

Kent County Scout Council

Audited

Directors' Report and Financial Statements

For the Year Ended 31 March 2019

Kent County Scout Council

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Kent County Scout Council

Reference and administrative details of the charity, its trustees and advisers For the year ended 31 March 2019

Trustees	Mr D.P. Harris (County Chairman) Mr D. Harding (County Commissioner) Mrs T. Swift (Treasurer) Mr A.R. Hogben Miss L. Walden Mr N. Ribbens Mr P. Abel (resigned 10/11/18) Mr J. Anscomb Mr A. Bates (appointed 10/11/18) Mr P. Betts Mrs D. Burring Mr C. Bury (resigned 22/05/18) Mr L. Hardy Mr N. Gearing Mr J. Martin Mr K. Ridgway Mr I. Soames Mr A. Trill Mrs J. Wilson Miss N. Forester (Youth Commissioner) Mr L. Starling (Youth Commissioner) Miss L. Cass (Young Person Representative) Mr S. Moore (Young Person Representative)
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Charity registered number	303471
Registration number with The Scout Association	127
Company name	Kent County Scout Council
Other names the charity is known by	Kent Scouts
Principal address	County Office, Kent Scouts Activity Centre Lower Grange Farm Grange Lane Sandling, Maidstone Kent. ME14 3DA
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent. ME19 4JQ
Auditors	UHY Kent LLP trading as UHY Hacker Young Thames House Roman Square Sittingbourne Kent ME10 4BJ

Kent County Scout Council

Trustees' report For the year ended 31 March 2019

The Trustees have pleasure in presenting their report and the audited financial statements for the year ended 31st March 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and the financial statements of the Charity.

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 (as amended by Update Bulletin published on 2 February 2016).

B. Structure, governance and management

The Kent County Scout Council'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 of The Scout Association.

The Kent County Scout Council is a trust established under its rules, which are common to all Scouts.

The Trustees are appointed in accordance with these rules at the Annual General Meeting, either by election or by approval of their nomination; other trustees may be co-opted during the year to serve until the next Annual General Meeting. Most trustees have previously served as trustees of Scout Groups and Districts and are therefore already familiar with trustee responsibilities and with the governing documents.

The Kent County Scout Council is responsible for providing leadership, advice and support for all the Scout Districts in Kent and, through them, for all the Scout Groups in the County. The County Office at Sandling near Maidstone co-ordinates the flow of information to and from all the Scout Districts and Groups. Volunteer leaders in the County Team organise agreed programmes for leader training, activities and events; they also publicise and promote scouting. The officers have the necessary authority for day-to-day management, but the ultimate responsibilities for general administration, including employment and legal compliance, rest with the Trustees.

The Trustees have 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 Trustees thank all the leaders who provide so much time and effort for the benefit of the young people who are members. We also thank everyone who help Scouting in less visible ways and all those who have provided funds, goods and services for the development of Lower Grange Farm.

C. Objectives and activities

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.

Kent County Scout Council

Trustees' report For the year ended 31 March 2019

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; and
- make and live by their Promise.

The close liaison between Assistant County Commissioners and Assistant District Commissioners typifies the support provided for leaders, as do the links between Local Training Managers and the Scout Districts. The County Team also provide activities and equipment which are not available at local level, and try to give as many young people as possible the opportunity to participate in such activities, and to develop new skills.

The County meets the Charity Commission's public benefit criteria under both the advancement of education and the advancement of citizenship or community development headings. We are convinced that Scouting provides relevant activities for young people, thereby benefitting the public at large. Although modest subscriptions and low charges for extra activities should encourage membership, places for new members may not always be available due to a shortage of leaders, or to the current leaders' existing heavy commitments; a shortage of suitable premises or locations for meetings and other activities can also be a problem.

D. Achievements and performance

Scouting in Kent continues to offer a wide range of activities for each of the sections. We continue to provide water, land and air activities, so that young people can develop a taste for sailing, canoeing, mountaineering, rock-climbing, archery, shooting, micro-lighting or kiting. Additionally, we continue to provide opportunities for leaders to acquire skills and certification so that they can instruct their members and can monitor their activities.

