasts and after making appropriate enquires have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern accounting basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies. At the time of approving this report the prospects of returning to a full range of charitable activity in the near future look very promising. For these reasons, the charity continues to adopt the going concern basis in preparing the financial statements.

Structure, governance and management

a. Constitution

Organisational structure and decision-making policies

The overall governing body of the Scout County is the County Scout Council. It normally meets once a year to Conduct the appropriate business at the Annual General Meeting. The County Executive Committee work in partnership with the County Commissioner to manage the work and assets of the County Association and act as the Trustees of the Scout Association County of Birmingham. The County Executive Committee is supported by a number of Sub-Committees. In addition, the day-to-day management and co-ordination of the County is carried out by the County Management Team.

All Committees and sub-committees undertake their work in accordance with the rules set down in Policy, Organization and Rules of The Scout Association, with majority voting to support the decision making process.

Governance

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

The County 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 SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

Management

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

The Committee consists of three independent representatives, Chair, Treasurer and Secretary together with the County Commissioner, County Youth Commissioner, nominated members, elected members and co-opted members. In addition there are a number of non-voting members (not trustees) representing the National Association together with the County Safety Co-ordinator, County Communication Manager and the Chairperson of Blackwell Adventure. The County Executive meets every four months.

All Members of the Executive Committee from January 2020 complete Mandatory Training 'Essential Information for Executive, Safety, Safeguarding, GDPR, and Safety.

Committee' training within the first five months of joining the committee. On appointment all new trustees are subject to an enhanced DBS check, plus a briefing from the County Chairman on the work and responsibilities of a trustee and the Executive Committee.

This County Executive Committee exists to support the County Commissioner in meeting the responsibilities of the appointments and is responsible for:

- Complying with the Policy, Organisation and Rules of The Scout Association;
- The protection and maintenance of County equipment and property;
- The raising of funds and the administration of County finance;
- The insurance of persons, property and equipment;
- Promoting and supporting the development of Scouting in the local area and ensuring that a positive image of Scouting exists in the local community;
- Assisting in the recruitment of leaders and other adult support;
- Appointing any sub committees that may be required;
- Appointing County Administrators and Advisors other than those who are elected;
- Ensuring that Young People are meaningfully involved in decision making at all levels within the County;
- The opening, closure and amalgamation of Districts and Scout Active Support Units in the County as necessary; and
- Managing and implementing the Safety Policy locally.

b. Methods of appointment or election of Trustees

Trustees of the Scout County are recruited in accordance with the Policy, Organisation and Rules (POR) of the National Scout Association and operated within the work of the County Executive. This allows for the County Commissioner to nominate members of the Executive Committee, their number must not exceed that of elected members, between four and six members elected by the County Scout Council at the County Annual General Meeting and co-opted members for their relevant expertise which must not exceed the number of members who may be elected, plus the County Commissioner, County Chairman, County Treasurer, County Secretary, and County Youth Commissioner by virtue of their appointment.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

c. Policies adopted for the induction and training of Trustees

On appointment, all new Trustees are subject to a DBS check, plus a briefing from the County Chairman on the work and responsibilities of the Executive Committee.

In addition, specialist training is provided within the overall training programme of the Association.

d. Pay policy for key management personnel

The trustees consider its key management personnel comprise the management team at Blackwell Adventure.

e. Relationship with wider network of charities

The Scout Association - County of Birmingham is a separate educational charity in its own right, whilst at the same time acting within the overall structure of the National Scout Association. This structure allows for the formation of Scout Counties, Scout Districts and Scout Groups. The Scout County is answerable to the National Association and is responsible for overseeing the work of individual Scout Districts and through them individual Scout Groups. The Association also has very close working relationships with Girl Guiding Birmingham.

f. Trustees' indemnities

The County Executive is covered by The Scout Association's public liability and trustee indemnity insurance policies. Trustee indemnity insurance covers Trustees in the event that they are held personally liable for the loss of charity assets or for making a decision which results in the charity sustaining a loss in financial terms. It does not cover acts which the trustee knew (or should reasonably have known) would constitute a breach of trust, so deliberate malfeasance would not be covered.

g. Relationship with subsidiaries

The Scout Association – County of Birmingham controls the subsidiary undertaking Blackwell Adventure.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, Cooper Parry Group Limited, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 29 April 2021 and signed on their behalf by:



