

REGISTERED COMPANY NUMBER: 00809637 (England and Wales)
REGISTERED CHARITY NUMBER: 236153

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2018
FOR
MEDINA VALLEY CENTRE LIMITED**

**Harrison Black Limited
Pyle House
136/137 Pyle Street
Newport
Isle of Wight
PO30 1JW**

MEDINA VALLEY CENTRE LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2018**

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MEDINA VALLEY CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

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 31st December 2018. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the company are:

- The advancement of the Christian Faith through the conduct of e residential training and conference centre.
- The advancement of education including social and physical development in an environmental setting through the provision of field studies and outdoor training.
- Such other purposes as shall be charitable in law.

The strategies employed by the company to achieve these objectives are to:

- Promote Christian values through the example of the way staff live and relate to our guests. Included in this is a regular morning "thought" designed to stimulate thinking and promote discussion.
- Provide accessible educational courses in field studies, both residentially and non- residentially, with a view to enhancing the exam grades attained by school students.
- Promote an attitude of citizenship and environmental stewardship in the conduct of the courses.
- Provide exciting and challenging outdoor activities such as sailing and canoeing.
- Promote an attitude of care for the whole person and respect for self and others.

Significant activities

Major areas of activity are:

- Field study courses for school students in biology and ecology, environmental studies, geography and geology aGCSE, AS/A2 level and International Baccalaureate.
- Environmental education with outdoor activities for school students at Key Stages 2 and 3.
- Dinghy sailing courses for individuals and groups following the Royal Yachting Association programmes, and canoeing/kayaking courses. Multi activity for young people.
- Environmental consultancy.

Accessibility

It is the policy of the company to make its courses accessible to school groups, youth clubs, church groups and individuals from all backgrounds and of any faith or none. All directors and many of the staff take responsibility for sharing the Christian message through word and action.

Bursary Fund

The company has a small bursary fund available to provide assisted places to students who might otherwise not be able to attend. Bursaries are made at the discretion of the Resident General Manager and the directors, and may be given to an individual or to a group.

Public benefit

The directors confirm that, in its objectives, strategies and activities, the company has complied with its duty under section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission, and to the Commission's supplementary guidance on the advancement of education and the advancement of religion.

MEDINA VALLEY CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

STRATEGIC REPORT

Achievement and performance

Staff

The company is headed by a General Manager, although at the year end this position was not filled and the duties covered by this role were shared by the Senior Management Team under the chairmanship of the Chairman of the Board. It employs qualified teaching staff to deliver its field studies courses and environmental consultancy services. Sailing and canoeing/kayaking courses are run by instructors qualified to Royal Yachting Association and British Canoe Union standards. Appropriate catering and domestic staff are employed on a full-time or seasonal basis.

Field Studies

Located on the banks of the Medina River in the Isle of Wight, Medina Valley Centre is one of the UK's leading field study centres.

Multi Activity

The Centre offers multi activity course to schools and other groups which cover keel boat sailing, mountain biking, orienteering, archery and other land based activities. An additional appeal is our ability to combine classroom education with multi activity programmes.

Water-based and Holiday Activities

In the holiday weeks, outside of school terms, the Centre offers residential and non-residential sailing and canoeing/kayaking courses and the use of the facilities as a holiday base for families and groups.

Environmental Consultancy

Through the Centre's consultancy and research work, links are maintained with local organizations and national environmental bodies. Consultancy work complements the teaching and research activities of the Centre's tutors, enabling them to remain up to date in their knowledge and providing experience and skills that are integrated into the schools' courses.

Publicity

The website (www.medinavalleycentre.org.uk) is the prime means by which the Centre advertises its courses, activities and facilities. There is also some direct mail and marketing to schools as well as local advertising and events for the water based activities.

Support Staff

The Centre has a residential host couple who live on site and whose purpose is specifically to work with the students outside classroom hours, thus giving the teaching staff a break to recharge. Their role is to care for the emotional, physical and spiritual needs of the young people to ensure that they get the most possible benefit from their stay at the Centre. Traditionally the costs of the host couple have been covered by donations.

MEDINA VALLEY CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

STRATEGIC REPORT

Financial review

Financial position

The Company's financial position improved somewhat during 2018 as the new multi activity courses came on stream and visitor number increased. There is a concern that the improvement is insufficient and some evidence to indicate that despite increased turnover we will not achieve the required surplus. This would leave the company in a vulnerable position and the directors would need to consider whether long term financial viability is possible. The true picture will emerge during the course of the year as bookings for 2020 are secured and the 2019 summer program gets underway. If these are insufficient closure may need to be considered.

