

Company number: 7370167
Charity number: 1138787

The Pirate Castle

Report and financial statements
For the year ended 31 December 2021

The Pirate Castle

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Reference and administration information

For the year ended 31 December 2021

Company number 7370167

Country of incorporation United Kingdom

Charity number 1138787

Country of registration England & Wales

Registered office and operational address Oval Road, London, NW1 7EA

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Ms Georgina Rowley	Chairperson
Mr Kai Jie Shawn Lim	Treasurer
Ms Elizabeth Bradshaw	
Ms Carol Lincoln	
Mr Michael Goldhill	
Ms Elizabeth Culwick	
Ms Victoria Hames	(appointed 21 April 2021)

Key management personnel Mr Timothy Molloy General manager

Independent examiner Joanna Pittman
Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and financial statements for the year ended 31 December 2021. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Chair's Report

2021 started under Covid-19 lockdown and restrictions, with The Pirate Castle's capacity to deliver unavoidably reduced during the first quarter. We remained closed until the end of March 2021, where we were unable to serve the community and lost valuable income. However, as restrictions eased, we were able to re-open and rebuild. As the year progressed the activity centre once again buzzed with excitable paddlers on the Regent's Canal and boaters afloat.

We focussed hard on fundraising in 2021 in order to survive as a charity. Our fantastic success enabled us to weather the pandemic and emerge from restrictions with more financial resilience that we could sensibly have expected. Notably, our very successful Crowdfunder campaign, run in early 2021, provided us with income which transformed our financial position. In addition, John Lyons Charity kindly de-restricted the funding for our Lead Paddle Sport Instructor throughout 2021 and the first tranche of a two-year grant from Garfield Weston helped to fill the activity income shortfall. The combination of these initiatives put us on a sound footing by year-end, supplemented by the ongoing governmental pandemic support.

Paddlesport was again the most viable of our activities as we emerged from lockdown restrictions. We were able to operate within exemptions for outdoor exercise and youth work and then to deliver at full-capacity from Easter 2021 onwards. We saw exceptionally high interest in paddlesport, and it was to everyone's benefit that we could offer people the opportunity to be active outside. 2021 saw the Charity generate income from new and expanded projects, and reach out to a broader range of people than ever before. Our charitable objectives at the forefront; we also continued delivery of subsidised, concessionary and free places for local young people, disadvantaged families and special educational needs groups.

Increasing our earned income remains vital to the Charity being able to work towards greater self-sufficiency and long-term stability. However, community hall hire, previously our biggest income generator continues to be severely impacted by restrictions on indoor gatherings and their legacy though at the time of filing these accounts in September 2022 this income stream is showing signs of recovery. Happily, canal boating saw a sustained recovery as 2021 progressed.

With fundraising activities replacing income generation lost in hall hire and a very strong recovery from paddlesport we were again able to end the year with a balance sheet which gives us confidence for 2022 and beyond.

Our staff team, ably led by our General Manager, showed imagination and determination in generating funds which have built financial resilience. I am excited about the Charity's future, as we strengthen our community offering by improving our premises and making more community connections. Thank you and congratulations on the results of your hard work.

I would also like to thank, on behalf of our trustee board, our donors in 2021 and so far in 2022, for their incredible generosity and contribution to our mission.

Georgina Rowley, Chair

Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Pirate Castle is an inclusive boating charity and fully accessible community centre on the bank of the Regent's Canal in the heart of Camden Town, London. We promote life chances, learning and healthy living through a raft of specialist canal and land-based initiatives and have been flying the flag for opportunity and adventure for over 55 years.

Canoeing, kayaking and canal boating are core to our work, with a focus on tackling disadvantage, challenging exclusion and providing opportunities for Special Educational Needs and Disability (SEND) groups of all ages. Our projects and services improve health and wellbeing, nurture life and social skills and bring people together through active participation.

Our Main Hall and Club Room overlooking the canal are available for community and private hire, generating vital income towards core and project costs. 'Black Pearl', our traditional narrowboat, is ideal for day trips and boat handling training, whilst 'Pirate Prince', our purpose-built, fully accessible wide-beam canal, equipped with a state-of-the-art joystick control and hydraulic steering platform, is the only canal boat in central London that can be operated by wheelchair users or people with severe mobility restrictions.

