

Charity Registration No. 1055435

Company Registration No. 03192077 (England and Wales)

HERTFORDSHIRE YOUNG MARINERS' BASE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

HERTFORDSHIRE YOUNG MARINERS' BASE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

G Hughes
R Hodgson
G Nicholson
D Rudland
R Fenton
A Banks
L Russell
C Hewitt

Officers

Chair
Honorary Treasurer
Honorary Secretary

R Hodgson
G Hughes
R Hodgson

Charity number

1055435

Company number

03192077

Principal address

231 Windmill Lane
Cheshunt
Hertfordshire
EN8 9AJ

Registered office

231 Windmill Lane
Cheshunt
Hertfordshire
EN8 9AJ

Independent examiner

Gary Howard FCA
Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Bankers

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Lloyds Bank Plc
1 Bircherley Street
Hertford
Hertfordshire
SG14 1BU

HERTFORDSHIRE YOUNG MARINERS' BASE

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers (continued)

Scottish Widows
PO Box 12757
67 Morrison Street
Edinburgh
EH3 8YJ

Shawbrook Bank Ltd
Lutea House
Warley Hill Business Park
The Drive
Great Warley
Brentwood
Essex
CM13 3BE

HERTFORDSHIRE YOUNG MARINERS' BASE

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HERTFORDSHIRE YOUNG MARINERS' BASE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

We would like to dedicate this report to the memory of Alan Searing

Chairman of Hertfordshire Young Mariners' Base (HYMB) 2017 to 31st December 2020

Alan took over as Chairman of HYMB in 2017 and led us through the unravelling of the Charity from its partnership with Hertfordshire County Council. Introducing new procedures and ensuring the finance and legal procedures were fit for purpose. His guidance through the first year of COVID19 ensured HYMB survived as a successful Charity.

Alan left behind his wife Pauline and daughters, Caroline, Elizabeth and Emma.

All our thoughts are with them in these trying times.

The Trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

This report will be dominated by COVID-19, the various Lockdowns and other measures instigated by the Government. The various National Governing Bodies for Outdoor and Adventurous Activities were consulted at each new announcement for practical advice on how to implement the new measures.

Objectives and activities

The objectives of HYMB are to promote the development of young people by the provision of outdoor educational facilities with a preference for those who are resident in Hertfordshire.

Public Benefit

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

HYMB operates throughout the year for participants aged 8 to 90, but primarily for youngsters 8 to 18. Schools and youth groups regularly attend the centre and adults are catered for. During school holidays we arrange half day sessions and 2-3 day courses. Our doors are open to anyone interested in our activities which are sailing, paddling, climbing, caving, raft building, and other adventurous related pursuits.

All are encouraged to progress in their favoured activity under the guidance of qualified instructors. These activities take place under the rules of national governing bodies.

This Statement of Public Benefit is to be taken in conjunction with the rest of the Trustees Report.

Staff

2020 was a difficult year for all our staff, only 3 staff worked throughout the year providing points of contact for our clients and a regular presence at HYMB for security. Three seasonal staff were employed on contracts from March to October 2019. They completed their one week training period. This then led straight into the first Lockdown when they were then placed on the Government "Furlough" scheme with the other employees. The staffing requirements were constantly under review during this and subsequent Lockdowns.

The overall staffing requirements were reviewed, three members of staff on fixed part time contracts were offered more flexible contracts or voluntary redundancy. One person accepted the flexible contract, the others opted for redundancy.

At the end of the first Lockdown the two permanent full time staff were brought back to work to help deliver a reduced programme.

During the year a variety of part time staff were used to help deliver specific courses.

HERTFORDSHIRE YOUNG MARINERS' BASE

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

The Trustees would like to record their thanks to all staff who have contributed to the work of the base throughout the year.

Activities

2020 delivered a significantly reduced programme of activities. Following on from 2019 open water swimming took up a lot of water time with 3 sessions a week benefiting from the heatwave, followed by adult paddle sport, both of which leant themselves to social distancing.

Family Bubbles were introduced and showed good take up, as did the Stand Up Paddle Boarding leading to a nationally recognised qualification, either as preparation for or follow up to holidays.

The schools programme was significantly down as the schools minister advised against offsite activities. Schools for young people with additional needs were the one area where the schools programme continued to flourish.

Achievements and performance

Charitable achievements

HYMB continued to maintain delivery of a range of adventurous activities throughout the year, with the exception of the major Lockdowns.

Publicity

The website continued to cause problems, overcome by the use of Facebook and a member of staff taking telephone bookings. A new website has been commissioned for 2021.

