

Registered number: 04718891

Charity number: 1107724

OSCR number: SCO40118

ROCK UK ADVENTURE CENTRES LIMITED
(A company limited by guarantee)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

ROCK UK ADVENTURE CENTRES LTD
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022

Directors

M Wooding Jones (Chair)
A D Belcher
R P Charlesworth
H A Ellis
N D Foot
G D Starling (resigned 14 December 2022)
D A Sykes (appointed 6 February 2023)

Company registered number

04718891

English and Welsh Charity registered number

1107724

Scottish Charity registered number

SCO40118

Registered office

Frontier Centre, Addington Road, Irthlingborough, Wellingborough, Northamptonshire, NN9 5UH

Company secretary

M Maclean

Chief executive officer

M Maclean

Auditors

Griffin Stone Moscrop & Co, 21 - 27 Lamb's Conduit Street, London, WC1N 3GS

Bankers

Reliance Bank Limited, Faith House, 23-24 Lovat Lane, London, EC3R 8EB
Lloyds Bank plc, 104 Terminus Road, Eastbourne, East Sussex, BN21 3AH

Solicitors

Anthony Collins Solicitors, 134 Edmund Street, Birmingham, B3 2ES

**ROCK UK ADVENTURE CENTRES LTD
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**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

Rock UK is a Christian charity that is passionate about developing young people, bringing adventure into learning in the outdoors, to transform lives. We seek to serve all people regardless of their gender, marital status, race, religion, ethnic origin, age, sexual orientation or physical and mental capability. The annual report (which also includes a directors' report as required by company law) and financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to advance the Christian faith and to carry on such other charitable activities or the advancement of the Christian faith as the company may determine, and to provide educational services and facilities (including without prejudice to the generality of the foregoing the provision of instructed adventure (and other) activities).

When considering the charity's use of its facilities and planning future developments, the directors have considered the Charity Commission's guidance on public benefit and fee charging. The directors have given careful consideration to the availability of its facilities to those on low income and the charity continues to actively promote the bursary fund which was introduced in 2013.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Rock UK Adventure Centres Limited was incorporated as a company limited by guarantee on 1 April 2003 (registered number 04718891) under the name Barnabas Adventure Limited and is governed by its memorandum and articles of association. The company name was changed from Barnabas Adventure Limited to Barnabas Adventure Centres Limited in January 2006, and then to Rock UK Adventure Centres Limited in October 2009. This company is registered with the Charity Commission, number 1107724, and with the Office of the Scottish Charity Regulator, number SCO40118.

Appointment of Trustees

The directors may from time to time, and at any time, appoint any member of the company as a director, either to fill a casual vacancy or by way of addition to the board, provided that the number of trustees shall not be less than 3. All directors may nominate new members and directors to be considered for election, who are then invited to attend a board meeting for orientation and briefing on their legal obligations, the content of the memorandum and articles of association, the decision-making process, the business plan and recent financial performance of the charity.

Organisation

The board of directors, which meets quarterly, administers the charity. A chief executive, who is precluded from being a member of the board under the company's governing documents, is appointed by the directors to manage all activities of the charity, and oversee staff teams who manage the day to day operations of the centres. The board decides on development, strategy, policy and finance, with meetings attended by the chief executive who is responsible for implementation.

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FOR THE YEAR ENDED 31 AUGUST 2022

The chief executive and senior managers provide written reports to directors prior to board meetings to inform their decisions.

The Centre director leadership team was unchanged throughout the year.
Key management personnel during the year were as follows:

Chief Executive Officer	Malcolm Maclean
Finance Director	Kim Pearson
Centre Director	Rachel Cilliers (nee Allen)
Centre Director	Richard Sewell
Centre Director	Lee Musson
Centre Director	Linden Sanders

Remuneration for key management personnel is reviewed each year as part of the charity's annual pay review, and is referenced against benchmark remuneration in the sector.