Meanwhile the Company is meeting its financial commitments and considering alternative revenue streams to enable its continuation. Due to the generosity of our supporters and the offer of low interest loans secured against the premises, we believe that we will in any event be able to achieve a "soft landing" should closure become necessary.

Premises

We continue to maintain the property as necessary and the new accommodation lodge has been built to service the increase in student numbers.

Reserves policy

An instant access deposit account is maintained alongside the current account. Any operating surpluses are kept in this account where they are available for use as a contingency fund for irregular and major repairs, maintenance and other unexpected costs.

Going concern

In July 2019, the decision was made by the directors that due to the current economic climate, Medina Valley Centre Limited (Co. number 00809637)(charity number 236153) will cease to trade on 31st August 2019.

Based on the above, the Board of Directors does not consider the Company to be a going concern. As indicated in the notes to the financial statements (note 1), these financial statements have been prepared on a break up basis.

Pension fund

The company offers eligible employees a money purchase defined contribution pension scheme operated by The Pensions Trust.

Future strategy

The "Rescue Plan" mentioned in the past 2 reports continues, with some modifications, but it appears that we have a less than even chance of success and may need to implement a closure plan. We are planning to restructure staffing levels to achieve a more manageable configuration of instructors and a more efficient team covering administration. Staffing costs remain our highest expenditure and will be kept under strict scrutiny whilst we maintain the necessary levels to deliver a high quality outcome. We continue to seek new business especially for the winter periods where the Centre is quieter.

MEDINA VALLEY CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Medina Valley Centre Ltd is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 18th June, 1964 and revised 23rd July, 2004. The company is registered as a charity with the Charity Commission. The trustees of the company are its members and referred to as directors throughout this report.

Recruitment and appointment of new directors

New directors are invited by members to stand for election to the post. One third of the board of directors retire by rotation at the annual meeting, those retiring being directors who have been longest in office since their last appointment. Retiring directors may be re-elected.

Any current director may nominate a person for election to the board. The suitability of new directors is considered with respect to the skills they may have to offer the charity, their prior involvement with the charity, and their commitment to the Christian Faith. A broad mix of skills and experience is sought.

Organizational structure

The directors, who are all non executive and unpaid, meet four times a year to review the company's activities, resources and financial performance, and to make strategic plans. The board appoints a Resident General Manager (who is not a trustee) who has delegated authority, within terms approved by the board, for the overall supervision and control of the company's activities and its staff. There are senior staff responsible for the company's key operational areas- filed studies and environmental education, water-based activities, house residential services, and finance and administration. There is a residential host couple responsible for the general welfare of and Christian outreach to guests.

Induction and training of new trustees

Directors have the opportunity to attend trustee training courses and can be provided with appropriate guidance and training literature. Directors may take part in staff training and staff meetings.

Risk management

A major business risk remains the heavy reliance on revenue from school groups. The board regularly reviews the situation, taking advice from trustees who have particular knowledge of the educational sector.

Health and safety legislation compliance is ensure through a continuous assessment by management, tutors and instructors of the risk profile of the activities undertaken by the company. Criminal records Bureau checks are carried out for all new employees. Safety and child protection policies are reviewed annually.

The directors regularly review the operation of the company having regard to the commercial risks arising from:

- legislative changes
- developments in the field of education
- lifestyle changes
- possible loss of key personnel
- potential loss of premises
- economic changes that may impact on financial support

MEDINA VALLEY CENTRE LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00809637 (England and Wales)

Registered Charity number
236153

Registered office
Dodnor Lane
Newport
Isle of Wight
PO30 5TE

Trustees	
A Farley	- resigned 7.8.18
D Holbrid	
J Topping	
J Wells	
Mrs H Whitley	
K Burke	- appointed 29.10.18

Company Secretary
J Wells

Independent examiner
Harrison Black Limited
Pyle House
136/137 Pyle Street
Newport
Isle of Wight
PO30 1JW

CESSATION OF TRADING

The charitable company ceased activities on 31st August 2019.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on and signed on the board's behalf by:

.....
J Wells - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MEDINA VALLEY CENTRE LIMITED

Independent examiner's report to the trustees of Medina Valley Centre Limited ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2018.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACA FCCA which is one of the listed bodies

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
MEDINA VALLEY CENTRE LIMITED**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Elizabeth Dack
ACA FCCA
Harrison Black Limited
Pyle House
136/137 Pyle Street
Newport
Isle of Wight PO30 1JW