Thanks to earned income, grants and donations we are able to offer subsidised rates and large discounts to schools, charities and community organisations wishing to book activities or venue space. We also provide funded or free activities for individuals most in need. This reflects our commitment to ensuring that our activities are inclusive and accessible by all.

Achievements and performance

The charity's main activities and its beneficiaries to help are described below. All the activities run by the Charity are undertaken to further The Pirate Castle's charitable purposes for the public benefit.

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Trustees annual report

For the year ended 31 December 2021

Despite Covid-19 restrictions, we managed 71% growth in earned income in 2021 from the prior year, albeit compared with a very low base due to the impact of restrictions in 2020. This earned income accounted for 49% of our annual funding need (compared to 38% in 2020). The balance was met through fundraising activity and Government support grants including the Coronavirus Job Retention Scheme (CJRS).

Outdoor Education

Our core community paddlesport services include school holiday activity schemes, sessions for visiting schools, youth and community groups, term-time after school and weekend youth sessions ('Pirate Club'). We continued delivering British Canoeing-accredited training programmes, along with private hire for youth, adult and corporate events. We also run weekly "Upperdeckers" sessions for over 50s and introduced three new projects during 2021: "Rainbow Paddlers" run by and for the LGBTQ+ community, a women-only "Ladies who Launch" session, and "Paddlefit" high energy paddle fitness sessions.

From when we restarted paddlesport activity in Q2, demand remained high all year resulting in paddlesport accounting for 57% of all earned income (compared to 43% in 2020). The significant and sustainable growth in paddlesport was one of our major achievements in 2021 and the programme looks set to grow further in 2022 with the employment of a senior seasonal coach for the warmer months allowing us to increase capacity further. With community centre hire continuing to suffer from the impact of Covid, the significant growth in paddlesport income and activity has been essential.

During 2021, we saw 1,644 individual youngsters access our paddlesport services. Overall we delivered 4,156 youth attendances (many youngsters visited us more than once), over 306 sessions and 1,223 adult attendances over 176 sessions. In total, we delivered 482 paddlesport sessions with some selected highlights below:

Pirate Castle youth projects:

- Holiday Schemes = 48 days, resulting in 1,336 attendance
- Pirate Club' term-time after school / Saturday youth club = 74 sessions resulting in 968 attendances
- Hawley Primary after school club = 15 sessions with 120 attendances
- Free 'Splashes' = 29 sessions (451 attendances) offered to children in the community free of charge
- London Youth Games training = 10 x free sessions (131 attendances) for young people training to participate in the Games
- Foundation Safety & Rescue course = 2 training days run for this safety course, coached by our own Head Coach
- British Canoeing Paddlesport Instructor (Level 1) course = 2 days with 5 attendances

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For the year ended 31 December 2021

Discounted schools / youth groups:

- Schools / youth groups = 28 sessions with 646 attendances
- Camden Summer University = 5 sessions resulting in 80 attendances
- 5 x multi-activity days = 18 x sessions + 8 x canal boat cruises resulting in 132 attendances
- In addition, our six youth volunteers have attended 462 times over 168 sessions

Pirate Castle adult sessions:

- Ladies Who Launch = 7 sessions with 31 attendances
- Rainbow Paddlers = 25 sessions with 164 attendances
- Paddlefit = 27 sessions with 90 attendances
- Upperdeckers Over 50s = 37 sessions with 384 attendances

Private sessions:

- 27 x youth sessions with 280 attendances
- 67 x AirBnB Social Impact Experience Kayak Tours resulting in 334 adult attendances

Canal Boating

Canal boat trips were again curtailed by Covid-19 restrictions in early 2021. However once the restrictions on indoor mixing were lifted, demand for boating grew strongly. Private hire provided the majority of activity and income through the year, though we were also able to deliver a significant number of community cruises and residential trips which had been impossible to deliver under the prior tighter Covid-19 restrictions.

Whilst still short of pre-Covid income levels, canal boating earned income grew by 163% on 2020 and accounted for 19% of all the Charity's earned income, which was a significant achievement against the background of a start to the year dominated by lockdown.