Mr David Allen
County Chairman

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

Opinion

We have audited the financial statements of The Scout Association - County of Birmingham (the 'Parent Charity') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the Parent Charity has not kept sufficient accounting records; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the Parent Charity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Parent Charity and how the Parent Charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Parent Charity's control environment and how the Parent Charity has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Parent Charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year;
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor
One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG

29 April 2021

Cooper Parry Group Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	358,094	112,420	470,514	42,471
Charitable activities	4	519,881	-	519,881	1,305,454
Other trading activities	5	1,013	-	1,013	1,734
Investments	6	8,201	-	8,201	8,129
Total income		<u>887,189</u>	<u>112,420</u>	<u>999,609</u>	<u>1,357,788</u>
Expenditure on:					
Charitable activities		757,701	75,081	832,782	1,375,700
Total expenditure		<u>757,701</u>	<u>75,081</u>	<u>832,782</u>	<u>1,375,700</u>
Net income/(expenditure) before net (losses)/gains on investments		129,488	37,339	166,827	(17,912)
Net (losses)/gains on investments	11	(11,718)	-	(11,718)	21,195
Net income		<u>117,770</u>	<u>37,339</u>	<u>155,109</u>	<u>3,283</u>
Transfers between funds	16	5,891	(5,891)	-	-
Net movement in funds		<u>123,661</u>	<u>31,448</u>	<u>155,109</u>	<u>3,283</u>
Reconciliation of funds:					
Total funds brought forward		1,165,131	129,412	1,294,543	1,291,260
Net movement in funds		123,661	31,448	155,109	3,283
Total funds carried forward	16	<u>1,288,792</u>	<u>160,860</u>	<u>1,449,652</u>	<u>1,294,543</u>

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 40 form part of these financial statements.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	601,636	592,752
Investments	11	286,812	298,629
		888,448	891,381
Current assets			
Stocks	12	10,884	19,560
Debtors	13	15,837	31,256
Cash at bank and in hand		621,234	494,936
		647,955	545,752
Creditors: amounts falling due within one year	14	(40,917)	(142,590)
		607,038	403,162
Net current assets		607,038	403,162
Creditors: amounts falling due after more than one year	15	(45,834)	-
		1,449,652	1,294,543
Total net assets		1,449,652	1,294,543
Charity funds			
Restricted funds	16	160,860	129,412
Unrestricted funds	16	1,288,792	1,165,131
		1,449,652	1,294,543
Total funds		1,449,652	1,294,543

The financial statements were approved and authorised for issue by the Trustees on 29 April 2021 and signed on their behalf by:


Mr David Allen
County Chairman


Mrs Linda Gurmin
County Treasurer

The notes on pages 20 to 40 form part of these financial statements.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	280,685	289,182
Investments	11	286,812	298,629
		567,497	587,811
Current assets			
Stocks	12	-	8,676
Debtors	13	4,832	5,760
Cash at bank and in hand		373,832	319,145
		378,664	333,581
Creditors: amounts falling due within one year	14	(11,592)	(29,204)
		367,072	304,377
Net current assets		367,072	304,377
Total net assets		934,569	892,188
Charity funds			
Restricted funds	16	73,043	86,298
Unrestricted funds	16	861,526	805,890
Total funds		934,569	892,188

The financial statements were approved and authorised for issue by the Trustees on 29 April 2021 and signed on their behalf by:


Mr David Allen
County Chairman


Mrs Linda Gurmin
County Treasurer

The notes on pages 20 to 40 form part of these financial statements.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	18	129,958	14,243
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		8,201	8,129
Purchase of tangible fixed assets		(64,360)	(88,975)
Movement in cash held by investment manager		99	794
		<hr/>	<hr/>
Net cash used in investing activities		(56,060)	(80,052)
		<hr/>	<hr/>
Cash flows from financing activities			
Cash inflows from borrowings		52,400	2,400
		<hr/>	<hr/>
Net cash provided by financing activities		52,400	2,400
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		126,298	(63,409)
Cash and cash equivalents at the beginning of the year		494,936	558,345
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	19	621,234	494,936
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 20 to 40 form part of these financial statements

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The Scout Association – County of Birmingham is a registered Charity in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the development of young people in achieving their full physical, intellectual, social and spiritual potentials, as individuals, as responsible citizens and as members of their local, national and international communities.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling which is the functional currency of the charity.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 Going concern

The trustees have considered the impact of the COVID-19 pandemic on the finances of the Group and based on the level of reserves held and the forward projections (which include various elements of Government support such as furlough receipts, grant payments and a 'bounce-back' loan) and satisfied that no material uncertainties exist. Accordingly, the financial statements have been prepared on a going concern basis.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Membership Subscription

Membership subscriptions are payable in advance for a year ending on 31 March. The amount for the year ended 31 December 2020 is shown in the Statement of Financial Activities.

