

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)

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- 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.

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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

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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.

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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.

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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.

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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.

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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.

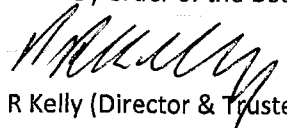
Compliance with legislation

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>

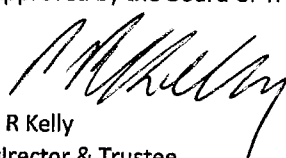
These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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:

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 £132,034 due after more than five years (2022 = £179,233).
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. An additional, interest free loan, of £25,000 was received, to be repaid in March 2025.
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 £10,608 due after 5 years. (2022= £16,887)
5. 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				