Our general leader training efforts provide very positive results, with the recognition of achievement by both adult leaders and by young leaders. However, the main purpose of such training for leaders is for them to provide an active programme for as many young people as possible, to maintain standards, and to raise them if possible.

E. Financial review and position

The accounts for the year ended 31 March 2019 show total income of £768k compared to £1.69m in 2018. Donations and subscriptions income increased by £87k, this was mainly due several large donations received, these have been designated by the members for air rifles (£4.5k) the Lower Grange Farm Developments (£50k) and conference tables (£4k) in order to respect the donors' wishes. There was also a rise in subscriptions income from £167k in 2018 to £186k.

Income from charitable activities fell from £1.2m to £495k. This was predominantly as a result of the Kent International Jamboree ("KIJ") taking place during 2017/2018 (once every 4 years, the next event scheduled for summer 2021). The comparative year's income also includes the sale of land at Shadoxhurst for a profit of £280k.

Total expenditure also decreased, from £1.41m (restated) to £710k. Again the main contributory factor in the fall was the absence of expenditure for a KIJ event during 2018/19.

After a small gain on investments, the net income for the year was therefore net income of £64k.

The charity held fund balances at 31 March 2019 of £1.96m. This total included a designated fixed asset fund of £1.38m, other unrestricted designated funds of £114k, and restricted funds of £337k.

Trustees' report
For the year ended 31 March 2019

The charity's general unrestricted 'free reserves' fell from £391k (restated) to £121k mainly because some of these reserves – boosted last year by the Shadoxhurst Land sale – were used to fund the purchase of additional land at Lower Grange Farm. During the year the fixed asset investments in unlisted securities were disposed of and the cash freed up was also used to part fund this land purchase.

Reserves policy

The current policy is to hold £50k in free reserves to cover unforeseen circumstances and budget variances, and to provide funding for capital expenditure in excess of funds raised and the depreciation provisions. The trustees are therefore comfortable that the current level of free reserves held, £121k as noted above, are sufficient. The suitability of this reserves policy will continue to be monitored on a regular basis to ensure it remains appropriate.

F. Plans for future periods

Lower Grange Farm continues to grow. As this financial year closes, we are in the process of purchasing the land surrounding Lower Grange Farm and the Barn in order to secure the centre for the future. Our volunteers and members will all be given a chance to have a say in how this land is developed and what the future for Lower Grange Farm looks like.

Growing scouting remains one of our main priorities. We aim to reduce waiting lists so that scouting can be available to as many young people as possible.

G. Statement of trustees' responsibilities.

The Trustees are responsible for preparing the Trustees' Annual 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 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, 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;
- 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

These accounts have been drawn up on the accruals basis, which is consistent with the previous year. In the Trustees' opinion the funds can meet their future obligations.

H. Auditors

UHY Hacker Young have indicated their willingness to continue in office as auditors, and a resolution for their re-appointment will be proposed at the Annual General Meeting.

Kent County Scout Council

**Trustees' report
For the year ended 31 March 2019**

The Trustees declare that they have approved the Trustees' Annual Report above

Signed on behalf of the Trustees on

17/9/19



Mr Des Harris
County Chairman



Mr Dean Harding
County Commissioner

Independent Auditors' Report to the Trustees of Kent County Scout Council

Opinion

We have audited the financial statements of Kent County Scout Council (the 'charity') for the year ended 31 March 2019 set out on pages 8 to 21. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its incoming resources and application of resources 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 Auditors' 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.

Kent County Scout Council

Independent Auditors' Report to the Trustees of Kent County Scout Council

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
- sufficient accounting records have not been kept; or
- the 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 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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.

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 Auditors' report.

Other matters

The financial statements for the year ended 31 March 2018 were audited by the predecessor auditor, MHA MacIntyre Hudson. MHA MacIntyre Hudson's audit report dated 29 October 2018 expressed an unqualified opinion on the financial statements.

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 Auditors' 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.



UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent

ME10 4BJ

Date: 20 September 2019

UHY Kent LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Kent County Scout Council

Statement of Financial Activities For the Year Ended 31 March 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
	Note				
Income from:					
Donations and legacies	2	268,629	-	268,629	180,664
Charitable activities	3	433,583	-	433,583	1,161,611
Other trading activities	4	61,451	-	61,451	62,511
Investments	5	3,498	-	3,498	6,882
Other income		460	-	460	280,640
Total income		767,621	-	767,621	1,692,308
Expenditure on:					
Raising funds	4	3,704	-	3,704	55
Charitable activities	6	697,106	9,100	706,206	1,408,106
Total expenditure		700,810	9,100	709,910	1,408,161
Net income / (expenditure) before investment gains/(losses)		66,811	(9,100)	57,711	284,147
Net gains/(losses) on investments	10	6,733	-	6,733	(2,507)
Net income / (expenditure) before transfers		73,544	(9,100)	64,444	281,640
Transfers between Funds	14	7,062	(7,062)	-	-
Net income / (expenditure) before other recognised gains and losses		80,606	(16,162)	64,444	281,640
Net movement in funds		80,606	(16,162)	64,444	281,640
Reconciliation of funds:					
Total funds brought forward	14	1,538,199	352,827	1,891,026	1,545,576
Prior year adjustment (Note 13)		-	-	-	63,810
Total funds carried forward		1,618,805	336,665	1,955,470	1,891,026

The notes on pages 11 to 21 form part of these financial statements.

Kent County Scout Council

Balance Sheet As at 31 March 2019

	Note	£	2019 £	£	Restated 2018 £
Fixed assets					
Tangible assets	9		1,719,684		1,332,471
Investments	10		-		130,591
			<u>1,719,684</u>		<u>1,463,062</u>
Current assets					
Debtors	11	423,060		93,248	
Cash at bank and in hand		738,368		997,390	
		<u>1,161,428</u>		<u>1,090,638</u>	
Creditors: amounts falling due within one year	12	(925,642)		(662,674)	
Net current assets			235,786		427,964
Net assets			<u>1,955,470</u>		<u>1,891,026</u>
Charity Funds					
Restricted funds	14		336,665		352,827
Unrestricted funds	14		1,618,805		1,538,199
Total funds			<u>1,955,470</u>		<u>1,891,026</u>

The financial statements were approved by the Trustees on 17th Sept 2019 and signed on their behalf, by:



Mr Des Harris
County Chairman



Mrs Tracey Swift
Treasurer

The notes on pages 11 to 21 form part of these financial statements.

Kent County Scout Council

**Statement of Cash Flows
For the Year Ended 31 March 2019**

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	16	56,831	191,341
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,796	6,616
Proceeds from the sale of tangible fixed assets		5,000	430,000
Purchase of tangible fixed assets		(460,703)	(8,980)
Proceeds from sale of investments		137,324	-
Net cash (used in)/provided by investing activities		(315,583)	427,636
Change in cash and cash equivalents in the year		(258,752)	618,977
Cash and cash equivalents brought forward		997,390	378,413
Cash and cash equivalents carried forward	17	738,638	997,390

The notes on pages 11 to 21 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Kent County Scout Council constitutes a public benefit entity as defined by FRS 102.

1.2 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 subscriptions collected on behalf of other parts of the Scout movement are reported on SoFA net of any amount paid out. This is because these subscriptions are in effect held as agents before being paid out.

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources. Where incoming resources have related expenditure (ie charitable activities)-, the incoming resources and related expenditure are reported gross in SoFA.

The value of voluntary help received is not included in the SoFA, but is described in the trustees' annual report.

Investment income is included in the accounts when receivable. Investment gains and losses include any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at year end.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

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.

1.4 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Other equipment	- 20% straight line
Scouting equipment	- 10% straight line

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

1. Accounting Policies (continued)

1.5 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 fair 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 shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.6 Interest receivable

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.

1.7 Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.8 Pensions

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

1.9 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 charity 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 charity 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.

1.10 Agency arrangements

Kent County Scout Council acts as an agent in collecting funds from local districts on behalf of Scout HQ.

