

CMC : PENSARN HARBOUR

England & Wales · Charity number 1062075

Details

Other names	CHRISTIAN MOUNTAIN CENTRE
Status	Registered
Legal form	Charitable company
Company number	03324934
Registered	1997-04-24
Register	View on the Charity Commission register

Contact

Address	Cmc Pensarn Harbour Llanbedr Gwynedd North Wales LL45 2HS
Phone	01341241646
Email	office@cmcadventure.org.uk
Website	www.cmcadventure.org.uk

Activities

Objects: 1. TO EDUCATE ADULTS AND CHILDREN WITH ALL NECESSARY FACILITIES THROUGH OUTDOOR PURSUIT ACTIVITIES TO DEVELOP THEIR PHYSICAL CAPABILITIES AND THEIR MENTAL AND SPIRITUAL AWARENESS AS INDIVIDUALS AND AS MEMBERS OF SOCIETY AND SO THAT THEIR CONDITIONS OF LIFE MAY BE IMPROVED. 2. TO ADVANCE THE CHRISTIAN FAITH AMONG SUCH PERSONS AND THEIR FAMILIES. 3. TO ASSIST IN THE PROVISION OF ANY OTHER CHARITABLE FACILITIES FOR SUCH PERSONS AND IN PARTICULAR TO MAKE GRANTS TO OTHER CHARITIES HAVING AIMS IDENTICAL OR SIMILAR TO THOSE OF THE CHARITY.

Activities: Outdoor education and training for people from all walks of life.

Classification

- **How:** Other Charitable Activities
- **What:** Education/training, Religious Activities, Amateur Sport
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-10-31	£490,725	£423,248	-	-
2023-10-31	£404,269	£460,092	-	-
2022-10-31	£407,704	£420,910	-	-
2021-10-31	£375,265	£343,956	-	-
2020-10-31	£353,528	£346,134	-	-

Trustees

Name	Role	Appointed
ALAN SANDERS		2017-04-22
Alistair David Cook		2026-03-14
Andy Houghton		2019-07-13
Christopher Cook		2018-03-03
Dr Graham French		2018-03-03
Philip Geoffrey Tarr		2022-11-12
Philip Kelly		2018-03-03
Rachel Joy Gibbins		2025-03-15

Accounts

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2024

(Unaudited)

Company No: 03324934 (England and Wales)
Charity No: 1062075

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2024

(Unaudited)

Contents

Page

Company Information	1
Report of the Directors and Trustees	2 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 to 17
Detailed Income & Expenditure Account	18
- not part of the statutory financial statements	

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2024

The Directors and Trustees present their report and accounts for the year ended 31st Oct-24

Reference and Administrative Information

<u>Charity / Company Name</u>	CMC: Pensarn Harbour
<u>Trading Name</u>	CMC Adventure
<u>Company Number</u>	3324934 (England and Wales)
<u>Charity Number</u>	1062075
<u>Registered Office and Operational Address</u>	Pensarn Harbour Llanbedr Gwynedd North Wales LL45 2HP
<u>Directors and Trustees</u>	P R Kelly - <i>Chairman</i> L G Charker - <i>Hon Treasurer</i> C Cook G French A Houghton A Sanders P Tarr
<u>Chief Executive / Centre Director</u>	M Downey
<u>Company Secretary</u>	L Addinall
<u>Bankers</u>	HSBC Bank plc 62 High Street Porthmadog Gwynedd LL49 9LN
<u>Independent Examiner</u>	R Morris FCA DJH Nantwich Limited 17 Alvaston Business Park Middlewich Road Nantwich Cheshire CW5 6PF

CMC: PENSARN HARBOUR

Structure Governance and Management

Governing Document

The charity was originally founded as the Christian Mountain Centre in 1966 and operated as an unincorporated trust until it was re-registered on its incorporation, as a private company registered in England and Wales and limited by guarantee, on 27th February 1997. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The name was changed to "CMC Pensarn Harbour" following the move to much larger premises at Pensarn Harbour Llanbedr, in January 1998. The trading name of "CMC Adventure" was adopted in November 2013.

Recruitment and Appointment of Directors and Trustees

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association, the directors are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The Board has a broad skills mix, including business, financial and educational skills. In order to maintain this range, individuals are approached by the Board and invited to volunteer. They may be drawn from the members of the company, for which a voluntary skills register is maintained, or from elsewhere.

The appointment by the Board of new Trustees must be confirmed by election of the members at the next Annual General Meeting.

Trustee Induction and Training

Potential trustees are usually familiar with the work of the Centre from having stayed there previously.

They are, normally, invited to attend at least two Board meetings, in person, as observers. This gives them an opportunity to see the work of the Board at first hand and to gain an understanding of how it works and of current issues. If they and the Board are satisfied that the right choice has been made, the Board will invite them to become directors and trustees. The induction and training are very much 'on the job', with the support of the other members of the Board. This method has worked well, with new trustees taking a full part at an early stage. An induction pack has also been prepared which gives new trustees a wide range of reference information on CMC.

Risk Management

The Board annually undertakes a wide-ranging review of various risks to which the charity is exposed. The operational risks associated with the activities the Centre undertakes are also subject to external inspection by the various licensing authorities. There are detailed procedures for all these activities, and they form the basis of all staff training. These inspections also cover the health and safety of staff and visitors and the preparation and storage of food. There are also procedures to minimise internal control risks, including financial management. The CEO maintains and reviews with the Board of Trustees an on-line Risk Map. This is a live document to which members of Senior Management and the Board can contribute, review and amend.

CMC: PENSARN HARBOUR

Structure Governance and Management

Organisational Structure

The governance of the charity is the responsibility of the Board of Trustees, which meets in person at least 3 times a year (in addition to the Annual General Meeting). Since 2010 the Board has been able to make decisions at a telephone conference call, which have subsequently been replaced by zoom meetings. Several zoom meetings are held in the intervals between physical meetings of the Board. All Board members are notified of such meetings, which support the Centre Director / CEO and monitor financial and other matters between Board meetings and most are able to join them.

The operational management of the Centre is the responsibility of the Centre Director / CEO. He deals with the appointment of staff and all day-to-day issues, including financial management, with support, as needed, from the Honorary Treasurer and other Board members.

Objectives and Activities

The principal objects of the charity are to educate people through outdoor pursuit activities, to develop their physical capabilities and their mental and spiritual awareness and to advance the Christian faith among such persons and their families.

The objective for the year was to provide high quality outdoor educational experiences supervised by qualified and experienced staff working as a Christian community. It continues, for the time being, to only use the Bryn-y-Moel site for guest accommodation.

The Centre was once again keen to ensure that visitors of all abilities were able to participate equally in a variety of activities. As previously, it continues to be our desire to encourage visitors from all backgrounds and of all means to use the centre and to this end it is sometimes possible to adjust fees in cases of particular need. The Trustees feel that this enables them to have due regard to the public benefit guidance published by the Charity Commission.

We set out to continue our policy of budgeting for a modest surplus, although in the current financial climate and, whilst using just one site for accommodation, this is proving to be extremely difficult. A forecast is agreed however from which regular monitoring takes place. We continue to make use of the Financial Failure Insurance, which enables us to hold deposits within our working balances.

When circumstances permit, we will continue to work towards building necessary working capital.

Achievements and Performance

We are continually thankful for all the support we receive throughout the year, which was so very important during 2024. At the AGM held in April 2024, the continuing concerns regarding the cash flow of the Centre and the potential desire of the Bank to withdraw our overdraft facility was drawn to the attention of the Members. The response to this was both incredible and humbling. As a result of the subsequent generosity it was possible to reduce the loan on Bryn-y-Moel by a staggering £76,500. This and other both small and large donations for specific items has been so very encouraging including an amazing sponsored 500 mile walk undertaken in aid of the Centre.

CMC: PENSARN HARBOUR

Structure Governance and Management

As previously reported, with the forthcoming potential redevelopment of Pensarn, the guest accommodation at this site has been mothballed, as to incur essential ongoing maintenance costs would not make financial sense.

What we undertake and hope to be able to continue to offer in the future cannot and should not be done cheaply; there are risks in what we do and to mitigate these risks takes time, training, commitment and finance.

Our belief is that what we provide is so essential for so many following the aftermath of the pandemic. The results will be priceless to the individual, their families and friends.

Thank you for your involvement and continued interest.

Buildings and equipment

Ongoing general maintenance is key to ensuring our guests have a positive residential experience with us. This continues to be a challenge in a rural environment where there is not much competition within the trades. The competent traders are often extremely busy. We have developed good relationships with several local tradesmen, including electricians, plumbers and general builders. This work has been coordinated by our Senior Staff. As standards and qualifications continue to increase, we are less able to 'do it ourselves', hence becoming increasingly reliant on external trades.

Where necessary and where we were able, we continued to repair, replace, and maintain outdoor equipment to a high standard.

Bookings and Finance

During 2023/2024 we did not see the hoped for bounce back in guest numbers. Whilst the number of groups attending the centre was similar to previous post COVID seasons the numbers of young people in those groups remained low. In some cases, the cost of living continues to impact families and their ability to fund residential trips for their children. However, we have also come to understand that in some areas the setting up of new academy trusts has left traditional schools with significantly reduced intake. We desire to continue to provide residential courses for smaller schools, but we recognise that whilst we are only able to open one centre, we must maximise our occupancy where we can. Our Bryn-y-Moel centre has 50 beds and groups bringing 4 activity groups rather than 3 are significantly more viable. We are also continuing to experience reduced engagement from young people. Colleagues and group leaders continue to find young people are anxious about coming away from home. We have received an amazing amount of financial support from our friends and members during the last year and we begin the new financial year very aware of how much we need this to continue going forward. Some of these generous donations were restricted to reducing the mortgage on our Bryn-y-Moel site. This was a need that as Directors and Trustees we felt led to share at our AGM weekend in April. By reducing this liability, we aim to improve our monthly cash flow. We have received planning permission for phase 2 of our redevelopment of Pensarn and we look forward to seeing this come to fruition in due course.

CMC: PENSARN HARBOUR

Structure Governance and Management

Activities and Public Benefit

We have continued to run our volunteer trainee instructor programme. This provides an opportunity for young people to gain valuable industry experience and obtain National Governing Body awards allowing them to pursue a career in outdoor education not only in the UK but around the world. We have been able to work more closely with the local community running a paddle sport club and running outdoor activities for the local schools and in one case taking the activities to the school so that a pupil who used a wheelchair could join in. Between the schools visiting and the paddle sports club some local young people are becoming regulars at CMC. It would be incredible if access to high quality outdoor education regularly at a young age might guide them towards a career of their own in the outdoors. We continue to maintain a genuine occupational requirement for our staff to be Christians, believing that through our service and our community we can share our faith with gentleness and respect. It has been extremely encouraging to meet once a month online to pray for the centre with people whose association with CMC goes back many decades. The impact of God's work in this centre continues to draw people back and we value their involvement greatly.

Future Plans

Since the last annual report was written we have received planning permission for Phase 2 of the redevelopment of Pensarn Harbour. This is a real answer to prayer! The additional 22 beds at Pensarn Harbour not only increases our ability to work with large groups but allows our Bryn-y-Moel centre to be used for a separate group rather than just as overspill from Pensarn. It will also give us the flexibility to host self-catering groups as well as special interest groups such as walking clubs, whilst still undertaking our vital schools work. We are very aware of the scale of the redevelopment of Pensarn Harbour and are seeking to recruit more trustees to see this exciting project to completion. We hope to find people willing to serve as a trustee who have project management skills, experience of complex building projects or experience of fundraising significant amounts of money for charity. As we prepare to redevelop Pensarn Harbour, we are keen to reduce our mortgage on our Bryn-y-Moel site to zero. We are making great steps in this direction, but we would dearly love to clear it fully, allowing us to concentrate on Pensarn Harbour and on what will be a state-of-the-art Outdoor Education centre.

Personnel

We continue to be grateful for the faithful service of our staff team both those who have been with us some time and those who have joined us more recently. Each person on the team brings something different. It has been a financially tough year and we have kept our team informed along the way. Given how difficult the finances have been it would have been understandable if people left to find more secure employment or increased certainty. This has not been the case. Instead, the staff team have concentrated their efforts and continued to go the extra mile for our guests, for each other and for CMC. Recruitment is still challenging, and we are grateful for the additional responsibilities team members have taken on this year. Without the good will and adaptability of our staff team we would not be operational. Given the difficulties in recruiting staff, we are looking to make some changes going forward to rebuild a well-qualified and experienced team. Employment costs have risen steeply in recent years and securing housing for staff in the local area is very challenging due to it being a popular holiday destination. However, a labourer is worthy of their hire and as Directors and Trustees we are working to ensure that staff are appropriately remunerated.

CMC: PENSARN HARBOUR

Structure Governance and Management

Financial Review

Financial Performance

Reflecting all of the pressures and constraints which have already been outlined above, but also the incredibly generous donations, previously mentioned, for the repayment of the loan on Bryn-y-Moel, the centre ended the financial year with a surplus (from unrestricted funds) of £68,565 (compared with a deficit of £6,169 for last year).

The previous work undertaken on a Medium Financial Strategy is still on hold due to the Board's focus on the short to medium term financial implications of the financial crisis, combined with the reduced capacity due to working from just one site. Once stability returns, the Board will consider the longer-term Financial Strategy for the Centre.

Due to the incredible generosity of our supporters, promoted by God's grace, we are just managing to stay financially viable, although this is looking continually more precarious whilst working from just one site for guest accommodation and experiencing ever increasing costs. Our future depends on the development of Pensarn Harbour and remaining financially secure until then.

During the year we were blessed with specific donations, in addition to those already mentioned for the sole purpose of reducing our Bryn-y-Moel loan. These included gifts for a new dishwasher; buoyancy aids; assistance with garden clearance as well as towards the new Pensarn Development Project. We continue to be so grateful for all the various actions of support received. In addition we have received a number of significant working capital loans which have been extremely beneficial in assisting the Centre's day to day financial viability.

This year the Enable Fund, which was launched with the purpose of covering the cost of subsidies to individuals and groups who would not otherwise have been able to afford to stay at the Centre (see Objectives and Activities above), was used once again for an inner-city school which is located in an area of high deprivation and its 'at risk' children would not otherwise have been able to benefit from all that the Centre has to offer.

We continue to prayerfully consider CMC's future at every opportunity. Operating one small centre at our current location is far from financially sustainable and we are grateful for all the financial support we have received to be able to continue in this important work. We are thankful to those who, prompted by God, through their faith in Him have continued to offer not just financial support but practical and prayerful support as well.

The vision we have been given for the future of CMC is inextricably linked to the redevelopment of Pensarn Harbour. This vision aims to serve at least the next three generations by providing a warm, genuine Christian welcome in a very special place on the water's edge. Pensarn Harbour is a place where Christians and non-Christians alike have experienced something of God's goodness for decades. Be this through a conversation, reflecting on a genuine mountain top experience, the last moments of a glorious sunset or the brilliant white moonlight reflected on the water. When no words have been spoken then creation itself speaks of His great power and love. To be able to continue to share these unforgettable, life changing moments we need to rebuild Pensarn Harbour and welcome guests back to this, God's centre. The increased numbers

CMC: PENSARN HARBOUR

Structure Governance and Management

will ensure CMC Adventure becomes sustainable financially. However, the reason for achieving this, is to be able to serve our guests as a Christian team and share God's love with them. We very much welcome input and support from those who share this vision and desire to see it come about.

Once again, during the last year, we have been blessed with significant restricted and general fund donations, and we have received interest free working capital loans. We are acutely aware of the need for these loans to be repaid in the future. We seek to find supporters who may be able to afford to make interest free loans to take over from those supporters who require theirs to be repaid.

Until we can reopen Pensarn and enjoy the economies of scale that increased accommodation will bring, we will continue to actively seek the financial and charitable support we need to persevere, whilst prayerfully believing our needs will be met.

"Whatever you do, work at it with all your heart, as working for the Lord."

Colossians 3:23

Reserves

The Trustees' policy continues to be to build up net current assets to the point where they are equivalent to two months' worth of expenditure, currently approximately £70,000. However, at the year end there were net current liabilities of £80,031 which compares with net current liabilities of £74,716 in the previous year.

As reported above, the Board is aware of the gravity of the Centre's financial position and is endeavouring to seek ways to improve this position.

Capital funding

A loan of £360,000 over 25 years was taken from HSBC in July 2012 to facilitate the purchase of the Bryn-y-Moel Centre. As at the balance sheet date there was £146,454 outstanding on this loan.

Private, interest free, loans from members have been accepted in the past to provide working capital and indeed we were very grateful for additional loans of £65,000 received during the year to assist with our cash flow.

At the start of the year two loans totalling £6,500 were to be repaid in the year. In the event no loan was repaid.

Tangible fixed assets

Details of acquisitions of fixed assets are set out in note 6 to the accounts. The market value of the freehold properties belonging to CMC at the balance sheet date are believed, by the Trustees, to be at least as great as their purchase costs and subsequent improvement costs. Also, as they are operational assets and continue to be maintained, where necessary, to a high standard of repair, the Trustees again consider it unnecessary to set aside depreciation of the properties for this financial year.

CMC: PENSARN HARBOUR

Structure Governance and Management

Future obligations

The company has no liabilities, commitments or legally binding obligations outstanding at the balance sheet date other than those disclosed in the annual statement of accounts. In the opinion of the Trustees, the company's assets are fully adequate to meet those obligations.

Trustees / Directors

The directors of the company for Companies Act purposes are its Trustees. The directors who served during the year are listed on page 1.

Statement of Directors' / Trustees' responsibilities

Charity law requires the Directors / Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period. In preparing those financial statements the Directors / Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departure 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 company will continue to operate.

The Directors / Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Management

The Directors acknowledge that risk management, for Business activities, is the responsibility of the Board of Trustees. The Board undertakes a review of all of its key systems of internal control and financial management processes regularly and is satisfied that reasonable assurance can be given that risks have been adequately mitigated. The review is ongoing.

Independent Examiner

DJH Nantwich Limited (Accountants), who serve as our Independent Examiners, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting on 26th April 2025.

CMC: PENSARN HARBOUR
Structure Governance and Management

Compliance with legislation

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approval of these financial statements

These annual statements were approved by the Trustees on 15th March 2025

By order of the Board



P R Kelly (Director & Trustee)

Registered Office:

CMC Pensarn Harbour

CMC Pensarn Harbour

Llanbedr, Gwynedd, LL45 2HP

**Report of the Independent Examiner to the Trustees of
CMC : PENSARN HARBOUR**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st October 2024 set out on pages 11 to 17.

The report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable company's trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable company's trustees those matters that I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charitable company's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102).

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 accounts to be reached.