Dividend Income

Dividends are accounted for on a receipts basis. Interest is accounted for on an accruals basis and includes all amounts earned up to 31 December 2020. Associated tax recoveries are included for all amounts shown as income.

Donations

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Rents Receivable

Rents are accounted for on an accruals basis.

Grants

The charity receives grants in respect of its charitable activities. Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Other income

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them; and
- Governance costs including those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters..

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Land and Buildings	- 2% - 10% straight line
Staff Accomodation	- over 6 years on cost
Permanent equipment	- over 10 years on cost
Short term equipment	- over 3 years on cost
Equipment	- over 4 years on cost
Fixtures and fittings	- over 4 years on cost
Office equipment	- over 4 years on cost
Tented Village	- over 6 years on cost
Motor vehicles	- over 4 years on cost

No depreciation is provided on freehold land.

Gains or losses on the disposal of fixed assets held for charitable use are reflected in Income and Endowments shown in the Statement of Financial Activities.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities. The basis of fair value for quoted investments is equivalent to the market value, using the bid-price. Asset sales and purchases are recognised at the date of trade.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

1.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.

1.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. General information

The consolidated financial statements incorporate the results of the Scout Association – County of Birmingham and its subsidiary undertaking, Blackwell Adventure. The consolidated entity is referred to as 'group'.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	1,749	53,730	55,479	22,095
Grants	243,168	58,690	301,858	20,376
Coronavirus Job Retention Scheme Grant	113,177	-	113,177	-
	<u>358,094</u>	<u>112,420</u>	<u>470,514</u>	<u>42,471</u>
Total 2019	<u>21,652</u>	<u>20,819</u>	<u>42,471</u>	

Included within donations and legacies is £113,177 (2019: £nil) in respect of claims made in respect of staff who were furloughed under the governments Coronavirus Job Retention Scheme. The associated cost of these employees is disclosed in staff costs in note 8.

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Camp fees, lettings and other activities	235,280	235,280	934,303
County events	230,705	230,705	291,407
County shop	8,506	8,506	34,659
Subscriptions	45,390	45,390	45,085
Total 2020	<u>519,881</u>	<u>519,881</u>	<u>1,305,454</u>
Total 2019	<u>1,305,454</u>	<u>1,305,454</u>	

In 2019 all income from charitable was allocated to unrestricted funds.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sundry income	1,013	1,013	1,734
	<u>1,013</u>	<u>1,013</u>	
Total 2019	<u>1,734</u>	<u>1,734</u>	

In 2019 all income from other trading activity was allocated to unrestricted funds.

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	8,201	8,201	8,129
	<u>8,201</u>	<u>8,201</u>	
Total 2019	<u>8,129</u>	<u>8,129</u>	

In 2019 all investment income was allocated to unrestricted funds.

7. Expenditure - group

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Expenditure on charitable activities	666,020	166,762	832,782	1,375,700
	<u>666,020</u>	<u>166,762</u>	<u>832,782</u>	
Total 2019	<u>1,157,865</u>	<u>217,835</u>	<u>1,375,700</u>	

Of the above expenditure £757,701 (2019: £1,349,337) was allocated to unrestricted funds and £75,081 (2019: £26,363) was allocated to restricted funds.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Expenditure - group (continued)

Analysis of direct costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	250,524	250,524	291,578
Activity costs	15,659	15,659	69,996
Catering costs	6,061	6,061	81,936
Depreciation	55,475	55,475	55,828
Other direct costs	8,627	8,627	11,023
Property maintenance	16,511	16,511	62,561
Rates and utilities	29,553	29,553	85,256
Activity and seasonal instructors	13,088	13,088	79,807
County shop	21,286	21,286	29,732
Activities, meetings and conferences	7,943	7,943	10,377
Online scout manager	6,481	6,481	7,560
Events expenditure	220,074	220,074	367,854
Website and communication costs	3,823	3,823	3,532
Donations	10,826	10,826	580
Rent	89	89	245
	<u>666,020</u>	<u>666,020</u>	<u>1,157,865</u>
Total 2019	<u><u>1,157,865</u></u>	<u><u>1,157,865</u></u>	