The majority of our boat trips are run by our team of volunteer skippers and crew, who are trained in-house under the supervision of our Boat Manager. As well as private and community trips, as an accredited training centre for the National Community Boats Association, we offer boat handling, certified skipper and crew courses for our own volunteers as well as the wider community.

In 2021 we delivered:

- 4 x canal boat residential trips (Camden Centre for Learning / Siblings Together) totalling 13 days and benefitting 40 youth attendees
- 39 x private canal boat cruises with 453 attendances
- 12 x Boat Handling Experience Days resulting in 27 attendances

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For the year ended 31 December 2021

- 11 x Camden Community Cruises which allowed 120 attendances from groups within our local community
- Community Crew Course (ages 14+) = 4 sessions with 24 attendances
- Certificate in Community Boat Management course = 3 sessions with 12 attendances resulting in four crew members qualifying as skippers.

Community Centre

The Pirate Castle's fully accessible venue offers two characterful spaces for hire, both overlooking the Regent's Canal. Our Main Hall and Club Room are used by a diverse range of local community and voluntary groups, private individuals and businesses for a wide range of projects and events, offering substantial discounts for SEND groups, charities and other support organisations and local residents.

During 2021, of all our income streams, hall hire was again the most severely impacted by Covid-19 restrictions due to its indoor setting. Hall hire revenue is crucial to our ability to cover overheads. However, even after restrictions were lifted there has been continued and understandable reticence from private and community hirers to mix in indoor settings and community centre hire continues to suffer from the legacy of the pandemic. Total hall hire income actually fell by 10% in 2021 and it is clear that recovery will continue to be slow.

In 2021 we delivered:

- 152 Community Hire sessions
- 40 Private Hire sessions

Volunteering

As always, we would like to take this opportunity to recognise the hard work and dedication of our loyal team of volunteers, upon whom we rely to deliver some of our services and activities.

In 2021, our volunteer canal boat skippers, crew and training mentors collectively gave generously of their time when possible to deliver boat trips and training courses and conduct boat maintenance days.

To ensure sustainability and growth of canal boating into 2022 we undertook specific, targeted volunteer recruitment and training, with considerable success. We now have ten new boat crew volunteers, four new NCBA CCBM qualified skippers, one new NCBA trainer and two new training mentors. In addition, six of our youth paddlesport volunteers have now qualified as competent crew.

We also invested in training / developing our youth and adult paddlesport volunteers, with weekly paddle skills sessions to help them gain the skills, confidence and leadership qualities

to become Paddle Activity Assistants and future Instructors. During 2021 six of our older youth (ages 14+) regular paddlesport attendees became Paddle Activity Assistant volunteers. Five of our youth Paddle Activity Assistant volunteers and one adult volunteer passed their Paddlesport Instructor (level 1) training and assessment. Six adult paddlers now also volunteer as Paddle Activity Assistants.

Financial review

During 2021 total income was £287,239 (2020: £266,840) and total expenses were £275,577 (2020: £271,664).

Total funds carried forward as at 31 December 2021 are £1,000,915. This includes designated funds of £882,475 (freehold and leasehold property, Pirate Prince); restricted funds of £40,641 which included Black Pearl (our canal boat bought with the 2017 LB Camden s106 restricted grant) and a portion of the 2020 CIL grant that has not been yet applied; and £77,799 unrestricted general funds which includes all cash at bank and in hand less creditors falling due within one year.

Income

We received donations and grants of £147,874 (2020: £165,775). Of this, £5,000 were restricted funds towards the delivery of our holiday scheme and youth paddle sport services. Due to the impact of Covid-19, we were able to secure significant emergency funding, including Government Help for Business grant, helping supplement core costs and salaries. In addition we had a successful Crowdfunder campaign that helped raised £49,444 including gift aid in 2021 and as of Aug 2022 has raised an additional £7,813 in 2022 including gift aid.

Income from charitable activities and trading activity was £118,915 (2020: £70,862), including revenue generated through the hire of our community spaces which remained on a low level at £27,079 (2020: £30,223), reflecting the impacts from covid that restricted our ability to rent out the hall for a substantial part of the year.

Income from our canal boats (including subsidised Camden Community Cruises) and community paddle sport / outdoor education increased to £22,293 (2020: £8,480) and £39,860 (2020: £18,850) respectively. This is primarily due to our ability to operate more in 2021 than 2020 which was limited as a result of Covid-19 restrictions. Income from the school holiday scheme increased to £26,374 (2020: £10,076).