R Morris FCA
DJH Nantwich Limited
17 Alvaston Business Park
Middlewich Road
Nantwich
CW5 6PF

Dated: 2nd April 2025

CMC: PENSARN HARBOUR
STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure Account)

for the year ended 31st October 2024

		<u>Unrestricted funds</u>	Restricted	Total	<i>Total</i>
		General	Funds	Funds	<i>Funds</i>
		Funds		31/10/24	<i>31/10/23</i>
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	2.1	78,191	91,112	169,303	<i>112,103</i>
Income from investments		651		651	<i>110</i>
Tuck shop trading income		1,459		1,459	<i>2,078</i>
 Charitable activities -					
Course and hostel income					
Residential	2.2	295,693		295,693	<i>305,917</i>
Non-residential		21,999		21,999	<i>6,463</i>
Net rental and hire income		1,620		1,620	<i>1,620</i>
 Total income and endowments		<u>399,613</u>	<u>91,112</u>	<u>490,725</u>	<u><i>428,291</i></u>
 Expenditure on raising funds	3.1				
Publicity costs		1,628		1,628	<i>2,352</i>
Tuck shop trading costs		1,066		1,066	<i>1,847</i>
 Expenditure on charitable activities					
Course and hostel running costs	3.2	420,554		420,554	<i>457,740</i>
 Total expenditure	4	<u>423,248</u>	<u>0</u>	<u>423,248</u>	<u><i>461,939</i></u>
 Net income (expenditure) before transfers		-23,635	91,112	67,477	<i>-33,648</i>
 Transfer between funds		92,200	-92,200	0	<i>0</i>
 Net movement in funds		<u>68,565</u>	<u>-1,088</u>	<u>67,477</u>	<u><i>-33,648</i></u>
 Fund balances b/fwd at 1.11.23		602,916	4,375	607,291	<i>640,939</i>
 Fund balances c/fwd at 31.10.24		<u>671,481</u>	<u>3,287</u>	<u>674,768</u>	<u><i>607,291</i></u>

CMC: PENSARN HARBOUR
BALANCE SHEET as at 31st October 2024

		31/10/2024		31/10/2023	
	Notes	£	£	£	£
Tangible Fixed Assets	6		992,251		965,597
Current Assets					
Stock	7	3,582		3,916	
Debtors and prepayments	8	6,382		8,790	
Cash at bank and in hand		4,580		21,497	
		<u>14,544</u>		<u>34,203</u>	
Liabilities: Amounts falling due within one year	9	<u>-94,575</u>		<u>-108,919</u>	
Net current assets / -liabilities			-80,031		-74,716
Total assets less current liabilities			<u>912,220</u>		<u>890,881</u>
Liabilities: Amounts falling due after more than one year	9		-237,452		-283,590
Net assets	10		<u>674,768</u>		<u>607,291</u>
Unrestricted funds	11		671,481		602,916
Restricted funds	12		3,287		4,375
Total charity funds			<u>674,768</u>		<u>607,291</u>

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending 31st October 2024 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of the financial statements for the year ended 31st October 2024 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the regulations of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

ON BEHALF OF THE BOARD

Approved by the Board of Trustees (Directors) and signed on its behalf on 15th March 2025.



P R Kelly
Director & Trustee



M Downey
Centre Director

The notes on pages 13 to 18 form part of these financial statements.

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors 'and Trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Charities Act 2011 and the Companies Act 2006, FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102).

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

The trustees consider that there are no material uncertainties that may cast significant doubt on the charity's ability to continue as a going concern. The charity is a public benefit entity.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets are not capitalised where the purchase cost is below £500.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property	Nil (2% straight line basis prior to 1.11.2002)
Course Equipment	25% straight line basis
Fixtures, Fittings & Equipment	25% straight line basis
Motor vehicles	20% straight line basis

The Centre properties are operational assets according to charity law, being fundamental to the ongoing work of the Centre. As they are continually maintained to a high standard of repair, the Trustees consider it unnecessary to set aside any further sum by way of depreciation, as this would represent an excessive charge for these properties in the financial year.

1.3 Value added tax

CMC continues to be an educational establishment under VAT regulations. It therefore remains exempt from VAT, which is not recoverable and as such is included in the relevant costs in the Statement of Financial Activities.

1.4 Stock

Stock is valued at a lower cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Debtors

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

1.6 Liabilities

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are normally recognised at their settlement amount after allowing for any trade discounts due.

1.7 Operating leases

Rentals paid under operating leases are charged to the income and expenditure account as they fall due.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2024****1.8 Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions in their expenditure imposed by the donor or through the terms of an appeal. The main fund held by the charity is the General Fund (unrestricted).

2 INCOME AND ENDOWMENTS

2.1 Voluntary income and donations are accounted for as received by the charity; they are generated by providing information about the work of the centre to its visitors, supporters and the general public by means of printed and electronic publications. No permanent endowments have been received in this financial period, but these are dealt with through the Statement of Financial Activities when received.

2.2 Course and hostel income is shown gross after adjustments for deferred income relating to deposits for future courses.

3 EXPENDITURE

3.1 Expenditure on raising funds includes the costs incurred in purchasing items for the Tuck Shop (including souvenirs), which are then sold on to visitors and friends, and the cost of fundraising and publicity, through which donations are generated.

3.2 All other costs, including governance costs and support costs, are allocated to the one charitable activity which is the running of courses at the hostel at Pensarn Harbour and the premises at Bryn-y-Moel. Included are fees to the independent examiner of £2,400 = £2,300) re the examination and £1,380 (2023 - £1,300) re the other services.

4 TOTAL EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	Total 30/10/24 £	Total 30/10/23 £
Course & hostel running costs	193,540	28,701	198,313	420,554	457,740
Tuck shop trading costs			1,066	1,066	1,847
Fundraising & publicity			1,628	1,628	2,352
12 months to 31.10.24	193,540	28,701	201,007	423,248	
12 months to 31.10.23	241,737	30,491	189,711		461,939

Note: The Tuck Shop trading unit is operated as an ancillary facility at the Pensarn Hostel for the benefit of users and any profits are all ploughed back into the mainstream activity of the company.

5 STAFF COSTS & TRUSTEES EXPENSES**5.1 Staff costs comprised**

	30/10/24 £	30/10/23 £
Wages and Salaries	175,965	219,330
Social Security Costs	9,481	11,504
Pension costs *	8,094	10,903
	<u>193,540</u>	<u>241,737</u>

* Note: The charity operated a defined contribution scheme for staff costing £3,006 in the year. In addition the charity contributed to a personal pension plan for eleven employees at a cost of £5,088 in the year. It is anticipated that payments will continue at the same rate during the coming year.

No employee earns more than £60,000. The average number of staff employed by the charity during the year was as follows:

	30/10/24	30/10/23
Charitable activities	13	16
Fundraising and publicity	0	0
	<u>13</u>	<u>16</u>

The key management personnel of the charity are the trustees and the Chief Executive Officer, together with the Senior Instructor, House Manager and Centre Administrator. The total employee benefits of the key management personnel was £95,220 (2023 = £107,476)

5.2 No remuneration or expenses were paid to Trustees in the period.

6 TANGIBLE FIXED ASSETS	Freehold Property Pensarn & Bryn-y-Moel £	Course Equipment £	Centre Fittings & equip. £	Motor Vehicles £	TOTAL £
Cost					
B/fwd 1.11.23	932,337	122,315	263,720	14,000	1,332,372
Additions	# 40,840	3,877	10,638		55,355
Less: re Disposals					0
Carried Forward 31.10.24	<u>973,177</u>	<u>126,192</u>	<u>274,358</u>	<u>14,000</u>	<u>1,387,727</u>
Depreciation					
B/fwd 1.11.23	25,041	108,134	219,600	14,000	366,775
Charge for the period		7,247	21,454		28,701
Less: re Disposals					0
Carried Forward 31.10.24	<u>25,041</u>	<u>115,381</u>	<u>241,054</u>	<u>14,000</u>	<u>395,476</u>
Net book values					
At 31.10.24	948,136	10,811	33,304	0	992,251
At 31.10.23	907,296	14,181	44,120	0	965,597

Footnote:

Work has been commissioned regarding the upgrading / modernisation of Pensarn Harbour. These costs, which are currently being met by specific donations, have been capitalised. Further spending, enhancing the value of the buildings, is highly likely.

7 STOCK comprises	30/10/24 £	30/10/23 £
Goods for resale (Tuck Shop)	194	144
Food	1,097	549
Cleaning Materials	662	678
Brochures	200	400
Oil	1,429	2,145
	<u>3,582</u>	<u>3,916</u>

8 DEBTORS & PREPAYMENTS

Due within one year		
Trade debtors	858	79
Prepayments	3,386	3,815
Other debtors	2,138	4,896
	<u>6,382</u>	<u>8,790</u>

CMC: PENSARN HARBOUR
Notes to the accounts for the year ended 31st October 2024

	30/10/24	30/10/23
9 LIABILITIES: Amounts falling due within one year comprise -	£	£
Bank overdraft	771	25,840
Trade creditors	2,539	1,745
Customers' Monies held	42,750	37,518
Accruals and deferred income	8,556	8,435
Bank 25 year repayment mortgage	27,702	18,599
Working capital loans	6,500	6,500
Short Term Loan	0	4,667
Bounce Back Loan	5,757	5,615
	<u>94,575</u>	<u>108,919</u>
after more than one year		
25 year repayment mortgage	118,752	224,071
Working capital loans	90,000	25,000
Bounce Back Loan	28,700	34,519
	<u>237,452</u>	<u>283,590</u>

Footnotes:

1. Deposits are no longer held in a separately designated bank account, but combined into the main account for the centre. Financial failure insurance was taken out in November 2017 to reflect this new policy.
2. The bank mortgage is from HSBC Bank plc and is secured by a debenture and legal charge on the company's freehold property at Pensarn and Bryn-y-Moel. During the year, following an appeal to our members, it was possible to repay £76,500 of this loan. The liability shown includes £0 due after more than five years (2023 = £132,034).
3. Private interest free loans from members have been accepted in the past to provide working capital. At the start of the year two loans totalling £6,500 were to be repaid in the year. In the event these loans were not repaid.
4. In 2021 advantage was taken of the Government's Bounce Back Loan of £50,000. This was interest free for the first year. Repayments started in December 2021. It is repayable after 10 years. The liability shown includes £4,196 due after 5 years. (2023 = £10,608)

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net current Assets / liabilities	Long term loans	30/10/24	30/10/23
	£	£	£	£	£
Unrestricted - general fund	992,251	-83,318	237,452	671,481	602,916
Restricted funds	0	3,287		3,287	4,375
	<u>992,251</u>	<u>-80,031</u>	<u>237,452</u>	<u>674,768</u>	<u>607,291</u>

11 UNRESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/23	Income	Exp	Inter - fund Transfers	As at 30/10/24
	£	£	£	£	£
General Accumulated Fund	602,916	399,613	423,248	92,200	671,481
Total Unrestricted Funds	602,916	399,613	423,248	92,200	671,481

12 RESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/23	Income	Exp	Inter - fund Transfers	As at 30/10/24
	£	£	£	£	£
Equipment Purchase Fund	3,125	10,075		-10,075	3,125
HR Handbook	1,250			-1,250	0
# Future Developments Fund	0	4,375		-4,375	0
Mortgage Reduction Fund		76,662		-76,500	162
	4,375	91,112		-92,200	3,287

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2024**

The Equipment Purchase Fund represents donations received to fund specific costs. During the year funds were received for the purchase of buoyancy aids and a dishwasher. These were spent in the year. The donation received in a previous year for mattresses is to be carried forward into 2024/25. £1,250 was received last year to fund professional assistance in creating a new Handbook. £672.50 was spent on this during the year and the remainder is absorbed into general funds.

CMC Adventure was extremely grateful to receive donations totalling £4,375 towards the upgrading / modernisation of Pensarn Harbour. Costs for this preliminary work have already been spent and are included within the capitalisation costs shown at 6 above The Mortgage Reduction Fund was set up during the year to receive donations specifically with a view to reducing the bank mortgage; virtually all amounts received were used to make a substantial mortgage repayment in October 2024.

13 RELATED PARTY TRANSACTIONS

Donations received without conditions from the trustees and other related parties totalled £17,355 and those with conditions totalled £58,325 (Total received in 2023- £47,861).

14 COMMITMENTS

	Total 30/10/24 £	Total 30/10/23 £
1 Capital expenditure authorised and contracted for	0	0
2 Capital expenditure authorised but not contracted for	0	0
3 Leasing payments - due in the next year	17,267	14,005
4 Leasing payments - due in two to five years	30,869	29,367

15 STATUS, BRANCHES & CONNECTED CHARITIES

The charity is a company limited by guarantee and a registered charity. The liability of each member is limited to £10. As at 31st October 2024 there were 77 members (31.10.23 = 77).

The company is registered with the Charity Commission as a charity (number 1062075) and is exempt from taxation in accordance with Section 478 of the Corporation Tax Act 2010. It has no branches and no other charities are connected to it.

CMC: PENSARN HARBOUR
DETAILED INCOME AND EXPENDITURE ACCOUNT (UNRESTRICTED FUNDS)
for the year ended 31st October 2024

	31/10/2024		31/10/2023	
	£	£	£	£
INCOME				
Course & Hostel fees		317,692		312,380
Tuck shop - net profit / loss		393		231
Rental & Hire income		1,620		1,620
Interest received		651		110
Donations & Gifts		78,191		89,928
		<u>398,547</u>		<u>404,269</u>
EXPENDITURE				
Course / Activity costs				
Course / Equipment / Repairs	3,603		9,195	
Course outings	1,108		1,757	
Instructor staff training / expenses	13,532		7,321	
Vehicle expenses	8,682		8,440	
Vehicle hire	11,662		14,585	
Licensing	2,849		3,152	
Activities Staff Salaries & NIC	42,576		105,800	
Freelance / Associate Instructors	14,985		4,410	
		<u>98,997</u>		<u>154,660</u>
Hostel / Base Overhead Costs				
Base staff salaries, NIC & Pension Contributions	150,964		135,937	
Mortgage / Bank Loan Interest	20,937		20,319	
Utilities (Rates & Water)	4,550		3,569	
General Insurance	18,263		12,496	
Light & Heat	31,304		21,455	
Telephone & Post	4,464		5,091	
Office Expenses	3,145		8,203	
Recruitment Advertising	1,050		180	
Professional Fees	3,870		11,100	
Trustees' Expenses	0		0	
Property Upkeep - Repairs	10,733		9,957	
Property Upkeep - Cleaning	980		1,300	
Property Upkeep - Equip / Maint / Replacement	1,033		1,081	
Customer Services - Food	30,396		28,471	
Customer Services - Laundry	6,554		8,756	
Finance - Bank Charges	2,177		1,593	
Financial Failure Insurance	2,436		3,081	
		<u>292,856</u>		<u>272,589</u>
Depreciation				
Property	0		0	
Course Equipment	7,247		7,153	
General / Office Equipment	21,454		20,691	
Motor Vehicle	0		2,647	
		<u>28,701</u>		<u>30,491</u>
		<u>420,554</u>		<u>457,740</u>
Fundraising & Publicity				
Website	1,628		1,634	
Brochures & Printing	0		0	
Advertising, Exhibitions etc.	0		718	
		<u>1,628</u>		<u>2,352</u>
		<u>422,182</u>		<u>460,092</u>
SURPLUS / DEFICIT ON UNRESTRICTED FUNDS				
before transfers		-23,635		-55,823
Less Transfers to / from Restricted Funds		92,200		49,654
TOTAL SURPLUS / DEFICIT ON UNRESTRICTED FUNDS FOR YEAR		<u>68,565</u>		<u>-6,169</u>
after transfers				

Accounts

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2023

(Unaudited)

Company No: 03324934 (England and Wales)
Charity No: 1062075

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2023

(Unaudited)

Contents	Page
Company Information	1
Report of the Directors and Trustees	2 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 to 17
Detailed Income & Expenditure Account	18
- not part of the statutory financial statements	

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

The Directors and Trustees present their report and accounts for the year ended 31st Oct-23

Reference and Administrative Information

<u>Charity / Company Name</u>	CMC: Pensarn Harbour
<u>Trading Name</u>	CMC Adventure
<u>Company Number</u>	3324934 (England and Wales)
<u>Charity Number</u>	1062075
<u>Registered Office and Operational Address</u>	Pensarn Harbour Llanbedr Gwynedd North Wales LL45 2HP

<u>Directors and Trustees</u>	P R Kelly - <i>Chairman</i> L G Charker - <i>Hon Treasurer</i> C Cook G French A. Houghton A Sanders P. Tarr <i>Appointed 12.11.22</i>
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<u>Chief Executive / Centre Director</u>	M Downey
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<u>Company Secretary</u>	L Addinall
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<u>Bankers</u>	HSBC Bank plc 62 High Street Porthmadog Gwynedd LL49 9LN
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<u>Independent Examiner</u>	R Morris FCA DJH Mitten Clarke Nantwich Limited 17 Alvaston Business Park Middlewich Road Nantwich Cheshire CW5 6PF
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CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2023

Structure Governance and Management

Governing Document

The charity was originally founded as the Christian Mountain Centre in 1966 and operated as an unincorporated trust until it was re-registered on its incorporation, as a private company registered in England and Wales and limited by guarantee, on 27th February 1997. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The name was changed to "CMC Pensarn Harbour" following the move to much larger premises at Pensarn Harbour Llanbedr, in January 1998. The trading name of "CMC Adventure" was adopted in November 2013.

Recruitment and Appointment of Directors and Trustees

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association, the directors are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

The Board has a broad skills mix, including business, financial and educational skills. In order to maintain this range, individuals are approached by the Board and invited to volunteer. They may be drawn from the members of the company, for which a voluntary skills register is maintained, or from elsewhere.

Phil Tarr was appointed onto the Board on 12th November 2022

The appointment by the Board of new Trustees must be confirmed by election of the members at the next Annual General Meeting.

Trustee Induction and Training

Potential trustees are usually familiar with the work of the Centre from having stayed there previously.

They are, normally, invited to attend at least two Board meetings, in person, as observers. This gives them an opportunity to see the work of the Board at first hand and to gain an understanding of how it works and of current issues. If they and the Board are satisfied that the right choice has been made, the Board will invite them to become directors and trustees. The induction and training are very much 'on the job', with the support of the other members of the Board. This method has worked well, with new trustees taking a full part at an early stage. An induction pack has also been prepared which gives new trustees a wide range of reference information on CMC.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Risk Management

The Board annually undertakes a wide-ranging review of various risks to which the charity is exposed. The operational risks associated with the activities the Centre undertakes are also subject to external inspection by the various licensing authorities. There are detailed procedures for all these activities, and they form the basis of all staff training. These inspections also cover the health and safety of staff and visitors and the preparation and storage of food. There are also procedures to minimise internal control risks, including financial management. The CEO maintains and reviews with the Board of Trustees an on-line Risk Map. This is a live document to which members of Senior Management and the Board can contribute, review and amend.

Organisational Structure

The governance of the charity is the responsibility of the Board of Trustees, which meets in person at least 3 times a year (in addition to the Annual General Meeting). Since 2010 the Board has been able to make decisions at a telephone conference call, which have subsequently been replaced by zoom meetings. Several zoom meetings are held in the intervals between physical meetings of the Board. All Board members are notified of such meetings, which support the Centre Director / CEO and monitor financial and other matters between Board meetings and most are able to join them.

The operational management of the Centre is the responsibility of the Centre Director / CEO. He deals with the appointment of staff and all day-to-day issues, including financial management, with support, as needed, from the Honorary Treasurer and other Board members.

Objectives and Activities

The principal objects of the charity are to educate people through outdoor pursuit activities, to develop their physical capabilities and their mental and spiritual awareness and to advance the Christian faith among such persons and their families.

The objective for the year was to provide high quality outdoor educational experiences supervised by qualified and experienced staff working as a Christian community. It continues, for the time being, to only use the Bryn-y-Moel site for guest accommodation.

The Centre was once again keen to ensure that visitors of all abilities were able to participate equally in a variety of activities. As previously, it continues to be our desire to encourage visitors from all backgrounds and of all means to use the centre and to this end it is sometimes possible to adjust fees in cases of particular need. The Trustees feel that this enables them to have due regard to the public benefit guidance published by the Charity Commission.

We set out to continue our policy of budgeting for a modest surplus, although in the current financial climate and, whilst using just one site for accommodation, this is proving to be extremely

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Objectives and Activities (cont..)

difficult. A forecast is agreed however from which regular monitoring takes place. We continue to make use of the Financial Failure Insurance, which enables us to hold deposits within our working balances. When circumstances permit, we will continue to work towards building necessary working capital.

