

CHARITY REGISTRATION NUMBER: 1185047

65 Degrees North
Unaudited Financial Statements
31 December 2020

WALTER HUNTER & CO LIMITED

Chartered accountants
24 Bridge Street
Newport
South Wales
NP20 4SF

65 Degrees North

Financial Statements

Period from 27 August 2019 to 31 December 2020

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65 Degrees North

Trustees' Annual Report

Period from 27 August 2019 to 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the period ended 31 December 2020.

Reference and administrative details

Registered charity name 65 Degrees North

Charity registration number 1185047

Principal office

The trustees

Mr J Ball	(Appointed 18 October 2019)
Professor L Kilduff PhD	(Appointed 18 October 2019)
Mr B L Davies	(Appointed 18 October 2019)
Dr A L Markey MRCS MD	(Appointed 18 October 2019)
Mr T A Rees (Chair)	(Appointed 17 January 2020)
Mrs G V De'Claire	(Appointed 21 July 2020)

Independent examiner Mr Jonathan Rhodes BSc BFP FCA
24 Bridge Street
Newport
South Wales
NP20 4SF

Structure, governance and management

Governing Document

The organisation is a charitable incorporated organisation, registered on 27 August 2019. The charity was established and is governed under a Foundation Constitution. If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Three board meetings were held during the reporting period.

Recruitment and Appointment of the Board of Trustees

Trustees are selected through interview by the Board. The members of the charity are charity trustees for the purposes of charity law, and under the charity's Foundation Constitution are known as members of the Board of Trustees. Under the requirements of the Foundation Constitution the members of the Board of Trustees are elected to serve for a period of three years after which they must be re-elected at the next meeting of the Board. They may serve a maximum of three terms.

Since the object of the CIO is to relieve the needs of wounded, injured and sick serving or former Armed Forces personnel through the provision of training and challenging expeditions, the Board seeks to ensure that the needs of this group of beneficiaries are appropriately reflected through the diversity of the trustee body, which includes a beneficiary. The more traditional business and medical skills are represented on the Board.

The Charity does not remunerate its Trustees, but refunds travel and incidental expenses if claimed.

65 Degrees North

Trustees' Annual Report *(continued)*

Period from 27 August 2019 to 31 December 2020

Trustee Induction and Training

Most trustees are already familiar with the practical work of the Charity, which was in active existence as a non-charitable organisation 5 years before its registration. Trustees are routinely invited to attend UK-based challenge events.

New trustees are invited and encouraged to attend a series of short training sessions (of no more than an hour) to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Governance Trustee and the Chief Executive of the charity and cover:

The obligations of Trustees as set out in various Charity Commission publications, principally CC1 'The Essential Trustee'.

The main document which sets out the operational framework for the charity, the Foundation Constitution.

Resourcing and the current financial position as set out in the latest accounts.

Future plans and objectives.

Current principal risks and mitigations.

Risk Management

The Board of Trustees has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Systems or procedures have been established to mitigate the risks the charity faces.

Principal risks identified as at 31 December 2020 were:

Risk	Mitigation
Injury or death during a challenge of a: <ul style="list-style-type: none">• Beneficiary or volunteer.• Third party non-participant. This risk would reduce the Charity's reputation and potentially lead to financial liability.	<ul style="list-style-type: none">• All training and challenges are meticulously planned and risk-assessed.• All training and challenges are led by appropriately qualified experts.• All participants are carefully screened and selected.• Adequate medical cover is provided.• Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to events.
Financial which includes: <ul style="list-style-type: none">• Not meeting our income targets;• Loss or reduction of funding streams. These risks would reduce our capacity to deliver our strategy.	<ul style="list-style-type: none">• In the COVID-19 context and lack of activity this risk has not arisen in the current reporting period.• As we move forward after the pandemic we will set clear budgets for both income generation and expenditure which will ensure delivery of objectives.
Governance which includes: <ul style="list-style-type: none">• Lack of compliance with legal and regulatory requirements;• Breach of data and/or IT breach by external agents; These risks will impact our operational delivery and increase regulatory scrutiny, both of which will impact our ability to deliver our objectives.	<ul style="list-style-type: none">• We have reviewed all Charity policies and ensured all required are in place.• We have introduced a finance Ruel Book with associated delegations and procedures for authorisation of all transactions and projects.

