

Cumbria County Scout Council Trustees' Report 2017

Charity registration number: 520617
Scouting Association registration number: 11200

Cumbria County Scout Council

Annual Report and Financial Statements

for the Year Ended 31 March 2017

**Stables Thompson & Briscoe
Chartered Accountants and Statutory Auditors
Lowther House
Lowther Street
Kendal
Cumbria
LA9 4DX**

Cumbria County Scout Council

Contents (continued)

Reference and Administrative Details	2 to 3
Trustees' Report	3 to 9
Statement of Trustees' Responsibilities	10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 to 27

Cumbria County Scout Council

Trustees' Annual Report – 2016/17

For the period	From (start date)	0	1	0	4	1	6	To (end date)	3	1	0	3	1	7
----------------	-------------------	---	---	---	---	---	---	---------------	---	---	---	---	---	---

Section A Reference and administration details

Charity name: Cumbria Scout Council

Registered with The Scout Association: Registration number: 00112

Registered charity number: 520617

Charity's principal address: Cumbria County Scout Council
Stricklandgate House
92 Stricklandgate
KENDAL
Cumbria
LA9 4PU

Charity's operating venue: Throughout Cumbria

Names of the charity trustees who manage the charity:

	Trustee Name	Office (if any)	Dates acted if not for the whole year	
1	Chris Sanderson OBE JP	Chairman		
2	Alan Harryman	Secretary		
3	John Over	Treasurer		
4	Matthew Canwell	County Commissioner	-	Until 16 Nov 2016
5	Eddie Ward	County Commissioner	From 17 Nov 2016	-
6	Bill Arnott	Nominated Member Chair Facilities Sub-Committee		
7	Colin Partington MBE	Nominated Member		
8	Tim Leader	Nominated Member		

9	Jeff Carson	Elected Member		
10	David Hughes	Elected Member		
11	Tim Keegan	Elected Member		
12	Gareth Hodgson	County Youth Commissioner		

Names and addresses of advisers:

Bankers: HSBC Bank plc,
64 Highgate, KENDAL, Cumbria. LA9 4TQ

Solicitors: Burnetts,
6 Victoria Place, CARLISLE, Cumbria. CA1 1ES

Independent Examiner: Helen Holmes FCA, Stables, Thompson and Briscoe,
Lowther House, 34 Lowther Street, KENDAL, Cumbria. LA9 4DX

Section B Objectives and activities

Objects and Aims

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

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 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

Summary of the Main Activities in relation to those Objectives which provide Public Benefit

The main activities of the Scout County are:

- Developing Scouting in the County
- Supporting Districts
- Providing events to support the youth programme
- Providing Adult Training and Activity Training
- Operating a County Scout Centre at Ennerdale

Section D	Achievements and performance
------------------	-------------------------------------

Summary of the Main Achievements of the Charity during the Year

Scouting

Over the reporting year, Scouting in Cumbria has grown by 3.1%, taking the County membership to 4,426. Whilst there has been a large increase in adult support, there remain 281 young people on waiting lists, and localised shortage of adult leaders remains an issue.

Following County Commissioner Matthew Canwell leaving the County for work reasons, we were successful in appointing Eddie Ward as our new County Commissioner. Eddie took up his appointment on 17 Nov 2016.

19 Scouts attained Duke of Edinburgh's Awards, including 4 Gold, 2 Silver and 13 Bronze awards.

4 Scouts attained the Queen's Scout Award.

Development

The development project in the South of Cumbria came to an end and, having reviewed it with all funding partners, it has been agreed to be a success. A new District Commissioner for the South West Lake District has been identified to succeed Eddie Richards in 2017, with local plans being developed to continue to grow Scouting provision in this area. With Barrow-in-Furness being an area of high social deprivation, a request for further support from the Regional Support Team has been made in line with national policy objectives.

The County Activities Team now has a robust structure in place and is working to put plans and support in place to ensure all young people involved in Scouting in Cumbria have access to adventurous activity.

The new County Commissioner is working to establish a new structure and teams to best support Scouting in Cumbria. He will be supported by 4 Deputy County Commissioners (DCC(Adult Support), DCC(Adventure), DCC(Programme) and DCC(Development)) and will work in partnership with the County Youth Commissioner.