Achievements and Performance

We are continually thankful for all the support we receive throughout the year, which was so very important during 2023. We have been encouraged by the small and large donations and gifts for specific items, in particular towards our Pensarn Development Project (some being held over for future year purchases). Words and prayers of encouragement and support have also been so gratefully received.

As previously reported, with the forthcoming potential redevelopment of Pensarn, this site the guest accommodation has been mothballed, as to incur essential ongoing maintenance costs would not make financial sense.

What we undertake and hope to be able to continue to offer in the future cannot and should not be done cheaply; there are risks in what we do and to mitigate these risks takes time, training, commitment and finance.

Our belief is that what we provide is so essential for so many following the aftermath of the pandemic. The results will be priceless to the individual, their families and friends.

Thank you for your involvement and continued interest.

Buildings and equipment

Ongoing general maintenance is key to ensuring our guests have a positive residential experience with us. This continues to be a challenge in a rural environment where there is not much competition within the trades. The competent traders are often extremely busy. We have developed good relationships with several local tradesmen, including electricians, plumbers and general builders. This work has been coordinated by our Senior Staff. As standards and qualifications continue to increase, we are less able to 'do it ourselves', hence becoming increasingly reliant on external trades.

Where necessary and where we were able, we continued to repair, replace, and maintain outdoor equipment to a high standard.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Bookings and Finance

Bookings continue to remain high in number however the number of young people able to attend their school or youth residential is under constant financial pressure, Schools that brought 40 young people are only able to bring 30. This leads to constant requests for financial support which, due to the increased cost of living pressures on the centre, simply cannot be granted. We are incredibly concerned by the loss of opportunity this brings to an increasingly broad section of our society. Necessary increases in payroll, utility and food costs to the centre creates even more the impact. Lower course fee income and higher costs means that only operating one centre, as we work towards planning permission for the redevelopment of Pensarn Harbour, makes us extremely vulnerable. We are even more reliant on those donations from our friends and members to ensure we can continue to enrich the lives of our guests in fulfilling our charitable objectives. The need to develop other funding streams is more critical than ever, unfortunately, securing the staff to achieve this is also reliant on funding.

Activities and Public Benefit

As we experience the legacy that COVID has left our young people there has never been a more important time for young people, in particular, to experience the joys of residential outdoor education. Whether it is through our own personal observations or the difficulties we see society facing in the wider world, that was essentially closed down during some of the formative time in their personal and social development. Many studies attest to the benefit of intensive intervention in an outdoor setting or the incredible growth a young person can experience away from home, even for a short while. If there are still attitudes that misguidedly view an outdoor residential break as a "holiday" or a "nice" thing to do then surely now is the time for their unhelpful voices to be silenced by the excitement, joy and euphoria of youth. Anyone reading this report is welcome to arrange a visit to CMC Adventure to see firsthand the benefits of the work we do.

Sadly, as budgets are cut and statutory youth work eroded we are seeing less and less opportunity for young people to broaden their horizons. Teachers tell us that they view their pupils in a completely different light outside of the classroom and their respect is increased and their relationships improved. We are grateful to all of those like-minded visiting staff who give up their own staff to accompany their groups to the centre, without them we could not work. Through residential (away from home) outdoor education we enable and develop interdependence, resilience, confidence, communication skills, self-agency and all this is achieved with gentleness and respect in a welcome and inclusive Christian environment. None of our guests are required to accept our beliefs and we are open and very willing to work with any or no faith. If our guests would like us to offer Christian input, we are happy to do so in a light and respectful way. Our staff team aims to share their faith through their actions and care of our guests being willing to give an answer for the hope that they have.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Future Plans

Throughout this year we have continued to work with our Architects Snug, to achieve planning permission for the redevelopment of Pensarn Harbour. The Board, in their capacity as trustees and directors have paused on numerous occasions to reflect on the process and direction of travel to ensure that there is unanimity amongst them for this extremely ambitious and equally essential project. From our open history we know that operating one centre lacks the benefits of economies of scale. From our group leaders we know that schools are increasing in size and need to accommodate more young people on the same site during residential visits. We are extremely grateful for all of the donations that have allowed us to pursue planning permission for phase 1 and latterly for phase 2. At the time of writing we are eagerly awaiting determination of planning permission for the redevelopment of the residential buildings at Cei Pensarn. It is encouraging that many groups that cannot visit with only one centre available are excitedly awaiting for Pensarn to be available. It is our certain hope that, on completion, the centre will welcome many previous groups back to the Harbour but also attract new ones. We are also excited to be able to offer our Bryn-y-Moel centre to other users in a more flexible way. This will increase participation and bring the life changing power of outdoor education to many more people. As Directors and Trustees, we continue to prayerfully seek those who can support this vision.

Personnel

CMC Adventure is unable, in any way, to deliver its objectives without the dedication of the staff team. Recruitment has been challenging and with the hiatus to our trainee scheme, caused by COVID, like many other organisations securing experienced and qualified staff has been the most significant challenge. We are grateful to our Senior staff team where individuals have not only undertaken their own roles but also significant aspects of other roles as well. This is, of course, unsustainable and has led to the reviewing of salaries and job descriptions to secure more personnel. Our trainee programme has begun with far larger numbers than we have experienced in recent years and we are confident in the experience and skills of our trainees to augment and enrich the residential and outdoor experience of our guests. By offering volunteers training and development we are not only increasing an individual's employability, but we also see them develop in their faith as they serve as part of a Christian staff team. The skills they develop primarily serve our guests, however they are transferable skills and qualifications, these they take with them into society and future employment. What is of particular note is that, although operating against an extremely austere financial backdrop, our staff team has continued to offer the very best service to our guests. This enthusiasm for their work, commitment to those who visit and refusal to give anything less than their very best is to be commended

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Financial Review

Financial Performance

Reflecting all of the pressures and constraints which have already been outlined above, the centre ended the financial year with a deficit (from unrestricted funds) of £6,169 (compared with a surplus of £32,184 for last year).

The previous work undertaken on a Medium Financial Strategy has had to be put on hold due to the Board's focus on the short to medium term financial implications of the financial crisis, combined with the reduced capacity due to working from just one site. Once stability returns, the Board will consider the longer-term Financial Strategy for the Centre.

Due to a combination of factors including God's grace, we are just managing to stay financially viable, although this is looking continually more precarious whilst working from just one site for guest accommodation and experiencing ever increasing costs. Our future depends on the development of Pensarn Harbour and remaining financially secure until then.

During the year we were blessed with specific donations to assist with an HR Handbook and plumbing work, together with donations towards the new Pensarn Development Project. We continue to be so grateful for God's prompting of the hearts of members and friends who have given so generously by way of donations.

This year the Enable Fund, which was launched with the purpose of covering the cost of subsidies to individuals and groups who would not otherwise have been able to afford to stay at the Centre (see Objectives and Activities above), was used once again for an inner-city school which is located in an area of high deprivation and its 'at risk' children would not otherwise have been able to benefit from all that the Centre has to offer.

Reserves

The Trustees' policy continues to be to build up net current assets to the point where they are equivalent to two months' worth of expenditure, currently approximately £70,000. However, at the year end there were net current liabilities of £74,716 which compares with net current assets of £13,998 in the previous year.

As reported above, the Board is aware of the gravity of the Centre's financial position and is endeavouring to seek ways to improve this position.

Capital funding

A loan of £360,000 over 25 years was taken from HSBC in July 2012 to facilitate the purchase of the Bryn-y-Moel Centre. As at the balance sheet date there was £242,670 outstanding on this loan.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Capital funding (cont...)

Private, interest free, loans from members have been accepted in the past to provide working capital and indeed we were very grateful for an additional loan of £25,000 received during the year to assist with our cash flow.

At the start of the year two loans totalling £6,500 was to be repaid in the year. In the event no loan was repaid.

Tangible fixed assets

Details of acquisitions of fixed assets are set out in note 6 to the accounts. The market value of the freehold properties belonging to CMC at the balance sheet date are believed, by the Trustees, to be at least as great as their purchase costs and subsequent improvement costs. Also, as they are operational assets and continue to be maintained, where necessary, to a high standard of repair, the Trustees again consider it unnecessary to set aside depreciation of the properties for this financial year.

Future obligations

The company has no liabilities, commitments or legally binding obligations outstanding at the balance sheet date other than those disclosed in the annual statement of accounts. In the opinion of the Trustees, the company's assets are fully adequate to meet those obligations.

Trustees / Directors

The directors of the company for Companies Act purposes are its Trustees. The directors who served during the year are listed on page 1.

Statement of Directors' / Trustees' responsibilities

Charity law requires the Directors / Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period. In preparing those financial statements the Directors / Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departure 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 company will continue to operate.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2023

Statement of Directors' / Trustees' responsibilities (cont...)

The Directors / Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Management

The Directors acknowledge that risk management, for Business activities, is the responsibility of the Board of Trustees. The Board undertakes a review of all of its key systems of internal control and financial management processes regularly and is satisfied that reasonable assurance can be given that risks have been adequately mitigated. The review is ongoing.

Independent Examiner

Robert Morris of DJH Mitten Clarke Nantwich Limited, who serves as our Independent Examiner, has expressed his willingness to continue in office and a resolution to reappoint him will be proposed at the forthcoming Annual General Meeting on 27th April 2024.

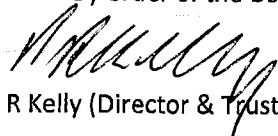
Compliance with legislation

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approval of these financial statements

These annual statements were approved by the Trustees on 25th March 2024

By order of the Board


P R Kelly (Director & Trustee)

Registered Office:
CMC Pensarn Harbour
CMC Pensarn Harbour
Llanbedr, Gwynedd, LL45 2H

**Report of the Independent Examiner to the Trustees of
CMC : PENSARN HARBOUR**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st October 2023 set out on pages 11 to 17.

The report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable company's trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable company's trustees those matters that I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charitable company's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102).

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 accounts to be reached.



R Morris FCA
DJH Mitten Clarke Nantwich Limited
17 Alvaston Business Park
Middlewich Road
Nantwich
CW5 6PF

28th March 2024

CMC: PENSARN HARBOUR

STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure Account)

for the year ended 31st October 2023

		Unrestricted funds	Restricted	Total	Total
		General	Funds	Funds	Funds
		Funds		31/10/23	31/10/22
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	2.1	89,928	22,175	112,103	114,511
Income from investments		110		110	24
Tuck shop trading income		2,078		2,078	3,418
Charitable activities -					
Course and hostel income					
Residential	2.3	305,917		305,917	361,452
Non-residential		6,463		6,463	3,326
Net rental and hire income		1,620		1,620	1,370
Total income and endowments		406,116	22,175	428,291	484,101
Expenditure on raising funds	3.1				
Publicity costs		2,352		2,352	1,685
Tuck shop trading costs		1,847		1,847	2,278
Expenditure on charitable activities					
Course and hostel running costs	3.2	457,740		457,740	419,225
Total expenditure	4	461,939	0	461,939	423,188
Net income (expenditure) before transfers		-55,823	22,175	-33,648	60,913
Transfer between funds		49,654	-49,654	0	0
Net movement in funds		-6,169	-27,479	-33,648	60,913
Fund balances b/fwd at 1.11.22		609,085	31,854	640,939	580,026
Fund balances c/fwd at 31.10.23		602,916	4,375	607,291	640,939

CMC: PENSARN HARBOUR
BALANCE SHEET as at 31st October 2023

		31/10/2023		31/10/2022	
	Notes	£	£	£	£
Tangible Fixed Assets	6		965,597		908,230
Current Assets					
Stock	7	3,916		6,805	
Debtors and prepayments	8	8,790		30,799	
Cash at bank and in hand		<u>21,497</u>		<u>39,754</u>	
		34,203		77,358	
Liabilities: Amounts falling due within one year	9	<u>-108,919</u>		<u>-63,360</u>	
Net current assets / -liabilities			-74,716		13,998
Total assets less current liabilities			<u>890,881</u>		<u>922,228</u>
Liabilities: Amounts falling due after more than one year	9		-283,590		-281,289
Net assets	10		<u>607,291</u>		<u>640,939</u>
Unrestricted funds	11		602,916		609,085
Restricted funds	12		4,375		31,854
Total charity funds			<u>607,291</u>		<u>640,939</u>

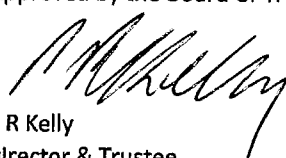
These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending 31st October 2023 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of the financial statements for the year ended 31st October 2023 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the regulations of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

ON BEHALF OF THE BOARD

Approved by the Board of Trustees (Directors) and signed on its behalf on 25th March 2024.


P R Kelly
Director & Trustee


M Downey
Centre Director

The notes on pages 13 to 17 form part of these financial statements.

CMC: PENSARN HARBOUR

Notes to the accounts for the year ended 31st October 2023

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors' and Trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Charities Act 2011 and the Companies Act 2006, FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102)

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

The trustees consider that there are no material uncertainties that may cast significant doubt on the charity's ability to continue as a going concern. The charity is a public benefit entity.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets are not capitalised where the purchase cost is below £500.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property	Nil (2% straight line basis prior to 1.11.2002)
Course Equipment	25% straight line basis
Fixtures, Fittings & Equipment	25% straight line basis
Motor vehicles	20% straight line basis

The Centre properties are operational assets according to charity law, being fundamental to the ongoing work of the Centre. As they are continually maintained to a high standard of repair, the Trustees consider it unnecessary to set aside any further sum by way of depreciation, as this would represent an excessive charge for these properties in the financial year.

1.3 Value added tax

CMC continues to be an educational establishment under VAT regulations. It therefore remains exempt from VAT, which is not recoverable and as such is included in the relevant costs in the Statement of Financial Activities.

1.4 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Debtors

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

1.6 Liabilities

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are normally recognised at their settlement amount after allowing for any trade discounts due.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2023**

(continued)

1.7 Operating leases

Rentals paid under operating leases are charged to the income and expenditure account as they fall due.

1.8 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions in their expenditure imposed by the donor or through the terms of an appeal. The main fund held by the charity is the General Fund (unrestricted).

2 INCOME AND ENDOWMENTS

2.1 Voluntary income and donations are accounted for as received by the charity; they are generated by providing information about the work of the centre to its visitors, supporters and the general public by means of printed and electronic publications. No permanent endowments have been received in this financial period, but these are dealt with through the Statement of Financial Activities when received.

2.2 Grant income is recognised as received

2.3 Course and hostel income is shown gross after adjustments for deferred income relating to deposits for future courses.

3 EXPENDITURE

3.1 Expenditure on raising funds includes the costs incurred in purchasing items for the Tuck Shop (including souvenirs), which are then sold on to visitors and friends, and the cost of fundraising and publicity, through which donations are generated.

3.2 All other costs, including governance costs and support costs, are allocated to the one charitable activity which is the running of courses at the hostel at Pensarn Harbour and the premises at Bryn-y-Moel. Included are fees to the independent examiner of £2,300 (2022 = £2,300) re the examination and £1,300 (2022 = £1,300) re other services.

4 TOTAL EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	Total 30/10/23 £	Total 30/10/22 £
Course & hostel running costs	241,737	30,491	185,512	457,740	419,225
Tuck shop trading costs			1,847	1,847	2,278
Fundraising & publicity			2,352	2,352	1,685
12 months to 31.10.23	241,737	30,491	189,711	461,939	
12 months to 31.10.22	198,401	30,718	194,069		423,188

Note: The Tuck Shop trading unit is operated as an ancillary facility at the Pensarn Hostel for the benefit of users and any profits are all ploughed back into the mainstream activity of the company.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2023**

(continued)

5 STAFF COSTS & TRUSTEES EXPENSES**5.1 Staff costs comprised**

	30/10/23	30/10/22
	£	£
Wages and Salaries	219,330	181,524
Social Security Costs	11,504	8,879
Pension costs *	10,903	7,998
	<u>241,737</u>	<u>198,401</u>

* Note: The charity operated a defined contribution scheme for staff costing £2,716 in the year. In addition the charity contributed to a personal pension plan for ten employees at a cost of £8,187 in the year. It is anticipated that payments will continue at the same rate during the coming year.

No employee earns more than £60,000. The average number of staff employed by the charity during the year was as follows:

	30/10/23	30/10/22
Charitable activities	16	16
Fundraising and publicity	0	0
	<u>16</u>	<u>16</u>

The key management personnel of the charity are the trustees and the Chief Executive Officer, together with the Senior Instructor Development Director, House Manager and Centre Administrator. The total employee benefits of the key management personnel was £107,476 (2022 = £116,102)

5.2 No remuneration or expenses were paid to Trustees in the period.**6 TANGIBLE FIXED ASSETS**

	Freehold Property Pensarn & Bryn-y-Moel	Course Equipment	Centre Fittings & equip.	Motor Vehicles	TOTAL
	£	£	£	£	£
Cost					
B/fwd 1.11.22	881,343	116,540	232,631	14,000	1,244,514
Additions	# 50,994	5,775	31,089		87,858
Less: re Disposals					0
Carried Forward 31.10.23	<u>932,337</u>	<u>122,315</u>	<u>263,720</u>	<u>14,000</u>	<u>1,332,372</u>
Depreciation					
B/fwd 1.11.22	25,041	100,981	198,909	11,353	336,284
Charge for the period		7,153	20,691	2,647	30,491
Less: re Disposals					0
Carried Forward 31.10.23	<u>25,041</u>	<u>108,134</u>	<u>219,600</u>	<u>14,000</u>	<u>366,775</u>
Net book values					
At 31.10.23	907,296	14,181	44,120	0	965,597
At 31.10.22	856,302	15,559	33,722	2,647	908,230

Footnote:

Work has been commissioned regarding the upgrading / modernisation of Pensarn Harbour. These costs, which are currently being met by specific donations, have been capitalised. Further spending, enhancing the value of the buildings, is highly likely.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2023**

(continued)

7 STOCK comprises	30/10/23	30/10/22
	£	£
Goods for resale (Tuck Shop)	144	406
Food	549	594
Cleaning Materials	678	1,045
Brochures	400	500
Oil	2,145	4,260
	3,916	6,805
8 DEBTORS & PREPAYMENTS		
Due within one year		
Trade debtors	79	6,904
Prepayments	3,815	1,865
Other debtors	4,896	22,030
	8,790	30,799
	30/10/23	30/10/22
	£	£
9 LIABILITIES: Amounts falling due within one year comprise -		
Bank overdraft	25,840	21,327
Trade creditors	1,745	5,433
Customers' monies held	37,518	6,992
Accruals and deferred income	8,435	4,594
Bank 25 year repayment mortgage	18,599	13,037
Working capital loans	6,500	6,500
Short term loan	4,667	0
Bounce Back loan	5,615	5,477
	108,919	63,360
after more than one year		
25 year repayment mortgage	224,071	241,092
Working capital loans	25,000	0
Bounce Back loan	34,519	40,197
	283,590	281,289

Footnotes:

- Deposits are no longer held in a separately designated bank account, but combined into the main account for the centre. Financial failure Insurance was taken out in November 2017 to reflect this new policy.
- The bank mortgage is from HSBC Bank plc and is secured by a debenture and legal charge on the company's freehold property at Pensarn and Bryn-y-Moel. The liability shown includes £132,034 due after more than five years (2022 = £179,233).
- Private interest free loans from members have been accepted in the past to provide working capital. At the start of the year two loans totalling £6,500 were to be repaid in the year. In the event these loans were not repaid. An additional, interest free loan, of £25,000 was received, to be repaid in March 2025.
- In 2021 advantage was taken of the Government's Bounce Back Loan of £50,000. This was interest free for the first year. Repayments started in December 2021. It is repayable after 10 years. The liability shown includes £10,608 due after 5 years. (2022= £16,887)
- A short term loan was received during the year to enable annual insurance costs to be paid in one lump sum rather than higher monthly premiums. The final repayment instalment will be paid in February 2024.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2023**

(continued)

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net current Assets / liabilities £	Long term loans £	30/10/23 £	30/10/22 £
Unrestricted - general fund	965,597	-79,091	-283,590	602,916	609,085
Restricted funds	0	4,375		4,375	31,854
	<u>965,597</u>	<u>-74,716</u>	<u>-283,590</u>	<u>607,291</u>	<u>640,939</u>

11 UNRESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/22 £	Income £	Exp £	Inter - fund Transfers £	As at 30/10/23 £
General Accumulated Fund	609,085	406,116	461,939	49,654	602,916
Total Unrestricted Funds	609,085	406,116	461,939	49,654	602,916

12 RESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/22 £	Income £	Exp £	Inter - fund Transfers £	As at 30/10/23 £
* Equipment Purchase Fund	3,125				3,125
* HR Handbook		1,250			1,250
# Future Developments Fund	28,729	20,925		-49,654	0
	31,854	22,175		-49,654	4,375

* The Equipment Purchase Fund represents donations received to fund specific costs. The donation received in a previous year for mattresses is to be carried forward into 2023/24. £1,250 was received during the year to fund professional assistance in creating a new Handbook. This will be carried forward into next year.