Date:

MEDINA VALLEY CENTRE LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	82,719	36,827	119,546	64,088
Charitable activities	5				
Residential operations expenses		377,461	2,994	380,455	270,431
Activities for generating fund s/ Incoming resources from charitable activities	3	4,432	-	4,432	9,880
Investment income	4	-	2	2	4
Total		464,612	39,823	504,435	344,403
EXPENDITURE ON					
Raising funds	6	14,068	-	14,068	23,021
Charitable activities	7				
Residential operations expenses		553,693	590	554,283	428,230
Non Residential Operations Expenses		(43,846)	(590)	(44,436)	-
Other		1,384	-	1,384	2,000
Total		525,299	-	525,299	453,251
NET INCOME/(EXPENDITURE)		(60,687)	39,823	(20,864)	(108,848)
Other recognised gains/(losses)					
Actuarial gains/losses on defined benefit schemes		26,534	-	26,534	-
Net movement in funds		(34,153)	39,823	5,670	(108,848)
RECONCILIATION OF FUNDS					
Total funds brought forward		173,842	93,916	267,758	376,606
TOTAL FUNDS CARRIED FORWARD		<u>139,689</u>	<u>133,739</u>	<u>273,428</u>	<u>267,758</u>

The notes form part of these financial statements

MEDINA VALLEY CENTRE LIMITED

**BALANCE SHEET
AT 31ST DECEMBER 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	13	-	-	-	469,018
CURRENT ASSETS					
Stocks, Property, Land and Equipment	14	561,626	37,291	598,917	4,422
Debtors	15	21,225	-	21,225	26,713
Cash at bank and in hand		<u>(74,934)</u>	<u>96,448</u>	<u>21,514</u>	<u>3,992</u>
		507,917	133,739	641,656	35,127
CREDITORS					
Amounts falling due within one year	16	<u>(300,433)</u>	-	<u>(300,433)</u>	<u>(130,387)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>207,484</u>	<u>133,739</u>	<u>341,223</u>	<u>(95,260)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		207,484	133,739	341,223	373,758
PENSION LIABILITY	20	<u>(67,795)</u>	-	<u>(67,795)</u>	<u>(106,000)</u>
NET ASSETS		<u>139,689</u>	<u>133,739</u>	<u>273,428</u>	<u>267,758</u>
FUNDS	19				
Unrestricted funds				139,689	173,842
Restricted funds				<u>133,739</u>	<u>93,916</u>
TOTAL FUNDS				<u>273,428</u>	<u>267,758</u>

The notes form part of these financial statements

MEDINA VALLEY CENTRE LIMITED

**BALANCE SHEET - CONTINUED
AT 31ST DECEMBER 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
J Wells -Trustee

MEDINA VALLEY CENTRE LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2018**

		2018	2017
	Notes	£	£
Cash flows from operating activities:			
Cash generated from operations	1	25,789	(47,219)
Interest paid		(3,355)	(995)
Interest element of hire purchase and finance lease rental payments		<u>(1,316)</u>	<u>(1,113)</u>
Net cash provided by (used in) operating activities		<u>21,118</u>	<u>(49,327)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(16,001)
Sale of tangible fixed assets		(557)	-
Interest received		<u>2</u>	<u>4</u>
Net cash provided by (used in) investing activities		<u>(555)</u>	<u>(15,997)</u>
Cash flows from financing activities:			
Capital repayments in year		<u>(3,040)</u>	<u>(2,571)</u>
Net cash provided by (used in) financing activities		<u>(3,040)</u>	<u>(2,571)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		17,523	(67,895)
Cash and cash equivalents at the beginning of the reporting period	2	<u>3,991</u>	<u>71,886</u>
Cash and cash equivalents at the end of the reporting period	2	<u>21,514</u>	<u>3,991</u>

The notes form part of these financial statements

MEDINA VALLEY CENTRE LIMITED**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2018****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(20,864)	(108,848)
Adjustments for:		
Depreciation charges	-	22,111
Loss on disposal of fixed assets	557	142
Interest received	(2)	(4)
Interest paid	3,355	995
Interest element of hire purchase and finance lease rental payments	1,316	1,113
Reclassification of fixed assets	469,018	-
(Increase)/decrease in stocks	(594,495)	967
Decrease/(increase) in debtors	5,488	(13,100)
Increase in creditors	173,087	60,405
Difference between pension charge and cash contributions	(11,671)	(11,000)
Net cash provided by (used in) operating activities	<u>25,789</u>	<u>(47,219)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	4,460	3,888
Notice deposits (less than 3 months)	17,054	104
Overdrafts included in bank loans and overdrafts falling due within one year	-	(1)
Total cash and cash equivalents	<u>21,514</u>	<u>3,991</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

As indicated in the trustees report, the Company is not considered to be a going concern. The decision was made by the directors that the Company will cease to trade on 31st August 2019.