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Expenditure - group (continued)

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	90,527	90,527	102,852
Insurance	18,975	18,975	26,698
Interest payable and bank charges	3,138	3,138	5,114
Legal, professional, accountancy and audit	31,057	31,057	42,182
Marketing and publicity	4,373	4,373	4,146
Motor and travel expenses	322	322	2,239
Office costs	14,767	14,767	25,776
Other support costs	3,603	3,603	8,828
	<u>166,762</u>	<u>166,762</u>	<u>217,835</u>
Total 2019	<u>217,835</u>	<u>217,835</u>	

8. Staff costs

	Group 2020 £	Group 2019 £
Wages and salaries	311,463	361,616
Social security costs	18,938	23,349
Contribution to defined contribution pension schemes	10,650	9,465
	<u>341,051</u>	<u>394,430</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2020 No.	Group 2019 No.
Operational (including seasonal staff)	13	23
Administration	2	2
	<u>15</u>	<u>25</u>

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Staff costs (continued)

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

The trustees consider its key management personnel comprise the management team. The total employment benefits including employer pension contributions of the key management personnel were £124,219 (2019: £122,955).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, expenses totalling £1,290 were reimbursed or paid directly to 1 Trustee (2019 - £nil). The nature of the expenses related to bookkeeping fees and printing costs.

10. Tangible fixed assets

Group

	Land and Buildings £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 January 2020	814,512	513,726	6,964	77,352	1,412,554
Additions	64,360	-	-	-	64,360
Disposals	-	(305,391)	-	-	(305,391)
At 31 December 2020	<u>878,872</u>	<u>208,335</u>	<u>6,964</u>	<u>77,352</u>	<u>1,171,523</u>
Depreciation					
At 1 January 2020	285,817	455,718	6,964	71,303	819,802
Charge for the year	42,086	10,747	-	2,643	55,476
On disposals	-	(305,391)	-	-	(305,391)
At 31 December 2020	<u>327,903</u>	<u>161,074</u>	<u>6,964</u>	<u>73,946</u>	<u>569,887</u>
Net book value					
At 31 December 2020	<u><u>550,969</u></u>	<u><u>47,261</u></u>	<u><u>-</u></u>	<u><u>3,406</u></u>	<u><u>601,636</u></u>
At 31 December 2019	<u><u>528,695</u></u>	<u><u>58,008</u></u>	<u><u>-</u></u>	<u><u>6,049</u></u>	<u><u>592,752</u></u>

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Tangible fixed assets (continued)

Charity

	Land and Buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2020	426,552	305,391	731,943
Disposals	-	(305,391)	(305,391)
At 31 December 2020	<u>426,552</u>	<u>-</u>	<u>426,552</u>
Depreciation			
At 1 January 2020	137,370	305,391	442,761
Charge for the year	8,497	-	8,497
On disposals	-	(305,391)	(305,391)
At 31 December 2020	<u>145,867</u>	<u>-</u>	<u>145,867</u>
Net book value			
At 31 December 2020	<u><u>280,685</u></u>	<u><u>-</u></u>	<u><u>280,685</u></u>
At 31 December 2019	<u><u>289,182</u></u>	<u><u>-</u></u>	<u><u>289,182</u></u>

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Fixed asset investments

Group and Charity	Listed investments £
Cost or valuation	
At 1 January 2020	298,629
Revaluations	(11,718)
Transfers between classes	(99)
At 31 December 2020	<u>286,812</u>
Net book value	
At 31 December 2020	286,812
At 31 December 2019	<u>298,629</u>

The historical cost of these investments as at 31 December 2020 was £277,226 (2019: £277,226).

All the fixed asset investments are held in the UK and carried at fair value. Investments in equities and fixed interest securities are traded in quoted public markets. Holdings in common investment funds and unit trusts are at the bid price. The fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost.