Risk Management

The directors have carried out a review of the charity's activities, identifying the opportunities available to the charity and the risks to which it is exposed. There is a risk management plan which aims to protect the charity, its guests and staff from risks, with procedures in place to minimise impact should any of these risks crystallise. Directors carefully review risk reports at each board meeting, in particular the operational risks and associated reporting that relate to the safety and wellbeing of guests and staff.

Procedures are in place for staff training, supervision and assessment, with independent external verification, and policies in place for Child Protection and Health and Safety are regularly reviewed. Funds are allocated annually for ongoing asset maintenance and replacement, and plans are reviewed regularly to ensure facilities remain in good order and are appropriate for young people. Commercial insurance cover is maintained annually to cover public and employer's liabilities and insuring buildings and facilities for replacement value, and the organisation against loss of income. We comply with IOF Good Practice and GDPR requirements.

Related Party Transactions

Directors' interests are formally recorded and reviewed annually. Any potential related party transaction is disclosed in advance of board meetings and in advance of any goods or services being procured or ordered with the related party. The potentially conflicted director is not permitted to join any related board discussion other than for the purposes of other directors' questions and clarification (though generally remains in attendance). Where a related party transaction is contemplated, the potentially conflicted board member has no vote. Where services are procured as a related party transaction, additional third-party quotes are always obtained first to ensure best value. Only at this stage would a related party transaction be authorised and only if in the best interests of the company. Related party transactions are disclosed in note 18 to the financial statements.

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**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

STRATEGIC REPORT

1. ACHIEVEMENTS AND PERFORMANCE

The organisation was originally set up in 1922 when Sunday School teachers from London took a group of disadvantaged children away to the south coast for an activity holiday. A century later, Rock UK remains true to these founding principles of Christian love and service, with the charity's vision today "to transform young lives". 2022 was a year of celebration and thankfulness of our centenary.

The charity continues to provide accommodation and activity facilities for groups (especially young people), in an environment which is conducive to outdoor learning, physical, social and spiritual development. The charity aims to build confidence in young people from all walks of life, and over 60,000 people are able to enjoy our centres each year.

The company has a small Headquarters and four centres: Carroty Wood and Frontier Centre in England, Whithaugh Park in the Scottish Borders and Summit Centre in South Wales. Each of our centres has Learning Outside the Classroom accreditation and is fully licensed by the Adventure Activities Licensing Service.

Our key measures of impact on the young people who visit the centres are :-

- Greater Self -confidence
- Increased resilience
- Improved ability to evaluate strengths and weaknesses

Each year, the majority teacher assessment is to "Strongly Agree" or "Agree" we achieve this impact following an Outdoor Adventure with Rock UK.

"We have seen our year 5 cohort throughly enjoy a fantastic trip where they learned valuable skills, developed their sense of independence, communication skills and team work."

Emily Ingram, Atwood Primary School

Around 20 new instructors are recruited and trained each year. These staff receive intensive training as part of our two-year Rock UK Instructor Training Programme and obtain National Governing Body awards in a range of instructed activities, including climbing, canoeing and archery. The Instructor Training Programme not only equips young people with activity qualifications, it also teaches valuable life skills such as fundraising, communication, team-work and leadership. We see evidence that the training leads to better resilience, confidence and mental health with our staff.

"Now several months into my training, I can see that Rock UK has changed me. Yes I have learnt new skills and met people who have shaped me but the changes go deeper than that, I have come out the other side a different girl: I believe in myself again. I have honestly had the time of my life and have never been happier. I am so grateful to my friends, family and my church, who pray for me and support the work of Rock UK. Their love and encouragement keeps me inspired. Thank you."

Sarah, Trainee Instructor

"We see a high level of investment from Rock UK staff to NCS. Their instructors are energetic, lively and really relate to our young people. Rock UK tailors a programme of activities perfectly to accommodate our needs."

Matthew Handley, Programme Manager - EFL Trust (NCS provider)

In response to the issue of Child poverty, the Rock UK Bursary Fund, launched in 2013, is proving invaluable in subsidising places for children from financially disadvantaged backgrounds, allowing them to experience the benefit of residential adventure. Typically, over 700 bursary places are provided annually.