The financial statements of the charity, which is a public benefit entity, have been prepared under the break up basis and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies.

Under the break up basis of accounting, all assets are considered to be realisable within 12 months of the balance sheet date and are stated at no more than their fair value less costs to complete and sell. Liabilities are stated at their settlement value and provision is made for any costs expected to be incurred as a consequence of the decision to wind up the Company.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grant income is recognised when received. In the event that a grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018**

1. ACCOUNTING POLICIES – continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- at variable rates on reducing balance
Fixtures and fittings	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Tangible fixed assets, other than land and buildings, are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating as intended.

Freehold land is not depreciated.

Stocks

Stocks, Property, Land and

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

MEDINA VALLEY CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018****1. ACCOUNTING POLICIES - continued****Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Donations	82,719	14,327	97,046	56,088
Legacies	-	-	-	5,000
Grants	<u>-</u>	<u>22,500</u>	<u>22,500</u>	<u>3,000</u>
	<u>82,719</u>	<u>36,827</u>	<u>119,546</u>	<u>64,088</u>

Grants received, included in the above, are as follows:

	2018 £	2017 £
Other grants	<u>22,500</u>	<u>3,000</u>

**3. ACTIVITIES FOR GENERATING FUNDS
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Shop, bar and games sales	1,461	-	1,461	1,231
Event and catering income	<u>2,971</u>	<u>-</u>	<u>2,971</u>	<u>8,649</u>
	<u>4,432</u>	<u>-</u>	<u>4,432</u>	<u>9,880</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Deposit account interest	<u>-</u>	<u>2</u>	<u>2</u>	<u>4</u>

MEDINA VALLEY CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018**

5. INCOME FROM CHARITABLE ACTIVITIES

		2018 £	2017 £
Course fees and other income	Activity		
	Residential operations expenses	<u>380,455</u>	<u>270,431</u>

Grants received, included in the above, are as follows:

	2018 £	2017 £
Other grants	<u>380,455</u>	<u>270,431</u>

6. RAISING FUNDS

Raising donations and legacies

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Support costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>

Other trading activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Purchases	1,579	-	1,579	988
Hire of plant and machinery	-	-	-	729
Event and catering costs	-	-	-	867
Advertising and publicity	<u>12,489</u>	<u>-</u>	<u>12,489</u>	<u>19,937</u>
	<u>14,068</u>	<u>-</u>	<u>14,068</u>	<u>22,521</u>

Aggregate amounts	<u>14,068</u>	<u>-</u>	<u>14,068</u>	<u>23,021</u>
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MEDINA VALLEY CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018**

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Residential operations expenses	478,970	75,313	554,283
Non Residential Operations Expenses	<u>(115,414)</u>	<u>70,978</u>	<u>(44,436)</u>
	<u>363,556</u>	<u>146,291</u>	<u>509,847</u>

8. SUPPORT COSTS

	Other	Governance costs	Totals
	£	£	£
Residential operations expenses	71,987	3,326	75,313
Non Residential Operations Expenses	<u>70,778</u>	<u>200</u>	<u>70,978</u>
	<u>142,765</u>	<u>3,526</u>	<u>146,291</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Auditors' remuneration	3,326	5,089
Depreciation - owned assets	-	22,111
Hire of plant and machinery	-	729
Deficit on disposal of fixed asset	<u>557</u>	<u>142</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2018 nor for the year ended 31st December 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2018 nor for the year ended 31st December 2017.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018

11. STAFF COSTS

	2018	2017
Wages and salaries	246,891	200,633
Social security costs	41,496	34,673
Employers contribution to defined contribution pension scheme	<u>13,005</u>	<u>13,000</u>
	<u><u>301,441</u></u>	<u><u>248,306</u></u>