Membership subscription income received from local districts is reported net of any amounts paid over to Scout HQ on the statement of financial activities as the trust does not have control over the charitable application of the funds.

Kent County Scout Council also received amounts from local districts in advance of the World Scout Jamboree in August 2019, which are then paid over to Scout HQ. Again, these amounts are excluded from the statement of financial activities.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	67,318	-	67,318	4,757
Member subscriptions	186,077	-	186,077	166,600
Grants	-	-	-	300
Activities income	15,234	-	15,234	9,007
	<u>268,629</u>	<u>-</u>	<u>268,629</u>	<u>180,664</u>
<i>Analysis of 2018 by fund</i>	<u>180,664</u>	<u>-</u>	<u>180,664</u>	

3. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>As restated</i> Total funds 2018 £
Lower Grange Farm activities	190,217	-	190,217	155,956
Kent International Jamboree	3,786	-	3,786	953,842
Beavers	7,151	-	7,151	11,958
Cubs	50,254	-	50,254	10,165
Scouts	18,851	-	18,851	6,261
Explorer / Young Leaders	77,585	-	77,585	2,497
Global	59,438	-	59,438	-
Duke of Edinburgh	17,178	-	17,178	13,901
Scout Active Support	8,412	-	8,412	624
Badges	367	-	367	1,312
Other	344	-	344	5,095
	<u>433,583</u>	<u>-</u>	<u>433,583</u>	<u>1,161,611</u>
<i>Analysis of 2018 by fund</i>	<u>1,160,168</u>	<u>1,443</u>	<u>1,161,611</u>	

4. Trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>As restated</i> Total funds 2018 £
Charity trading income				
Lower Grange Farm rental income and venue hire	61,451	-	61,451	62,511
	<u>61,451</u>	<u>-</u>	<u>61,451</u>	<u>62,511</u>
Trading expenses				
Barn and conference room costs	3,704	-	3,704	55
	<u>3,704</u>	<u>-</u>	<u>3,704</u>	<u>55</u>
Net income from LGF trading activities	<u>57,747</u>	<u>-</u>	<u>57,747</u>	<u>62,456</u>

Kent County Scout Council

Notes to the Financial Statements For the Year Ended 31 March 2019

5. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Dividends	2,796	-	2,796	6,616
Bank Interest	702	-	702	266
	<u>3,498</u>	<u>-</u>	<u>3,498</u>	<u>6,882</u>
<i>Analysis of 2018 by fund</i>	<u>6,882</u>	<u>-</u>	<u>6,882</u>	

6. Analysis of expenditure on charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 <i>As restated</i> £
Lower Grange Farm activities	221,881	1,828	223,709	193,174
Kent International Jamboree	9,265	-	9,265	919,953
Beavers	7,673	-	7,673	13,107
Cubs	52,569	-	52,569	15,752
Scouts	17,090	-	17,090	10,023
Explorer / Young Leaders	79,702	-	79,702	5,414
Global	61,311	-	61,311	-
Duke of Edinburgh	15,482	-	15,482	12,316
Scout Active Support	10,085	-	10,085	852
Badges	2,347	-	2,347	14
District leadership, advice and support	159,000	-	159,000	172,712
Other adventurous activities	60,701	7,272	67,973	64,789
	<u>697,106</u>	<u>9,100</u>	<u>706,206</u>	<u>1,408,106</u>
<i>Total 2018</i>	<u>1,399,394</u>	<u>8,712</u>	<u>1,408,106</u>	

Support costs, including trustee expenses and governance costs (mainly audit fees and costs of preparing the AGM report) are included under District leadership, advice and support.

Kent County Scout Council

Notes to the Financial Statements For the Year Ended 31 March 2019

7. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	52,256	114,016
Auditors' remuneration - audit	3,795	3,780
Auditors' remuneration - other services	350	2,760
	<u>56,401</u>	<u>120,556</u>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

9 Trustees received reimbursement of expenses amounting to £6,085 in the current year, (2018 - 7 Trustees - £7,237).

8. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	166,489	159,319
Social security costs	6,593	9,396
Other pension costs	1,845	638
	<u>174,927</u>	<u>169,353</u>

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

	2019 No.	2018 No.
Employees	16	20

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

Due to the way the charity operates the trustees consider that they are the only key management personnel and since no trustee has been remunerated nor received any benefits during the year then there are no key management personnel disclosures to include.