Grants and Donations

Fundraising and donations accounted for 59% of our total income in 2021 (2020: 73%). The trustees would like to thank all of our funders and donors for their contributions, however

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Trustees annual report

For the year ended 31 December 2021

large or small, without which The Pirate Castle would struggle to maintain and develop our community services or achieve our charitable aims.

We also received £20,445 (2020: £30,150) as part of the Coronavirus Job Retention Scheme as some of our employees were placed on full or part furlough throughout the year when we were unable to operate.

Donors in 2021 included the following organisations:

- Raphael Foundation £5,000
- Aldenham Club Trust, £3,000
- Waitrose Finchley Road – Give a Little Love £500
- UK Youth (via Garfield Weston) £40,000
- One Housing / Countryside £5,000
- IWA North & East London Branch £1,000
- Bishop & Sewell LLP £1,000

There was also unrestricted funding from other organisations and individual donations as well as the many Crowdfunder donors who supported us in 2021.

During 2021 we received £5,000 in restricted funds. Most restricted grant income has been fully spent for the purposes for which it was given, with issues around lockdowns and restrictions leaving a small amount of the income to be spent:

- JLC School Holiday Activity Fund (SHAF) = £4,000 funding towards our Summer Holiday Scheme covering delivery costs and subsidised places for local children
- LabTech = £1,000 to provide free splash holiday scheme places for local Camden children

Expenses

Total operating expenses (total expenses excluding governance costs) in 2021 were £271,665 (2020: £268,064). Salary costs were also higher in 2021 mainly due to the employment of a new General Manager on a full year basis. A high proportion of our costs are associated with owning and running the building and employing our five other members of staff to manage the charity and deliver our charitable activities.

Other significant costs include the depreciation of property and our canal boats

Balance Sheet

The Charity's fixed assets include The Pirate Castle building, which is part freehold and part leasehold, and our two canal boats. Our fixed assets of £917,946 are unchanged, with the exception of depreciation over the year.

Our current assets are £92,408. This is cash at bank and in hand at year end of £87,408. The cash in the bank is to ensure the Charity has sufficient funds to cover our costs in the first

quarter of the year when the Charity's ability to earn income from outdoor canal-based activities is limited.

Creditors of £9,439 (2020: £12,800) no longer includes the outstanding loan from our former Chairman which was paid back during the course of 2021. Debtors of £5,000 (2020: £6,618) at the end of 2021.

Reserves policy and going concern

It is the Charity's aim to build up six months' operational expenditure to be kept as reserves. Reserves are needed to meet the gap between the spending and receipt of income and to cover any unplanned emergency repairs, events and other expenditure. At the time of preparing this Report, a sub-group of Trustees is working on a reserves policy for board consideration. As at 31 December 2021, The Pirate Castle currently has free reserves of £77,799 at the end of 2021.

Plans for the future

Despite the impact of Covid restrictions, thanks to a successful year in fundraising, in particular our Crowdfunder campaign, Garfield Weston grant and Government pandemic support, including the CJRS, we have started 2022 on a strong footing for growth this year.

We will continue to challenge exclusion and disadvantage, tackle inequality and improve the health, wellbeing and togetherness of our local community. With the end of virus restrictions, we are re-engaging with schools and community groups in the local area, and seeking new potential service user groups, to retain and grow the people whom we benefit.

Our plans in 2022 are to focus on growth, increasing engagement, broadening our impact, upgrading our community facilities and maximizing income to support longer-term sustainability. We intend to continue working more closely with new and existing partner organisations, Camden's Community Sport and Physical Activity team and wider outreach to primary and secondary schools.

We plan to move to a seven day per week operation for paddlesport. This means we will be able to offer activity on Sundays, bank holidays and later evening activities in the lighter months. We will also be delivering new projects, especially for adults and families on Sundays, extending our community reach.

Canal boating has started strongly this year and the interest is already growing, not only for private cruises but also for community cruises and training days. We are actively engaging and re-engaging with schools, community groups, care homes and other local charities for our community cruises and multi-activity days later in the summer.