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

	2018	2017
Courses	14	8
Management and administration	3	4
Resident house staff	1	2
Other	<u>7</u>	<u>6</u>
	<u><u>25</u></u>	<u><u>20</u></u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	47,625	16,463	64,088
Charitable activities			
Residential operations expenses	270,431	-	270,431
Activities for generating fund s/ Incoming resources from charitable activities	9,880	-	9,880
Investment income	<u>-</u>	<u>4</u>	<u>4</u>
Total	327,936	16,467	344,403
EXPENDITURE ON			
Raising funds	20,576	2,445	23,021
Charitable activities			
Residential operations expenses	427,444	786	428,230
Other	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total	<u>450,020</u>	<u>3,231</u>	<u>453,251</u>
NET INCOME/(EXPENDITURE)	(122,084)	13,236	(108,848)

MEDINA VALLEY CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	295,926	80,680	376,606
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>173,842</u>	<u>93,916</u>	<u>267,758</u>

MEDINA VALLEY CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Land £	Plant and machinery £
COST OR VALUATION			
At 1st January 2018	486,054	50,000	215,053
Revaluations	-	10,000	-
Reclassification	<u>(486,054)</u>	<u>(60,000)</u>	<u>(215,053)</u>
At 31st December 2018	-	-	-
DEPRECIATION			
At 1st January 2018	141,998	-	160,185
Reclassification/transfer	<u>(141,998)</u>	-	<u>(160,185)</u>
At 31st December 2018	-	-	-
NET BOOK VALUE			
At 31st December 2018	-	-	-
At 31st December 2017	<u>344,056</u>	<u>50,000</u>	<u>54,868</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1st January 2018	10,395	28,055	2,904	792,461
Revaluations	-	-	-	10,000
Reclassification	<u>(10,395)</u>	<u>(28,055)</u>	<u>(2,904)</u>	<u>(802,461)</u>
At 31st December 2018	-	-	-	-
DEPRECIATION				
At 1st January 2018	9,361	19,747	2,152	333,443
Reclassification/transfer	<u>(9,361)</u>	<u>(19,747)</u>	<u>(2,152)</u>	<u>(333,443)</u>
At 31st December 2018	-	-	-	-
NET BOOK VALUE				
At 31st December 2018	-	-	-	-
At 31st December 2017	<u>1,034</u>	<u>8,308</u>	<u>752</u>	<u>459,018</u>

MEDINA VALLEY CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018****14. STOCKS, PROPERTY, LAND AND EQUIPMENT**

	2018	2017
	£	£
Property, Land and Equipment	594,965	-
Stocks	<u>3,952</u>	<u>4,422</u>
	<u>598,917</u>	<u>4,422</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	9,361	15,371
Other debtors	2,921	3,845
Prepayments and accrued income	<u>8,943</u>	<u>7,497</u>
	<u>21,225</u>	<u>26,713</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank loans and overdrafts (see note 17)	-	1
Other loans (see note 17)	221,947	50,000
Hire purchase (see note 18)	2,981	6,021
Trade creditors	14,403	11,663
Social security and other taxes	3,248	3,763
Accruals and deferred income	<u>57,854</u>	<u>58,939</u>
	<u>300,433</u>	<u>130,387</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	-	1
Other loans	<u>221,947</u>	<u>50,000</u>
	<u>221,947</u>	<u>50,001</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018

18. LEASING AGREEMENTS

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	<u>2,981</u>	<u>6,021</u>

19. MOVEMENT IN FUNDS

	At 1.1.18	Net movement in funds	At 31.12.18
	£	£	£
Unrestricted funds			
General fund	(76,158)	(34,153)	(110,311)
Revaluation reserve	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	173,842	(34,153)	139,689
Restricted funds			
Bursary Fund	7,830	2,700	10,530
Jubilee appeal	<u>86,086</u>	<u>37,123</u>	<u>123,209</u>
	93,916	39,823	133,739
TOTAL FUNDS	<u>267,758</u>	<u>5,670</u>	<u>273,428</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	464,612	(525,299)	26,534	(34,153)
Restricted funds				
Bursary Fund	2,700	-	-	2,700
Jubilee appeal	<u>37,123</u>	<u>-</u>	<u>-</u>	<u>37,123</u>
	39,823	-	-	39,823
TOTAL FUNDS	<u>504,435</u>	<u>(525,299)</u>	<u>26,534</u>	<u>5,670</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted Funds			
General fund	45,926	(122,084)	(76,158)
Revaluation reserve	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	295,926	(122,084)	173,842
Restricted Funds			
Bursary Fund	7,735	95	7,830
Jubilee appeal	<u>72,945</u>	<u>13,141</u>	<u>86,086</u>
	80,680	13,236	93,916
TOTAL FUNDS	<u>376,606</u>	<u>(108,848)</u>	<u>267,758</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	327,936	(450,020)	(122,084)
Restricted funds			
Bursary Fund	95	-	95
Jubilee appeal	<u>16,372</u>	<u>(3,231)</u>	<u>13,141</u>
	16,467	(3,231)	13,236
TOTAL FUNDS	<u>344,403</u>	<u>(453,251)</u>	<u>(108,848)</u>

