

Charity registration number 293781

Company registration number 01988352 (England and Wales)

**CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Crossley
N E N Doney
R M Doney
N I Rees
R I Walker
C J Adams
N J F Houston
E Slinn

Secretary

N J F Houston

Charity number

293781

Company number

01988352

Registered office

Jubilee Building
Chidham
Chichester
West Sussex
PO18 8TE

Independent examiner

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Bankers

HSBC
17 Market Place
Blandford Forum
Dorset
DT11 7AG

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

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CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019).

They have also adopted the provisions of the Good Governance Code for the Voluntary and Community Sector.

OBJECTIVES AND ACTIVITIES

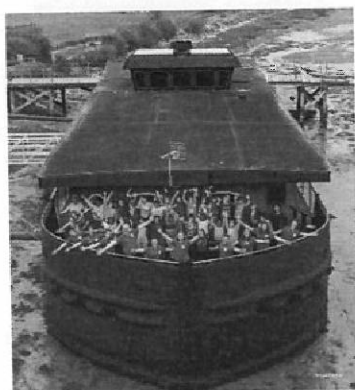
The charity's objective is to advance education in a broad sense in accordance with the principles of the Christian religion among people of all ages and beliefs. To this end, CYE Sailing Centre will work extensively but not exclusively with young people through their school and leisure time activities, seeking to develop the mental, emotional, and spiritual capacities and experience of people of all ages. Volunteers are actively encouraged to take part as activity leaders and helpers. There is a volunteers' coordinator and appropriate policies and procedures are set out in the Volunteer Manual. Training is given as appropriate. The volunteer programme is also part of the ongoing leadership development of people under 25 years old. Volunteers are involved in all areas of the organisation including centre maintenance & repairs, fundraising, administration, catering & activity provision and event leadership. Their contribution cannot be quantified although it makes a big positive difference to the charity's ability to meet its aims & objectives.

ACHIEVEMENT AND PERFORMANCE

Transforming lives through outdoor activities since 1985

From humble beginnings in 1985, CYE's beautiful site in Chichester Harbour has developed into an established, respected and flourishing hub of outdoor adventurous activities, education, youthwork and training for thousands of children, young people and young adults every year.

We run professional, challenging and high-quality residential stays for primary and secondary schools. Throughout the year, we also provide events for 8 - 18-year-olds including adventure camps, sailing & kayaking courses, activity days and families' weekends. We partner with disability groups to enable all children and young people to have access to outdoor activities on a regular basis.



In 2011 we raised funds and commissioned our bespoke, 50-berth accommodation vessel, TS Resolute, which enabled an uplift in scope, professionalism, and quality to what we were able to offer. Our capacity grew and our season extended through the winter. This has increased the number of children and young people we work with by 40%.

The work of CYE is unique. Our training programme for young leaders, our creative approach to adventurous activity, our proactive nurturing of volunteers, and our development of a loving, inclusive environment are the perfect mix for over 2600 people of all ages, abilities and backgrounds to make leaps forward in their social, mental, spiritual, and physical development every year. We ensure irresistible experiences; gentle challenges and a supportive team combine to give the next generation a stable platform to jump off. The ripples of positive change now extend into the tens of thousands. The impact of this work is life-long. School children return to the classroom changed, inspired and hopeful. Families become more united. Many young people return annually on events, or as volunteers, deepening skills, and consolidating growth. Many also return as trainee leaders and pass on their learning to the next generation.