Whilst some of our hall hire users have returned, we are working to re-engage with others. However, we are aware that the groups themselves are struggling somewhat to recruit to their sessions, and the demand for private hire continues to be modest. We are seeking new opportunities with schools, community groups and businesses to promote hall hire and to market the hall as a venue for social events, parties and gatherings to provide valuable income.

We are also improving our infrastructure – we have been successful in a bid to London Borough of Camden LCIL fund to renovate our changing rooms and showers. Work has already begun and was completed in June 2022. We have a number of other infrastructure priorities and will be working to identify suitable funding streams to continue to improve our building and carry out essential works.

The Trustee board and our General Manager remain focused upon the Charity's financial position and building for its future, whilst dealing with the legacy of Covid-19 affecting our ability to earn income, in particular the slow rebuilding of hall hire.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Key judgements that the charitable company has made which have a significant effect on the accounts include the impact of Covid-19 on the charity in 2021 and the ability of the charity to weather further disruptions.

As we entered 2022 with a sufficient level of reserves we are confident in the ability of the charity to continue as a going concern. We are also confident that we are able to flex the cost base if necessary to keep the charity operating if there are further restrictions that limit our ability to generate income in 2022. For this reason the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis and our future plans can be found below and in the Accounting Policies to the accounts.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 8 September 2010 and registered as a charity on 2 November 2010.

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.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Appointment of trustees

As set out in the Articles of Association, trustees are appointed by resolution of the Board. Under the Articles, there must be no fewer than three trustees and no more than twelve, all of whom must also be members of the company. The Chair is elected by the Board of trustees. One third of trustees are required to retire annually under the Articles, unless the individuals remain willing to act in which case he/she may be reappointed.

Details of the trustees who served during the year and to the date of this report are shown on page 1.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Pirate Castle for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2021 was 7 (2020:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 28 September 2022 and signed on their behalf by

Georgina Rowley
Chairperson

Independent examiner's

Report to the trustees of

The Pirate Castle

I report to the trustees on my examination of the accounts of The Pirate Castle for the year ended 31 December 2021.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters 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 charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the charitable company 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 the charitable company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011 ('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 Accounts in England and Wales, which is one of the listed bodies.

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

- 1 Accounting records were not kept in respect of the charitable 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 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))

Independent examiner's

Report to the trustees of

The Pirate Castle

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.

Name: Joanna Pittman FCA

Independent Examiner

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 28 September 2022

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Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

		2021				2020			
	Note	Unrestricted general £	Unrestricted designated £	Restricted £	Total £	Unrestricted general £	Unrestricted designated £	Restricted £	Total £
Income from:									
Donations and legacies	2	142,874	–	–	142,874	55,856	28,965	–	84,821
CJRS Income		20,445	–	–	20,445	30,150	–	–	30,150
Charitable activities									
Canal Boating	3	22,293	–	–	22,293	8,480	–	–	8,480
Outdoor Education	3	66,234	–	5,000	71,234	28,926	–	32,094	61,020
Community Centre	3	27,079	–	–	27,079	30,223	–	48,860	79,083
Other trading activities	4	3,310	–	–	3,310	3,233	–	–	3,233
Investment income		4	–	–	4	53	–	–	53
Total income		282,239	–	5,000	287,239	156,921	28,965	80,954	266,840
Expenditure on:									
Charitable activities	5	237,603	25,212	12,762	275,577	176,850	25,212	69,602	271,664
Total expenditure		237,603	25,212	12,762	275,577	176,850	25,212	69,602	271,664
Net income/(expenditure) for the year	6	44,636	(25,212)	(7,762)	11,662	(19,929)	3,753	11,352	(4,824)
Transfers between funds		28,965	(28,965)	–	–	–	–	–	–
Net movement in funds	15a	73,601	(54,177)	(7,762)	11,662	(19,929)	3,753	11,352	(4,824)
Reconciliation of funds:									
Total funds brought forward		4,198	936,652	48,403	989,253	24,127	932,899	37,051	994,077
Total funds carried forward		77,799	882,475	40,641	1,000,915	4,198	936,652	48,403	989,253