Financial review

Total expenditure for the year was £320,489 (2019: £373,208) against total income of £261,982 (2019: £270,489) resulting in a deficit of £58,507 (2019: £102,719).

During the year the Charity benefitted from the various Government Grants associated with the different Lockdowns, the Furlough Scheme, which ensured we could retain our well trained and qualified staff.

The Government sponsored "Bounce Back Loan" was applied for and received, to date we have not needed to use this facility and it will be kept under review.

Early in 2021 we applied to our Insurer under the Business Interruption Clause and have received £25,000 in compensation. The amount claimed is included in these accounts.

The repairs to the roof are still outstanding. A bid to The National Lottery is awaiting a decision.

Other bids have been submitted regarding funding different activities and we await these decisions.

As this report is written, the bookings for 2021 and subsequent years, are looking very positive, the various Government Grants and the "Business Interruption" payment from the Insurers' give the Trustees confidence in the future of HYMB.

HERTFORDSHIRE YOUNG MARINERS' BASE

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

Endowment Fund

The Endowment Fund originally represented donations from various sources to finance the redevelopment of the sailing administrative centre and climbing complex. This fund is being depreciated over 50 years which is the expected useful life of the buildings and facilities.

General Fund

Following the formation of the charity in 1996 the trustees embarked on a major redevelopment of the centre buildings and associated facilities. The Trustees recognised that with the unknown factors associated with the running of the new facilities and the employment of staff they should pursue a prudent financial policy.

The trustee policies relating to the general fund are:-

- The fund set aside each year for the replacement of buildings at the end of their useful life will be continued at its present rate.
- The activity equipment will be updated on a rolling basis.
- The pursuit of these policies is to maintain the working reserves at between £75k and £100k

The reserves policy will be reviewed annually.

Principal sources of income

Charges for use of the Centre

Payment from Solar Panels

Donations

Grants from applications to charitable funders

Broxbourne Borough Council supported the work through allowing 80% rate relief

Gift Aid

Risk management

Safety

HYMB is inspected annually and licensed by the "Adventure Activity Licensing Service" for all outdoor activities as part of "The Activity Centres (Young Persons Safety) Act 1995". Additional inspections and certifications are also awarded by recognised sport governing bodies; British Canoeing; Royal Yachting Association and the "Quality Badge" for Centres with 'Learning Outside of the Classroom' which is affiliated to the British Mountaineering Council.

A new staff handbook was introduced during 2017 to compliment the standards set out by the Activity Governing bodies. The handbook is reviewed and updated on a regular basis.

The Accident and Near Miss reports are analysed regularly and any significant findings are drawn to staff's attention at the annual staff training day in January. In addition all Accident and Near Miss Reports are discussed at the regular staff meetings with a view to preventing their reoccurrence.

The Trustees approve and review annually the specific Risk Assessment for the HYMB.

HERTFORDSHIRE YOUNG MARINERS' BASE

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

Plans for the future

The Hertfordshire Young Mariners Base was founded in 1957 and is now celebrating 64 years of providing outdoor education for the local community. We are extending our activities to other groups across the UK and Europe where we are working with the Youth Hostel Association to allow reasonably priced accommodation with easy access to Central London and other local attractions, museums and experiences. In addition, we are now working with several charities to provide a great day out for disabled, special need, low income families, young offenders programmes and groups that require a different approach or challenge.

HYMB provides many free 'water confidence training' sessions for our local primary schools. In preparation for our ever popular bell-boat regatta, where we will have over 100 young people on site competing against each other in a scheduled term time activity. The HYMB grounds extend to over 11 acres and provide a safe and secure haven for those who may be at risk. So that public access can be restricted when necessary and vulnerable groups can be given exclusive site, building and changing room use. This is extremely important when we are providing camping facilities for residential courses or stop-over facilities for Duke of Edinburgh expeditions.

The Trustees current focus for 2021 is for the charity to remain solvent during this very difficult time and the uncertainty that the COVID pandemic brings. The Trustees and staff team are working hard to reopen our activities to the public, when safe to do so and ensuring government legislation best practice and full covid precautions are taken. During the last 18 months we have been unable to carry out repairs to the roof and fabric of our iconic HYMB Centre building. The building roof is now in urgent need repair and requires over £30k of renovation work before further damage to the building interior and equipment stored within is caused.

During 2021 the Trustees are looking recruit additional voluntary help in a business management capacity. So that the charity remains financially sound, successful, promotes outdoor education best practices and is a valued asset to our local community.