Due to CYE's holistic approach over many years, hundreds of adults now cite their experiences at CYE as fundamental to their current role, impact, and worldview.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Attendees	Residential other	Day visits	Adults	Schoolchildren	Youth groups	Special Needs	Families
Total 2618	382	259	103	1095	148	276	355

CYESC operated a bursary fund to support those in financial need

Group bursary grants	3	£ 2705.50
Individual Bursary Grants	105	£14207.50
TOTAL Bursary grants in 2022	108	£16913.00

"For the last seven years, I have enjoyed being part of CYE and all they do; from my first camp when I was eight to now being a Young Gun and volunteer. I have had so many opportunities to learn and grow, surrounded by amazing people who encourage and inspire me." ET aged 15

"Our children become so much more self-assured following their time at CYE. That is down to the staff's commitment, attention to detail, encouragement and enthusiasm" Adam Warner, Assistant Headmaster at Hoe Bridge school, who has brought 60 year 6 children on residential trips for the past 5 years.

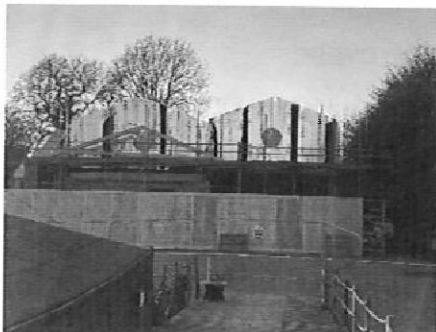
"Our relationship with CYE spans a decade and is invaluable to us. Together we have carefully honed activities to suit the needs of our children and young people for our weekly sessions and year-round events. Many of our families are unable to go away on holiday and instead use CYE days and weekends as their family break, where they are supported by PACSO and CYE staff to create memories that last a lifetime. However, children and families have commented that the current changing facilities are below par and impractical to use safely for those with wheelchairs or mobility difficulties. Improvements to the changing facilities would help us to welcome even more families to our joint events and help those families who are most marginalized in society to be included and take part in activities that other families can easily enjoy together." Emma Kennedy, PACSO CEO

"I cannot thank your great team enough for the most fantastic 2 days my son had. Due to the coronavirus, he has missed out on so much and his confidence had deteriorated, the bursary award was much needed. He had so much fun, and the staff built his confidence when he was nervous doing a few things. He almost burst with excitement telling me all the fun things that he had done. It was a joy to hear." Parent of Summer guest.



In 2022 building commenced on

Project Delta: A dramatic improvement at the right time.



CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

As our work has developed, the much-loved Enterprise building built by volunteers over 30 years ago, has become unfit for purpose. The accommodation for our onsite staff and the changing areas for young people no longer meet the minimum standards expected. The greater capacity and versatility of TS Resolute and the subsequent increases in our events, activity team and season mean we have outgrown the small structure. In 2018, a substantial gift from a visionary donor fired up a project with a singular vision: to significantly improve and expand the changing, drying, workshop and staff accommodation areas through a new high-quality facility. Project Delta was conceived: a purpose-built solution that will meet the growing demand for many decades to come.

Project Delta offers the opportunity to navigate the complex challenges of our site and operations, while also greatly improving inclusivity, sustainability, and environmental impact. As such, the design:

- Improves disabled access significantly
- Promotes high safeguarding standards
- Significantly reduces the carbon footprint through renewable energies
- Reduces water use through rainwater harvesting
- Improves quality of living for onsite trainee staff
- Improves the storage systems for equipment and protective clothing
- Harmonises with the Area of Outstanding Natural Beauty
- Uses materials sympathetic to the surrounding area

Our accommodation vessel TS Resolute was equipped with cutting-edge technologies in solar and ground-source heat, making a huge environmental step in the right direction. Building on this, our new facility will make use of mechanical ventilation heat-recovery, further solar energy & ground-source heating as well as very high insulation standards to continue reducing our carbon footprint.

More of what we do best

Our staff and volunteers are upheld frequently as crucial to the positive impact CYE has. We want to take care of these hard-working young adults as they learn how to become the leaders of tomorrow. While functional, the improved team accommodation promotes better work-life balance and greater opportunity to develop essential skills when living away from home for the first time. The improvements to volunteer facilities will provide much-needed capacity and flexibility for this diverse and dedicated team. The design also supports improvements in cleaning, drying and storing essential clothing worn by young people on water activities and rescue craft. These and other efficiencies will reduce running costs and allow more capacity for positive interactions between staff and young people.