12. Stocks

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Goods for resale	<u>10,884</u>	<u>19,560</u>	<u>-</u>	<u>8,676</u>

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due after more than one year				
Other debtors	641	2,641	641	2,641
	<u>641</u>	<u>2,641</u>	<u>641</u>	<u>2,641</u>
Due within one year				
Trade debtors	-	9,590	-	-
Other debtors	14,794	3,231	3,789	3,119
Prepayments and accrued income	402	15,794	402	-
	<u>15,837</u>	<u>31,256</u>	<u>4,832</u>	<u>5,760</u>

14. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	4,166	-	-	-
Trade creditors	4,631	11,410	2,841	3,745
Other taxation and social security	5,870	30,449	-	-
Other creditors	2,841	6,972	1,062	4,641
Accruals and deferred income	23,409	93,759	7,689	20,818
	<u>40,917</u>	<u>142,590</u>	<u>11,592</u>	<u>29,204</u>

Included in trade creditors is £2,310 (2019: £3,581) of funds held by the charity on behalf of other scout groups.

	Group 2020 £	Group 2019 £
Deferred income at 1 January 2020	77,101	74,381
Resources deferred during the year	6,902	77,101
Amounts released from previous periods	(77,101)	(74,381)
	<u>6,902</u>	<u>77,101</u>

The income that has been deferred relates to deposits for future events.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £
Bank loans	45,834	-

Included within bank loans due within and after one year is £50,000 received from Barclays Bank UK plc in respect of a Bounce Bank loan. Interest on this loan is charged at 2.5% per annum with the UK government paying interest on the loan for the first 12 months. The term of the loan is 6 years with repayments commencing 13 months from the date of drawdown at a rate of £833.33 per month.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
The Pikes Pool Centre	114,800	-	(2,800)	-	-	112,000
Property Development Fund	150,000	-	-	-	-	150,000
Refunds due to participants	-	-	-	57,729	-	57,729
	<u>264,800</u>	<u>-</u>	<u>(2,800)</u>	<u>57,729</u>	<u>-</u>	<u>319,729</u>
General funds						
General Funds	900,331	887,189	(754,901)	(51,838)	(11,718)	969,063
Total Unrestricted funds	<u>1,165,131</u>	<u>887,189</u>	<u>(757,701)</u>	<u>5,891</u>	<u>(11,718)</u>	<u>1,288,792</u>
Restricted funds						
Denis Vaughton	26,089	-	(5,697)	-	-	20,392
Pikes Pool Development Fund	21,238	-	(1,800)	-	-	19,438
Other donations	7,063	-	-	(7,063)	-	-
Mr J D Saville	22,391	100	(1,788)	(986)	-	19,717
Leddy Mayoral Donation (Pears Project)	14,228	-	-	(14,228)	-	-
SKE Foundation	3,000	-	(10,700)	7,700	-	-
Mr M C Below	8,527	-	-	(3,527)	-	5,000
Sustainability project	1,500	-	(150)	-	-	1,350
Hardship Fund	5,000	-	(2,000)	-	-	3,000

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Glamping Pod Village	20,376	-	(2,037)	-	-	18,339
Pears Project	-	53,630	(50,640)	12,213	-	15,203
Local Authority Grant	-	10,000	(269)	-	-	9,731
National Lottery Community Fund (RC Midlands Region)	-	48,690	-	-	-	48,690
	<u>129,412</u>	<u>112,420</u>	<u>(75,081)</u>	<u>(5,891)</u>	<u>-</u>	<u>160,860</u>
Total of funds	<u><u>1,294,543</u></u>	<u><u>999,609</u></u>	<u><u>(832,782)</u></u>	<u><u>-</u></u>	<u><u>(11,718)</u></u>	<u><u>1,449,652</u></u>

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
Designated funds						
The Pikes Pool Centre	117,600	-	(2,800)	-	-	114,800
Property Development Fund	150,000	-	-	-	-	150,000
	<u>267,600</u>	<u>-</u>	<u>(2,800)</u>	<u>-</u>	<u>-</u>	<u>264,800</u>
General funds						
General Funds	914,080	1,316,593	(1,346,537)	(5,000)	21,195	900,331
Total Unrestricted funds	<u>1,181,680</u>	<u>1,316,593</u>	<u>(1,349,337)</u>	<u>(5,000)</u>	<u>21,195</u>	<u>1,165,131</u>
Restricted funds						
Denis Vaughton	31,786	-	(5,697)	-	-	26,089
Pikes Pool Development Fund	25,688	-	(4,450)	-	-	21,238
Other donations	7,063	-	-	-	-	7,063
Mr J D Saville	23,488	7,000	(8,097)	-	-	22,391
Leddy Mayoral Donation (Pears Project)	5,055	10,292	(1,119)	-	-	14,228
SKE Foundation	10,000	-	(7,000)	-	-	3,000
Mr M C Below	5,000	3,527	-	-	-	8,527
Sustainability project	1,500	-	-	-	-	1,500
Hardship Fund	-	-	-	5,000	-	5,000