"The residential trip gave two specific young people, respite from their home situation and an opportunity to be worry-free children for the duration of the trip. It was clearly visible how both children relaxed and rested during the trip, but also improved their rapport with other students and staff and had opportunities to talk to staff about their dreams and their future."

Beata Watson, Insights School

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**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

2. FINANCIAL REVIEW

In order for the charity to reset its financial position post-COVID, it entered into a refinancing package with Reliance Bank during April 2022. Borrowing facilities of £2m were put in place, made up of a loan of £1.5m, repayable over 25 years, and an overdraft facility of £0.5m, which is renewable annually from April 2023. This funding sets up Rock UK to look forward with confidence that it can fund its future financial commitments.

In evaluating the financial performance and position of the charity the board carefully monitors income, profitability and liquidity and compares against projected and past levels of performance.

Income for the year increased to £4.1m from £2.5m in 2021 as the impact of covid-19 subsided. Income from donations and legacies was £0.7m including a successful centenary fundraising exercise. Our income from charitable and other trading activities grew to £3.3m (2021: £0.9m) Expenditure increased by £1.5m to £4m from £2.5m as we invested in the key asset of our staff and carried out repairs and maintenance that was put on hold through COVID-19.

The charity consequently made a surplus of £12K.

Reserves policy

The Board has examined the charity's requirement for reserves, which are unrestricted funds not committed or invested in tangible fixed assets, to provide the charity with a level of operational flexibility. After paying all costs and providing for working capital the Board's policy is to reinvest any surpluses, together with all donations received, into the further development of our centres, to provide increased and improved facilities for the benefit of the users.

The trustees consider that the ideal level of free reserves should be 2 months of general unrestricted operating expenditure, which at 31 August 2022, would be £622K when operating under normal circumstances. However, at that date the charity had net current liabilities of £755K and the total level of free reserves was £2.44m in deficit. We monitor and manage the charity's cash flow requirements carefully and continue to agree facilities with our bankers to meet seasonal cash flow requirements. In April 2022 we renegotiated our main loan facility repaying in full the Lloyds Bank outstanding overdraft and loans with finance from Reliance Bank of £1,152,605.

The trustees are focused on generating surpluses in future years in order to meet the target level of free reserves.

As at 31 August 2022, Designated Funds totalled £3,571,407. The Designated Fund was created in 2015 to reflect the significant investment at the charity's Summit Centre in Wales between 2015 and 2019. At 31 August 2022, Restricted Funds totalled £70,376.

We are grateful to God for the generosity of Rock supporters, grant funders, the government furlough scheme along with the continued support of our bankers that has enabled the charity to cover its costs during lockdown. This generosity has been critical in what has been, and continues to be, an unprecedented and challenging period.

3. PLANS FOR FUTURE PERIODS

We opened our centres to Residential visits in England at the start of the year with those in Scotland and Wales following on in early 2022 as legislation and customer confidence permits. We return to providing the experiences to customers that we sorely missed giving during our COVID-19 induced closure. We are focussing on increasing our bookings to above pre-covid levels through significant investment in sales/marketing capabilities and on improving our infrastructure and facilities

ROCK UK ADVENTURE CENTRES LTD
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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

RESPONSIBILITIES OF TRUSTEES

The directors (who are also trustees of Rock UK Adventure Centres Limited for the purposes of charity 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 directors 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping proper 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

AUDITORS

Griffin Stone Moscrop & Co were the auditors of the charitable company throughout the year.

A resolution to reappoint Griffin Stone Moscrop & Co, Chartered Accountants and Statutory Auditors, as auditors will be proposed at the Annual General Meeting.