65 Degrees North

Trustees' Annual Report *(continued)*

Period from 27 August 2019 to 31 December 2020

Organisational Structure

The Charity has no paid employees. The Finance and Media Manager is remunerated on a Contract for Services basis. A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive along with the Finance and Media Manager. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Finance and Media Manager has responsibility for the day to day financial operation of the Charity along with appropriate marketing and communication.

Related Parties

In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy, primarily NHS policy on support to veteran personnel reflects the Armed Forces Covenant, and the Confederation of British Service Personnel and Ex-Personnel Organisation's Guiding Principles for the Delivery of Veterans' and Service Families' Mental Health Care.

Objectives and activities

The charity's objects and principal activities are to:

Relieve the needs of wounded, injured and sick serving or former Armed Forces personnel ('the beneficiaries') by such means as the trustees may from time to time determine, in particular but not exclusively by empowering, engaging and inspiring the disabled and disadvantaged community by the provision of training, development and assistance to the beneficiaries enabling them to take part in challenging expeditions.

The main activities of the charity are climbing and mountaineering, cycling and sailing as a means to provide challenge through adventure.

Over its 7 years of existence as an organisation, 65 Degrees North has led climbing expeditions to Mt Kilimanjaro, Mt Vinson, Denali, Aconcagua and Mt Everest, cycling expeditions to Australia and the Pyrenees, and sailing adventure off the Devon coast. This has been interspersed by regular rock climbing weeks to enable selection of team members.

Public benefit

The Charity provides quantifiable and tangible benefits to the public, underpinning its support of the Military Covenant between the Nation and its Armed Forces, by contributing to the welfare and mental wellbeing of former services personnel and to their independence and dignity, thus reducing actual or potential reliance on state provision and NHS support.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Achievements and performance

The activities of the charity over this reporting period were severely impacted by the COVID 19 epidemic.

A week-long three countries cycling challenge was undertaken in the Pyrenees in September 2019. In this challenge, 3 guides and 16 riders, all of them battling physical or mental injuries, cycled some of the most challenging terrain in France, Andorra and Spain as they rode each day for 6 days, cycling 586kms, climbing and descending 42,385ft, sometimes in blinding rain, without injury or mishap. This challenge assisted the charity to meet its objectives by bringing together a group of veterans who were not expert cyclists in order to support each other as they were stretched beyond their comfort zones both physically and mentally.

65 Degrees North

Trustees' Annual Report *(continued)*

Period from 27 August 2019 to 31 December 2020

Feedback from the beneficiaries was overwhelmingly positive. One wrote:

I have always seen myself as a relatively fit individual especially since being injured, I have made it my personal mission not to let my injuries define who I am. So after almost 10 years of living with these injuries it was amazing for me to finally put my mental and physical fitness to the test and that is what the 3 Countries Challenge allowed me to do. It allowed me to see how far I could push myself and not break. It left me with the thought of what are the limits of an injured veteran?

Before the challenge I was struggling for motivation to even get out of bed in the morning. Since returning that has changed. I'm always the first up and I am a lot more active around the house helping my partner with the smallest things and it's having a positive impact on our family. I put this down to the routine that we had on the Challenge. I have always struggled with the lack of routine since leaving the army, but that week away has put me back on track and I feel like a different person.

Another wrote:

The long term benefits will be huge. I have now worked with 65 Degrees North twice: I sailed on a type of boat I have never been on before, and I learnt new rigging, and with the cycling I am already planning to take my wife back to the Pyrenees or Portugal, having established warm links with the company who supported us. That is a very important aspect from my medical conditions' perspective. Both events benefitted immediately from a detailed and meticulous approach to planning and preparation.

65 Degrees North showed me I am far from alone in facing challenges in life, in fact I really haven't got much to complain about at all and being surrounded by such positive and inspiring people despite what they are facing, has given me great strength.

Financial review

Against the backdrop of the pandemic through most of the reporting period, there has not been the need to recourse to significant expenditure or to generate income. There was expenditure of £16,430 on the sole expedition of the reporting period, leaving a balance of £171k.

Principal Funding Sources

Due to the pandemic there was little fundraising activity in the reporting period. A significant grant of £33,250 was secured from the Armed Forces Covenant Fund Trust, £3.4k was raised from an online art auction, while just over £4k was raised in small grants. Most of the Charity's income represented legacy funds held by the non-registered Not For Profit 65 Degrees North which were transferred to the charity on registration as a Charitable Incorporated Organisation.

Fundraising Policy

The Board has reviewed and revised its fundraising policies and procedures during 2020 reflecting the advice of the Fundraising Regulator of the need to assure our supporters and the wider general public that we fundraise ethically and within the guidelines of the Charity Commission and the Fundraising Regulator.