Kent County Scout Council

Notes to the Financial Statements For the Year Ended 31 March 2019

9. Tangible fixed assets

	Freehold property £	Other equipment £	Scouting equipment £	Total £
Cost				
At 1 April 2018	1,326,571	82,372	238,085	1,647,028
Additions	432,555	16,620	12,500	461,675
Disposals	(19,326)	-	(7,226)	(26,552)
At 31 March 2019	1,739,800	98,992	243,359	2,082,151
Depreciation				
At 1 April 2018 (as previously stated)	75,654	42,152	171,527	289,333
Prior year adjustment (note 13)	25,224	-	-	25,224
At 1 April 2018 (as restated)	100,878	42,152	171,527	314,557
Charge for the year	28,170	10,413	13,673	52,256
On disposals	-	-	(4,346)	(4,346)
At 31 March 2019	129,048	52,565	180,854	362,467
Net book value				
At 31 March 2019	1,610,752	46,427	62,505	1,719,684
At 31 March 2018 (as restated)	1,225,693	40,220	66,558	1,332,471

Included within freehold property is freehold land at cost of £899,819 (2018 - cost of £467,264), which is not depreciated.

10. Fixed asset investments

	Unlisted securities £
Market value	
At 1 April 2018	130,591
Disposals	(137,324)
Revaluations	6,733
At 31 March 2019	-

11. Debtors

	2019 £	Restated 2018 £
Trade debtors	384,481	421
Other debtors	-	7,124
Prepayments and accrued income	38,579	85,703
	423,060	93,248

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

12. Creditors: Amounts falling due within one year

	2019	<i>Restated</i> 2018
	£	£
Trade creditors	24,040	23,757
Other taxation and social security	2,764	2,559
Other creditors	6,409	9,420
Accruals and deferred income	892,429	626,938
	<u>925,642</u>	<u>662,674</u>
		£
Deferred income		
Deferred income at 1 April 2018 (restated)		595,688
Resources deferred during the year		879,979
Amounts released from previous years		(594,374)
Deferred income at 31 March 2019		<u>881,293</u>

13. Prior year adjustment

The prior period adjustment is in respect of depreciation that has not been charged on certain freehold property improvements for a number of years, leading to an overstatement of the 2018 carried forward funds. The comparative figures have been restated in these accounts so that opening funds for the comparative year as at 1 April 2017 have reduced by £63,810 to £1,609,386 (*previously £1,673,196*).

The depreciation charge for the year ended 31 March 2018 has been restated and increased by £25,223 which means the Statement of Financial Activities now shows a restated net movement for the year of £281,640 (*previously £306,683*).

Restated total funds brought forward at 1 April 2018 are therefore lower by £89,033 at £1,891,026 (*previously £1,980,059*).

The comparative figures have also been restated to alter the presentation of certain items in the financial statements. These presentational changes have had no impact on net income or reserves.

The restated figures relate to:

- Agency arrangements (see note 20). In the financial statements for the year ended 31 March 2018, £137,520 received from local districts in advance of the World Scout Jamboree in August 2019 was treated as deferred income and £144,644 in respect of amounts paid over to Scout HQ were treated as prepayments. The 2019 accounts show debtors and creditors as restated to offset the income and expenditure received in advance and treat the balance of £7,124 as an other debtor under agency arrangements.
- Certain income streams included within income from charitable activities (note 3) in the year ended 31 March 2018 have been reclassified as trading income. This income and related expenditure is disclosed in the new note 4 in these accounts for the year ended 31 March 2019.