This Annual Report and the Strategic Report contained therein were approved by the directors and signed on their behalf, by:



M Wooding Jones
Chair

Date: 24 April 2023

ROCK UK ADVENTURE CENTRES LTD
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INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF ROCK UK ADVENTURE CENTRES LIMITED

OPINION

We have audited the financial statements of Rock UK Adventure Centres Limited ('the charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually, or collectively, may cast doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**ROCK UK ADVENTURE CENTRES LTD
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**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF ROCK UK ADVENTURE CENTRES LIMITED (continued)**

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the 'Responsibilities of Trustees' statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Carrying out substantive checking to supporting documentation, on a sample basis, of individual transactions within income and expenditure to give comfort that the statement of financial activities does not contain any irregular items;
- Verifying that material balances within the balance sheet are supported by third party evidence to confirm existence and valuation at the balance sheet date;
- Verifying the existence, on a sample basis, of individual employees on the payroll;
- Enquiry of management and those charged with governance around actual and potential litigation and claims; and
- Reviewing minutes of trustee meetings.

ROCK UK ADVENTURE CENTRES LTD
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INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF ROCK UK ADVENTURE CENTRES LIMITED (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Hill

Richard Hill (Senior Statutory Auditor)

Date: 27/4/2023

For and on behalf of

GRIFFIN STONE MOSCROP & CO.

Chartered Accountants and Statutory Auditors

Griffin Stone Moscrop & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted Funds		Restricted funds	Total funds	Total funds
		General funds	Designated funds			
	Note	2022	2022	2022	2022	2021
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	491,895	-	194,375	686,270	1,622,016
Charitable activities	3	2,583,562	-	-	2,583,562	748,140
Other trading activities						
Catering and tuck shops		763,446	-	-	763,446	157,771
Other	4	28,342	-	-	28,342	16,338
TOTAL		3,867,245	-	194,375	4,061,620	2,544,265
EXPENDITURE ON:						
Raising funds						
Fundraising and publicity		29,560	-	-	29,560	22,473
Catering and tuck shops		533,002	-	-	533,002	91,748
		562,562	-	-	562,562	114,221
Charitable activities	5	3,195,618	256,469	34,982	3,487,069	2,413,918
TOTAL		3,758,180	256,469	34,982	4,049,631	2,528,139
NET (EXPENDITURE) / INCOME		109,065	(256,469)	159,393	11,989	16,126
Transfer to general funds following capital expenditure from restricted funds		105,006	-	(105,006)	-	-
NET MOVEMENT IN FUNDS		214,071	(256,469)	54,387	11,989	16,126
Total funds at 1 September 2021		2,459,874	3,827,876	15,989	6,303,739	6,287,613
TOTAL FUNDS AT 31 AUGUST 2022		2,673,945	3,571,407	70,376	6,315,728	6,303,739

The notes on pages 14 to 23 form part of these financial statements.

ROCK UK ADVENTURE CENTRES LTD
(A company limited by guarantee)
REGISTERED NUMBER: 04718891

BALANCE SHEET
AS AT 31 AUGUST 2022

		2022	2021
	Note	£	£
FIXED ASSETS			
Tangible assets	11	8,555,374	8,734,361
CURRENT ASSETS			
Stocks		11,690	10,316
Debtors	12	431,288	225,583
Cash at bank & in hand		336,157	2,302
		<u>779,135</u>	<u>238,201</u>
CREDITORS: amounts falling due within one year	13	<u>(1,534,280)</u>	<u>(1,884,118)</u>
NET CURRENT LIABILITIES		(755,145)	(1,645,917)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,800,229</u>	<u>7,088,444</u>
CREDITORS: amounts falling due after more than one year	14	(1,484,501)	(784,705)
NET ASSETS		<u><u>6,315,728</u></u>	<u><u>6,303,739</u></u>
CHARITY FUNDS	16		
General funds		2,673,945	2,459,874
Designated funds		<u>3,571,407</u>	<u>3,827,876</u>
Unrestricted funds		6,245,352	6,287,750
Restricted funds		70,376	15,989
		<u><u>6,315,728</u></u>	<u><u>6,303,739</u></u>

The financial statements were approved by the directors and signed on their behalf by:

M J Wooding Jones

M Wooding Jones

Date: 24 April 2023

The notes on pages 14 to 23 form part of these financial statements.