The Charity's approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support, but also to protect the Charity's reputation. The Charity only fundraises and promotes support to the Charity from individuals and companies following explicit written ('opt in') consent from potential donors. Trustees are aware of the need to protect the public, and especially vulnerable people, hence no cold call, telephone or street fundraising is carried out, and no bonuses or inducements are made to staff or volunteers. No professional fundraisers or commercial participators carried out any fundraising activities on behalf of the Charity.

65 Degrees North

Trustees' Annual Report *(continued)*

Period from 27 August 2019 to 31 December 2020

The Trustees ensure the Charity adheres to the FR Code of Practice and to Charity Commission guidelines, particularly CC20 (Charity fundraising: a guide to trustee duties). Trustees are aware of the Commission's six fundraising principles and ensure adherence by charity staff through the oversight of a Fundraising sub-committee of the board: effective planning; supervision of fundraisers; protection of charity reputation, money and other assets; ensuring compliance with laws and regulations; following recognised standards; openness and accountability. Failures to comply will be reported to the FR if they occur, as will complaints, for which there is a process to follow if received; there have been none of either in the reporting period. Policies and processes are in place to ensure the Charity's compliance with the General Data Protection Regulation (GDPR), particularly with regard to the use of personal data for fundraising purposes.

Investment Policy

The charity has no investment reserves.

Reserves Policy

The Board has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 3 and 6 months of the expenditure. There was no formal budget set for 2021 due to the continuing pandemic, as no significant activity is envisaged and therefore the general funds of the charity constitute sufficient reserves. There will be a review of reserves to ensure 3-6 months of expenditure following detailed planning for 2022 activities.

Plans for future periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements, notably to attempt the ascent of Carstensz Pyramid in spring 2022, and to paddle the Yukon in 2023.

The charity will also continue lower level rock weeks in Cornwall and paddling weeks in Scotland.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
 - make judgments and accounting estimates that are reasonable and prudent;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
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65 Degrees North

Trustees' Annual Report *(continued)*

Period from 27 August 2019 to 31 December 2020

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report was approved on 26 October 2021 and signed on behalf of the board of trustees by:



Mr J Ball
Trustee

65 Degrees North

Independent Examiner's Report to the Trustees of 65 Degrees North

Period from 27 August 2019 to 31 December 2020

I report to the trustees on my examination of the financial statements of 65 Degrees North ('the charity') for the period ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 Act.

Independent examiner's statement

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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Mr Jonathan Rhodes BSc BFP FCA

Independent Examiner

24 Bridge Street
Newport
South Wales
NP20 4SF

26 October 2021

65 Degrees North

Statement of Financial Activities

Period from 27 August 2019 to 31 December 2020

Period from 27 August 2019 to 31 December 2020				
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Donations	4	121,608	—	121,608
Charitable activities	5	4,183	56,750	60,933
Other trading activities	6	3,443	—	3,443
Investment income	7	264	—	264
Total income		<u>129,498</u>	<u>56,750</u>	<u>186,248</u>
Expenditure				
Expenditure on charitable activities	8,9	<u>13,899</u>	<u>2,531</u>	<u>16,430</u>
Total expenditure		<u>13,899</u>	<u>2,531</u>	<u>16,430</u>
Net income and net movement in funds		<u>115,599</u>	<u>54,219</u>	<u>169,818</u>
Reconciliation of funds				
Total funds brought forward		<u>—</u>	<u>—</u>	<u>—</u>
Total funds carried forward		115,599	54,219	169,818

The statement of financial activities includes all gains and losses recognised in the year.

The assets, liabilities and transactions were transferred from 65 Degree North unregistered NFP organisation to the charity on 27 August 2019. The net assets of that organisation are disclosed in donations above.

All other income and expenditure derive from continuing activities.

The notes on pages 11 to 15 form part of these financial statements.

65 Degrees North

Statement of Financial Position

31 December 2020

		31 December 2020 £
	Note	
Current assets		
Cash at bank and in hand		171,258
Creditors: amounts falling due within one year	14	1,440
Net current assets		<u>169,818</u>
Total assets less current liabilities		<u>169,818</u>
Net assets		<u>169,818</u>
Funds of the charity		
Restricted funds		54,219
Unrestricted funds		<u>115,599</u>
Total charity funds	15	<u>169,818</u>

These financial statements were approved by the board of trustees and authorised for issue on 26 October 2021, and are signed on behalf of the board by:



Mr J Ball
Trustee

The notes on pages 11 to 15 form part of these financial statements.