CMC Adventure was extremely grateful to receive generous donations totalling £20,925 towards the upgrading / modernisation of Pensarn Harbour. Costs for this preliminary work have already been spent and are included within the capitalisation costs shown at 6 above.

13 RELATED PARTY TRANSACTIONS

Donations received without conditions from the trustees and other related parties totalled £26,611 and those with conditions totalled £21,250 (Total received in 2022- £79,752)

14 COMMITMENTS

	Total 30/10/23 £	Total 30/10/22 £
1 Capital expenditure authorised and contracted for	0	0
2 Capital expenditure authorised but not contracted for	0	0
3 Leasing payments - due in the next year	14,005	15,972
4 Leasing payments - due in two to five years	29,367	32,822

15 STATUS, BRANCHES & CONNECTED CHARITIES

The charity is a company limited by guarantee and a registered charity. The liability of each member is limited to £10. As at 31st October 2023 there were 77 members (31.10.22 = 80). The company is registered with the Charity Commission as a charity (number 1062075) and is exempt from taxation in accordance with Section 478 of the Corporation Tax Act 2010. It has no branches and no other charities are connected to it.

CMC: PENSARN HARBOUR
DETAILED INCOME AND EXPENDITURE ACCOUNT (UNRESTRICTED FUNDS)
for the year ended 31st October 2023

	31/10/2023		31/10/2022	
	£	£	£	£
INCOME				
Course & Hostel fees		312,380		364,778
Tuck shop - net profit / loss		231		1,140
Rental & Hire income		1,620		1,370
Interest received		110		24
Donations & Gifts		89,928		40,392
		<u>404,269</u>		<u>407,704</u>
EXPENDITURE				
Course / Activity costs				
Course / Equipment / Repairs	9,195		7,654	
Course outings	1,757		1,591	
Instructor staff training / expenses	7,321		13,079	
Vehicle expenses	8,440		10,004	
Vehicle hire	14,585		18,812	
Licensing	3,152		2,875	
Activities Staff Salaries & NIC	105,800		74,538	
Freelance / Associate Instructors	4,410		12,213	
		154,660		140,766
Hostel / Base Overhead Costs				
Base staff salaries, NIC & Pension Contributions	135,937		123,863	
Mortgage / Bank Loan Interest	20,319		12,755	
Utilities (Rates & Water)	3,569		3,026	
General Insurance	12,496		8,635	
Light & Heat	21,455		23,977	
Telephone & Post	5,091		4,994	
Office Expenses	8,203		5,471	
Recruitment Advertising	180		600	
Professional Fees	11,100		3,600	
Trustees' Expenses	0		0	
Property Upkeep - Repairs	9,957		13,440	
Property Upkeep - Cleaning	1,300		1,341	
Property Upkeep - Equip / Maint / Replacement	1,081		2,602	
Customer Services - Food	28,471		33,884	
Customer Services - Laundry	8,756		7,892	
Finance - Bank Charges	1,593		739	
Financial Failure Insurance	3,081		922	
Bad & Doubtful Debts			0	
		272,589		247,741
Depreciation				
Property	0		0	
Course Equipment	7,153		7,412	
General / Office Equipment	20,691		20,506	
Motor Vehicle	2,647		2,800	
		30,491		30,718
		<u>457,740</u>		<u>419,225</u>
Fundraising & Publicity				
Website	1,634		1,585	
Brochures & Printing	0		100	
Advertising, Exhibitions etc.	718		0	
		2,352		1,685
		<u>460,092</u>		<u>420,910</u>
SURPLUS / DEFICIT ON UNRESTRICTED FUNDS				
before transfers		-55,823		-13,206
Less Transfers to / from Restricted Funds		49,654		45,390
TOTAL SURPLUS / DEFICIT ON UNRESTRICTED FUNDS FOR YEAR		<u>-6,169</u>		<u>32,184</u>
after transfers				

Accounts

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2022

(Unaudited)

Company No: 03324934 (England and Wales)
Charity No: 1062075

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2022

(Unaudited)

Contents	Page
Company Information	1
Report of the Directors and Trustees	2 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 to 17
Detailed Income & Expenditure Account	18
- not part of the statutory financial statements	

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2022

The Directors and Trustees present their report and accounts for the year ended 31st Oct-22

Reference and Administrative Information

<u>Charity / Company Name</u>	CMC: Pensarn Harbour
<u>Trading Name</u>	CMC Adventure
<u>Company Number</u>	3324934 (England and Wales)
<u>Charity Number</u>	1062075
<u>Registered Office and Operational Address</u>	Pensarn Harbour Llanbedr Gwynedd North Wales LL45 2HP

<u>Directors and Trustees</u>	P R Kelly - <i>Chairman</i> L G Charker - <i>Hon Treasurer</i> C Cook G French A. Houghton A Sanders
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<u>Chief Executive / Centre Director</u>	M Downey
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<u>Company Secretary</u>	L Addinall
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<u>Bankers</u>	HSBC Bank plc 62 High Street Porthmadog Gwynedd LL49 9LN
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<u>Independent Examiner</u>	R Morris FCA Lyon Griffiths (Audit and Accounting) Limited 17 Alvaston Business Park Middlewich Road Nantwich Cheshire CW5 6PF
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CMC: PENSARN HARBOUR

Structure Governance and Management

Governing Document

The charity was originally founded as the Christian Mountain Centre in 1966 and operated as an unincorporated trust until it was re-registered on its incorporation, as a private company registered in England and Wales and limited by guarantee, on 27th February 1997. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The name was changed to "CMC Pensarn Harbour" following the move to much larger premises at Pensarn Harbour Llanbedr, in January 1998. The trading name of "CMC Adventure" was adopted in November 2013.

Recruitment and Appointment of Directors and Trustees

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association, the directors are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

Mike Bishop left the Board during the year as an Advisor.

The Board has a broad skills mix, including business, financial and educational skills. In order to maintain this range, individuals are approached by the Board and invited to volunteer. They may be drawn from the members of the company, for which a voluntary skills register is maintained, or from elsewhere.

Their appointment by the Board must be confirmed by election of the members at the next Annual General Meeting.

Trustee Induction and Training

Potential trustees are usually familiar with the work of the Centre from having stayed there previously.

They are, normally, invited to attend at least two Board meetings, in person, as observers. This gives them an opportunity to see the work of the Board at first hand and to gain an understanding of how it works and of current issues. If they and the Board are satisfied that the right choice has been made, the Board will invite them to become directors and trustees. The induction and training are very much 'on the job', with the support of the other members of the Board. This method has worked well, with new trustees taking a full part at an early stage. An induction pack has also been prepared which gives new trustees a wide range of reference information on CMC.

CMC: PENSARN HARBOUR

Structure Governance and Management

Risk Management

The Board annually undertakes a wide-ranging review of various risks to which the charity is exposed. The operational risks associated with the activities the Centre undertakes are also subject to external inspection by the various licensing authorities. There are detailed procedures for all these activities, and they form the basis of all staff training. These inspections also cover the health and safety of staff and visitors and the preparation and storage of food. There are also procedures to minimise internal control risks, including financial management.

Organisational Structure

The governance of the charity is the responsibility of the Board of Trustees, which meets 3 times a year (in addition to the Annual General Meeting). Since 2010 the Board has been able to make decisions at a telephone conference call, which have subsequently been replaced by zoom meetings. Several zoom meetings are held in the intervals between physical meetings of the Board. All Board members are notified of such meetings, which support the Centre Director / CEO and monitor financial and other matters between Board meetings and most are able to join them. During the COVID-19 Pandemic it was not possible to accommodate physical meetings, however, these have now restarted although regular Zoom calls continue.

The operational management of the Centre is the responsibility of the Centre Director / CEO. He deals with the appointment of staff and all day-to-day issues, including financial management, with support, as needed, from the Honorary Treasurer and other Board members.

Objectives and Activities

The principal objects of the charity are to educate people through outdoor pursuit activities, to develop their physical capabilities and their mental and spiritual awareness and to advance the Christian faith among such persons and their families.

The objective for the year was to provide high quality outdoor educational experiences supervised by qualified and experienced staff working as a Christian community. Whilst this was not possible during the COVID -19 Pandemic, the Centre was back in full swing for this year. Although, as has previously been explained, it was only working from the Bryn-y-Moel site.

The Centre was once again keen to ensure that visitors of all abilities were able to participate equally in a variety of activities. As previously, it continues to be our desire to encourage visitors from all backgrounds and of all means to use the centre and to this end it is sometimes

CMC: PENSARN HARBOUR
Structure Governance and Management

possible to adjust fees in cases of particular need. The Trustees feel that this enables them to have due regard to the public benefit guidance published by the Charity Commission.

We set out to continue our policy of budgeting for a modest surplus. We continue to make use of the Financial Failure Insurance, which enables us to hold deposits within our working balances.

When circumstances permit, we will continue to work towards building necessary working capital.

Achievements and Performance

We are continually thankful for all the support we receive throughout the year, which was so very important during 2022. We have been encouraged by the small and large donations and gifts for specific items, in particular towards our Pensarn Development Project (some being held over for future year purchases). Words and prayers of encouragement and support have also been so gratefully received.

As reported last year it had been agreed that, with the forthcoming potential redevelopment of Pensarn, this site should be mothballed, as to incur essential maintenance costs would not make financial sense.

What we undertake and hope to be able to continue to offer in the future cannot and should not be done cheaply; there are risks in what we do and to mitigate these risks takes time, training, commitment and finance.

Our belief is that what we provide is so essential for so many following the aftermath of the pandemic. The results will be priceless to the individual, their families and friends.

Thank you for your involvement and continued interest.

Buildings and equipment

Ongoing general maintenance is key to ensuring our guests have a positive residential experience with us. This continues to be a challenge in a rural environment where there is not much competition within the trades. The competent traders are often extremely busy. We have developed good relationships with several local tradesmen, including electricians, plumbers and general builders. This work has been coordinated by our Senior Staff. As standards and qualifications continue to increase, we are less able to 'do it ourselves', hence becoming increasingly reliant on external trades.

Where necessary and where we were able, we continued to repair, replace, and maintain outdoor equipment to a high standard.

CMC: PENSARN HARBOUR

Structure Governance and Management

Bookings and Finance

We are extremely grateful to a large number of our faithful group leaders who have been incredibly flexible over this last year. With our restricted capacity we were unable to host double site groups, requiring larger groups to come to CMC over a greater number of weeks. This will have incurred additional travel costs and caused further disruption back at school. However, the group leaders were willing to be this flexible so that they could bring their group members to CMC. One group leader came one week and endured a 7 hour coach journey only to come back 24 hours later with his second group! The level of bookings was higher than we anticipated as many organisations tried to ensure those young people who had missed out during the pandemic didn't miss out entirely. We achieved nearly 85% of the work with only one centre open that we had achieved prior to the pandemic. It was hard work, and we are thankful to the entire team for working tirelessly to serve our guests. It was, at the same time extremely apparent how much Outdoor Education had been missed by our guests and how much the young and the not so young have loved being back at the Christian Mountain Centre.

We have now started repayments on the Bounce Back Loan from the Government, which we took advantage of in 2020. As at the Balance Sheet date there was £45,674 outstanding.

Activities and Public Benefit

As 2021-2022 was the first full season post pandemic we had a very high number of groups. The reasons for this were many, but the most significant reasons were these. As you may have read in previous reports we had elected to only open our Bryn-y-Moel site as Pensarn Harbour has been due a complete refurbishment immediately prior to the pandemic in 2020. This meant that our groups had to fit into only the one centre. Some groups chose to come consecutive weeks instead of filling Pensarn and Bryn-y-Moel simultaneously. Other schools brought the Yr 6 pupils who missed out in year Yr 5 as well as the current Yr 5s! It was a very busy season and not without its challenges. We were pleased to be able to continue to grow our relationship with West Runton Christian Holidays by providing accommodation and activities for 2 of their annual holidays. It is clearly of mutual benefit for a Christian holiday to be hosted by another Christian organisation whose beliefs and ethos align so well. We continue to look for opportunities to work with like minded partners and were pleased to welcome the British Exploring Society to Bryn-y-Moel last summer. The British Exploring Society took over the centre as a training base for young people who were heading out to Yukon Territory during the summer holidays for a mix of mountain and water based exploration. Again, the opportunity to support an organisation with similar objectives and to have the opportunity for CMC staff to apply their skills in a different context helps grow our provision.

CMC: PENSARN HARBOUR

Structure Governance and Management

Future Plans

We have been able to gain planning permission from the Eryri National Park for phase 1 of the redevelopment of Pensarn Harbour. This much loved, special place is due a makeover and more importantly the site needs to be as sustainable as possible. The new building included in phase 1 will provide shower and changing facilities for our Bryn-y-Moel guests and those who participate in watersports at Pensarn Harbour on a non-residential basis. It will house our offices, provide staff accommodation and staff changing facilities, which is something sorely lacking at the harbour. We have been financially supported by a number of private donors and this has meant this very detailed and costly process can be undertaken without impacting our revenue thus far. We continue to work with Snug Architects on phase 2 of the project. This will see the accommodation needs of the centre redesigned and modernised, bed numbers increased and a massive improvement to the energy efficiency of the site. Initially our motivation for this project was to simply improve our facilities for our guests and to ensure economic viability for the work of the Christian Mountain Centre. Since then, changes in legislation have made it clear that there will be a further tidal flood risk to the site in years to come. This means that the current ground floor sleeping accommodation is potentially at risk of flooding. As such the most current design proposal elevates all the bedroom accommodation to the same level as the current meeting rooms and therefore out of the flood risk areas. We continue to work diligently with all concerned parties to agree a design that primarily meets the needs of residential groups both now and in the future. However, we hope to achieve this in a way that respects and compliments the natural environment and reflects the site's heritage.

Personnel

The Outdoor Education sector continues to wrestle with a severe shortage of qualified staff. The cost-of-living crisis and the disruption caused by the pandemic have contributed to this issue significantly. It is a catch 22 situation. The outdoor learning sector requires more instructional staff at a time when training as an instructor becomes increasingly expensive. Recruiting volunteer trainee instructors is increasingly more difficult because of similar economic reasons. This is unfortunate as an instructor traineeship at CMC offers a tried and tested route to employment. This is achieved through a mix of National Governing Body Awards and real-world work experience in all aspects of running an outdoor education centre.

We continue to assert that volunteering is intrinsically positive and support several senior members of the team as they volunteer as outdoor professionals for other youth development charities. We are fortunate to retain a good number of long-term staff which ensures we have the skills and experience to train newer members of the team and offer a good level of continuity and confidence to our group leaders.

CMC: PENSARN HARBOUR
Structure Governance and Management

Financial Review

Financial Performance

Despite working from just one site, we managed to achieve a surplus (from unrestricted funds) of £32,184 (compared with £39,872 for last year). As has been stated above, this was mainly achieved by incredible hard work from the staff in welcoming back as many guests as possible.

The previous work undertaken on a Medium Financial Strategy provided a focus for the Board's consideration, during the year, of priorities and goals and once some form of stability returns, the Board will consider the longer-term Financial Strategy for the Centre.

Due to a combination of factors including God's grace, we have stayed financially viable.

During the year we were blessed with a specific donation for a Power Boat and also considerable donations towards the new Pensarn Development Project. We continue to be so grateful for God's prompting of the hearts of members and friends who have given so generously by way of donations.

This year the Enable Fund, which was launched with the purpose of covering the cost of subsidies to individuals and groups who would not otherwise have been able to afford to stay at the Centre (see Objectives and Activities above), was used once again for an inner-city school which is located in an area of high deprivation and its 'at risk' children would not otherwise have been able to benefit from all that the Centre has to offer.

Reserves

The Trustees' policy continues to be to build up net current assets to the point where they are equivalent to two months' worth of expenditure, currently approximately £70,000. However, at the year end there were net current assets of £13,998 which compares with net current assets of £8,077 in the previous year.

When appropriate, work will continue to seek to improve this position, helped by the identification of new initiatives within the medium-term Financial Strategy.

Capital funding

A loan of £360,000 over 25 years was taken from HSBC in July 2012 to facilitate the purchase of the Bryn-y-Moel Centre. As at the balance sheet date there was £254,129 outstanding on this loan.

Private, interest free, loans from members have been accepted in the past to provide working capital.

CMC: PENSARN HARBOUR
Structure Governance and Management

At the start of the year one loan totalling £5,000 was to be repaid in the year. In the event no loan was repaid.

Tangible fixed assets

Details of acquisitions of fixed assets are set out in note 6 to the accounts. The market value of the freehold properties belonging to CMC at the balance sheet date are believed, by the Trustees, to be at least as great as their purchase costs and subsequent improvement costs. Also, as they are operational assets and continue to be maintained, where necessary, to a high standard of repair, the Trustees again consider it unnecessary to set aside depreciation of the properties for this financial year.

Future obligations

The company has no liabilities, commitments or legally binding obligations outstanding at the balance sheet date other than those disclosed in the annual statement of accounts. In the opinion of the Trustees, the company's assets are fully adequate to meet those obligations.

Trustees / Directors

The directors of the company for Companies Act purposes are its Trustees. The directors who served during the year are listed on page 1.

Statement of Directors' / Trustees' responsibilities

Charity law requires the Directors / Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period. In preparing those financial statements the Directors / Trustees are required to:

- * select suitable accounting policies and apply them consistently
- * make judgements and estimates that are reasonable and prudent
- * state whether applicable accounting standards have been followed, subject to any material departure 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 company will continue to operate.

The Directors / Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CMC: PENSARN HARBOUR
Structure Governance and Management

Risk Management

The Directors acknowledge that risk management is the responsibility of the Board of Trustees. The Board undertakes a review of all of its key systems of internal control and financial management processes regularly and is satisfied that reasonable assurance can be given that risks have been adequately mitigated. The review is ongoing.

Independent Examiner

Robert Morris of Lyon Griffiths (Audit and Accounting) Limited (Chartered Accountants and Registered Auditors), who serves as our Independent Examiner, has expressed his willingness to continue in office and a resolution to reappoint him will be proposed at the forthcoming Annual General Meeting on 22nd April 2023.

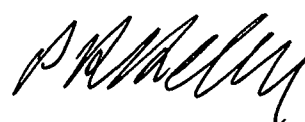
Compliance with legislation

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approval of these financial statements

These annual statements were approved by the Trustees on 11th March 2023

By order of the Board



P R Kelly (Director & Trustee)

Registered Office:

CMC Pensarn Harbour

CMC Pensarn Harbour

Llanbedr, Gwynedd, LL45 2HP

**Report of the Independent Examiner to the Trustees of
CMC : PENSARN HARBOUR**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st October 2022 set out on pages 11 to 18.