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

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Balance sheet

Company no. 7370167

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	11		<u>917,946</u>		<u>943,948</u>
			<u>917,946</u>		<u>943,948</u>
Current assets:					
Debtors	12	5,000		6,618	
Cash at bank and in hand		<u>87,408</u>		<u>51,487</u>	
		92,408		58,105	
Liabilities:					
Creditors: amounts falling due within one year	13	<u>(9,439)</u>		<u>(12,800)</u>	
Net current assets			<u>82,969</u>		<u>45,305</u>
Total assets less current liabilities			<u>1,000,915</u>		<u>989,253</u>
Total net assets			<u>1,000,915</u>		<u>989,253</u>
The funds of the charity:	15				
Restricted funds			<u>40,641</u>		<u>48,403</u>
Unrestricted funds					
Designated funds		882,475			936,652
Unrestricted funds		<u>77,799</u>			<u>4,198</u>
Total unrestricted funds			<u>960,274</u>		<u>940,850</u>
Total charity funds			<u>1,000,915</u>		<u>989,253</u>

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

Approved by the trustees on 28 September 2022 and signed on their behalf by

Georgina Rowley
Chairperson

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Company status and public benefit entity

The company is a charitable company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company. The charity meets the definition of a public benefit entity under FRS 102

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include the impact that Covid-19 has had on the charity in 2021 and the ability of the charity to weather further disruptions. As we entered 2021 with a sufficient level of reserves we are confident on the ability of the charity to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by charitable activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

All expenditure is inclusive of irrecoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Charitable activities are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies (continued)

g) Allocation of staff and support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where possible to attribute to specific activities, staff costs have been allocated to each activity based on an estimate of staff time. The remaining staff costs which are not directly attributable have been allocated to support costs.

Shared costs which contribute to more than one activity and support costs (the cost of overall direction and administration of each activity, comprising the salary and overhead costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based in part on estimated staff time, of the amount attributable to each activity:

• Canal Boating	25%
• Outdoor Education	20%
• Community Centre	40%
• Holiday Scheme	15%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Tangible fixed assets

Items of equipment are capitalised at cost where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful lives on the following bases:

• Freehold property	2% straight line basis
• Long-term leasehold property	2% straight line basis
• Canal boats	2% straight line basis

j) Debtors

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

k) Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit to a third party will be required in settlement, and the amount of the settlement can be measured or estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt, or the amount it has received as advanced payments for the goods or services it must provide.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m) Pensions

The charity contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Notes to the financial statements

For the year ended 31 December 2021

2 Income from donations and legacies

	2021				2020			
	Unrestricted £	Designated £	Restricted £	Total £	Unrestricted £	Designated £	Restricted £	Total £
Donations	142,874	–	–	142,874	55,856	28,965	–	84,821
Total income from donations and legacies	142,874	–	–	142,874	55,856	28,965	–	84,821

3. Income from charitable activities

	2021				2020			
	Unrestricted £	Designated £	Restricted £	Total £	Unrestricted £	Designated £	Restricted £	Total £
Canal Boating								
Private trips and training	13,639	–	–	13,639	8,048	–	–	8,048
Camden Community Cruises	8,654	–	–	8,654	432	–	–	432
Other	–	–	–	–	–	–	–	–
	22,293	–	–	22,293	8,480	–	–	8,480
Outdoor education								
John Lyons grant – outdoor education co-ordinator	–	–	–	–	–	–	8,000	8,000
Private bookings	22,443	–	–	22,443	9,994	–	–	9,994
Community and schools	10,971	–	–	10,971	5,037	–	4,115	9,152
School holiday scheme	26,374	–	5,000	31,374	10,076	–	6,000	16,076
Other	6,446	–	–	6,446	3,819	–	13,979	17,798
	66,234	–	5,000	71,234	28,926	–	32,094	61,020
Community Centre room hire								
Room hire	27,079	–	–	27,079	30,223	–	–	30,223
CIL Funding	–	–	–	–	–	–	48,860	48,860
	27,079	–	–	27,079	30,223	–	48,860	79,083
Total income from charitable activities	115,605	–	5,000	120,605	67,628	–	80,954	148,582

4 Income from other trading activities

	2021				2020			
	Unrestricted £	Designated £	Restricted £	Total £	Unrestricted £	Designated £	Restricted £	Total £
Hire of storage space	3,125	–	–	3,125	2,156	–	–	2,156
Other	185	–	–	185	1,077	–	–	1,077
Total income from other trading activities	3,310	–	–	3,310	3,233	–	–	3,233