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Glamping Pod Village	-	20,376	-	-	-	20,376
	<u>109,580</u>	<u>41,195</u>	<u>(26,363)</u>	<u>5,000</u>	<u>-</u>	<u>129,412</u>
Total of funds	<u><u>1,291,260</u></u>	<u><u>1,357,788</u></u>	<u><u>(1,375,700)</u></u>	<u><u>-</u></u>	<u><u>21,195</u></u>	<u><u>1,294,543</u></u>

Denis Vaughton - This balance will fund the future depreciation of a toilet block built at Pikes Pool.

Pikes Pool Development Fund - This balance will fund the future depreciation of the Rope Walk at Pikes Pool.

Other donations - To be used to meet the aims of The Scout Association.

Mr J D Saville - To be used as directed by J D Saville through the County Chair.

Leddy Mayoral Donation (Pears Project) - To be used to better the aims of hard to reach Scout groups in Birmingham as directed through the County Chair.

SKE Foundation - To be used towards the Big Idea.

Mr M C Below - To be used towards the National Scout and Guide Symphony Orchestra (NSGSO).

Sustainability Project - The funds have been utilised to insulate the walls in the "Mega Pod", part of the Glamping Pod village at Blackwell Court.

Hardship fund – This fund is to be used towards leaders uniform support.

Glamping Pod Village - National Lottery Community Fund money totalling approx £50k has been used to install 3 accessible pods with associated paving and fixings.

Pears Project – this fund is to be used for group support across Birmingham.

Local Authority Grant – This fund relates to Covid-19 support funding received which will be utilised to assist the charity in delivering its charitable activities.

National Lottery Community Fund (RC Midlands Region) - National Lottery Community Fund money totalling approx £49k which will go towards the accessible pods project.

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	601,636	-	601,636
Fixed asset investments	286,812	-	286,812
Debtors due after more than one year	641	-	641
Current assets	486,454	160,860	647,314
Creditors due within one year	(40,917)	-	(40,917)
Creditors due in more than one year	(45,834)	-	(45,834)
Total	<u><u>1,288,792</u></u>	<u><u>160,860</u></u>	<u><u>1,449,652</u></u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	592,752	-	592,752
Fixed asset investments	298,629	-	298,629
Debtors due after more than one year	2,641	-	2,641
Current assets	413,699	129,412	543,111
Creditors due within one year	(142,590)	-	(142,590)
Total	<u><u>1,165,131</u></u>	<u><u>129,412</u></u>	<u><u>1,294,543</u></u>

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	155,109	3,283
Adjustments for:		
Depreciation charges	55,476	55,827
Dividends, interests and rents from investments	(8,201)	(8,129)
Decrease in stocks	8,676	2,530
Decrease/(increase) in debtors	14,089	(19,799)
Increase/(decrease) in creditors	(106,909)	1,726
Net (loss)/gain on investments	11,718	(21,195)
Net cash provided by operating activities	129,958	14,243

19. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	621,234	494,936
Total cash and cash equivalents	621,234	494,936

20. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	494,936	126,298	621,234
Debt due within 1 year	-	(4,166)	(4,166)
Debt due after 1 year	-	(45,834)	(45,834)
	494,936	76,298	571,234

THE SCOUT ASSOCIATION - COUNTY OF BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

21. Capital commitments

	Group 2020 £	Group 2019 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	80,000

22. Pension commitments

The group operates a defined contribution pension plan for certain of its employees in addition to using the NEST scheme to fulfil its auto enrolment obligation. The amount recognised as an expense in the period was £10,650 (2019: £9,465).

23. Operating lease commitments

The Group and the Charity had no commitments under non-cancellable operating leases at 31 December 2020.

24. Related party transactions

Blackwell Adventure invoiced The Scout Association - County of Birmingham a total of £8,143 (2019: £32,102) during the year.

During the year Blackwell Adventure paid The Scout Association - County of Birmingham £NIL (2019: £6,000) being the rent in respect of the properties at Blackwell Court and Pikes Pool