The report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable company's trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable company's trustees those matters that I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charitable company's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

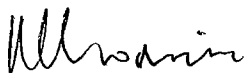
Independent examiner's statement

Since the company'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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102).

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 accounts to be reached.



R Morris FCA
Lyon Griffiths (Audit and Accounting) Limited
17 Alvaston Business Park
Middlewich Road
Nantwich
CW5 6PF

11 March 2023

CMC: PENSARN HARBOUR
STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure Account)

for the year ended 31st October 2022

		<u>Unrestricted</u> <u>funds</u> General Funds	Restricted Funds	Total Funds 31/10/22	<i>Total Funds 31/10/21</i>
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	2.1	40,392	74,119	114,511	64,965
Grants		0		0	146,892
Income from investments		24		24	6
Tuck shop trading income		3,418		3,418	710
 Charitable activities -					
Course and hostel income					
Residential	2.2	361,452		361,452	151,730
Non-residential		3,326		3,326	8,610
Net rental and hire income		1,370		1,370	1,870
Profit on disposal of Fixed Asset		0		0	482
Total income and endowments		<u>409,982</u>	<u>74,119</u>	<u>484,101</u>	<u>375,265</u>
 Expenditure on raising funds	3.1				
Publicity costs		1,685		1,685	5,950
Tuck shop trading costs		2,278		2,278	634
 Expenditure on charitable activities					
Course and hostel running costs	3.2	419,225		419,225	337,372
 Total expenditure	4	<u>423,188</u>	<u>0</u>	<u>423,188</u>	<u>343,956</u>
 Net income (expenditure) before transfers		-13,206	74,119	60,913	31,309
 Transfer between funds		45,390	-45,390	0	0
 Net movement in funds		<u>32,184</u>	<u>28,729</u>	<u>60,913</u>	<u>31,309</u>
 Fund balances b/fwd at 1.11.21		576,901	3,125	580,026	548,717
 Fund balances c/fwd at 31.10.22		<u>609,085</u>	<u>31,854</u>	<u>640,939</u>	<u>580,026</u>

CMC: PENSARN HARBOUR
BALANCE SHEET as at 31st October 2022

		31/10/2022		31/10/2021	
	Notes	£	£	£	£
Tangible Fixed Assets	6		908,230		871,215
Current Assets					
Stock	7	6,805		6,346	
Debtors and prepayments	8	30,799		6,303	
Cash at bank and in hand		<u>39,754</u>		<u>51,241</u>	
		77,358		63,890	
Liabilities: Amounts falling due within one year	9	<u>-63,360</u>		<u>-55,813</u>	
Net current assets / -liabilities			13,998		8,077
Total assets less current liabilities			<u>922,228</u>		<u>879,292</u>
Liabilities:					
Amounts falling due after more than one year	9	<u>-281,289</u>		<u>-299,266</u>	
Net assets	10		<u>640,939</u>		<u>580,026</u>
Unrestricted funds	11		609,085		576,901
Restricted funds	12		31,854		3,125
Total charity funds			<u>640,939</u>		<u>580,026</u>

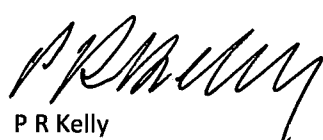
These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending 31st October 2022 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of the financial statements for the year ended 31st October 2021 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the regulations of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

ON BEHALF OF THE BOARD

Approved by the Board of Trustees (Directors) and signed on its behalf on 11th March 2023.



P R Kelly
Director & Trustee



M Downey
Centre Director

The notes on pages 13 to 17 form part of these financial statements.

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors' and Trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Charities Act 2011 and the Companies Act 2006, FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102).

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

The trustees consider that there are no material uncertainties that may cast significant doubt on the charity's ability to continue as a going concern. The charity is a public benefit entity.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets are not capitalised where the purchase cost is below £500.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property	Nil (2% straight line basis prior to 1.11.2002)
Course Equipment	25% straight line basis
Fixtures, Fittings & Equipment	25% straight line basis
Motor vehicles	20% straight line basis

The Centre properties are operational assets according to charity law, being fundamental to the ongoing work of the Centre. As they are continually maintained to a high standard of repair, the Trustees consider it unnecessary to set aside any further sum by way of depreciation, as this would represent an excessive charge for these properties in the financial year.

1.3 Value added tax

CMC continues to be an educational establishment under VAT regulations. It therefore remains exempt from VAT, which is not recoverable and as such is included in the relevant costs in the Statement of Financial Activities.

1.4 Stock

Stock is valued at a lower cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Debtors

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

1.6 Liabilities

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are normally recognised at their settlement amount after allowing for any trade discounts due.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2022**

(continued)

1.7 Operating leases

Rentals paid under operating leases are charged to the income and expenditure account as they fall due.

1.8 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions in their expenditure imposed by the donor or through the terms of an appeal. The main fund held by the charity is the General Fund (unrestricted).

2 INCOME AND ENDOWMENTS

2.1 Voluntary income and donations are accounted for as received by the charity; they are generated by providing information about the work of the centre to its visitors, supporters and general public by means of printed and electronic publications. No permanent endowments have been received in this financial period, but these are dealt with through the Statement of Financial Activities when received.

2.2 Grant income is recognised as received.

2.3 Course and hostel income is shown gross after adjustments for deferred income relating to deposits for future courses.

3 EXPENDITURE

3.1 Expenditure on raising funds includes the costs incurred in purchasing items for the Tuck Shop (including souvenirs), which are then sold on to visitors and friends, and the cost of fundraising and publicity, through which donations are generated.

3.2 All other costs, including governance costs and support costs, are allocated to the one charitable activity, which is the running of courses at the hostel at Pensarn Harbour and the premises at Bryn-y-Moel. Included are fees to the independent examiner of £2,300 (2021 = £2,300) re the examination and £1,300 (2021 - £1,180) re other services.

4 TOTAL EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	Total 30/10/22 £	<i>Total 30/10/21 £</i>
Course & hostel running costs	198,401	30,718	190,106	419,225	337,372
Tuck shop trading costs			2,278	2,278	634
Fundraising & publicity			1,685	1,685	5,950
12 months to 31.10.22	198,401	30,718	194,069	423,188	
12 months to 31.10.21	174,834	34,561	134,561		343,956

Note: The Tuck Shop trading unit is operated as an ancillary facility at the Pensarn Hostel for the benefit of users and any profits are all ploughed back into the mainstream activity of the company.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2022**

(continued)

5 STAFF COSTS & TRUSTEES EXPENSES

5.1 Staff costs comprised	30/10/22	30/10/21
	£	£
Wages and Salaries	181,524	161,511
Social Security Costs	8,879	6,962
Pension costs *	7,998	6,361
	<u>198,401</u>	<u>174,834</u>

* Note: The charity operated a defined contribution scheme for staff costing £2,443 in the year. In addition the charity contributed to a personal pension plan for eight employees at a cost of £5,818 in the year. It is anticipated that payments will continue at the same rate during the coming year.

No employee earns more than £60,000. The average number of staff employed by the charity during the year was as follows:

	30/10/22	30/10/21
Charitable activities	16	17
Fundraising and publicity	0	0
	<u>16</u>	<u>17</u>

The key management personnel of the charity are the trustees and the Chief Executive Officer, together with the Senior Instructor, Development Director, House Manager and Centre Administrator. The total employee benefits of the key management personnel was £116,102 (2021 = £84,035)

5.2 No remuneration or expenses were paid to Trustees in the period.

6 TANGIBLE FIXED ASSETS

	Freehold Property Pensarn & Bryn-y-Moel	Course Equipment	Centre Fittings & equip.	Motor Vehicles	TOTAL
	£	£	£	£	£
Cost					
B/fwd 1.11.21	821,436	109,463	231,882	14,000	1,176,781
Additions #	59,907	7,077	749		67,733
Less: re Disposals					0
Carried Forward 31.10.22	<u>881,343</u>	<u>116,540</u>	<u>232,631</u>	<u>14,000</u>	<u>1,244,514</u>
Depreciation					
B/fwd 1.11.21	25,041	93,569	178,403	8,553	305,566
Charge for the period		7,412	20,506	2,800	30,718
Less: re Disposals					0
Carried Forward 31.10.22	<u>25,041</u>	<u>100,981</u>	<u>198,909</u>	<u>11,353</u>	<u>336,284</u>
Net book values					
At 31.10.22	856,302	15,559	33,722	2,647	908,230
At 31.10.21	796,395	15,894	53,479	5,447	871,215

Footnote:

Work has been commissioned regarding the upgrading / modernisation of Pensarn Harbour. These costs, which are currently being met by specific donations, have been capitalised. Further spending, enhancing the value of the buildings, is highly likely.

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2022**

(continued)

7 STOCK comprises		30/10/22	30/10/21
		£	£
Goods for resale (Tuck Shop)		406	1,014
Food		594	665
Cleaning Materials		1,045	753
Brochures		500	600
Oil		4,260	3,314
		6,805	6,346
8 DEBTORS & PREPAYMENTS			
	Due within one year		
Trade debtors		6,904	4,016
Prepayments		1,865	2,027
Other debtors		22,030	260
		30,799	6,303
9 LIABILITIES: Amounts falling due within one year comprise -		30/10/22	30/10/21
		£	£
Bank overdraft		21,327	0
Trade creditors		5,433	5,381
Customers' Monies held		6,992	18,547
Accruals and deferred income		4,594	4,336
Bank 25 year repayment mortgage		13,037	16,141
Working capital loans		6,500	6,500
Bounce Back Loan		5,477	4,908
		63,360	55,813
after more than one year			
25 year repayment mortgage		241,092	253,595
Working capital loans		0	0
Bounce Back Loan		40,197	45,671
		281,289	299,266

Footnotes:

1. Deposits are no longer held in a separately designated bank account, but combined into the main account for the centre. Financial failure insurance was taken out in November 2017 to reflect this new policy.
2. The bank mortgage is from HSBC Bank plc and is secured by a debenture and legal charge on the company's freehold property at Pensarn and Bryn-y-Moel. The liability shown includes £179,233 due after more than five years (2021 = £168,210).
3. Private interest free loans from members have been accepted in the past to provide working capital. At the start of the year two loans totalling £6,500 were to be repaid in the year. In the event these loans were not repaid.
4. In 2020 advantage was taken of the Government's Bounce Back Loan of £50,000. This was interest free for the first year. Repayments started in December 2021. It is repayable after 10 years. The liability shown includes £16,887 due after 5 years. (2021 = £22,929)

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed	Net current	Long term	30/10/22	30/10/21
	Assets	Assets/liabilities	loans		
	£	£	£	£	£
Unrestricted - general fund	908,230	-17,856	281,289	609,085	576,901
Restricted funds	0	31,854		31,854	3,125
	908,230	13,998	281,289	640,939	580,026

CMC: PENSARN HARBOUR**Notes to the accounts for the year ended 31st October 2022**

(continued)

11 UNRESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/21 £	Income £	Exp £	Inter - fund Transfers £	As at 30/10/22 £
General Accumulated Fund	557,909	409,982	423,188	64,382	609,085
# Future Developments Designate	18,992			-18,992	0
Total Unrestricted Funds	576,901	409,982	423,188	45,390	609,085

Footnote:

The Future Developments Designated Fund relates to the upgrading / modernisation of Pensarn Harbour. Costs equalling the fund balance brought forward have been spent in the year and are included within the capitalisation costs shown at 6 above.

12 RESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/21 £	Income £	Exp £	Inter - fund Transfers £	As at 30/10/22 £
Equipment Purchase Fund	3,125	4,475		-4,475	3,125
# Future Developments Fund		69,644		-40,915	28,729
Total Restricted Funds	3,125	74,119	0	-45,390	31,854

The Equipment Purchase Fund represents donations received to fund specific costs. During the year funds were received for the purchase of a Power Boat. This was spent in year. The donation received in a previous year for mattresses is to be carried forward into 2022/23.

CMC Adventure was extremely grateful to receive generous donations totalling £69,644 towards the upgrading / modernisation of Pensarn Harbour. Costs for this preliminary work have already been spent and are included within the capitalisation costs shown at 6 above.

13 RELATED PARTY TRANSACTIONS

Donations received without conditions from the trustees and other related parties totalled £5,784 and those with conditions totalled £73,968 (Total received in 2021 - £14,192).

14 COMMITMENTS

	Total 30/10/22 £	Total 30/10/21 £
1 Capital expenditure authorised and contracted for	0	0
2 Capital expenditure authorised but not contracted for	0	0
3 Leasing payments - due in the next year	15,972	15,645
4 Leasing payments - due in two to five years	32,822	6,030

15 STATUS, BRANCHES & CONNECTED CHARITIES

The charity is a company limited by guarantee and a registered charity. The liability of each member is limited to £10. As at 31st October 2022 there were 80 members (31.10.21 = 80). The company is registered with the Charity Commission as a charity (number 1062075) and is exempt from taxation in accordance with Section 478 of the Corporation Tax Act 2010. It has no branches and no other charities are connected to it.

CMC: PENSARN HARBOUR
DETAILED INCOME AND EXPENDITURE ACCOUNT (UNRESTRICTED FUNDS)
for the year ended 31st October 2022

	31/10/2022		31/10/2021	
	£	£	£	£
INCOME				
Course & Hostel fees		364,778		160,340
Tuck shop - net profit / loss		1,140		76
Rental & Hire income		1,370		1,870
Interest received		24		6
Donations & Gifts		40,392		44,515
Government Grants (including Furlough scheme)		0		136,132
Profit on Disposal of Fixed Assets		0		482
		<u>407,704</u>		<u>343,421</u>
EXPENDITURE				
Course / Activity costs				
Course / Equipment / Repairs	7,654		4,367	
Course outings	1,591		266	
Instructor staff training / expenses	13,079		5,370	
Vehicle expenses	10,004		5,414	
Vehicle hire	18,812		9,939	
Licensing	2,875		3,227	
Activities Staff Salaries & NIC	74,538		89,463	
Freelance / Associate Instructors	12,213		0	
		<u>140,766</u>		<u>118,046</u>
Hostel / Base Overhead Costs				
Base staff salaries, NIC & Pension Contributions	123,863		85,371	
Mortgage / Bank Loan Interest	12,755		10,140	
Utilities (Rates & Water)	3,026		3,469	
General Insurance	8,635		6,657	
Light & Heat	23,977		16,629	
Telephone & Post	4,994		6,319	
Office Expenses	5,471		4,996	
Recruitment Advertising	600		665	
Professional Fees	3,600		3,480	
Trustees' Expenses	0		0	
Property Upkeep - Repairs	13,440		17,181	
Property Upkeep - Cleaning	1,341		2,179	
Property Upkeep - Equip / Maint / Replacement	2,602		4,324	
Customer Services - Food	33,884		17,967	
Customer Services - Laundry	7,892		2,782	
Finance - Bank Charges	739		847	
Financial Failure Insurance	922		1,759	
Bad & Doubtful Debts	0		0	
		<u>247,741</u>		<u>184,765</u>
Depreciation				
Property	0		0	
Course Equipment	7,412		6,846	
General / Office Equipment	20,506		24,915	
Motor Vehicle	2,800		2,800	
		<u>30,718</u>		<u>34,561</u>
		<u>419,225</u>		<u>337,372</u>
Fundraising & Publicity				
Website	1,585		1,995	
Brochures & Printing	100		566	
Advertising, Exhibitions etc.	0		3,389	
		<u>1,685</u>		<u>5,950</u>
		<u>420,910</u>		<u>343,322</u>
SURPLUS / DEFICIT ON UNRESTRICTED FUNDS				
before transfers		-13,206		99
Less Transfers to / from Restricted Funds		<u>45,390</u>		<u>39,773</u>
TOTAL SURPLUS / DEFICIT ON UNRESTRICTED FUNDS FOR YEAR		<u>32,184</u>		<u>39,872</u>
after transfers				

Accounts

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2021

(Unaudited)

Company No: 03324934 (England and Wales)
Charity No: 1062075

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2021

(Unaudited)

Contents	Page
Company Information	1
Report of the Directors and Trustees	2 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Accounts	12 to 17
Detailed Income & Expenditure Account	18
- not part of the statutory financial statements	

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

The Directors and Trustees present their report and accounts for the year ended 31st Oct-21

Reference and Administrative Information

<u>Charity / Company Name</u>	CMC: Pensarn Harbour
<u>Trading Name</u>	CMC Adventure
<u>Company Number</u>	3324934 (England and Wales)
<u>Charity Number</u>	1062075
<u>Registered Office and Operational Address</u>	Pensarn Harbour Llanbedr Gwynedd North Wales LL45 2HP

<u>Directors and Trustees</u>	P R Kelly - <i>Chairman</i> L G Charker - <i>Hon Treasurer</i> C Cook G French A. Houghton A Sanders
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<u>Chief Executive / Centre Director</u>	M Downey
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<u>Company Secretary</u>	L Addinall
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<u>Bankers</u>	HSBC Bank plc 62 High Street Porthmadog Gwynedd LL49 9LN
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<u>Independent Examiner</u>	R Morris FCA Lyon Griffiths (Audit and Accounting) Limited 17 Alvaston Business Park Middlewich Road Nantwich Cheshire CW5 6PF
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CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

Structure Governance and Management

Governing Document

The charity was originally founded as the Christian Mountain Centre in 1966 and operated as an unincorporated trust until it was re-registered on its incorporation, as a private company registered in England and Wales and limited by guarantee, on 27th February 1997. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The name was changed to "CMC Pensarn Harbour" following the move to much larger premises at Pensarn Harbour Llanbedr, in January 1998. The trading name of "CMC Adventure" was adopted in November 2013.

Recruitment and Appointment of Directors and Trustees

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association, the directors are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

Mike Bishop continues on the Board as an Advisor.

The Board has a broad skills mix, including business, financial and educational skills. In order to maintain this range, individuals are approached by the Board and invited to volunteer. They may be drawn from the members of the company, for which a voluntary skills register is maintained, or from elsewhere.

Their appointment by the Board must be confirmed by election of the members at the next Annual General Meeting.

Trustee Induction and Training

Potential trustees are usually familiar with the work of the Centre from having stayed there previously.

They are invited to attend at least two Board meetings, in person, as observers. This gives them an opportunity to see the work of the Board at first hand and to gain an understanding of how it works and of current issues. If they and the Board are satisfied that the right choice has been made, the Board will invite them to become directors and trustees. The induction and training are very much 'on the job', with the support of the other members of the Board. This method has worked well, with new trustees taking a full part at an early stage. An induction pack has also been prepared which gives new trustees a wide range of reference information on CMC.

Risk Management

The Board has undertaken a wide-ranging review of various risks to which the charity is exposed, and this is regularly reviewed. The operational risks associated with the activities the Centre undertakes are also subject to external inspection by the various licensing authorities. There are detailed procedures for all these activities and they form the basis of all staff training. These inspections also cover the health and safety of staff and visitors and the preparation and storage of food. There are also procedures to minimise internal control risks, including financial management.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

Organisational Structure

The governance of the charity is the responsibility of the Board of Trustees, which meets 3 times a year (in addition to the Annual General Meeting). Since 2010 the Board has been able to make decisions at a telephone conference call. One or two such telephone (or Skype or Zoom) conferences are usually held in the intervals between physical meetings of the Board. All Board members are notified of such meetings, which support the Centre Director / CEO and monitor financial and other matters between Board meetings and most are able to join them. Since the outbreak of the COVID-19 Pandemic During outbreak it has not been possible to accommodate physical meetings, however, as was the case last year, it has met more often than usual, on regular Zoom calls.