ROCK UK ADVENTURE CENTRES LTD
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022	2021
Reconciliation of net income to net cash provided by operating activities		£	£
Net income		<u>11,989</u>	<u>16,126</u>
Depreciation charges	5	465,244	477,498
Profit on disposal of assets		(100)	(56,235)
(Increase) /decrease in stocks		(1,374)	180
Increase in debtors		(205,705)	(77,319)
Increase in creditors		<u>127,192</u>	<u>(377,674)</u>
Change in resources		<u>385,257</u>	<u>(33,550)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>397,246</u>	<u>(17,424)</u>
CASH FLOW STATEMENT			
Cash flows from operating activities:			
Net cash provided by operating activities		<u>397,246</u>	<u>(17,424)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets	11	(288,257)	(47,280)
Sale of tangible fixed assets (net of costs of disposal)		<u>2,100</u>	<u>56,235</u>
Net cash used in investing activities		<u>(286,157)</u>	<u>8,955</u>
Cash flows from financing activities:			
Cash proceeds from loans		1,500,000	303,444
Cash repayments of amounts borrowed		(931,155)	(116,562)
Capital element of finance lease repayments		<u>(25,847)</u>	<u>(29,525)</u>
Net cash used in financing activities		<u>542,998</u>	<u>157,357</u>
Change in cash and cash equivalents in the year		654,087	148,888
Cash and cash equivalents at 1 September 2021		<u>(317,930)</u>	<u>(466,818)</u>
Cash and cash equivalents at 31 August 2022		<u>336,157</u>	<u>(317,930)</u>
Analysis of cash and cash equivalents		2022	2021
		£	£
Cash at bank & in hand		336,157	2,302
Bank overdraft repayable on demand		-	(320,232)
		<u>336,157</u>	<u>(317,930)</u>
Analysis of changes in net debt		At 1 September 2021	Cash Flows At 31 August 2022
Cash at bank & in hand		2,302	333,855
Bank overdraft repayable on demand		(320,232)	320,232
		<u>(317,930)</u>	<u>654,087</u>
Loans falling due within one year		(239,280)	145,142
Loans falling due after more than one year		(768,766)	(713,987)
Finance lease & HP obligations		<u>(25,847)</u>	<u>25,847</u>
TOTAL		<u>(1,351,823)</u>	<u>111,089</u>
			<u>(1,240,734)</u>

The notes on pages 14 to 23 form part of these financial statements.

ROCK UK ADVENTURE CENTRES LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to give a "true and fair view" 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) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations made under those Acts.

Rock UK Adventure Centres Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the directors named on page 2. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 GOING CONCERN

Additional borrowings facilities of a £1.5m loan and £0.5m overdraft facility were put in place in April 2022. The loan is repayable over 25 years. The overdraft facility is for one year and has been renewed through to April 2024. Due to the financial support received during the year to 31 August 2022, and up to the date of this report, the trustees expect the charitable company to continue for a period of not less than twelve months from the date of the signing of the financial statements. Accordingly, the financial statements have been prepared on the going concern basis.

1.4 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes

Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. Grant monies received for specific purposes are reported in the statement of financial activities for the year. Where such funds give rise to an enduring asset the capitalised value is transferred to general funds or designated funds as is relevant in recognition of where the asset being funded by the grant is recorded.

Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in note 16 to the financial statements.

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

1.5 INCOME

All income is included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income from donations and legacies as disclosed in note 2 is reported in the statement of financial activities during the year in which income is received, subject to any conditions having been satisfied. Income from grants as disclosed in note 2 is reported in the statement of financial activities during the year in which income is received or grant monies have been claimed once all conditions have been satisfied. Income from charitable activities as disclosed in note 3 are reported in the statement of financial activities in the year to which the corresponding services are delivered. As a result, deposits invoiced in advance that relate to future periods are recorded as deferred income.