FINANCIAL REVIEW

RESERVES POLICY

Unrestricted reserves

The trustees recognise the need for the charity to maintain free reserves sufficient to cover 3 months management, administration support costs, and such unexpected costs as may arise from time to time, should the charity suffer from a reduction in its income. The trustees consider that given the charity's loyal supporter base and the usual strong demand for most of its courses and events, this level of reserves is sufficient for the charity's needs. The reserves at the end of the year were £32,000 (2021:£45,000). There were also £206,000 of designated reserves at the end of 2022 should the application to zero rate the new build be unsuccessful.

Restricted reserves

In 2022 the Bursary fund previously managed by a sister charity was brought into CYESC.

Substantial fundraising to place in 2022 towards the DELTA building project, estimated to cost £2.2 million.

FUTURE PLANS

Construction commenced on The DELTA project in Oct 2022 as scheduled with an expected handover in July 2023.
<https://cye.org.uk/build-project/>

The trustees, in partnership with the centre staff, are actively seeking to utilise the sailing centre's facilities to the maximum capacity throughout the year and to provide a good, relevant, and diverse programme for all.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

FUTURE PLANS (continued)

1. To fulfil the mission of CYESC and to improve the quality of provision through new facilities
2. To continue to enable the Centre Director to operate effectively with responsibility for the management of the staff and centre, marketing, media, and financial control. The training of the staff and running of activities continue to be under the responsibility of the Operations Manager.
3. To increase current levels of fundraising, particularly in regular (monthly/quarterly) donations to fund the growth of reserves and the general operation of the work of CYESC, as well as ensure the Renewable Energies loan is repaid on schedule.
4. CYESC will continue to provide a wide range of activities for children and adults at the activity centre, run RYA and BC courses and to seek to train people from all ages, ethnic groups, able bodied and disabled in aspects of physical, mental, and spiritual development.
5. To work together with other like-minded organisations to fulfil the mission of CYESC.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Christian Youth Enterprises Sailing Centre Limited is a company limited by guarantee, as defined by the Companies Act 2006 and a registered charity governed by its Memorandum and Articles of Association, which were amended and updated in April 2012.

The trustees who served during the year and since the year-end, are shown below. One third (or the nearest number to one third) of the trustees retire by rotation at each AGM. A retiring trustee shall be eligible for re-election.

The board of trustees govern the charity, working with the Centre Director, Development Director, and staff. Salaries are discussed by trustees each autumn, and approved in December for implementation in January. It includes a cost of living increase in line with RPI for the previous 12 months. A revaluation of the "worth" of roles and general market/competitor salaries may also occur, resulting in some receiving a higher percentage increase. There was an exercise of this type effective from Jan 22.

The trustees have various portfolios, including medical, safeguarding, teaching, compliance, fleet, finance, and human resources. All trustees receive sufficient and appropriate training on appointment and are usually given responsibilities for which they have previous experience and for which they have already trained in their professional lives.

The charity's wholly owned subsidiary, Sussex Enterprise Marine Limited (SEM), is responsible for repairing and maintaining T S Resolute and purchasing and maintaining replacement assets for the smooth running of the ship. It also serves as the design & build contractor for project DELTA.

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to reduce those risks. The risk assessment is reviewed annually in December.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

The directors of the charitable company (hereafter referred to as 'the charity') are its trustees for the purposes of charity law and throughout this report are referred to collectively as 'the trustees'. The trustees serving during the year and since the year-end are as follows:

C Crossley (Re appointed June 2020) Chairperson, Staff Liaison
N E N Doney (Re appointed June 2022) Development Director/Special projects
R M Doney (Re appointed June 2020) Schools Content
N I Rees (Re appointed June 2021) Finance
R I Walker (Re appointed June 2022) Medical
C J Adams (Appointed June 2021) Fleet
N Houston (Re Appointed June 2022) Company Secretary & HR
E Slinn (Appointed in March 2022) Safeguarding

Day to day management is delegated to:

Centre Director - Mark Sheldrake (appointed April 2018)
Development Director - Norman Doney

PUBLIC BENEFIT

The centre is open to all people aged 8 and over and for younger children when they come as part of a family's event. In 2011 we fully reviewed and ensured that CYESC beliefs and practices of the Christian religion are capable of advancing religion for the purposes of charity law (Public Benefit Assessment Report, July 2009) and continue to do so on a regular basis.