Kent County Scout Council

Notes to the Financial Statements For the Year Ended 31 March 2019

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 <i>As restated</i> £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds						
Fixed asset fund	1,111,347	700	(43,156)	314,586	-	1,383,477
ReQuest 2021 fund	1,890	-	-	-	-	1,890
KIJ designated fund	13,887	-	-	-	-	13,887
Growth and development initiatives fund	20,000	-	-	20,000	-	40,000
Air rifles	-	4,500	-	-	-	4,500
LGF development	-	50,000	-	-	-	50,000
Conference tables	-	4,000	-	-	-	4,000
	<u>1,147,124</u>	<u>59,200</u>	<u>(43,156)</u>	<u>334,586</u>	<u>-</u>	<u>1,497,754</u>
General funds						
General fund	389,486	708,421	(657,654)	(325,935)	6,733	121,051
Expeditions and activities	1,589	-	-	(1,589)	-	-
	<u>391,075</u>	<u>708,421</u>	<u>(657,654)</u>	<u>(327,524)</u>	<u>6,733</u>	<u>121,051</u>
Total Unrestricted funds	<u>1,538,199</u>	<u>767,621</u>	<u>(700,810)</u>	<u>7,062</u>	<u>6,733</u>	<u>1,618,805</u>
Restricted funds						
Lower Grange Farm	125,641	-	(1,828)	-	-	123,813
Climbing wall	205,074	-	(4,272)	(6,408)	-	194,394
Microlight	21,000	-	(3,000)	-	-	18,000
Mobile tower	654	-	-	(654)	-	-
Park Wood project	38	-	-	-	-	38
Other funds	420	-	-	-	-	420
	<u>352,827</u>	<u>-</u>	<u>(9,100)</u>	<u>(7,062)</u>	<u>-</u>	<u>336,665</u>
Total of funds	<u>1,891,026</u>	<u>767,621</u>	<u>(709,910)</u>	<u>-</u>	<u>6,733</u>	<u>1,955,470</u>

Designated funds are held for the following purposes:

1) The designated fixed asset fund has been created this year and represents the net book value of tangible fixed assets funded from unrestricted general funds. The difference between the carried forward balance on this fund and the value of tangible fixed assets in note 10 relates to the balance on the restricted capital fund for fixed assets acquired out of restricted funding.

In previous years although an 'all funds' balance has been included within designated funds this was not defined and did not equal the net book value of fixed assets funded from unrestricted funds. The transfer reflects the purchase of land from unrestricted funds during the year, now held within the designated asset fund, together with an adjustment to present the designated fixed asset correctly for the first time. In future years an amount will be transferred to or from the fund to represent the movement in value of those tangible fixed assets during the year.

2) ReQuest 2021 - funds held to support a scouting trip to Antarctica in 2021.

3) KIJ designated fund - funds held for the Kent International Jamboree occurring once every four years.

4) Growth and development initiatives fund - to support part time development officers working to grow scouting in local areas.

5) Air rifles - a donation received to develop the shooting range and buy new air rifles.

6) LGF development - a donation received to further development Lower Grange Farm.

7) Conference tables - a donation received to purchase new conference tables.

Kent County Scout Council

Notes to the Financial Statements For the Year Ended 31 March 2019

14. Statement of funds (continued)

The donors of the income reflected in new designated funds (5), (6) and (7) expressed non-binding preferences as to the use of the funds, which fall short of imposing a restriction in trust law. The trustees have therefore opted to respect these non-binding donor wishes by designating funds to reflect the purposes which the donor had in mind.

General funds represent the 'free' reserves readily available to trustees to spend as they see fit in accordance with the charity's objectives.

Restricted funds are held for the following purposes:

- 1) Lower Grange Farm - for the development of Lower Grange Farm.
- 2) Climbing wall - for the construction of a building to house the climbing wall.
- 3) Microlight - contribution towards the purchase of an microlight aircraft.
- 4) Mobile tower - contribution towards the purchase of a climbing tower.
- 5) Park Wood project - assistance in establishing a new Scout Group.

Expenditure against restricted funds (1), (2) and (3) relates to depreciation charges on the assets acquired in previous periods.

