

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

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- not part of the statutory financial statements	

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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

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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.

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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.

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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.

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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.

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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

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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.

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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.

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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

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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>

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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				