Structure, governance and management

The activities of the charity are governed by the Charity Commission Scheme document dated 24 October 1996 together with its Memorandum and Articles of Association which were revised and approved by the Board on the 18 June 2012.

Trustees receive no remuneration and are members of the company, guaranteeing to contribute no more than £1 in the event of the winding up of the company, which is limited by guarantee.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

G Hughes
R Hodgson
G Nicholson
D Rudland
R Fenton
A Banks
A Searing
L Russell
C Hewitt

(Appointed 13 January 2020)
(Deceased 31 December 2020)
(Appointed 15 April 2021)
(Appointed 13 January 2021)

The Elected and Co-opted Trustees are recruited on a rotating 3 year cycle. The Elected Trustees are elected by the associate members of HYMB (the users) in May/June each year. The Co-opted Trustees are recruited as vacancies occur to try and fill gaps in trustee's skills.

HERTFORDSHIRE YOUNG MARINERS' BASE

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

All Trustees complete a declaration of interests of themselves and close family, which is updated annually.

They are required to declare any interests relating to specific items on the agenda at the start of Trustees Meetings.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees is made up of 3 Elected Trustees and 6 Co-opted Trustees. All Trustees are appointed for an initial term of 3 years and are eligible for reappointment.

Key decisions about Health and Safety inspections, the Charity's Development plan, recruitment of staff, advertising and the tender for material capital or revenue expenditure are undertaken by the board of Trustees at board meetings. Members of staff prepare bids for capital and revenue grants in line with the charity's overall objectives and these are discussed by Trustees prior to application.

The Trustees' report was approved by the Board of Trustees.



R Hodgson
Trustee

Dated: 13 September 2021

HERTFORDSHIRE YOUNG MARINERS' BASE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also the directors of Hertfordshire Young Mariners' Base for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

HERTFORDSHIRE YOUNG MARINERS' BASE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HERTFORDSHIRE YOUNG MARINERS' BASE

I report to the Trustees on my examination of the financial statements of Hertfordshire Young Mariners' Base (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 17 September 2021

HERTFORDSHIRE YOUNG MARINERS' BASE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
	Notes					
<u>Income from:</u>						
Voluntary income	3	107,278	2,260	-	109,538	10,058
Operation of Mariners' Base	4	143,055	9,002	-	152,057	259,668
Investments	5	387	-	-	387	763
Total income		250,720	11,262	-	261,982	270,489
<u>Expenditure on:</u>						
Operation of Mariners' Base	6	297,931	-	22,558	320,489	373,208
Net movement in funds		(47,211)	11,262	(22,558)	(58,507)	(102,719)
Fund balances at 1 January 2020		196,579	1,359	615,227	813,165	915,884
Fund balances at 31 December 2020		149,368	12,621	592,669	754,658	813,165

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

All income and expenditure derive from continuing activities.

HERTFORDSHIRE YOUNG MARINERS' BASE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

		Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
	Notes				
<u>Income from:</u>					
Voluntary income	3	10,058	-	-	10,058
Operation of Mariners' Base	4	259,438	230	-	259,668
Investments	5	763	-	-	763
Total income		<u>270,259</u>	<u>230</u>	<u>-</u>	<u>270,489</u>
<u>Expenditure on:</u>					
Operation of Mariners' Base	6	350,650	-	22,558	373,208
Net movement in funds		<u>(80,391)</u>	<u>230</u>	<u>(22,558)</u>	<u>(102,719)</u>
Fund balances at 1 January 2019		<u>276,970</u>	<u>1,129</u>	<u>637,785</u>	<u>915,884</u>
Fund balances at 31 December 2019		<u><u>196,579</u></u>	<u><u>1,359</u></u>	<u><u>615,227</u></u>	<u><u>813,165</u></u>

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

All income and expenditure derive from continuing activities.

HERTFORDSHIRE YOUNG MARINERS' BASE

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	All income funds	
	2020	2019
	£	£
Gross income	261,982	270,489
Total expenditure from income funds	297,931	350,650
Net expenditure for the year	<u>(35,949)</u>	<u>(80,161)</u>

HERTFORDSHIRE YOUNG MARINERS' BASE

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		682,071		712,203
Current assets					
Stocks	11	1,062		1,062	
Debtors	12	29,921		17,585	
Cash at bank and in hand		120,867		133,026	
		<u>151,850</u>		<u>151,673</u>	
Creditors: amounts falling due within one year	14	<u>(34,263)</u>		<u>(50,711)</u>	
Net current assets			117,587		100,962
Total assets less current liabilities			799,658		813,165
Creditors: amounts falling due after more than one year	15		(45,000)		-
Net assets			<u>754,658</u>		<u>813,165</u>
Capital funds					
Endowment funds - general	17		592,669		615,227
Income funds					
Restricted funds	18		12,621		1,359
Unrestricted funds			149,368		196,579
			<u>754,658</u>		<u>813,165</u>

HERTFORDSHIRE YOUNG MARINERS' BASE

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.