Volunteers are involved in all areas of the organisation including centre maintenance & repairs, fundraising, administration, catering and activity provision and leadership. Their contribution cannot be quantified although it makes a big positive difference to the charity's ability to meet its aims & objectives.

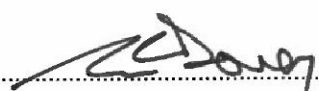
The centre has a working partnership with PACSO (Parents and Carers Support Organisation) and other specialist schools and groups to help with the care of disabled children and their families. The centre usually also runs "On Board", an RYA scheme aimed at encouraging any young person to get sailing.

In compiling this report, the trustees have given due regard to the public benefit guidance as issued by the Charity Commission. CYESC works out its Public Benefit in several ways. CYESC believes that the Christian faith is of benefit to society and individuals bringing personal transformation for peace and social harmony which grows from what Christians believe is God's ultimate purpose. Most people are impacted if Christians "live a Christ-like life amongst them, share the good news of Jesus, demonstrate God's love, and prayerfully expect God's power to transform individuals, communities, and whole nations".

CYESC seeks to demonstrate this benefit through its wide range of activities as detailed throughout the trustees' report.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 6 July 2023 and signed on its behalf

by: 

N E N Doney - Trustee

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

I report to the trustees on my examination of the financial statements of Christian Youth Enterprise Sailing Centre (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

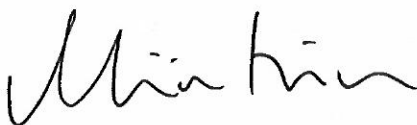
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 (FRS 102).

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 financial statements to be reached.

Miriam Hickson CTA FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW



Dated: 11 September 2023

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:							
Donations and legacies	3	266,101	368,625	634,726	231,670	360,838	592,508
Charitable activities	4	323,685	593	324,278	344,241	-	344,241
Other trading activities	5	4,052	-	4,052	2,599	-	2,599
Investments	6	584	3,791	4,375	310	1,345	1,655
Other income	7	1,693	2,019	3,712	4,139	-	4,139
Total income		596,115	375,028	971,143	582,959	362,183	945,142
Expenditure on:							
Raising funds	8	2,635	-	2,635	1,938	-	1,938
Charitable activities	9	594,549	17,117	611,666	528,233	50,138	578,371
Total expenditure		597,184	17,117	614,301	530,171	50,138	580,309
Net (expenditure)/income before transfers		(1,069)	357,911	356,842	52,788	312,045	364,833
Gross transfers between funds		817,111	(817,111)	-	14,853	(14,853)	-
Net income/(expenditure) for the year/							
Net movement in funds		816,042	(459,200)	356,842	67,641	297,192	364,833
Fund balances at 1 January 2022		1,128,178	1,073,341	2,201,519	1,060,537	776,149	1,836,686
Fund balances at 31 December 2022		1,944,220	614,141	2,558,361	1,128,178	1,073,341	2,201,519

