

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.

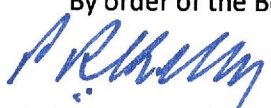
Compliance with legislation

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	19,600	3,712	0	-4,320	18,992
Designated Fund					
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 £	Total 31/10/20 £
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	15,645	15,945
4 Leasing payments - due in two to five years	6,030	16,053

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				