The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 13 September 2021

G Hughes
Trustee


13 September 2021

R Hodgson
Trustee



Company Registration No. 03192077

13 September 2021,

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Hertfordshire Young Mariners' Base is an private company limited by guarantee incorporated in England and Wales. The registered office is 231 Windmill Lane, Cheshunt, Hertfordshire, EN8 9AJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, despite the ongoing and potential effects of COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements and no adjustments to the results or the carrying values declared in these financial statements are required, and none have been made.

During the accounting period the charitable company recorded a deficit on unrestricted funds of £47,211 but maintained a level of reserves carried forward at the period end of £149,368. The charitable company is also budgeting to record a smaller deficit in 2021. The Trustees are looking at ways of increasing income and reducing costs an ways of broadening the charitable company's activities to rectify the position going forward. They are confident that the charitable company has sufficient reserves to continue as a going concern until the results of measures currently being taken come to fruition.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	straight line over 10/40/50 years
Boats	straight line over 6 years
Grounds, lakes, fences and jetties	grounds and lakes not depreciated, others straight line over 10 years
Office equipment	straight line over 3/5/10 years
Solar panels	straight line over 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The charity has a policy not to capitalise expenditure on fixed assets costing less than £3,000.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Irrecoverable VAT

Irrecoverable VAT is shown as a separate category of resources expended.

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Voluntary income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2020 £	2020 £	2020 £	2019 £
Donations and gifts	1,335	2,260	3,595	10,058
Core grant support for Mariners Base	105,943	-	105,943	-
	<u>107,278</u>	<u>2,260</u>	<u>109,538</u>	<u>10,058</u>
Grants receivable for core activities				
Coronavirus Job Retention Scheme Grant	77,943	-	77,943	-
Covid 19 grants - Borough of Broxbourne	28,000	-	28,000	-
	<u>105,943</u>	<u>-</u>	<u>105,943</u>	<u>-</u>

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Operation of Mariners' Base

	Core charitable activities 2020 £	Core charitable activities 2019 £
Courses and instruction	142,134	252,092
Performance related grants	9,002	-
Solar electricity income	921	4,827
Cops income	-	230
Sale of sailing accessories	-	2,519
	<u>152,057</u>	<u>259,668</u>
Analysis by fund		
Unrestricted funds	143,055	259,438
Restricted funds	9,002	230
	<u>152,057</u>	<u>259,668</u>
Performance related grants		
The National Lottery Community Fund	950	-
Co-Op Local Community Fund	2,402	-
Hertfordshire County Council Locality Budget Grants	5,650	-
	<u>9,002</u>	<u>-</u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	<u>387</u>	<u>763</u>

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Operation of Mariners' Base

	2020 £	2019 £
Staff costs	238,731	261,855
Depreciation and impairment	30,132	30,122
Project costs	-	4,002
Premises costs	8,760	3,403
Insurance	14,702	17,073
Repairs and maintenance costs	4,956	22,471
Office costs	4,517	5,021
Computer and website costs	2,195	4,243
Motor and travel expenses	402	2,274
Promotion and publicity	1,461	1,099
General costs	1,553	2,470
Legal and professional costs	4,794	4,000
Governance costs	1,600	1,500
Bank charges and other finance costs	1,153	1,370
Irrecoverable VAT	4,416	7,938
Staff training	1,117	4,367
	<u>320,489</u>	<u>373,208</u>
Analysis by fund		
Unrestricted funds	297,931	
Endowment funds - buildings	22,558	
	<u>320,489</u>	
For the year ended 31 December 2019		
Unrestricted funds		350,650
Endowment funds - buildings		22,558
		<u>373,208</u>

Included in governance costs are fees paid to the independent examiners of £1,600 (2019 - £1,500) for examination services and included in Legal and professional costs are fees of £945 (2019: £465) for payroll services.

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Employees

The average monthly number employees directly employed by the charity during the year was:

	2020 Number	2019 Number
Charitable activities	19	18
Administration	2	2
Total	21	20

Employment costs	2020 £	2019 £
Wages and salaries	216,473	236,344
Social security costs	10,071	11,857
Other pension costs	12,187	13,654
	238,731	261,855

There were no employees whose annual remuneration was £60,000 or more.