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13	1,609,560		925,981	
Investments	14	1		1	
		<u>1,609,561</u>		<u>925,982</u>	
Current assets					
Stocks	16	2,880		1,612	
Debtors	17	228,862		158,568	
Investments	18	156,287		-	
Cash at bank and in hand		775,581		1,241,305	
		<u>1,163,610</u>		<u>1,401,485</u>	
Creditors: amounts falling due within one year	19	<u>(214,810)</u>		<u>(125,948)</u>	
Net current assets		948,800		1,275,537	
Total assets less current liabilities		<u>2,558,361</u>		<u>2,201,519</u>	
Income funds					
Restricted funds	21	614,141		1,073,341	
<u>Unrestricted funds</u>					
Designated funds	22	727,520		751,399	
General unrestricted funds		<u>1,216,700</u>		<u>376,779</u>	
		<u>1,944,220</u>		<u>1,128,178</u>	
		<u>2,558,361</u>		<u>2,201,519</u>	

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 6 July 2023



N E N Doney
Trustee

Company registration number 01988352

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	28		417,873		412,215
Investing activities					
Purchase of tangible fixed assets		(740,485)		(26,494)	
Proceeds from disposal of tangible fixed assets		15,048		5,950	
Received from/(loaned to) subsidiary		(6,248)		(36,829)	
Purchase of investments		(156,287)		-	
Investment income received		4,375		1,655	
Net cash used in investing activities			(883,597)		(55,718)
Financing activities					
Repayment of borrowings		-		(30,000)	
Net cash used in financing activities			-		(30,000)
Net (decrease)/increase in cash and cash equivalents			(465,724)		326,497
Cash and cash equivalents at beginning of year			1,241,305		914,808
Cash and cash equivalents at end of year			775,581		1,241,305

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Christian Youth Enterprise Sailing Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Jubilee Building, Chidham, Chichester, West Sussex, PO18 8TE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements include information about the charity alone as consolidated accounts are not required.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations, including grants, are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount can be estimated, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

Income for activities to be held in the future is deferred to the relevant accounting period.

1.5 Expenditure

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.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2 % straight line
Leasehold improvements	Not yet in use
Plant and equipment	2 % straight line
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022 £	2022 £	2022 £	2021 £
Donations and gifts	220,176	279,104	499,280	466,587
Grants	33,916	75,658	109,574	95,691
Gift aid	12,009	13,863	25,872	30,230
	<u>266,101</u>	<u>368,625</u>	<u>634,726</u>	<u>592,508</u>

4 Charitable activities

	2022 £	2021 £
Activity fees	<u>324,278</u>	<u>344,241</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Shop income	<u>4,052</u>	<u>2,599</u>

6 Investments

	Unrestricted funds	Restricted funds	Total	Total
	2022 £	2022 £	2022 £	2021 £
Interest receivable	<u>584</u>	<u>3,791</u>	<u>4,375</u>	<u>1,655</u>

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Other income

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2022	2022	2022	2021
	£	£	£	£
Net gain on disposal of tangible fixed assets	618	-	618	(967)
Other income	1,075	2,019	3,094	5,106
	<u>1,693</u>	<u>2,019</u>	<u>3,712</u>	<u>4,139</u>

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Trading costs</u>		
Shop running costs	2,635	1,938
	<u>2,635</u>	<u>1,938</u>

9 Charitable activities

	Activity centre	Activity centre
	2022	2021
	£	£
Staff costs	268,753	240,382
Depreciation and impairment	42,476	44,663
Activity centre costs	272,473	280,313
	<u>583,702</u>	<u>565,358</u>
Share of support costs (see note 10)	18,441	9,879
Share of governance costs (see note 10)	9,523	3,134
	<u>611,666</u>	<u>578,371</u>

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Advertising & promotion	7,077	-	7,077	5,529	-	5,529
Bank charges	2,529	-	2,529	1,660	-	1,660
Management fee	5,999	-	5,999	-	-	-
Website & IT subscriptions	2,836	-	2,836	2,690	-	2,690
Legal and professional	-	9,523	9,523	-	3,134	3,134
	<u>18,441</u>	<u>9,523</u>	<u>27,964</u>	<u>9,879</u>	<u>3,134</u>	<u>13,013</u>

Governance costs includes fees charged by the current Independent Examiner of £2,400 for the examination and £2,400 for other services. It also includes charges by the previous examiner of £800 for the 2021 examination and £3,923 for other services. There were no charges in the 2021 accounts.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £554 travelling expenses (2021- none were reimbursed £nil).