The Pirate Castle

Notes to the financial statements

For the year ended 31 December 2021

5a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities					2021 Total £	2020 Total £
		Canal Boating £	Outdoor education £	Community centre £	Governance costs £	Support costs £		
Staff costs (Note 7)	29,051	20,981	38,735	–	–	72,627	161,394	140,316
Canal Boating Direct Costs	–	7,513	–	–	–	–	7,513	6,259
Outdoor Education Direct Costs	–	–	21,051	–	–	–	21,051	6,381
Community Centre Direct Costs	–	–	–	9,266	–	–	9,266	46,035
Holiday scheme Direct Costs	–	–	12,197	–	–	–	12,197	6,662
Office Core Costs	–	–	–	–	–	34,242	34,242	36,409
Depreciation	–	–	–	–	–	26,002	26,002	26,002
Independent examiner's fees	–	–	–	–	3,912	–	3,912	3,600
	29,051	28,494	71,983	9,266	3,912	132,871	275,577	271,665
Support costs	–	33,218	46,505	53,148	–	(132,871)	–	–
Governance costs	–	978	1,369	1,565	(3,912)	–	–	–
Total expenditure 2021	29,051	62,690	119,857	63,979	–	–	275,577	–
Total expenditure 2020	25,257	56,788	91,923	97,696	–	–		271,664

The Pirate Castle

Notes to the financial statements

For the year ended 31 December 2021

5b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities				Support costs £	2020 Total £
		Canal Boating £	Outdoor Education £	Community Centre £	Governance costs £		
Staff costs (Note 7)	25,257	18,241	33,676	–	–	63,142	140,316
Canal Boating direct costs	–	6,259	–	–	–	–	6,259
Outdoor Education direct costs	–	–	6,381	–	–	–	6,381
Community Centre direct costs	–	–	–	46,035	–	–	46,035
Holiday scheme direct costs	–	–	6,662	–	–	–	6,662
Office costs	–	–	–	–	–	36,409	36,409
Depreciation	–	–	–	–	–	26,002	26,002
Independent examiner's fee	–	–	–	–	3,600	–	3,600
	25,257	24,500	46,719	46,035	3,600	125,553	271,664
Support costs	–	31,388	43,944	50,221	–	(125,553)	–
Governance costs	–	900	1,260	1,440	(3,600)	–	–
Total expenditure 2020	25,257	56,788	91,923	97,696	–	–	271,664

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	26,002	26,002
Independent examiner's remuneration (excluding VAT):		
Current examiner – for examination	3,200	3,060
	<u>26,002</u>	<u>26,002</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	146,258	125,821
Redundancy and termination costs	–	1,500
Social security costs	12,922	10,849
Employer's contribution to defined contribution pension scheme	2,214	2,146
	<u>161,394</u>	<u>140,316</u>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits including pension contributions of the key management personnel (the General Manager and Development manager) were £81,051 (2020: £65,237).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £0). No charity trustee received payment for professional or other services supplied to the charity (2020: £0).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Outdoor Education	1.0	1.0
Support staff	5.0	5.0
	<u>6.0</u>	<u>6.0</u>

9 Related party transactions

Aggregate donation from related parties in 2021 of none (2020: £150).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Freehold property £	Long Leasehold £	Narrowboat – Pirate Prince £	Narrowboat – Black Pearl £	Total £
Cost or valuation					
At the start of the year	1,014,444	112,406	133,761	39,485	1,300,096
At the end of the year	1,014,444	112,406	133,761	39,485	1,300,096
Depreciation					
At the start of the year	247,252	80,254	25,418	3,224	356,148
Charge for the year	20,289	2,248	2,675	790	26,002
At the end of the year	267,541	82,502	28,093	4,014	382,150
Net book value					
At the end of the year	746,903	29,904	105,668	35,471	917,946
At the start of the year	767,192	32,152	108,343	36,261	943,948

All of the above assets are used for charitable purposes.