The operational management of the Centre is the responsibility of the Centre Director / CEO. He deals with the appointment of staff and all day-to-day issues, including financial management, with support, as needed, from the Honorary Treasurer and other Board members.

Objectives and Activities

The principal objects of the charity are to educate young people through outdoor pursuit activities, to develop their physical capabilities and their mental and spiritual awareness and to advance the Christian faith among such persons and their families.

Whilst the objective for the year was to provide high quality outdoor educational experiences supervised by qualified and experienced staff working as a Christian community, this continued to prove impossible to fulfil for most of the year due to the COVID-19 Pandemic. In fact, the Centre was only able to welcome groups back in June 2021. So, in essence the Centre was only permitted to offer 19 weeks, compared with a potential 48 weeks in a 'normal' year.

The Centre was keen to reopen as soon as possible, ensuring that visitors of all abilities were able to participate equally in a variety of activities. It is our desire to encourage visitors from all backgrounds and of all means to use the centre and to this end it is sometimes possible to adjust fees in cases of particular need. The Trustees feel that this enables them to have due regard to the public benefit guidance published by the Charity Commission.

We set out to continue our policy of budgeting for a modest surplus, which, due to circumstances experienced last year, quite amazingly was achieved. However, the Centre did continue to receive a combination of generous gifts, of all sizes; Charitable Grants; Government Grants, including that from the Welsh Government Scheme and from the Economic Relief Fund. We also continued to make use of the Financial Failure Insurance, which enabled us to hold deposits within our working balances.

When circumstances permit, we will continue to work towards building necessary working capital.

Achievements and Performance

We are continually thankful for all the support we receive throughout the year, which, like last year, was so very important during 2021. We have been encouraged by the small and large donations and gifts for specific

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

items (some being held over for future year purchases). Words and prayers of encouragement and support have also been so gratefully received.

It was a huge relief and day for celebration when visitors' voices were heard ringing around the Centre, when once again we were able to open our doors in June 2021.

It had been agreed that, with the forthcoming potential redevelopment of Pensarn, this site should be mothballed, as to incur essential maintenance costs would not make *financial sense*. As a result, a huge amount of preparatory work was undertaken to increase the bed capacity of Bryn-y-Moel.

What we undertake and hope to be able to continue to offer in the future cannot and should not be done cheaply; there are risks in what we do and to mitigate these risks takes time, training, commitment and finance.

Our belief is that what we provide is so essential for so many following the aftermath of the pandemic. The results will be priceless to the individual, their families and friends.

Thank you for your involvement and continued interest.

Buildings and equipment

Ongoing general maintenance is key to ensuring our guests have a positive residential experience with us. This continues to be a challenge in a rural environment where there is not much competition within the trades. The competent trades people are often extremely busy. We have developed good relationships with a number of local tradesmen, including electricians, plumbers and general builders. This work has been coordinated by our Senior Staff. As standards and qualifications continue to increase, we are less able to 'do it ourselves', hence becoming increasingly reliant on external trades. As has already been mentioned, the Pensarn site was mothballed as soon as it became evident that there would be no guests, however, there remained the consequences of an empty property to see to e.g. dampness / mould. There was also the inevitable vegetation clearance work and generally ensuring that everything was fit for purpose before visitors returned.

Where necessary and where we were able, we continued to repair, replace and maintain outdoor equipment to a high standard.

Bookings and Finance

During the pandemic it became clear that once we were able to welcome guests again, we would not be able to open Pensarn Harbour. The buildings, already in need of significant redevelopment work had continued to deteriorate during the lock downs. Being older, keeping a converted building closed (as opposed to our purpose-built Bryn-y-Moel centre), unheated and unused has resulted in the sleeping and ensuite facilities becoming unusable. Being only able to open Bryn-y-Moel has been entirely dependent on the goodwill of our group leaders and is testament to our relationship with them. Groups who would very much prefer not to use Bryn-y-Moel have done so because they believe what we offer benefits their group leaders and that when our development plans for Pensarn Harbour come to fruition, they can see how much better our provision will be.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

Currently the demand for bookings is greater than our staffing levels and as such only running one centre is the right way forward. As we are able to redevelop Pensarn Harbour, we will recruit additional positions to match the increased bookings. The overall sustainability of CMC Adventure is dependent on high quality staff, we believe that the positive financial implications of the development project will better allow us to remunerate and retain staff in the future.

As reported last year, we were able to take a capital repayment holiday on the mortgage for Bryn-y-Moel from May 2020. The Bounce Back Loan from the Government, which we took advantage of last year was interest free for one year and repayments started in December 2021.

Activities and Public Benefit

As I am sure you are aware the effects of the pandemic and the subsequent lock-downs will be felt for many years to come. The tsunami of wellbeing and mental health concerns, particularly amongst our young people remain unresolved. We believe that by allowing “all” the access to the great outdoors through high quality, meaningful and adventurous outdoor learning, we can offer and help build the skills required to overcome aspects of the pandemic’s legacy.

Resilience, empathy and interdependence are just some of the areas that a residential stay at CMC concentrates on. We set by example and teach through our activities how caring for each other is positive and essential for society. Treat others the way you wish to be treated. Teamwork, communication skills and leadership are all tenets of outdoor education, and they are essential life skills in the wider world.

During this year the uncertainty was very challenging, and I am extremely proud of my team for their patience and work ethic. Without them CMC would not have been able to open its doors to our guests. We had to prepare to open three times, before being allowed to by Welsh Government. It was extremely frustrating for the team as we saw schools reopen as well as centres across the border in England. The second half of 2021 saw our Bryn-y-Moel centre at capacity without one recorded case of COVID-19 amongst our guests.

We are grateful to all the group leaders who supported us by bringing groups, for the grant funders, the private donors and for our Trustees, members and friends who worked tirelessly to support the team on site both practically and in prayer.

Future Plans

Just prior to the pandemic it was agreed with the board of trustees that we would explore the redevelopment of Pensarn Harbour. Its last refurbishment being more than 20 years ago, the building was no longer at its best. Much has changed in those years, not least the need for schools to bring away ever larger groups. One of the much-valued attributes of our centres is that groups have sole occupancy. Something not easily afforded by larger centres with hundreds of beds. We have embarked on the detailed process of redeveloping Pensarn Harbour to accommodate 2 full classes and provide all necessary facilities to protect and sustain this work for decades into the future. By doing this we forecast that a modest increase in beds at Pensarn of 17% will lead to a potential increase in occupancy of 38% as the whole of our Bryn-y-Moel site is freed for larger groups and new work.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

Other needs that will be addressed are the changing and showering facilities for Bryn-y-Moel groups, much improved administrative space, equipment storage, staff accommodation and site safety.

In the meantime, we have increased the number of beds at our Bryn-y-Moel centre and the level of bookings is extremely encouraging. We have also begun a waiting list for schools interested in using CMC once Pensarn reopens.

If you would like to support this ambitious project or find out more, please contact centredirector@cmcadventure.org.uk

Personnel

The pandemic interrupted our trainee programme. I am extremely grateful to our trainees for serving throughout all of the uncertainty and working hard to develop their skills and advance their training so that we have been able to reopen to guests. Recruiting well qualified staff continues to be challenging, especially given the genuine occupational requirement for our team members to be Christians. Something we will never compromise, as we go about sharing our Christian faith through our work and lifestyle. During this year I cannot thank the team enough for all that they have done to ensure that we could welcome guests back to the centre on the 21st June 2021. So many false starts, so much uncertainty made for some tense moments and were it not for the whole team's commitment and calling to this work, each other, and our guests we would have not been able to open to serve our groups.

We look forward to appointing new permanent members of staff and expanding the trainee programme to give even more young people access to a career in outdoor education and to provide well qualified and experienced instructors to the Christian and wider outdoor sector.

Financial Review

Financial Performance

Despite continuing exceedingly difficult financial circumstances, we managed to achieve a surplus (from unrestricted funds) of £39,872 (compared with £7,394 for last year). This was mainly achieved by continued Government support in excess of £130,000.

The previous work undertaken on a Medium Financial Strategy provided a focus for the Board's consideration, during the year, of priorities and goals and once some form of stability returns, the Board will consider the longer-term Financial Strategy for the Centre.

Due, in part to the Financial Failure Insurance; co-operation from our Group Leaders; continued Government Support; generous donations, often for specific items of need, and, yet again, God's grace, we have stayed financially viable despite the fact that we were unable to accept new bookings for the majority of the year.

As mentioned, we were blessed with specific donations for items such as 3 Fusions Sailing boats, repairs to the septic tank and towards the new pontoon. We continue to be so grateful for God's prompting of the hearts of members and friends who have given so generously by way of donations.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

This year the Enable Fund, which was launched with the purpose of covering the cost of subsidies to individuals and groups who would not otherwise have been able to afford to stay at the Centre (see Objectives and Activities above), was used once again for an inner-city school which is located in an area of high deprivation and its 'at risk' children would not otherwise have been able to benefit from all that the Centre has to offer.

Reserves

The Trustees' policy continues to be to build up net current assets to the point where they are equivalent to two months' worth of expenditure, currently approximately £70,000. However, at the year end there were net current assets of £8,077 which compares with net current assets of £12,981 in the previous year.

When appropriate, work will continue to seek to improve this position, helped by the identification of new initiatives within the medium-term Financial Strategy.

Capital funding

A loan of £360,000 over 25 years was taken from HSBC in July 2012 to facilitate the purchase of the Bryn-y-Moel Centre. As at the balance sheet date there was £269,736 outstanding on this loan. During the previous year the bank was approached requesting a holiday for principal repayments. This was eventually extended from an initial period of 6 months to a year.

Private, interest free, loans from members have been accepted in the past to provide working capital.

At the start of the year one loan totalling £1,500 was to be repaid in the year and one loan totalling £5,000 was for a longer period. In the event no loan was repaid.

Tangible fixed assets

Details of acquisitions of fixed assets are set out in note 6 to the accounts. The market value of the freehold properties belonging to CMC at the balance sheet date are believed, by the Trustees, to be at least as great as their purchase costs and subsequent improvement costs. Also, as they are operational assets and continue to be maintained, where necessary, to a high standard of repair, the Trustees again consider it unnecessary to set aside depreciation of the properties for this financial year.

Future obligations

The company has no liabilities, commitments or legally binding obligations outstanding at the balance sheet date other than those disclosed in the annual statement of accounts. In the opinion of the Trustees, the company's assets are fully adequate to meet those obligations.

Trustees / Directors

The directors of the company for Companies Act purposes are its Trustees. The directors who served during the year are listed on page 1.

CMC: PENSARN HARBOUR
Directors' and Trustees' Report for the year ended 31st October 2021

Statement of Directors' / Trustees' responsibilities

Charity law requires the Directors / Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period. In preparing those financial statements the Directors / Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departure 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 company will continue to operate.

The Directors / Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and deletion of fraud and other irregularities.

Risk Management

The Directors acknowledge that risk management is the responsibility of the Board of Trustees. The Board undertakes a review of all of its key systems of internal control and financial management processes regularly and is satisfied that reasonable assurance can be given that risks have been adequately mitigated. The review is ongoing.

Independent Examiner

Robert Morris of Lyon Griffiths (Audit and Accounting) Limited (Chartered Accountants and Registered Auditors), who serves as our Independent Examiner, has expressed his willingness to continue in office and a resolution to reappoint him will be proposed at the forthcoming Annual General Meeting on 2nd July 2022.

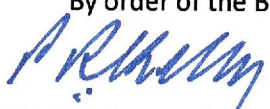
Compliance with legislation

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approval of these financial statements

These annual statements were approved by the Trustees on 17th May 2022

By order of the Board


P R Kelly (Director & Trustee)

Registered Office:

CMC Pensarn Harbour

CMC Pensarn Harbour

Llanbedr, Gwynedd, LL45 2HP

**Report of the Independent Examiner to the Trustees of
CMC : PENSARN HARBOUR**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st October 2021 set out on pages 10 to 17.

The report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable company's trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable company's trustees those matters that I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charitable company's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102).

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 accounts to be reached.



R Morris FCA
Lyon Griffiths (Audit and Accounting) Limited
17 Alvaston Business Park
Middlewich Road
Nantwich
CW5 6PF

24th May 2022

CMC: PENSARN HARBOUR**STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure Account)**

for the year ended 31st October 2021

		<u>Unrestricted funds</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
		<u>General</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
		<u>Funds</u>		<u>31/10/21</u>	<u>31/10/20</u>
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	2.1	44,515	20,450	64,965	121,300
Grants		136,132	10,760	146,892	120,245
Income from investments		6		6	26
Tuck shop trading income		710		710	561
 Charitable activities -					
Course and hostel income					
Residential	2.2	151,730		151,730	111,636
Non-residential		8,610		8,610	459
Net rental and hire income		1,870		1,870	11,437
Profit on Disposal of Fixed Assets		482		482	0
 Total income and endowments		<u>344,055</u>	<u>31,210</u>	<u>375,265</u>	<u>365,664</u>
 Expenditure on raising funds	3.1				
Publicity costs		5,950		5,950	6,662
Tuck shop trading costs		634		634	448
 Expenditure on charitable activities					
Course and hostel running costs	3.2	337,372		337,372	339,472
 Total expenditure	4	<u>343,956</u>	<u>0</u>	<u>343,956</u>	<u>346,582</u>
 Net income (expenditure) before transfers		99	31,210	31,309	19,082
 Transfers between funds		39,773	-39,773	0	
 Net movement in funds		<u>39,872</u>	<u>-8,563</u>	<u>31,309</u>	<u>19,082</u>
 Funds balances b/fwd at 1.11.20		537,029	11,688	548,717	529,635
 Fund balances c/fwd at 31.10.21		<u>576,901</u>	<u>3,125</u>	<u>580,026</u>	<u>548,717</u>

CMC: PENSARN HARBOUR
BALANCE SHEET as at 31st October 2021

		31/10/2021		31/10/2020	
	Notes	£	£	£	£
Tangible Fixed Assets	6		871,215		850,698
Current Assets					
Stock	7	6,346		6,426	
Debtors and prepayments	8	6,303		12,248	
Cash at bank and in hand		51,241		83,862	
		63,890		102,536	
Liabilities: Amounts falling due within one year	9	-55,813		-89,555	
Net current assets / -liabilities			8,077		12,981
Total assets less current liabilities			879,292		863,679
Liabilities: Amounts falling due after more than one year	9	-299,266		-314,962	
Net assets	10		580,026		548,717
Unrestricted funds	11		576,901		537,029
Restricted funds	12		3,125		11,688
Total charity funds			580,026		548,717

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending 31st October 2021 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of the financial statements for the year ended 31st October 2020 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the regulations of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

ON BEHALF OF THE BOARD

Approved by the Board of Trustees (Directors) and signed on its behalf on 17th May 2022.



P R Kelly
 Director & Trustee



M Downey
 Centre Director

The notes on pages 13 to 18 form part of these financial statements.

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors 'and Trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Charities Act 2011 and the Companies Act 2006, FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102)

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

The trustees consider that there are no material uncertainties that may cast significant doubt on the charity's ability to continue as a going concern. The charity is a public benefit entity.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets are not capitalised where the purchase cost is below £500.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property	Nil (2% straight line basis prior to 1.11.2002)
Course Equipment	25% straight line basis
Fixtures, Fittings & Equipment	25% straight line basis
Motor vehicles	20% straight line basis

The Centre properties are operational assets according to charity law, being fundamental to the ongoing work of the Centre. As they are continually maintained to a high standard of repair, the Trustees consider it unnecessary to set aside any further sum by way of depreciation, as this would represent an excessive charge for these properties in the financial year.

1.3 Value added tax

CMC continues to be an educational establishment under VAT regulations. It therefore remains exempt from VAT, which is not recoverable and as such is included in the relevant costs in the Statement of Financial Activities.

1.4 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Debtors

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

1.6 Liabilities

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are normally recognised at their settlement amount after allowing for any trade discounts due.

1.7 Operating leases

Rentals paid under operating leases are charged to the income and expenditure account as they fall due.

1.8 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions in their expenditure imposed by the donor or through the terms of an appeal. The main fund held by the charity is the General Fund (unrestricted).

2 INCOME AND ENDOWMENTS

- 2.1 Voluntary income and donations are accounted for as received by the charity; they are generated by providing information about the work of the centre to its visitors and supporters, and the general public, by means of printed and electronic publications. No permanent endowments have been received in this financial period, but these are dealt with through the Statement of Financial Activities when received.
- 2.2 Grant income, including government grants, is recognised as received. No performance conditions apply to grants received in this financial period. Government grants received in this financial period all related to coronavirus support and consisted of £40,000 business rate related grants, £15,614 furlough scheme grants and £80,518 Welsh Government grants.
- 2.3 Course and hostel income is shown gross after adjustments for deferred income relating to deposits for future courses.

3 EXPENDITURE

- 3.1 Expenditure on raising funds includes the costs incurred in purchasing items for the Tuck Shop (including souvenirs), which are then sold on to visitors and friends, and the cost of fundraising and publicity, through which donations are generated.
- 3.2 All other costs, including governance costs and support costs, are allocated to the one charitable activity which is the running of courses at the hostel at Pensarn Harbour and the premises at Bryn-y-Moel. Included are fees to the independent examiner of £2,300 (2020 = £2,300) re the examination and £1,180 (2020 - £1,000) re other services.

Notes to the accounts for the year ended 31st October 2021

(continued)

4 TOTAL EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	Total 31/10/21 £	Total 31/10/20 £
Course & hostel running costs	174,834	34,561	127,977	337,372	339,472
Tuck shop trading costs			634	634	448
Fundraising & publicity			5,950	5,950	6,662
12 months to 31.10.21	<u>174,834</u>	<u>34,561</u>	<u>134,561</u>	343,956	
12 months to 31.10.20	193,675	30,104	122,803		346,582

Note: The Tuck Shop trading unit is operated as an ancillary facility at the Pensarn Hostel for the benefit of users and any profits are all ploughed back into the mainstream activity of the company.

5 STAFF COSTS & TRUSTEES EXPENSES**5.1 Staff costs comprised**

	31/10/21 £	31/10/20 £
Wages and Salaries	161,511	178,542
Social Security Costs	6,962	7,725
Pension costs *	6,361	7,408
	<u>174,834</u>	<u>193,675</u>

* Note: The charity operated a defined contribution scheme for staff costing £1,987 in the year. In addition the charity contributed to a personal pension plan for four employees at a cost of £4,374 in the year. It is anticipated that payments will continue at the same rate during the coming year.

No employee earns more than £60,000. The average number of staff employed by the charity during the year was as follows:

	31/10/21	31/10/20
Charitable activities	17	18
Fundraising and publicity	0	0
	<u>17</u>	<u>18</u>

The key management personnel of the charity are the trustees and the Chief Executive Officer, together with the Senior Instructor, Development Director, House Manager and Centre Administrator. The total employee benefits of the key management personnel were £84,035 (2020 = £84,993)

5.2 No remuneration or expenses were paid to Trustees in the period.

Notes to the accounts for the year ended 31st October 2021

(continued)

6 TANGIBLE FIXED ASSETS	Freehold Property Pensarn & Bryn-y-Moel	Course Equipment	Centre Fittings & equip.	Motor Vehicles	TOTAL
	£	£	£	£	£
Cost					
B/fwd 1.11.20	817,116	99,193	191,706	14,000	1,122,015
Additions #	4,320	11,100	40,176		55,596
Less: re Disposals		-830			-830
Carried Forward 31.10.21	<u>821,436</u>	<u>109,463</u>	<u>231,882</u>	<u>14,000</u>	<u>1,176,781</u>
Depreciation					
B/fwd 1.11.20	25,041	87,035	153,488	5,753	271,317
Charge for the period		6,846	24,915	2,800	34,561
Less: re Disposals		-312			-312
Carried Forward 31.10.21	<u>25,041</u>	<u>93,569</u>	<u>178,403</u>	<u>8,553</u>	<u>305,566</u>
Net book values					
At 31.10.21	796,395	15,894	53,479	5,447	871,215
At 31.10.20	792,075	12,158	38,218	8,247	850,698

Footnote:

Work was commissioned last year regarding the potential upgrading / modernisation of Pensarn Harbour. These costs, which are currently being met by specific donations, have been capitalised. Further spending, enhancing the value of the buildings, is highly likely.