During 2022, the charity made payments for consultancy services totalling £4,685 (2021:£4,581) to Doney Consulting Limited, a company owned by one of the charity's trustees, Mr N Doney. These payments are permitted by the Memorandum & Articles of Association.

None of the trustees received any payments or remuneration for their work as trustees.

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>13</u>	<u>11</u>
Employment costs	2022	2021
	£	£
Wages and salaries	247,904	222,685
Social security costs	16,063	13,328
Other pension costs	4,786	4,369
	<u>268,753</u>	<u>240,382</u>

There were no employees whose annual remuneration was more than £60,000.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Tangible fixed assets

	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and Motor vehicles fittings	Total
	£	£	£	£	£
Cost					
At 1 January 2022	176,153	-	1,154,779	257,908	1,593,535
Additions	-	721,805	-	18,680	740,485
Disposals	-	-	(4,494)	(14,575)	(19,069)
At 31 December 2022	176,153	721,805	1,150,285	262,013	2,314,951
Depreciation and impairment					
At 1 January 2022	81,030	-	408,555	175,254	667,554
Depreciation charged in the year	3,523	-	23,096	15,362	42,476
Eliminated in respect of disposals	-	-	(2,453)	(2,186)	(4,639)
At 31 December 2022	84,553	-	429,198	188,430	705,391
Carrying amount					
At 31 December 2022	91,600	721,805	721,087	73,583	1,609,560
At 31 December 2021	95,123	-	746,224	82,654	925,981

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 January 2022 & 31 December 2022		1
Carrying amount		
At 31 December 2022		1
At 31 December 2021		1

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	27	1	1

15 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	156,287	-

16 Stocks

	2022 £	2021 £
Stocks	2,880	1,612

17 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	75,014	60,206
Amounts owed by subsidiary undertakings	62,120	68,368
Other debtors	10,380	21,589
Prepayments and accrued income	81,348	8,405
	228,862	158,568

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

18 Current asset investments

	2022 £	2021 £
Cash in savings account maturity after 3 months	156,287	-

19 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		4,568	4,400
Deferred income	20	197,621	112,470
Trade creditors		6,572	3,569
Other creditors		1,249	5,509
Accruals and deferred income		4,800	-
		214,810	125,948

20 Deferred income

	2022 £	2021 £
Arising from Fees received in advance	197,621	112,470

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	197,621	112,470
Movements in the year:		
Deferred income at 1 January 2022	112,470	116,009
Released from previous periods	(112,470)	(116,009)
Resources deferred in the year	197,621	112,470
Deferred income at 31 December 2022	197,621	112,470

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021 £	Movement in funds			Transfers 1 January 2022 £	Balance at 1 January 2022 £	Movement in funds			Transfers 31 December 2022 £	Balance at 31 December 2022 £
		Income £	Expenditure £	£			Income £	Expenditure £	£		
Other restricted funds	-	2,465	(365)	-	-	2,100	12,200	-	-	-	14,300
Superstructure Fund	9,771	-	-	-	-	9,771	-	-	-	-	9,771
Fleet Fund	1,288	2,000	-	(3,288)	-	-	-	-	-	-	-
Delta Project fund	765,090	355,427	(49,773)	(11,565)	1,059,179	295,093	(2,403)	(817,111)	534,758	-	534,758
Bursary Fund	-	2,291	-	-	2,291	67,735	(14,714)	-	55,312	-	55,312
	776,149	362,183	(50,138)	(14,853)	1,073,341	375,028	(17,117)	(817,111)	614,141		

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds

(Continued)

Restricted Superstructure Fund

The purpose of this fund is to finance the upgrading of parts of the exterior of TS Resolute, improving the long term weatherproofed overall and hence the longevity of the asset.