1.6 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Expenditure on raising funds is that incurred in seeking voluntary contributions and does not include the costs of disseminating information in support of the charitable activities. Governance costs are those costs incurred to ensure compliance with constitutional and statutory requirements.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. The value below which fixed assets are not capitalised is £1,000. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	Not depreciated
Freehold buildings and improvements	2-10% straight-line on cost
Leasehold buildings and improvements	Over remaining length of lease
Plant & equipment	5-25% reducing balance, 10-20% straight line on cost
Motor vehicles	25% reducing balance
Computer equipment	33% reducing balance

1.8 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a consistent periodic rate of charge on the net obligation outstanding in each period.

1.9 STOCK

Stock is included at the lower of cost or net realisable value.

1.10 DEBTORS

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

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

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand represents liquid cash only.

1.12 CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 FINANCIAL INSTRUMENTS

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 rate method.

1.14 OPERATING LEASES

Rentals payable under operating leases are charged in the statement of financial activities on the straight line basis over the terms of the leases.

1.15 PENSIONS

The charity operates a defined contribution pension scheme and in May 2014 additionally joined the National Employment Savings Trust (NEST).

The pension charge represents the amounts payable by the charity to the fund and to NEST in respect of the year.

2	INCOME FROM DONATIONS AND LEGACIES	2022	2021
		£	£
	Donations and legacies	502,249	1,053,771
	CIRS grants	2,021	549,806
	Restricted grants	182,000	18,439
		<u>686,270</u>	<u>1,622,016</u>
3	INCOME FROM CHARITABLE ACTIVITIES	2022	2021
		£	£
	Lettings and accommodation	1,433,934	304,753
	Instructed activity sessions	1,147,403	443,387
	Other charitable activities	2,225	-
		<u>2,583,562</u>	<u>748,140</u>

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

4	OTHER INCOME	2022	2021
		£	£
	Other income	28,342	16,338
		<u>28,342</u>	<u>16,338</u>

5 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds				
	General	Designated	Restricted	Total	Total
	funds	funds	funds	funds	funds
	2022	2022	2022	2022	2021
	£	£	£	£	£
Activity expenses	755,676	-	-	755,676	496,673
Staff and accommodation costs	1,765,939	-	34,982	1,800,921	1,230,686
Depreciation	208,775	256,469	-	465,244	477,499
Support costs (note 6)	431,219	-	-	431,219	175,707
Governance costs (note 7)	34,009	-	-	34,009	33,353
	<u>3,195,617</u>	<u>256,469</u>	<u>34,982</u>	<u>3,487,069</u>	<u>2,413,918</u>

6 SUPPORT COSTS

	2022	2021
	£	£
Interest payable and similar charges	42,607	38,771
Legal fees	61,436	16,112
Centre office and administration costs	188,778	50,610
Motor and travel	56,805	17,317
Other support costs	81,593	52,897
	<u>431,219</u>	<u>175,707</u>

In preparing the financial statements, the directors consider that it is appropriate to identify the costs that, whilst being necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity, and then clearly classify these as support costs which are related to the delivering of a charitable activity.

7 GOVERNANCE COSTS

	2022	2021
	£	£
Charitable administration costs	20,969	21,323
Audit and accountancy	13,040	12,030
	<u>34,009</u>	<u>33,353</u>

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

8 NET (EXPENDITURE)/INCOME

This is stated after charging:	2022	2021
	£	£
Depreciation of tangible fixed assets		
owned by the charity	465,244	470,365
held under finance lease and HP	-	7,134
Payments for operating leases	64,144	34,463
Auditors' remuneration:		
for audit services	10,540	7,350
for accountancy services	2,500	2,500

No remuneration is paid to the directors for their services as trustees of the company and one director was reimbursed travel and other expenses of £313 (2021: £0).