7 STOCK comprises	31/10/21	31/10/20
	£	£
Goods for resale (Tuck Shop)	1,014	1,532
Food	665	114
Cleaning Materials	753	1,070
Brochures	600	1,166
Oil	3,314	2,544
	<u>6,346</u>	<u>6,426</u>

8 DEBTORS & PREPAYMENTS

Due within one year		
Trade debtors	4,016	0
Prepayments	2,027	4,598
Other debtors	260	7,650
	<u>6,303</u>	<u>12,248</u>

Notes to the accounts for the year ended 31st October 2021

(continued)

	31/10/21	31/10/20
	£	£
9 LIABILITIES: Amounts falling due within one year comprise -		
Trade creditors	5,381	16,841
Customers' monies held	18,547	56,166
Accruals and deferred income	4,336	5,274
Bank 25 year repayment mortgage	16,141	9,774
Working capital loans	6,500	1,500
Bounce Back Loan	4,908	0
	55,813	89,555
after more than one year -		
25 year repayment mortgage	253,595	259,962
Working capital loans	0	5,000
Bounce Back Loan	45,671	50,000
	299,266	314,962

Footnotes:

1. Deposits are no longer held in a separately designated bank account, but combined into the main account for the centre. Financial failure insurance was taken out in November 2017 to reflect this new policy.
2. The bank mortgage is from HSBC Bank plc and is secured by a debenture and legal charge on the company's freehold property at Pensarn and Bryn-y-Moel. The liability shown includes £168,210 due after more than five years (2020 = £176,037). It should be noted that, due to Covid restrictions, the Bank agreed a repayment holiday from May 2020 to December 2021.
3. Private interest free loans from members have been accepted in the past to provide working capital. At the start of the year one loan totalling £1,500 was to be repaid in the year. In the event this loan was not repaid.
4. Last year advantage was taken of the Government's Bounce Back Loan of £50,000. This was interest free for the first year. Repayments started in December 2021. It is repayable over 10 years. The liability shown includes £22,929 due after 5 years.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net current Assets / liabilities	Long term loans	31/10/21	31/10/20
	£	£	£	£	£
Unrestricted - general fund	871,215	4,952	299,266	576,901	537,029
Restricted funds		3,125		3,125	11,688
	871,215	8,077	299,266	580,026	548,717

11 UNRESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 31/10/20	Income	Exp	Inter - fund Transfers	As at 31/10/21
	£	£	£	£	£
General Accumulated Fund	517,429	340,343	343,956	44,093	557,909
# Future Developments Designated Fund	19,600	3,712	0	-4,320	18,992
Total Unrestricted Funds	537,029	344,055	343,956	39,773	576,901

Footnote:

- # CMC Adventure was grateful to receive a further instalment of £3,712 of the Legacy received last year. It has been the desire to use these funds towards the potential upgrading / modernisation of Pensarn Harbour. Some costs for this preliminary work have already been spent and are included within the capitalisation costs shown at 6 above.

12 RESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 31/10/20	Income	Exp	Inter - fund Transfers	As at 31/10/21
	£	£	£	£	£
Equipment Purchase Fund	11,688	31,210	0	-39,773	3,125

The Equipment Purchase Fund represents donations received to fund specific costs. During the year funds were received for a repair to the septic tank and further monies towards the purchase of sailing boats and the addition to the Pontoon. All monies held were spent by the year-end, apart from a donation for the replacement of mattresses (£3,125), which is carried forward into 2021/22.

13 RELATED PARTY TRANSACTIONS

Donations received without conditions from the trustees and other related parties totalled £14,192 (2020 - £33,377).

14 COMMITMENTS

	Total 31/10/21 £	<i>Total 31/10/20 £</i>
1 Capital expenditure authorised and contracted for	0	<i>0</i>
2 Capital expenditure authorised but not contracted for	0	<i>0</i>
3 Leasing payments - due in the next year	15,645	<i>15,945</i>
4 Leasing payments - due in two to five years	6,030	<i>16,053</i>

15 STATUS, BRANCHES & CONNECTED CHARITIES

The charity is a company limited by guarantee and a registered charity. The liability of each member is limited to £10. As at 31st October 2021 there were 80 members (31.10.20 = 84). The company is registered with the Charity Commission as a charity (number 1062075) and is exempt from taxation in accordance with Section 478 of the Corporation Tax Act 2010. It has no branches and no other charities are connected to it.

CMC: PENSARN HARBOUR
DETAILED INCOME AND EXPENDITURE ACCOUNT (UNRESTRICTED FUNDS)
for the year ended 31st October 2021

18

	31/10/2021		31/10/2020	
	£	£	£	£
INCOME				
Course & Hostel fees		160,340		112,095
Tuck shop - net profit / loss		76		113
Rental & Hire income		1,870		11,437
Profit on Disposal of Fixed Assets		482		0
Interest received		6		26
Donations & Gifts		44,515		109,612
Government Grants (including Furlough scheme)		136,132		97,245
Charitable Foundation Grants (Moondance & CAF)		0		23,000
		<u>343,421</u>		<u>353,528</u>
EXPENDITURE				
Course / Activity costs				
Course / Equipment / Repairs	4,367		5,878	
Course outings	266		0	
Instructor staff training / expense	5,370		6,964	
Vehicle expenses	5,414		5,455	
Vehicle hire	9,939		5,743	
Licensing	3,227		1,712	
Activities Staff Salaries & NIC	89,463		86,867	
Freelance / Associate Instructors	0		207	
		<u>118,046</u>		<u>112,826</u>
Hostel / Base Overhead Costs				
Base staff salaries, NIC & Pension Contributions	85,371		106,808	
Mortgage / Bank Loan Interest	10,140		10,297	
Utilities (Rates & Water)	3,469		3,182	
General Insurance	6,657		8,006	
Light & Heat	16,629		15,019	
Telephone & Post	6,319		6,870	
Office Expenses	4,996		5,914	
Recruitment Advertising	665		600	
Professional Fees	3,480		3,300	
Trustees' Expenses	0		0	
Property Upkeep - Repairs	17,181		17,328	
Property Upkeep - Cleaning	2,179		467	
Property Upkeep - Equip / Maint / Replacement	4,324		2,831	
Customer Services - Food	17,967		11,658	
Customer Services - Laundry	2,782		898	
Finance - Bank Charges	847		1,084	
Financial Failure Insurance	1,759		2,280	
Bad & Doubtful Debts	0		0	
		<u>184,765</u>		<u>196,542</u>
Depreciation, etc.				
Property	0		0	
Course Equipment	6,846		6,676	
General / Office Equipment	24,915		20,628	
Motor Vehicle	2,800		2,800	
		<u>34,561</u>		<u>30,104</u>
		<u>337,372</u>		<u>339,472</u>
Fundraising & Publicity				
Website	1,995		1,702	
Brochures & Printing	566		263	
Advertising, Exhibitions etc.	3,389		4,697	
		<u>5,950</u>		<u>6,662</u>
		<u>343,322</u>		<u>346,134</u>
SURPLUS / DEFICIT ON RESTRICTED FUNDS				
before transfers		99		7,394
Less Transfers to / from Restricted Funds		<u>39,773</u>		
TOTAL SURPLUS / DEFICIT ON UNRESTRICTED FUNDS FOR YEAR		<u>39,872</u>		<u>7,394</u>
after transfers				

Accounts

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2020

(Unaudited)

Company No: 03324934 (England and Wales)
Charity No: 1062075

CMC : PENSARN HARBOUR
(Limited by Guarantee)

FINANCIAL STATEMENTS
for the year ended 31st October 2020

(Unaudited)

Contents

Page

Company Information	1
Report of the Directors and Trustees	2 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 to 18
Detailed Income & Expenditure Account	19
- not part of the statutory financial statements	

CMC: PENSARN HARBOUR**Directors' and Trustees' Report for the year ended 31st October 2020**

The Directors and Trustees present their report and accounts for the year ended 31st Oct 20

Reference and Administrative Information

<u>Charity / Company Name</u>	CMC: Pensarn Harbour
<u>Trading Name</u>	CMC Adventure
<u>Company Number</u>	3324934 (England and Wales)
<u>Charity Number</u>	1062075
<u>Registered Office & Operational Address</u>	Pensarn Harbour Llanbedr Gwynedd North Wales LL45 2HP
<u>Directors and Trustees</u>	P R Kelly - <i>Chairman</i> L G Charker - <i>Hon Treasurer</i> M J D Bishop <i>Resigned 7.3.20</i> C Cook G French A. Houghton A Sanders
<u>Chief Executive / Centre Director</u>	M Downey
<u>Company Secretary</u>	L Addinall
<u>Bankers</u>	HSBC Bank plc 62 High Street Porthmadog Gwynedd LL49 9LN
<u>Independent Examiner</u>	R Morris FCA Lyon Griffiths (Audit and Accounting) Limited 17 Alvaston Business Park Middlewich Road Nantwich Cheshire CW5 6PF

CMC: PENSARN HARBOUR**Directors' and Trustees' Report for the year ended 31st October 2020****Structure Governance and Management**Governing Document

The charity was originally founded as the Christian Mountain Centre in 1966 and operated as an unincorporated trust until it was re-registered on its incorporation, as a private company registered in England and Wales and limited by guarantee, on 27th February 1997. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The name was changed to "CMC Pensarn Harbour" following the move to much larger premises at Pensarn Harbour Llanbedr, in January 1998. The trading name of "CMC Adventure" was adopted in November 2013.

Recruitment and Appointment of Directors and Trustees

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association, the directors are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

Mike Bishop resigned from his position as a Trustee on 7th March 2020 and subsequently agreed to continue on the Board as an Advisor.

The Board has a broad skills mix, including business, financial and educational skills. In order to maintain this range, individuals are approached by the Board and invited to volunteer. They may be drawn from the members of the company, for which a voluntary skills register is maintained, or from elsewhere.

Their appointment by the Board must be confirmed by election of the members at the next Annual General Meeting.

Trustee Induction and Training

Potential trustees are usually familiar with the work of the Centre from having stayed there previously.

They are invited to attend at least two Board meetings as observers. This gives them an opportunity to see the work of the Board at first hand and to gain an understanding of how it works and of current issues. If they and the Board are satisfied that the right choice has been made, the Board will invite them to become directors and trustees. The induction and training are very much 'on the job', with the support of the other members of the Board. This method has worked well, with new trustees taking a full part at an early stage. An induction pack has also been prepared which gives new trustees a wide range of reference information on CMC.

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2020 (continued)

Risk Management

The Board has undertaken a wide-ranging review of various risks to which the charity is exposed, and this is regularly reviewed. The operational risks associated with the activities the Centre undertakes are also subject to external inspection by the various licensing authorities. There are detailed procedures for all these activities and they form the basis of all staff training. These inspections also cover the health and safety of staff and visitors and the preparation and storage of food. There are also procedures to minimise internal control risks, including financial management.

Organisational Structure

The governance of the charity is the responsibility of the Board of Trustees, which meets 3 times a year (in addition to the Annual General Meeting). Since 2010 the Board has been able to make decisions at a telephone conference call. One or two such telephone (or Skype) conferences are usually held in the intervals between physical meetings of the Board. All Board members are notified of such meetings, which support the Centre Director / CEO and monitor financial and other matters between Board meetings and most are able to join them. During this particular year the Board has not been able to accommodate physical meetings, due to the COVID-19 Pandemic, however it has met more often than usual, on regular Zoom calls.

The operational management of the Centre is the responsibility of the Centre Director / CEO. He deals with the appointment of staff and all day-to-day issues, including financial management, with support, as needed, from the Honorary Treasurer and other Board members.

Objectives and Activities

The principal objects of the charity are to educate young people through outdoor pursuit activities, to develop their physical capabilities and their mental and spiritual awareness and to advance the Christian faith among such persons and their families.

Whilst the objective for the year was to provide high quality outdoor educational experiences supervised by qualified and experienced staff working as a Christian community, this has proved impossible to fulfil for most of the year due to the COVID-19 Pandemic. In fact, there have been no groups able to use the Centre's facilities since March 2020.

The Centre is keen to reopen as soon as possible, ensuring that visitors of all abilities are enabled to participate equally in a variety of activities. In addition, we encourage visitors from all backgrounds and of all means to use the centre by adjusting fees in cases of particular need. The Trustees feel that this enables them to have due regard to the public benefit guidance published by the Charity Commission.

We set out to continue our policy of budgeting for a modest surplus, which was actually achieved despite the incredibly difficult financial circumstances. This was due to a combination of generous gifts, of all sizes; Charitable Grants; Government Grants which included the

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2020 (continued)

Objectives and Activities (continued)

Furlough Scheme, of which we made use to cover some of our staff costs and the rescheduling / deferring of various contract payments. We also continued to make use of the Financial Failure Insurance, which enables us to hold deposits within our working balances.

When circumstances permit, we will continue to work towards building necessary working capital.

Achievements and Performance

We are continually thankful for all the support we receive throughout the year, which has been so very important during 2020. We have been encouraged by the funds raised through sponsorship efforts; small and large donations; gifts for specific items (some being held over for future year purchases) and for words and prayers of encouragement and support, together with petition signing so that the future of Outdoor Centres is not overlooked.

This year especially, it is no understatement to say that without such support CMC would not be in a position to continue providing the life changing experiences it does.

What we hope to be able to continue to offer in the future cannot and should not be done cheaply; there are risks in what we do and to mitigate these risks takes time, training, commitment and finance.

Our belief is that what we provide will be so essential for so many following the aftermath of the pandemic. The results will be priceless to the individual, their families and friends.

Thank you for your involvement and continued interest.

Buildings and equipment

Ongoing general maintenance is key to ensuring our guests have a positive residential experience with us. This continues to be a challenge in a rural environment where there is not much competition within the trades. The competent trades people are often extremely busy. We have developed good relationships with a number of local tradesmen, including electricians, plumbers and general builders. This work has been coordinated by our Senior Staff. As standards and qualifications continue to increase, we are less able to 'do it ourselves', hence becoming increasingly reliant on external trades. Whilst it may have been thought that the lack of guests throughout 2020 would result in less work being required, this has not proved the case. Pensarn Harbour was mothballed as soon as it became evident that there would be no guests and there were the consequences of an empty property to see to e.g. dampness / mould. Vegetation grew at both sites, which the usual footfall would keep under control etc. Also, with staff furloughed there was not the usual workforce available to undertake routine repairs and maintenance.

Where necessary and where we were able, we continued to repair, replace and maintain outdoor equipment to a high standard.

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2020 (continued)

Achievements and Performance (continued)

Bookings and Finance

We are extremely grateful for the understanding and the cooperation extended to us by the vast majority of our groups and group leaders. Without the collaboration of our group leaders and their desire to find appropriate solutions to their bookings that were mutually beneficial and not financially punitive for CMC we would not be in such a strong position as we are. We would also like to record our thanks to those group leaders who have personally made donations to support this vital youth work and those organisations who have financially supported us in recognition of what CMC has achieved in the lives of their young people. It is humbling to be held in such regard and we are most grateful for it.

Without the necessary course fee income, we quickly set about reducing our costs. We were fortunate in being able to take capital repayment holidays on the mortgage for Bryn-y-Moel and other suppliers very helpfully renegotiated terms. Little did we know at the time that the crisis would endure for so long. As the pandemic has progressed, we have been forced to re-visit some of these "payment breaks" to ensure we don't pile up problems for the future.

The relatively new post of Development Director ensured that we had already achieved some understanding of funding opportunities and making grant applications. This was essential in securing significant emergency COVID-19 grant support. We were able to respond quickly to grant funding opportunities well in advance of any statutory help becoming available.

Activities and Public Benefit

Obviously, our ability to engage in Outdoor Activities has been limited. During the summer it became clear that there was not enough demand to make it economically viable to un-furlough our instructors. We therefore drew up plans to re-start our trainee instructor programme as an isolated bubble out here in North West Wales. A large part of the summer was committed to zoom interviews and COVID secure visits, to pick the team required to serve our guests in 2021. Candidates were selected by the end of July and the programme started again in early September. It was essential that the trainee programme be restarted to ensure we had an appropriately sized team for 2021, but also as it forms a significant part of our public benefit. Offering a programme that allows a young person with an interest in the outdoors to gain National Governing Body qualifications and begin a career working in outdoor education benefits society significantly.

Future Plans

In this report last year, we promised further information regarding the future development of CMC at Pensarn Harbour. Little did we know at a Board meeting in early March 2020 that the centre's day to day work would be so interrupted. We have, however, used this time to plan for the future. We are excited to report that we received a donation restricted to the redevelopment of Pensarn Harbour which allowed us to instruct architects to begin the process.

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2020 (continued)

Achievements and Performance (continued)

Future Plans (continued)

It has been superb to have a new pair of eyes to look at Pensarn and imagine what is possible. A timely legacy has allowed us to have digital surveys completed of Pensarn and a pre-planning application to be submitted. The trustees have recently committed to this new development project, the next step is to gain detailed planning permission. The principal aim will be to improve guest accommodation and increase the number of beds at Pensarn. This will allow us to realise better use of the Bryn-y-Moel centre which will contribute to a more efficiently run Outdoor Centre. The project is likely to be phased and will include a revision of the storage and administrative areas. It is our vision to redevelop the Harbour for the next generation and beyond and provide a higher standard of accommodation and service. To ensure this extensive and exciting project is needs based we will be involving all our stakeholders at the appropriate times.

Personnel

Prior to lockdown we had spent considerable time recruiting a new Hospitality and Catering Co-ordinator and a Maintenance and Facilities Co-ordinator. These vital senior staff positions are essential to the running of CMC. Sadly, the successful candidates were unable to start working with us due to COVID-19 and these posts remain vacant. The recruitment process was an excellent opportunity to request feedback on what CMC was offering potential staff. The feedback received has inspired us to review staff terms and conditions as we work toward a more sustainable future post COVID-19. The team have dealt with the uncertainty of this last year extremely well. They have adapted to undertaking fuller roles and problem solving in situations we never knew we would face. Those who were furloughed and indeed remain furloughed at the time of writing did so with good grace and we are especially grateful for that. Throughout the whole pandemic the staff who have remained un-furloughed have worked tirelessly to ensure CMC remains viable and that we maintain the best of relationships with our group leaders. Formal training and assessment courses remain on hold due to the various lockdowns however, the team have used this time to develop new skills. Ever hopeful that CMC will survive these trying times we will emerge stronger on the other side.

Financial Review

Financial Performance

Despite exceedingly difficult financial circumstances, we managed to achieve a surplus (from unrestricted funds) of £7,394 (compared with £16,415 for last year).

The previous work undertaken on a Medium Financial Strategy provided a focus for the Board's consideration, during the year, of priorities and goals and once some form of stability returns, the Board will consider the longer-term Financial Strategy for the Centre.

CMC: PENSARN HARBOUR

Directors' and Trustees' Report for the year ended 31st October 2020 (continued)

Financial Review (continued)

Financial Performance (continued)

At the start of the year, prior to any thoughts about the pandemic, CMC received welcome financial compensation for work being undertaken on the railway.