12 Debtors

	2021 £	2020 £
Trade debtors	–	6,618
Accrued income	5,000	–
	5,000	6,618

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,438	299
Other taxation and social security	3,461	3,201
Loan	–	5,000
Other creditors	700	700
Deferred income	–	–
Accruals	3,840	3,600
	9,439	12,800

The loan was received from a former chair of the charity in 2016 to provide working capital and was repaid in full in 2021.

14a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Designated £	Total funds £
Tangible fixed assets	–	35,471	882,475	917,946
Current assets	87,238	5,170	–	92,408
Creditors due within one year	(9,439)	–	–	(9,439)
Net assets at the end of the year	77,799	40,641	882,475	1,000,915

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	Designated £	Total funds £
Tangible fixed assets	–	36,261	907,687	943,948
Current assets	16,998	12,142	28,965	58,105
Creditors due within one year	(12,800)	–	–	(12,800)
Net assets at the end of the year	4,198	48,403	936,652	989,253

15a Movements in funds (current year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
General funds	4,198	282,239	(237,603)	28,965	77,799
Designated assets (fixed assets)	907,687	–	(25,212)	–	882,475
Designated assets (JLC for 2021)	28,965	–	–	(28,965)	–
Total unrestricted funds	940,850	282,239	(262,815)	–	960,274
Restricted funds:					
JLC SHAF Fund	–	4,000	(4,000)	–	–
LabTech fund	–	1,000	(1,000)	–	–
CIL funding	8,842	–	(3,672)	–	5,170
LCR wave 3	3,300	–	(3,300)	–	–
Black Pearl	36,261	–	(790)	–	35,471
Total restricted funds	48,403	5,000	(12,762)	–	40,641
Total funds	989,253	287,239	(275,577)	–	1,000,915

Purposes of restricted funds

JLC SHAF Fund – to provide subsidised places or offset costs on the holiday scheme.

LabTech – to provide 100 free “Splash” Holiday Scheme places for local Camden kids

CIL funding – Community Infrastructure Levy funding towards essential repair and infrastructure works at The Pirate Castle.

LCR wave 3 – to support delivery of our Autumn Holiday Scheme and to support costs to provide affordable / free and inclusive community paddlesport sessions from September to March.

Black Pearl – includes the net book value of the 'Black Pearl' canal boat. Depreciation related to this asset is charged to the fund.

Outdoor education co-ordinator (JLC Fund) – to fund the salary of an outdoor education co-ordinator.

Sports England – to assist The Pirate Castle through the Covid-19 crisis by supporting irrecoverable costs incurred by the organisation between 01/03/2020 and 31/07/2020.

JLC SHAF Fund – to provide subsidised places or offset costs on the holiday scheme.

Co-Op Local Causes – to support delivery of Youth Community Activities

Outdoor education – insurance payment to fund purchase and repair of kayaks.

Purposes of designated funds

Designated funds represent the net book value of the freehold and leasehold property and the 'Pirate Prince' canal boat. Depreciation related to these assets is charged to the fund. In addition, the designated funds included £28,965 that was received from JLC as unrestricted funds to be spent in 2021 and has since been transferred into general funds.

15b Movements in funds (prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
General funds	24,127	156,921	(176,850)	–	4,198
Designated assets (fixed assets)	932,899	–	(25,212)	–	907,687
Designated assets (JLC for 2021)	–	28,965	–	–	28,965
Total designated funds	932,899	28,965	(25,212)	–	936,652
Total unrestricted funds	957,026	185,886	(202,062)	–	940,850
Restricted funds:					
Outdoor education co-ordinator	–	8,000	(8,000)	–	–
CIL funding	–	48,860	(40,018)	–	8,842
JLC SHAF Fund	–	6,000	(6,000)	–	–
Co-Op Local Causes	–	4,115	(4,115)	–	–
Sports England	–	5,500	(5,500)	–	–
Outdoor education	–	979	(979)	–	–
LCR wave 3	–	7,500	(4,200)	–	3,300
Black Pearl	37,051	–	(790)	–	36,261
Total restricted funds	37,051	80,954	(69,602)	–	48,403
General funds	24,127	156,921	(176,850)	–	4,198
Designated funds	932,899	28,965	(25,212)	–	936,652
Restricted funds	37,051	80,954	(69,602)	–	48,403
Total funds	994,077	266,840	(271,664)	–	989,253