Statement of funds - prior year

	Balance at 1 April 2017 As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 As restated £
Designated funds						
Fixed asset fund	1,181,329	-	-	(69,982)	-	1,111,347
ReQuest 2021 fund	-	1,890	-	-	-	1,890
KIJ designated fund	-	-	-	13,887	-	13,887
Growth and development initiatives fund	-	-	-	20,000	-	20,000
	<u>1,181,329</u>	<u>1,890</u>	<u>-</u>	<u>(36,095)</u>	<u>-</u>	<u>1,147,124</u>
General funds						
General fund	64,862	1,689,095	(1,398,059)	36,095	(2,507)	389,486
Expeditions and activities	1,409	180	-	-	-	1,589
	<u>66,271</u>	<u>1,689,275</u>	<u>(1,398,059)</u>	<u>36,095</u>	<u>(2,507)</u>	<u>391,075</u>
Total Unrestricted funds	<u>1,247,600</u>	<u>1,691,165</u>	<u>(1,398,059)</u>	<u>-</u>	<u>(2,507)</u>	<u>1,538,199</u>
Restricted funds						
Lower Grange Farm	126,574	1,143	(2,076)	-	-	125,641
Climbing wall	207,210	-	(2,136)	-	-	205,074
Land yachts	986	-	(986)	-	-	-
Microlight	24,000	-	(3,000)	-	-	21,000
Mobile tower	2,094	-	(1,440)	-	-	654
Park Wood project	502	-	(464)	-	-	38
Other funds	420	-	-	-	-	420
	<u>361,786</u>	<u>1,143</u>	<u>(10,102)</u>	<u>-</u>	<u>-</u>	<u>352,827</u>
Total of funds	<u>1,609,386</u>	<u>1,692,308</u>	<u>(1,408,161)</u>	<u>-</u>	<u>(2,507)</u>	<u>1,891,026</u>

Kent County Scout Council

Notes to the Financial Statements For the Year Ended 31 March 2019

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	1,383,477	336,207	1,719,684
Current assets	1,176,320	458	1,176,778
Creditors due within one year	(940,992)	-	(940,992)
	<u>1,618,805</u>	<u>336,665</u>	<u>1,955,470</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	980,323	352,148	1,332,471
Fixed asset investments	130,591	-	130,591
Current assets	1,089,959	679	1,090,638
Creditors due within one year	(662,674)	-	(662,674)
	<u>1,538,199</u>	<u>352,827</u>	<u>1,891,026</u>

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	64,444	281,640
Adjustment for:		
Depreciation charges	52,257	50,206
(Losses)/gains on investments	(6,733)	2,507
Dividends, interest and rents from investments	(3,498)	(6,616)
Loss/(profit) on the sale of fixed assets	17,205	(289,567)
Increase in debtors	(662,315)	(137,066)
Increase in creditors	595,471	290,237
Net cash provided by operating activities	<u>56,831</u>	<u>191,341</u>

17. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	738,638	997,390
Total	<u>738,638</u>	<u>997,390</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

18. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,845 (2018: £638). Contributions totalling £994 (2018: £nil) were payable to the fund at the balance sheet date and are included in other creditors.

19. Operating lease commitments

At 31 March 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts payable:		
Within 1 year	2,261	2,261
Between 1 and 5 years	137	2,398
Total	<u>2,398</u>	<u>4,659</u>

20. Agency arrangements

Kent County Scout Council acts as an agent in collecting funds from local districts on behalf of Scout HQ.

Membership subscription income received from local districts is reported net of any amounts due to Scout HQ on the statement of financial activities as the charity does not have control over the charitable application of the funds. During the year ended 31 March 2019 the charity received subscription income of £635,809 (2018: £603,946) and paid over £449,732 (2018: £437,346) to Scout HQ.

Kent County Scout Council also receives amounts from local districts in advance of the World Scout Jamboree in August 2019, which are then paid over to Scout HQ. Again, these amounts are excluded from the statement of financial activities. During the year £317,761 was received from local districts and £310,009 paid over to Scout HQ. At 31 March 2019 there was an amount of £608 included in other creditors in relation to amounts received in advance, not yet paid over to Scout HQ.