9 STAFF COSTS

Staff costs were as follows:	2022	2021
	£	£
Wages and salaries	1,529,900	1,376,529
Social security costs	114,537	82,783
Pension costs	65,308	53,667
Other staff costs	173,414	79,380
	<u>1,883,159</u>	<u>1,592,359</u>

The average monthly number of employees during the period was as follows:

Office admin and centre staff	42	41
Activity staff	43	53
	<u>85</u>	<u>94</u>

One employee (2021: the same) received emoluments and accrued retirement benefits under a money purchase scheme in excess of £60,000. Specifically, one employee's remuneration was in the band £70,000 to £80,000 (2021: the same). The pension contributions amounted to £5,600 (2021: £5,600).

Key management personnel are defined in the Trustees' Report. The total compensation paid to key management personnel during the period was as follows:

	2022	2021
	£	£
Remuneration	278,067	271,612
Pension contributions	19,365	18,893
	<u>297,432</u>	<u>290,505</u>

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

10 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds		Restricted funds	Total funds
		General funds	Designated funds		
		2021	2021	2021	2021
		£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	1,587,047	-	34,969	1,622,016
Charitable activities	3	748,140	-	-	748,140
Other trading activities					
Catering and tuck shops		157,771	-	-	157,771
Other	4	16,338	-	-	16,338
TOTAL		2,509,296	0	34,969	2,544,265
EXPENDITURE ON:					
Raising funds					
Fundraising and publicity		22,473	-	-	22,473
Catering and tuck shops		91,748	-	-	91,748
		114,221	-	-	114,221
Charitable activities	5	2,153,536	237,852	22,530	2,413,918
TOTAL		2,267,757	237,852	22,530	2,528,139
NET (EXPENDITURE) / INCOME		241,539	(237,852)	12,439	16,126
Transfer to designated funds following capital expenditure from restricted funds					
		-	-	-	-
NET MOVEMENT IN FUNDS		241,539	(237,852)	12,439	16,126
Total funds at 1 September 2020		2,218,335	4,065,728	3,550	6,287,613
TOTAL FUNDS AT 31 AUGUST 2021		2,459,874	3,827,876	15,989	6,303,739

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

11 TANGIBLE FIXED ASSETS

	Freehold land £	Freehold and Leasehold improvements £	Plant and equipment £	Motor vehicles £	Total £
COST					
At 1 September 2021	428,224	12,503,807	1,957,692	126,484	15,016,207
Additions	-	47,440	205,233	35,584	288,257
Disposals	-	-	-	(2,000)	(2,000)
At 31 August 2022	428,224	12,551,247	2,162,925	160,068	15,302,464
DEPRECIATION					
At 1 September 2021	-	5,038,787	1,136,421	106,638	6,281,846
Charge for the year	-	345,759	112,408	7,077	465,244
Disposals	-	-	-	-	-
At 31 August 2022	-	5,384,546	1,248,829	113,715	6,747,090
NET BOOK VALUE					
At 31 August 2022	428,224	7,166,701	914,096	46,353	8,555,374
At 31 August 2021	428,224	7,465,020	821,271	19,846	8,734,361

	2022 £	2021 £
Net book value of plant and equipment included above held under finance leases and hire purchase contracts	-	137,335

12 DEBTORS

	2022 £	2021 £
Trade debtors	416,819	135,032
Other debtors and accrued income	1,500	4,183
Prepayments	12,969	86,368
	431,288	225,583

Trade debtors represents the value of invoiced bookings at the year end, principally relating to future bookings.

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NOTES TO THE FINANCIAL STATEMENTS
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13 CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
	£	£
Bank loans and overdraft	94,138	441,068
Other loans	-	118,444
Obligations under finance lease and hire purchase contracts	-	25,847
Trade creditors	143,093	222,586
Other taxes and social security costs	174,372	197,417
Deferred income	820,996	81,457
Lease compensation	15,939	27,324
Other creditors and accruals	285,742	769,975
	<u>1,534,280</u>	<u>1,884,118</u>

The bank loans and overdraft in notes 13 and 14 are subject to interest and secured by a fixed charge over some of the charity's freehold properties. The properties used as security had a net book value of £2.9 million at the balance sheet date.