Facilities

Ennerdale Scout Centre has continued to be developed benefitting from significant support from United Utilities and their contractors. Of particular importance is improvement of access for all those of all abilities throughout the site.

Governance

We provided appropriate training for County Trustees and Chairmen of District Trustees.

Section E	Other optional information
------------------	-----------------------------------

Plans for the Future

We continue to work to contribute to the National 2018 Vision, ensuring that Scouting in 2018 will:

- Make a positive impact in our communities
- Prepare young people to be active citizens
- Embrace and contribute to social change
- Be shaped by young people in partnership with adults
- Be enjoyed by more young people and adult volunteers
- Be as diverse as the communities in which we live
- Enable members to feel empowered, valued and proud

Growth

We will work towards enabling 5% more young people a year to enjoy all that Scouting has to offer. We will:

- Ensure each District has a plan to grow Scouting
- Maximise the number of the highest awards across all Sections in order to retain older members
- Ensure every adult has access to a local manager to provide personal support

Inclusivity

We need to remove barriers to participation. We will:

- Increase the proportion of girls in Scouting
- Identify groups of young people who would benefit from Scouting becoming accessible
- Identify possible partners to help us achieve this

Youth-shaped

Every young person should be able to shape their Scouting experience. We will:

- Support the County Youth Commissioner and Youth Forum and encourage similar District forums
- Support Beaver, Cub and Scout Leaders to turn their members ideas into exciting future programmes
- Encourage the appointment of District Youth Commissioners

Community Impact

We will do more to make a difference to society. We will:

- Recognise the impact that Scouting has in communities across Cumbria
- Maximise opportunities to promote Scouting
- Promote and encourage participation in the national 'A Million Hands' community impact initiative
- Identify where Scouting could have a greater impact on local communities
- Work with partners to achieve greater community impact

Key Factors

In order to achieve our vision, we will:

- Recognise that Group Scout Leaders have a pivotal role in our future
- Establish the District Commissioners as having a key role in setting the County's plans for the future
- Ensure that County events are of high quality and add to what Groups and Districts provide
- Ensure that County services meet identified needs and are delivered in an accessible way

The County Commissioner and County Youth Commissioner attended the National Summit 17 Conference to contribute to the development of the National Scout strategy post-2018. It is envisaged that the key focus will remain on Skills for Life. The County will embrace the developing strategy, ensuring its adoption meets the County's needs.

Section F	Financial review
------------------	-------------------------

Reserves Policy

The County's policy on Reserves is to hold sufficient resources to continue the charitable activities of the County should income and fundraising activities fall short. The County Executive Committee considers that the County should hold an Operating Cost Reserve equivalent to approximately 12 months normal running costs, determined to be £50,000.

In addition to the Operating Cost Reserve, at year end the County held an accumulated reserve of unrestricted general funds of over £50,000, together with monies reserved for: improvement of the facilities at Ennerdale, development initiatives and financial support for international activities.

Principal Sources of Funds

The principal sources of funding for the County are:

- Annual Levy on all Young People
- Grants
- Income from Investments
- Gifts, Donations and Legacies

Investment Policy

The County maintains a low risk strategy to the investment of its funds. All funds are held in cash or short term bonds (maximum duration 2 years) with mainstream banks or building societies and the level of holdings reflects the limits of the Financial Services Compensation Scheme.

The County Executive regularly monitors the levels of bank balances and the interest rates received to ensure the County obtains maximum value and income from its banking arrangements. Occasionally this may involve using an account that requires a period of notice before funds may be withdrawn; before doing so the County Executive considers cash flow requirements.

Section G Structure, governance and management
--

Description of the Charity's Trusts

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

The Trustees are appointed in accordance with the POR of The Scout Association.

Organisational Structure

The County is managed by the County Executive Committee, the members of which are the 'Charity Trustees' of the County Scout Council which is an educational charity. As charity trustees they are responsible for complying with the 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 - the Chairman, Secretary and Treasurer - together with the County Commissioner, County Youth Commissioner, members nominated by the County Commissioner in consultation with the County Chairman, and members elected by the County Scout Council. The Committee meets at least 4 times each year.