9 Taxation

The company is a registered charity and is therefore exempt from corporation tax insofar as any surpluses are applied for charitable purposes.

HERTFORDSHIRE YOUNG MARINERS' BASE

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

10 Tangible fixed assets									
		Freehold buildings	Boats	Grounds, lakes, fences and jetties	Office equipment	Solar panels	Total		
	Cost	£	£	£	£	£	£		£
	At 1 January 2020	1,283,392	294,256	36,656	53,851	35,054	1,703,209		
	At 31 December 2020	1,283,392	294,256	36,656	53,851	35,054	1,703,209		
	Depreciation and impairment								
	At 1 January 2020	590,953	294,256	27,285	46,972	31,540	991,006		
	Depreciation charged in the year	25,321	-	151	1,146	3,514	30,132		
	At 31 December 2020	616,274	294,256	27,436	48,118	35,054	1,021,138		
	Carrying amount								
	At 31 December 2020	667,118	-	9,220	5,733	-	682,071		
	At 31 December 2019	692,439	-	9,371	6,879	3,514	712,203		

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Stocks

	2020 £	2019 £
Finished goods and goods for resale	1,062	1,062

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,543	13,170
Other debtors	25,000	-
Prepayments and accrued income	3,378	4,415
	29,921	17,585

13 Loans and overdrafts

	2020 £	2019 £
Bank loans	50,000	-
Payable within one year	5,000	-
Payable after one year	45,000	-

The long-term loans are supported by a guarantee to the lender from the UK Government under the Bounce Back Loan Scheme.

The charitable company obtained the Bounce Back Loan from Lloyds Bank, repayable over six years with no repayments in the first year. The interest rate is 2.5% per annum, with the interest in the first twelve months being covered by the UK Government.

14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	13	5,000	-
Other taxation and social security		3,276	4,063
Deferred income	16	-	27,899
Trade creditors		713	1,024
Other creditors		21,288	14,559
Accruals and deferred income		3,986	3,166
		34,263	50,711

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	13	45,000	-

16 Deferred income

	2020 £	2019 £
Other deferred income	-	27,899

17 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2019 £	Resources expended £	Balance at 1 January 2020 £	Resources expended £	Balance at 31 December 2020 £
Permanent endowments					
Sailing centre, climbing wall and caving complex	637,785	(22,558)	615,227	(22,558)	592,669
	<u>637,785</u>	<u>(22,558)</u>	<u>615,227</u>	<u>(22,558)</u>	<u>592,669</u>

Sailing centre, climbing wall and caving complex is a permanent endowment fund which comprises construction of the Hertfordshire Young Mariners' Base Centre and facilities for operation included for operation as an outdoor centre. The fund also includes the fabrication of a new teaching room within the existing main building.

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds Incoming resources	Balance at 1 January 2020	Movement in funds Incoming resources	Balance at 31 December 2020
	£	£	£	£	£
Cheshunt Olympic Preparation Squad	1,129	230	1,359	-	1,359
The National Lottery Community Fund	-	-	-	950	950
Co-Op Local Community Fund	-	-	-	2,402	2,402
Roof Repair Fund	-	-	-	7,910	7,910
	<u>1,129</u>	<u>230</u>	<u>1,359</u>	<u>11,262</u>	<u>12,621</u>

Cheshunt Olympic Preparation Squad (COPS) represents funds raised and expended for COPS.

The National Lottery Community Fund and the Co-op Local Community Fund are both in respect of new equipment which will be acquired as soon as circumstances permit.

The Roof Repair Fund comprises crowdfunding for roof repairs and Locality Budget grants from Hertfordshire County Councillors.

HERTFORDSHIRE YOUNG MARINERS' BASE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Analysis of net assets between funds	Unrestricted funds		Restricted funds		Endowment funds		Total		Unrestricted funds		Restricted funds		Endowment funds		Total	
	2020	£	2020	£	2020	£	2020	£	2019	£	2019	£	2019	£	2019	£
Fund balances at 31 December 2020 are represented by:																
Tangible assets	89,402		-		592,669		682,071		96,976		-		615,227		712,203	
Current assets/(liabilities)	104,966		12,621		-		117,587		99,603		1,359		-		100,962	
Long term liabilities	(45,000)		-		-		(45,000)		-		-		-		-	
	149,368		12,621		592,669		754,658		196,579		1,359		615,227		813,165	

HERTFORDSHIRE YOUNG MARINERS' BASE

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

20 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