Deferred income represents the value of invoiced bookings at the year end relating to future years. The movement in deferred income has been recognised in the statement of financial activities for the current year.

Lease compensation relates to a 25-year lease granted to the company from April 1998 on premises at its Frontier Centre from Northamptonshire Association of Youth Clubs (NAYC), who in consideration for such lease constructed two buildings on the site. The company had the option to prematurely terminate the lease and obtain the freeholds, and elected to do so with effect from January 2004. As a result of terminating the lease the company became liable to pay compensation to NAYC totalling £519,156 over a nineteen year period to December 2022.

Other creditors and accruals includes a retention sum amount of £nil (2021: £21,189) in respect of building works at Summit Centre which has been completed.

14 CREDITORS

AMOUNTS FALLING DUE AFTER ONE YEAR	2022	2021
	£	£
Bank loans (secured)	1,382,753	568,766
Other Loans	100,000	200,000
Deferred income	1,748	-
Lease compensation	-	15,939
	<u>1,484,501</u>	<u>784,705</u>

Of the above figures, the amounts falling due after more than five years are as follows:

	2022	2021
	£	£
Bank loans (secured)	<u>1,006,202</u>	<u>115,970</u>

15 ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value	<u>336,157</u>	<u>2,302</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted funds	Total Funds	Total Funds
	General funds	Designated funds			
	2022	2022	2022	2022	2021
	£	£	£	£	£
Tangible fixed assets	4,983,967	3,571,407	-	8,555,374	8,734,361
Current assets	708,759	-	70,376	779,135	238,201
Current liabilities	(1,534,280)	-	-	(1,534,280)	(1,884,118)
Long term liabilities	(1,484,501)	-	-	(1,484,501)	(784,705)
	2,673,945	3,571,407	70,376	6,315,728	6,303,739

An analysis of restricted funds is as follows:

	Bursary Fund	Other Funds	Total
	£	£	£
OPENING BALANCE			
At 1 September 2021	15,989	-	15,989
INCOME			
Grant-making trusts	3,975	-	3,975
Public sector grants	-	180,000	180,000
Other public funds	-	-	-
Donations	8,400	2,000	10,400
	12,375	182,000	194,375
EXPENDITURE	(34,982)	-	(34,982)
Transfer to general funds following capital expenditure from restricted funds	-	(105,006)	(105,006)
CLOSING BALANCE			
At 31 August 2022	(6,618)	76,994	70,376

An analysis of restricted fund income received during the period is as follows:

	£
North Northants Council	180,000
Latent Capability	2,000
Other grants and donations	12,375
	194,375

A designated fund was created in 2015 to reflect the anticipated significant investment at the company's Summit Centre in Wales between 2015 and 2019. The directors consider that this investment, whilst unrestricted once grant conditions have been fulfilled, is most clearly represented as a designated fund.

An analysis of designated funds is as follows:

	Summit Centre Redevelopment
	£
OPENING BALANCE at 1 September 2021	3,827,876
RESTRICTED FUNDS TRANSFERRED	-
GENERAL FUNDS TRANSFERRED	-
EXPENDITURE	
Depreciation	(256,469)
CLOSING BALANCE at 31 August 2022	3,571,407

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NOTES TO THE FINANCIAL STATEMENTS
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17 OPERATING LEASE COMMITMENTS

The company is committed to make total future lease payments under operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	73,803	62,710
Later than one year and not later than five years	295,212	250,840
Later than five years	738,030	689,810
	<u>1,107,045</u>	<u>1,003,360</u>

18 RELATED PARTIES

Total donations received from trustees and other related parties during the period was as follows:

	2022	2021
	£	£
	<u>122,234</u>	<u>3,640</u>

As of 31 August 2021, a former trustee and the relative of a current trustee made loans to the charity totalling £118,444.

The loan of £103,444 was converted to a donation on 24 January 2022.

The loan of £15,000 was converted to a donation on 10 August 2022.

19 CONTROLLING PARTY

Throughout the year the company was controlled by its board of directors.