The County Executive Committee supports the County Commissioner in meeting the responsibilities of the appointment. Its duties are laid out in detail in the Scout Association's POR 5.16. Its principal responsibilities are:

- Compliance with POR
- Protecting and maintaining property and equipment
- Managing County finances
- Providing insurance for people, property and equipment
- Providing sufficient resources for Scouting to operate
- Promoting and supporting the development of Scouting
- Managing and implementing a safety policy
- Ensuring a positive image of Scouting locally
- Appointing and managing sub-committees
- Ensuring that Young People are meaningfully involved in decision-making at all levels
- Opening, closing and amalgamating Districts, County Scout Network and Scout Active Support Units
- Appointing and managing an Appointments Advisory Committee

It must also: appoint administrators, advisors, and co-opted members; approve the Annual Report and annual Accounts after their examination by an appropriate auditor, independent examiner or scrutineer; present the Annual Report and Annual Accounts to the Scout Council at the AGM and submit them to the appropriate charity regulator; maintain any necessary confidentiality on Executive Committee business; act as a responsible employer in line with Scouting values and relevant legislation; ensure line management responsibilities for staff are clearly established and communicated.

Risk and Internal Control

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 them. The main areas of concern that have been identified are:

- **Failure to follow Safeguarding procedures.** All adults are trained in Safeguarding procedures and carry a reminder card. The Scout Association maintains a dedicated team to deal with any issues as a matter of urgency.

- **Damage to the building, 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 capitation fees contributes to the Scout Association's national accident insurance policy. Risk Assessments are undertaken before all activities.

- **Reduced income.** The County is primarily reliant upon income from subscriptions and grants. The County holds a reserve to ensure continuity of activities should there be a major reduction in income. The Committee could raise the value of subscriptions to increase the income to the County, either temporarily or permanently, if necessary.

- **Unauthorised expenditure.** Limits on spending commitments by Commissioners, and other spending officers responsible for the specific activities, are set in an annual budget agreed by the Executive Committee. Other spending is specifically authorised by the Treasurer, the Finance & General Purposes Sub-Committee or the Executive Committee depending on the amount concerned. All cheques require two signatories and cheque signing limits are in place.

Financial instruments

Objectives and policies

The Charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments.

Cash flow risk

The Charity's activities expose it primarily to the financial risks of changes in Scout numbers and interest rates. The Charity uses short term bonds to minimise exposure to interest rate fluctuations.

Credit risk

The Charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

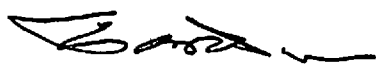
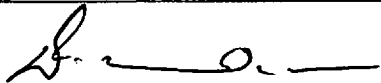
Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Section H Declaration

The annual report was approved by the trustees of the Charity on 22 August 2017 and signed on its behalf by:

Signature(s)		
Full name(s) and position(s)	Chris Sanderson OBE JP County Chairman Trustee	Eddie Ward County Commissioner Trustee

Date	2	2	0	8	1	7	
------	---	---	---	---	---	---	--

Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the Charity on 22 August 2017 and signed on its behalf by:



.....
Chris Sanderson OBE JP
Trustee

Cumbria County Scout Council

Independent Examiner's Report to the trustees of Cumbria County Scout Council

I report on the accounts of the charity for the year ended 31 March 2017 which are set out on pages 12 to 27.

Your attention is drawn to the fact that the Charity has prepared the Financial Statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently 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

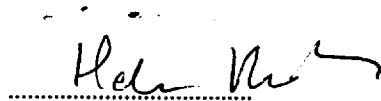
In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Helen Holmes FCA BSc
Chartered Accountants and Statutory Auditors