65 Degrees North

Statement of Cash Flows

Period from 27 August 2019 to 31 December 2020

	31 December 2020 £
Cash flows from operating activities	
Net income	169,818
<i>Adjustments for:</i>	
Other interest receivable and similar income	(264)
Interest payable and similar charges	14
Accrued expenses	1,440
Cash generated from operations	171,008
Interest paid	(14)
Interest received	264
Net cash from operating activities	<u>171,258</u>
Net increase in cash and cash equivalents	171,258
Cash and cash equivalents at beginning of period	—
Cash and cash equivalents at end of period	<u>171,258</u>

The notes on pages 11 to 15 form part of these financial statements.

65 Degrees North

Notes to the Financial Statements

Period from 27 August 2019 to 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 17 Station Road, Fforestfach, Swansea, SA5 5BH.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

Since March 2020 the Covid-19 pandemic has seriously affected the UK generally. As a company we have taken all necessary steps to combat the effects of the virus and to ensure that the company is able to continue to operate.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

65 Degrees North

Notes to the Financial Statements *(continued)*

Period from 27 August 2019 to 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

4. Donations

	Unrestricted Funds £	Total Funds 2020 £
Donations		
Donations	6,064	6,064
Transfer from 65 Degrees North unregistered NFP organisation	<u>115,544</u>	<u>115,544</u>
	<u>121,608</u>	<u>121,608</u>

The assets, liabilities and transactions of 65 Degrees North unregistered NFP organisation were transferred to the charity on 27 August 2019.

65 Degrees North

Notes to the Financial Statements *(continued)*

Period from 27 August 2019 to 31 December 2020

5. Charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Small Grants	4,183	–	4,183
Armed Forces Covenant Fund Trust	–	33,250	33,250
HM Treasury LIBOR Bank Fines	–	23,500	23,500
	<u>4,183</u>	<u>56,750</u>	<u>60,933</u>

6. Other trading activities

	Unrestricted Funds	Total Funds 2020
	£	£
Fundraising events	<u>3,443</u>	<u>3,443</u>

7. Investment income

	Unrestricted Funds	Total Funds 2020
	£	£
Bank interest received	<u>264</u>	<u>264</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
General Funds	12,446	–	12,446
HM Treasury LIBOR Bank Fines	–	2,530	2,530
Support costs	<u>1,454</u>	<u>–</u>	<u>1,454</u>
	<u>13,900</u>	<u>2,530</u>	<u>16,430</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020
	£	£	£
General Funds	12,446	1,454	13,900
HM Treasury LIBOR Bank Fines	<u>2,530</u>	<u>–</u>	<u>2,530</u>
	<u>14,976</u>	<u>1,454</u>	<u>16,430</u>

65 Degrees North

Notes to the Financial Statements *(continued)*

Period from 27 August 2019 to 31 December 2020

10. Analysis of support costs

	Accountancy	Bank Charges	Total 2020
	£	£	£
Finance costs	<u>1,440</u>	<u>14</u>	<u>1,454</u>

11. Independent examination fees

	Period from 27 August 2019 to 31 December 2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,440</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period was Nil.

The average head count of employees during the period was Nil.

No employee received employee benefits of more than £60,000 during the year.

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees;

14. Creditors: amounts falling due within one year

	31 December 2020 £
Accruals and deferred income	<u>1,440</u>

15. Analysis of charitable funds

Unrestricted funds

	At 27 August 2019 £	Income £	Expenditure £	At 31 December 2020 £
General funds	<u>—</u>	<u>129,498</u>	<u>(13,899)</u>	<u>115,599</u>

65 Degrees North

Notes to the Financial Statements *(continued)*

Period from 27 August 2019 to 31 December 2020

15. Analysis of charitable funds *(continued)*

Restricted funds

	At 27 August 2019	Income	Expenditure	At 31 December 2020
	£	£	£	£
Armed Forces Covenant Fund Trust	–	33,250	–	33,250
HM Treasury LIBOR Bank Fines	–	23,500	(2,531)	20,969
	–	<u>56,750</u>	<u>(2,531)</u>	<u>54,219</u>

16. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Current assets	117,039	54,219	171,258
Creditors less than 1 year	(1,440)	–	(1,440)
Net assets	<u>115,599</u>	<u>54,219</u>	<u>169,818</u>

17. Analysis of changes in net debt

	At 27 August 2019	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	–	171,258	171,258