Once the implications of the pandemic began unfolding, we were able, yet again, to praise God for income which has been forthcoming throughout the year, despite the lack of new bookings.

We were and continue to be so grateful for God's prompting of the hearts of members and friends who have given so generously by way of donations. This will assist in specific purchases when we are again admitting guests, e.g. new mattresses and boats.

Our Development Director has also been successful in obtaining funds from the Moondance Covid-19 Relief Fund (£18,000); The Charities Aid Foundation (£5,000); the Anchor Foundation (£3,500) and the Royal Yachting Association (£3,500) for new sailing boats.

We were also given a Business Rate Relief Grant on both of our properties (£50,000) and made use of the Government's Furlough Scheme for various members of staff, when it was appropriate.

The Centre also took advantage of the Government's Bounce Back Loan (£50,000). This was taken out in May 2020 and the Government pays the interest in the first year.

In addition, considerable work was undertaken to reduce / defer costs wherever possible.

This year the Enable Fund, which was launched with the purpose of covering the cost of subsidies to individuals and groups who would not otherwise have been able to afford to stay at the Centre (see Objectives and Activities above), was used once again for an inner-city school (prior to the pandemic) which is located in an area of high deprivation and its 'at risk' children would not otherwise have been able to benefit from all that the Centre has to offer.

Reserves

The Trustees' policy continues to be to build up net current assets to the point where they are equivalent to two months' worth of expenditure, currently approximately £70,000. However, at the year end there were net current assets of £12,981 which compares with net current liabilities of £45,897 in the previous year.

When appropriate, work will continue to seek to improve this position, helped by the identification of new initiatives within the medium-term Financial Strategy.

Capital funding

A loan of £360,000 over 25 years was taken from HSBC in July 2012 to facilitate the purchase of the Bryn-y-Moel Centre. As at the balance sheet date there was £269,736 outstanding on this loan. During the year the bank was approached requesting a holiday for principal repayments. This was agreed for a period of 6 months.

CMC: PENSARN HARBOUR**Directors' and Trustees' Report for the year ended 31st October 2020 (continued)****Financial Review (continued)**Capital funding (continued)

Private, interest free, loans from members have been accepted in the past to provide working capital.

At the start of the year one loan totalling £1,500 was to be repaid in the year and one loan totalling £5,000 was for a longer period. In the event no loan was repaid.

Tangible fixed assets

Details of acquisitions of fixed assets are set out in note 6 to the accounts. The market value of the freehold properties belonging to CMC at the balance sheet date are believed, by the Trustees, to be at least as great as their purchase costs and subsequent improvement costs. Also, as they are operational assets and continue to be maintained, where necessary, to a high standard of repair, the Trustees again consider it unnecessary to set aside depreciation of the properties for this financial year.

Future obligations

The company has no liabilities, commitments or legally binding obligations outstanding at the balance sheet date other than those disclosed in the annual statement of accounts. In the opinion of the Trustees, the company's assets are fully adequate to meet those obligations.

Trustees / Directors

The directors of the company for Companies Act purposes are its Trustees. The directors who served during the year are listed on page 1.

Statement of Directors' / Trustees' responsibilities

Charity law requires the Directors / Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period. In preparing those financial statements the Directors / Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departure 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 company will continue to operate.

The Directors / Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CMC: PENSARN HARBOUR**Directors' and Trustees' Report for the year ended 31st October 2020 (continued)****Statement of Directors' / Trustees' responsibilities (continued)****Risk Management**

The Directors acknowledge that risk management is the responsibility of the Board of Trustees. The Board undertakes a review of all of its key systems of internal control and financial management processes regularly and is satisfied that reasonable assurance can be given that risks have been adequately mitigated. The review is ongoing.

Independent Examiner

Robert Morris of Lyon Griffiths (Audit and Accounting) Limited (Chartered Accountants and Registered Auditors), who serves as our Independent Examiner, has expressed his willingness to continue in office and a resolution to reappoint him will be proposed at the forthcoming Annual General Meeting on 24th April 2021.

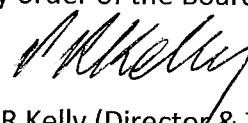
Compliance with legislation

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approval of these financial statements

These annual statements were approved by the Trustees on 16th March 2021.

By order of the Board



P R Kelly (Director & Trustee)

Registered Office:

CMC Pensarn Harbour

CMC Pensarn Harbour

Llanbedr, Gwynedd, LL45 2HP

**Report of the Independent Examiner to the Trustees of
CMC : PENSARN HARBOUR**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st October 2020 set out on pages 11 to 18.

The report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable company's trustees as a body in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charitable company's trustees those matters that I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charitable company's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company'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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102).

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 accounts to be reached.



R Morris FCA
Lyon Griffiths (Audit and Accounting) Limited
17 Alvaston Business Park
Middlewich Road
Nantwich
CW5 6PF

24th March 2021

STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure Account)
for the year ended 31st October 2020

		<u>Unrestricted funds</u>	Restricted	Total	Total
		General	Funds	Funds	Funds
	Notes	Funds		31/10/20	31/10/19
		£	£	£	£
Income and endowments from:					
Donations and legacies	2.1	109,612	11,688	121,300	88,610
Grants	2.2	120,245		120,245	0
Income from investments		26		26	23
Tuck shop trading income		561		561	3,077
Charitable activities -					
Course and hostel income					
Residential	2.3	111,636		111,636	389,463
Non-residential		459		459	2,959
Net rental and hire income		11,437		11,437	1,828
Total income and endowments		353,976	11,688	365,664	485,960
Expenditure on raising funds	3.1				
Publicity costs		6,662		6,662	4,643
Tuck shop trading costs		448		448	3,340
Expenditure on charitable activities					
Course and hostel running costs	3.2	339,472		339,472	461,562
Total expenditure	4	346,582	0	346,582	469,545
Net income (expenditure) before transfers		7,394	11,688	19,082	16,415
Transfer between funds					
Net movement in funds		7,394	11,688	19,082	16,415
Funds balances b/fwd at 1.11.19		529,635	0	529,635	513,220
Fund balances c/fwd at 31.10.20		537,029	11,688	548,717	529,635

CMC: PENSARN HARBOUR
BALANCE SHEET as at 31st October 2020

12

		31/10/20		31/10/19	
	Notes	£	£	£	£
Tangible Fixed Assets	6		850,698		839,738
Current Assets					
Stock	7	6,426		7,823	
Debtors and prepayments	8	12,248		11,728	
Cash at bank and in hand		<u>83,862</u>		<u>4,333</u>	
		102,536		23,884	
Liabilities: Amounts falling due within one year	9	<u>-89,555</u>		<u>-69,781</u>	
Net current assets / -liabilities			12,981		-45,897
Total assets less current liabilities			<u>863,679</u>		<u>793,841</u>
Liabilities: Amounts falling due after more than one year	9		-314,962		-264,206
Net assets	10		<u>548,717</u>		<u>529,635</u>
Unrestricted funds	11		537,029		529,635
Restricted funds	12		11,688		0
Total charity funds			<u>548,717</u>		<u>529,635</u>

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

For the year ending 31st October 2020 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of the financial statements for the year ended 31st October 2020 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the regulations of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

ON BEHALF OF THE BOARD

Approved by the Board of Trustees (Directors) and signed on its behalf on 16 March 2021.



P R Kelly
 Director & Trustee



M Downey
 Centre Director

The notes on pages 13 to 18 form part of these financial statements.

1 ACCOUNTING POLICIES**1.1 Basis of preparation of accounts**

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors 'and Trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Charities Act 2011 and the Companies Act 2006, FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102)

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

The trustees consider that there are no material uncertainties that may cast significant doubt on the charity's ability to continue as a going concern. The charity is a public benefit entity.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets are not capitalised where the purchase cost is below £500.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property	Nil (2% straight line basis prior to 1.11.2002)
Course Equipment	25% straight line basis
Fixtures, Fittings & Equipment	25% straight line basis
Motor vehicles	20% straight line basis

The Centre properties are operational assets according to charity law, being fundamental to the ongoing work of the Centre. As they are continually maintained to a high standard of repair, the Trustees consider it unnecessary to set aside any further sum by way of depreciation, as this would represent an excessive charge for these properties in the financial year.

1.3 Value added tax

CMC continues to be an educational establishment under VAT regulations. It therefore remains exempt from VAT, which is not recoverable and as such is included in the relevant costs in the Statement of Financial Activities.

1.4 Stock

Stock is valued at a lower cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Debtors

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

1.6 Liabilities

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are normally recognised at their settlement amount after allowing for any trade discounts due.

1.7 Operating leases

Rentals paid under operating leases are charged to the income and expenditure account as they fall due.

1.8 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions in their expenditure imposed by the donor or through the terms of an appeal. The main fund held by the charity is the General Fund (unrestricted).

2 INCOME AND ENDOWMENTS

- 2.1 Voluntary income and donations are accounted for as received by the charity; they are generated by providing information about the work of the centre to its visitors, supporters and general public by means of printed and electronic publications. No permanent endowments have been received in this financial period, but these are dealt with through the Statement of Financial Activities when received.
- 2.2 Grant income, including government grants, is recognised as received. No performance conditions apply to grants received in this financial period. Government grants received in this financial period all related to coronavirus support and consisted of £50,000 business rate related grants and £47,245 furlough scheme grants.
- 2.3 Course and hostel income is shown gross after adjustments for deferred income relating to deposits for future courses.

EXPENDITURE

- 3.1 Expenditure on raising funds includes the costs incurred in purchasing items for the Tuck Shop (including souvenirs), which are then sold on to visitors and friends, and the cost of fundraising and publicity, through which donations are generated.
- 3.2 All other costs, including governance costs and support costs, are allocated to the one charitable activity which is the running of courses at the hostel at Pensarn Harbour and the premises at Bryn-y-Moel. Included are fees to the independent examiner of £2,300 (2019 = £2,300) re the examination and £1,000 (2019 - £1,000) re other services.

4 TOTAL EXPENDITURE

	Staff Costs £	Depreciation £	Other Costs £	Total 30/10/20 £	Total 30/10/19 £
Course & hostel running costs	193,675	30,104	115,693	339,472	461,562
Tuck shop trading costs			448	448	3,340
Fundraising & publicity			6,662	6,662	4,643
12 months to 31.10.20	193,675	30,104	122,803	346,582	
12 months to 31.10.19	211,252	26,275	232,018		469,545

Note: The Tuck Shop trading unit is operated as an ancillary facility at the Pensarn Hostel for the benefit of users and any profits are all ploughed back into the mainstream activity of the company.

5 STAFF COSTS & TRUSTEES EXPENSES**5.1 Staff costs comprised**

	30/10/20 £	30/10/19 £
Wages and Salaries	178,542	194,107
Social Security Costs	7,725	9,883
Pension costs *	7,408	7,262
	<u>193,675</u>	<u>211,252</u>

* Note: The charity operated a defined contribution scheme for staff costing £5,088 in the year. In addition the charity contributed to a personal pension plan for one employee at a cost of £2,320 in the year. It is anticipated that payments will continue at the same rate during the coming year.

No employee earns more than £60,000. The average number of staff employed by the charity during the year was as follows:

	30/10/20	30/10/19
Charitable activities	18	13
Fundraising and publicity	0	0
	<u>18</u>	<u>13</u>

The key management personnel of the charity are trustees and the Chief Executive Officer, together with the Senior Instructor, Development Director, House Manager and Centre Administrator. The total employee benefits of the key management personnel were £84,993 (2019 = £112,072)

5.2 No remuneration was paid to Trustees in the period.

6 TANGIBLE FIXED ASSETS

	Freehold Property Pensarn & Bryn-y-Moel £	Course Equipment £	Centre Fittings & equip. £	Motor Vehicles £	TOTAL £
Cost					
B/fwd 1.11.19	793,403	95,901	177,647	14,000	1,080,951
Additions	# 23,713	3,292	14,059		41,064
Less: re Disposals					
Carried Forward 31.10.20	<u>817,116</u>	<u>99,193</u>	<u>191,706</u>	<u>14,000</u>	<u>1,122,015</u>
Depreciation					
B/fwd 1.11.19	25,041	80,359	132,860	2,953	241,213
Charge for the period		6,676	20,628	2,800	30,104
Less: re Disposals					
Carried Forward 31.10.20	<u>25,041</u>	<u>87,035</u>	<u>153,488</u>	<u>5,753</u>	<u>271,317</u>
Net book values					
At 31.10.20	792,075	12,158	38,218	8,247	850,698
At 31.10.19	768,362	15,542	44,787	11,047	839,738

Footnote:

Work was commissioned during the year regarding the possible upgrading / modernisation of Pensarn Harbour. These costs, mainly met by specific donations, have been capitalised. Further spending, enhancing the value of the buildings, is highly likely.

7 STOCK comprises

	30/10/20 £	30/10/19 £
Goods for resale (Tuck Shop)	1,532	1,649
Food	114	2,450
Cleaning Materials	1,070	589
Brochures	1,166	1,050
Oil	2,544	2,085
	<u>6,426</u>	<u>7,823</u>

8 DEBTORS & PREPAYMENTS

Due within one year		
Trade debtors	0	220
Prepayments	4,598	4,598
Other debtors (Tax repayment claim)	7,650	6,910
Other debtors		
	<u>12,248</u>	<u>11,728</u>
	30/10/20 £	30/10/19 £

Notes to the accounts for the year ended 31st October 2020 (continued)

12 RESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/19 £	Income £	Exp £	Inter - fund Transfers £	As at 30/10/20 £
Equipment Purchase Fund	0	11,688		0	11,688

The Equipment Purchase Fund represents donations received to fund specific costs:

Purchase of sailing boats £7,000
 Replacement mattresses £2,500
 Addition to Pontoon £1,250
 Gift Aid £938

13 RELATED PARTY TRANSACTIONS

Donations received without conditions from the trustees and other related parties totalled £33,377 (2019 - £3,700)

14 COMMITMENTS

	Total 30/10/20 £	Total 30/10/19 £
1 Capital expenditure authorised and contracted for	0	6,600
2 Capital expenditure authorised but not contracted for	0	0
3 Leasing payments - due in the next year	15,945	16,796
4 Leasing payments - due in two to five years	16,053	32,570

15 STATUS, BRANCHES & CONNECTED CHARITIES

The charity is a company limited by guarantee and a registered charity. The liability of each member is limited to £10. As at 31st October 2020 there were 84 members (31.10.19 = 72)

The company is registered with the Charity Commission as a charity (number 1062075) and is exempt from taxation in accordance with Section 478 of the Corporation Tax Act 2010. It has no branches and no other charities are connected to it.

Notes to the accounts for the year ended 31st October 2020 (continued)

9 LIABILITIES: Amounts falling due within one year comprise -

Trade creditors	16,841	11,117
Customers' Monies held	56,166	33,336
Other creditors and accruals	5,274	7,308
Bank 25 year repayment mortgage	9,774	16,520
Working capital loans	1,500	1,500
Bounce Back Loan	0	0
	89,555	69,781
after more than one year		
25 year repayment mortgage	259,962	259,206
Working capital loans	5,000	5,000
Bounce Back Loan	50,000	0
	314,962	264,206

Footnotes:

1. Deposits are no longer held in a separately designated bank account, but combined into the main account for the centre.

Financial failure insurance was taken out in November 2017 to reflect this new policy.

2. The bank mortgage is from HSBC Bank plc and is secured by a debenture and legal charge on the company's freehold property at Pensarn and Bryn-y-Moel. The liability shown includes £176,037 due after more than five years (2019 = £185,891).

It should be noted that, due to Covid restrictions, the Bank agreed a repayment holiday starting in May.

3. Private interest free loans from members have been accepted in the past to provide working capital. At the start of the year one loan totalling £1,500 was to be repaid in the year. In the event this loan was not repaid.

4. Advantage was taken of the Government's Bounce Back Loan of £50,000. This was interest free for the first year.

Repayments start in December 2021. It is repayable after 10 years. The liability shown includes £28,357 due after 5 years.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net current Assets / liabilities	Long term loans	30/10/20	30/10/19
	£	£	£	£	£
Unrestricted - general fund	850,698	1,293	314,962	537,029	529,635
Restricted funds	0	11,688		11,688	0
	850,698	12,981	314,962	548,717	529,635

11 UNRESTRICTED FUNDS

Movements on these during the year were as follows:

	As at 30/10/19	Income	Exp	Inter - fund Transfers	As at 30/10/20
	£	£	£	£	£
General Accumulated Fund	529,635	328,976	346,582	5,400	517,429
# Future Developments Designated Fund		25,000		-5,400	19,600
Total Unrestricted Funds	529,635	353,976	346,582	0	537,029

Footnote:

CMC Adventure was grateful to receive a Legacy during the year of £25,000. It is the desire to retain these funds, if possible, towards the potential upgrading / modernisation of Pensarn Harbour. Some costs for this preliminary work have already been spent and are included within the capitalisation costs shown at 6 above.

DETAILED INCOME AND EXPENDITURE ACCOUNT (UNRESTRICTED FUNDS)
for the year ended 31st October 2020

	31/10/20		31/10/19	
	£	£	£	£
INCOME				
Course & Hostel fees		112,095		392,422
Tuck shop - net profit / loss		113		-263
Rental & Hire income		11,437		1,828
Interest received		26		23
Donations & Gifts		109,612		88,610
Government Grants (Including Furlough scheme)		97,245		
Charitable Foundation Grants (Moondance & CAF)		23,000		
		<u>353,528</u>		<u>482,620</u>
EXPENDITURE				
Course / Activity costs				
Course / Equipment / Repairs	5,878		10,321	
Course outings	0		3,166	
Instructor staff training / expense	6,964		16,455	
Vehicle expenses	5,455		10,587	
Vehicle hire	5,743		12,902	
Licensing	1,712		3,815	
Activities Staff Salaries & NIC	86,867		72,982	
Freelance / Associate Instructors	207		22,149	
		<u>112,826</u>		<u>152,377</u>
Hostel / Base Overhead Costs				
Base staff salaries, NIC & Pension Contributions	106,808		138,270	
Mortgage / Bank Loan Interest	10,297		11,956	
Utilities (Rates & Water)	3,182		4,362	
General Insurance	8,006		7,209	
Light & Heat	15,019		22,267	
Telephone & Post	6,870		6,469	
Office Expenses	5,914		6,653	
Recruitment Advertising	600		729	
Professional Fees	3,300		3,313	
Trustees' Expenses	0		322	
Property Upkeep - Repairs	17,328		17,583	
Property Upkeep - Cleaning	467		2,411	
Property Upkeep - Equip / Maint / Replacement	2,831		4,324	
Customer Services - Food	11,658		46,879	
Customer Services - Laundry	898		6,543	
Finance - Bank Charges	1,084		1,280	
Financial Failure Insurance	2,280		2,340	
Bad & Doubtful Debts	0		0	
		<u>196,542</u>		<u>282,910</u>
Depreciation				
Property	0		0	
Course Equipment	6,676		6,192	
General / Office Equipment	20,628		17,283	
Motor Vehicle	2,800		2,800	
		<u>30,104</u>		<u>26,275</u>
		<u>339,472</u>		<u>461,562</u>
Fundraising & Publicity				
Website	1,702		1,928	
Brochures & Printing	263		984	
Advertising, Exhibitions etc.	4,697		1,731	
		<u>6,662</u>		<u>4,643</u>
		<u>346,134</u>		<u>466,205</u>
SURPLUS / DEFICIT ON RESTRICTED FUNDS				
before transfers		7,394		16,415
Less Transfers to / from Restricted Funds				
re: Donation for cash flow in Winter (Boiler Replacement Fund)				16,625
TOTAL SURPLUS / DEFICIT ON UNRESTRICTED FUNDS FOR YEAR		<u>7,394</u>		<u>33,040</u>