Lowther House
Lowther Street
Kendal
Cumbria, LA9 4DX

22 August 2017

Cumbria County Scout Council

Statement of Financial Activities for the Year Ended 31 March 2017

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £
Income and Endowments from:				
Donations and legacies		32,474	700	33,174
Charitable activities		45,857	-	45,857
Investment income	4	2,184	-	2,184
Total Income		80,515	700	81,215
Expenditure on:				
Charitable activities		(57,787)	(790)	(58,577)
Total Expenditure		(57,787)	(790)	(58,577)
Net income/(expenditure)		22,728	(90)	22,638
Gross transfers between funds		(64)	64	-
Net movement in funds		22,664	(26)	22,638
Reconciliation of funds				
Total funds brought forward		333,345	343,476	676,821
Total funds carried forward	17	356,009	343,450	699,459

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £
Income and Endowments from:				
Donations and legacies		35,847	13,391	49,238
Charitable activities		60,320	-	60,320
Investment income	4	2,629	-	2,629
Total Income		98,796	13,391	112,187
Expenditure on:				
Charitable activities		(82,030)	(27,196)	(109,226)
Total Expenditure		(82,030)	(27,196)	(109,226)
Net income/(expenditure)		16,766	(13,805)	2,961
Gross transfers between funds		969	(969)	-
Net movement in funds		17,735	(14,774)	2,961
Reconciliation of funds				
Total funds brought forward		315,610	358,250	673,860
Total funds carried forward	17	333,345	343,476	676,821

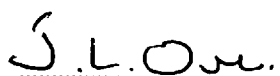
All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2016 is shown in note 17.

Cumbria County Scout Council
(Registration number: 520617)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	465,353	468,099
Investments	12	133,049	120,180
		<u>598,402</u>	<u>588,279</u>
Current assets			
Stocks	13	332	202
Debtors	14	6,667	10,237
Investments	15	58,713	38,713
Cash at bank and in hand		135,827	141,597
		<u>201,539</u>	<u>190,749</u>
Creditors: Amounts falling due within one year	16	<u>(100,482)</u>	<u>(102,207)</u>
Net current assets		<u>101,057</u>	<u>88,542</u>
Net assets		<u>699,459</u>	<u>676,821</u>
Funds of the Charity:			
Restricted income funds		343,450	343,476
Unrestricted income funds			
Unrestricted income funds		<u>356,009</u>	<u>333,345</u>
Total funds	17	<u>699,459</u>	<u>676,821</u>

The financial statements on pages 10 to 25 were approved by the trustees, and authorised for issue on 22 August 2017 and signed on their behalf by:



John Over
Trustee



Christopher Sanderson OBE JP
Trustee

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

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

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

Exemption from preparing a cash flow statement

The Charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

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.

Tangible fixed assets

Individual fixed assets costing £200.00 or more are initially recorded at cost.

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	Not depreciated as residual value is more than cost
Office equipment	25% reducing balance
Boats and camping equipment	25% reducing balance (boats 10-20% straight line)

Research and development

Research and development expenditure is written off as incurred.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

Pensions and other post retirement obligations

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

2 Income from donations and legacies

	Unrestricted funds		Total 2017	Total 2016
	General £	Restricted funds £	£	£
Donations and legacies;				
Donations from individuals	1,240	-	1,240	2,891
Grants, including capital grants;				
Cumbria County Council grant	20,000	-	20,000	22,000
Grants from other charities	-	700	700	13,391
County Levy	11,234	-	11,234	10,956
	<u>32,474</u>	<u>700</u>	<u>33,174</u>	<u>49,238</u>

3 Income from charitable activities

	Unrestricted funds		Total 2017	Total 2016
	General £		£	£
Badge sales/Camping Booklet sales	347		347	347
Facilities income: Ennerdale	41,699		41,699	46,524
Jamborees/International	719		719	8,511
Section activities	3,092		3,092	3,159
Leader training	-		-	60
Insurance receipt	-		-	1,719
	<u>45,857</u>		<u>45,857</u>	<u>60,320</u>

4 Investment income

	Unrestricted funds		Total 2017	Total 2016
	General £		£	£
Income from dividends;				
Dividends receivable from other unlisted investments	-		-	24
Interest receivable and similar income;				
Interest receivable on bank deposits	2,184		2,184	2,605
	<u>2,184</u>		<u>2,184</u>	<u>2,629</u>