Restricted Fleet Fund

The strategy for renewal of the CYESC fleet is to move to doing this on a cyclical basis, a few items each year.

Restricted Delta Project Fund

The purpose of this fund is to finance the redevelopment of the sailing centre premises.

Restricted Bursary Fund

The Bursary Fund was established to enable young people from all financial backgrounds to benefit from the unique irresistible experiences that CYESC has to offer. Bursaries of up to 50% of the cost of courses are offered to any young person, subject to receipt of a statement of financial hardship, often from a Head teacher or pastor, and approval by CYE.

Transfers between funds

Transfers from restricted to unrestricted funds represent capital expenditure incurred from restricted funds. The transfers have been made on the basis that the conditions of the restricted fund donations are met once the specified assets are acquired, so allowing the charity to use the assets acquired on an unrestricted basis for any charitable purpose.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Expenditure	Transfers	Balance at 1 January 2022	Expenditure	Balance at 31 December 2022
	£	£	£	£	£	£
T S Resolute - Boat, Furniture & Equipment	772,512	(25,158)	4,045	751,399	(23,879)	727,520
	<u>772,512</u>	<u>(25,158)</u>	<u>4,045</u>	<u>751,399</u>	<u>(23,879)</u>	<u>727,520</u>

23 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	1,609,560	-	1,609,560	925,981	-	925,981
Investments	1	-	1	1	-	1
Current assets/(liabilities)	334,659	614,141	948,800	202,196	1,073,341	1,275,537
	<u>1,944,220</u>	<u>614,141</u>	<u>2,558,361</u>	<u>1,128,178</u>	<u>1,073,341</u>	<u>2,201,519</u>

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	10,060	8,948
Between two and five years	39,591	13,421
In over five years	187,908	-
	<u>237,559</u>	<u>22,369</u>

Lease payments expensed in the year were £8,948 (2021:£8,948).

25 Capital commitments

At 31 December 2022 the charity had a capital commitment of £1,277,443 in respect of the construction of a new building.

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>46,521</u>	<u>42,137</u>

At 31 December 2022 the charity was owed £62,120 (2021:£68,368) by its wholly owned subsidiary, Sussex Enterprise Marine Limited. The loan is unsecured, interest-free, and arose from funds supplied to the subsidiary to purchase and maintain fixed assets for the parent charity.

During the year the charity was charged fees and commission of £19,600 (2021:£53,022) by its subsidiary for services provided in maintaining the accommodation vessel T S Resolute, it was also charged £774,818 for the construction work on Project Delta.

The charity has a close relationship with Christian Youth Enterprises (CYE), registered charity number 287857. CYE raises bursary funds to enable disadvantaged young people to attend events and courses run by CYSEC. CYE paid £32,658 (2021:£8,453) to CYESC to cover all or part of the cost of 72 disadvantaged young people attending events and courses.

27 Subsidiaries

These financial statements are separate charity financial statements for Christian Youth Enterprises Sailing Centre alone.

Details of the charity's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Sussex Enterprise Marine Ltd	England	Building and maintenance of accommodation vessel	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Sussex Enterprise Marine Ltd	34,560	(15,167)

CHRISTIAN YOUTH ENTERPRISE SAILING CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

28	Cash generated from operations	2022 £	2021 £
	Surplus for the year	356,842	364,833
	Adjustments for:		
	Investment income recognised in statement of financial activities	(4,375)	(1,655)
	(Gain)/loss on disposal of tangible fixed assets	(618)	967
	Depreciation and impairment of tangible fixed assets	42,476	44,663
	Movements in working capital:		
	(Increase)/decrease in stocks	(1,268)	78
	(Increase)/decrease in debtors	(64,046)	4,066
	Increase in creditors	3,711	2,802
	Increase/(decrease) in deferred income	85,151	(3,539)
	Cash generated from operations	417,873	412,215
29	Analysis of changes in net funds		
	The charity had no debt during the year.		