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

5 Expenditure on charitable activities

	Unrestricted funds		Total 2017 £	Total 2016 £
	General £	Restricted funds £		
Badge sales/Camping Booklet sales	169	-	169	192
Facilities	28,281	-	28,281	35,948
Jamborees/International	-	-	-	6,940
Training and Section activities	12,930	-	12,930	12,002
County initiatives	545	-	545	844
Development projects	-	790	790	36,681
Administration	10,576	-	10,576	11,448
	52,501	790	53,291	104,055

	Activity undertaken directly £	Activity support costs £	Total 2017 £	Total 2016 £
Badge sales/Camping Booklet sales	169	-	169	192
Facilities	28,281	-	28,281	35,948
Jamborees/International	-	-	-	6,940
Section activities	4,737	-	4,737	3,299
Leader training	5,861	-	5,861	6,561
Depreciation of boats and camping equipment	2,332	-	2,332	2,142
County initiatives	545	-	545	844
Development projects	790	-	790	36,681
Administration	-	10,576	10,576	11,448
	42,715	10,576	53,291	104,055

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

£52,501 (2016 - £76,859) of the above expenditure was attributable to unrestricted funds and £790 (2016 - £27,196) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £5,286 (2016 - £5,171) which relate directly to charitable activities. See note 6 for further details.

6

Analysis of governance and support costs

Governance costs

Unrestricted funds

	General £	Total 2017 £	Total 2016 £
Independent Examiner's remuneration		2,340,340	2,143
AGM expenses	783	783	775
Trustees expenses		2,163,163	2,253
		<u>5,286,286</u>	<u>5,171</u>

Support costs:

	2017 £	2016 £
Staff Costs	6,762	6,665
Insurance	544	541
County Office costs	1,983	1,935
Cost of meetings	354	575
County membership fees	-	470
Printing, postage, stationery and telephone	394	488
Bank charges	21	8
Other miscellaneous expenses	104	214
Depreciation of office equipment	414	552
	<u>10,576</u>	<u>11,448</u>

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2017 £	2016 £
Depreciation of fixed assets	<u>2,746</u>	<u>2,694</u>

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

8 Trustees remuneration and expenses

During the year the Charity made the following transactions with trustees:

Matthew Canwell

£264 (2016: £1,243) of expenses were reimbursed to Matthew Canwell during the year.

Tim Leader

£466 (2016: £735) of expenses were reimbursed to Tim Leader during the year.

Chris Sanderson OBE JP

£153 (2016: £275) of expenses were reimbursed to Chris Sanderson OBE JP during the year.

Bill Arnott

£40 (2016: £Nil) of expenses were reimbursed to Bill Arnott during the year.

Alan Harryman

£81 (2016: £Nil) of expenses were reimbursed to Alan Harryman during the year.

Edward Ward

£1,017 (2016: £Nil) of expenses were reimbursed to Edward Ward during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	6,440	6,314
Pension costs	322	315
Other staff costs	-	36
	<u>6,762</u>	<u>6,665</u>

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	2017 No	2016 No
Administrator	<u>1</u>	<u>1</u>

1 (2016 - 1) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £322 (2016 - £315).

No employee received emoluments of more than £60,000 during the year

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

10 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Land and buildings £	Office equipment £	Boats and camping equipment £	Total £
Cost				
At 1 April 2016	455,518	5,695	28,844	490,057
At 31 March 2017	455,518	5,695	28,844	490,057
Depreciation				
At 1 April 2016	-	4,041	17,917	21,958
Charge for the year	-	414	2,332	2,746
At 31 March 2017	-	4,455	20,249	24,704
Net book value				
At 31 March 2017	455,518	1,240	8,595	465,353
At 31 March 2016	455,518	1,654	10,927	468,099

12 Fixed asset investments

	2017 £	2016 £
Other investments	133,049	120,180

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

Other investments

	Cash held in bonds £	Total £
Cost or Valuation		
At 1 April 2016	120,180	120,180
Additions	12,869	12,869
At 31 March 2017	133,049	133,049
Net book value		
At 31 March 2017	133,049	133,049
At 31 March 2016	120,180	120,180

13 Stock

	2017 £	2016 £
Finished goods	332	202

14 Debtors

	2017 £	2016 £
Prepayments and accrued income	1,335	2,293
Subscriptions in arrears	5,332	7,944
	6,667	10,237

15 Current asset investments

	2017 £	2016 £
Scout Association Short-term Investment Service	58,713	38,713

16 Creditors: amounts falling due within one year

	2017 £	2016 £
Membership subscriptions due to Scout Association	87,776	86,575
Other creditors	-	1,000
Accruals	2,400	4,255
Deferred income	10,306	10,377
	100,482	102,207

Membership subscriptions are collected from Scout Units on behalf of the Scout Association and paid over after the year end.

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

17 Funds

	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2017 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Accumulated reserve	76,817	38,097	(26,760)	(37,774)	50,380
<i>Unrestricted designated funds</i>					
Ennerdale Camp Site Fund	112,068	-	-	-	112,068
Boats	8,400	-	(1,700)	-	6,700
Other tangible fixed assets	4,181	-	(1,046)	-	3,135
Facilities Improvements	35,308	41,699	(28,281)	-	48,726
Operating cost reserve	40,000	-	-	10,000	50,000
International	41,571	719	-	17,710	60,000
Development Initiatives	15,000	-	-	10,000	25,000
	<u>256,528</u>	<u>42,418</u>	<u>(31,027)</u>	<u>37,710</u>	<u>305,629</u>
Total unrestricted funds	<u>333,345</u>	<u>80,515</u>	<u>(57,787)</u>	<u>(64)</u>	<u>356,009</u>
Restricted funds					
Ennerdale Project	343,450	-	-	-	343,450
South Development Project	26	700	(790)	64	-
Total restricted funds	<u>343,476</u>	<u>700</u>	<u>(790)</u>	<u>64</u>	<u>343,450</u>
Total funds	<u>676,821</u>	<u>81,215</u>	<u>(58,577)</u>	<u>-</u>	<u>699,459</u>

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2016 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Accumulated reserve	64,417	43,761	(27,054)	(4,307)	76,817
<i>Unrestricted designated funds</i>					
Ennerdale Camp Site Fund	112,068	-	-	-	112,068
Boats	8,900	-	(500)	-	8,400
Other tangible fixed assets	1,363	-	(2,194)	5,012	4,181
Scouting Development Projects	9,130	-	(9,394)	264	-
Facilities Improvements	24,732	46,524	(35,948)	-	35,308
Operating cost reserve	40,000	-	-	-	40,000
International	40,000	8,511	(6,940)	-	41,571
Development Initiatives	15,000	-	-	-	15,000
	251,193	55,035	(54,976)	5,276	256,528
Total unrestricted funds	315,610	98,796	(82,030)	969	333,345
Restricted funds					
Ennerdale Project	343,450	-	-	-	343,450
Synergise IT (GW)	300	-	(300)	-	-
South Development Project	12,083	13,000	(25,057)	-	26
West Development Project	2,417	391	(1,839)	(969)	-
Total restricted funds	358,250	13,391	(27,196)	(969)	343,476
Total funds	673,860	112,187	(109,226)	-	676,821

Cumbria County Scout Council

Notes to the Financial Statements for the Year Ended 31 March 2017 (continued)

The specific purposes for which the funds are to be applied are as follows:

The Ennerdale Camp Site Fund represents the unrestricted funds invested in the land and buildings at Ennerdale not included in restricted funds.

The Boat fund represents boats purchased with capital grants.

Scouting Development Projects is money set aside for planned development projects.

Facilities improvements - for planned improvements to facilities at County sites.

Development initiatives are for County wide initiatives to develop scouting.

Operating cost reserve is money set aside to cover uncertainties relating to future grant income.

International is primarily to assist with cashflow arrangements for Scouts attending international events.

The accumulated reserve represents the remaining undesignated unrestricted funds.

18 Analysis of net assets between funds

	Unrestricted funds		
	General funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	121,903	343,450	465,353
Fixed asset investments	133,049	-	133,049
Current assets	201,539	-	201,539
Current liabilities	(100,482)	-	(100,482)
Total net assets	356,009	343,450	699,459

19 Related party transactions

There were no related party transactions in the year.