MEDINA VALLEY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST DECEMBER 2018

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	45,926	(156,237)	(110,311)
Revaluation reserve	250,000	-	250,000
Restricted funds			
Bursary Fund	7,735	2,795	10,530
Jubilee appeal	<u>72,945</u>	<u>50,264</u>	<u>123,209</u>
	<u>80,680</u>	<u>53,059</u>	<u>133,739</u>
TOTAL FUNDS	<u>376,606</u>	<u>(103,178)</u>	<u>273,428</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	792,548	(975,319)	26,534	(156,237)
Restricted funds				
Bursary Fund	2,795	-	-	2,795
Jubilee appeal	<u>53,495</u>	<u>(3,231)</u>	<u>-</u>	<u>50,264</u>
	<u>56,290</u>	<u>(3,231)</u>	<u>-</u>	<u>53,059</u>
TOTAL FUNDS	<u>848,838</u>	<u>(978,550)</u>	<u>26,534</u>	<u>(103,178)</u>

20. EMPLOYEE BENEFIT OBLIGATIONS

SCHEME: TPT Retirement Solutions - The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

20. EMPLOYEE BENEFIT OBLIGATIONS - Continued

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £795m, liabilities of £926m and a deficit of £132m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions (Sep 2014)

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognizes a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER 2018

20. EMPLOYEE BENEFIT OBLIGATIONS - Continued

PRESENT VALUES OF PROVISION

	31 December 2018 (£000s)	31 December 2017 (£000s)	31 December 2016 (£000s)
Present value of provision	68	106	117

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 December 2018 (£000s)	Period Ending 31 December 2017 (£000s)
Provision at start of period	106	117
Unwinding of the discount factor (interest expense)	1	2
Deficit contribution paid	(13)	(13)
Remeasurements - impact of any change in assumptions	(1)	(25)
Remeasurements - amendments to the contribution schedule	(25)	68
Provision at end of period	68	106

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 December 2018 (£000s)	Period Ending 31 December 2017 (£000s)
Interest expense	1	2
Remeasurements - impact of any change in assumptions	(1)	-
Remeasurements - amendments to the contribution schedule	(25)	-

ASSUMPTIONS

	31 December 2018 % per annum	31 December 2017 % per annum	31 December 2016 % per annum
Rate of discount	1.75	1.39	1.44

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

21. RELATED PARTY DISCLOSURES

During the year AJ Wells and Sons Ltd, a company of which John Wells (Chairman) is the Chairman donated a total of £18,000 (2017- £24,000). AJ Wells and Sons Ltd also made loans of:

- £114,947 for the purposes of the building of an Accommodation Lodge. The amount remains outstanding in full for repayment.

- £4,000 to facilitate Fundraising. The amount was repaid in full during the year.

AJ Wells and Sons Ltd received interest on the Accommodation Lodge loan of £1,461

A Farley (Director) is a Partner of Wilsons Solicitors who provide legal services to the Centre (Resigned 7 August 2018).

D Holbrid (Director) made monthly donations totalling £900 through the year (2017- £840).

E Holbrid (Spouse of D Holbrid) donated £205 (2017- £374).

J Wells (Chairman) donated £Nil (2017- £350) and also made a loan to Medina Valley Centre Limited of £50,000 in 2017 which was outstanding for repayment at the financial year end. Interest payments on the loan made to John Wells in the year amounted to £500 (2017- £Nil).

A Wells, brother of John Wells, provides Marketing and Fundraising Services to the Centre. In the year he provided services to the value of £13,415 (2017- £13,967).

P Wells (Operations Manager) a brother of J Wells, received remuneration of £26,000 (2017- £8,667) as an employee of the company. In addition, employer pension payments to the value of £455 (2017- £87) were contributed to the employee's pension scheme.

H Whitley (Director) donated £25 (2017- £165) and also made a loan to Medina Valley Centre Limited of £30,000 during the year (2017- £Nil), which was outstanding for repayments at the financial year end. Interest payments on the loan made to Helen Whitley in the year amounted to £384 (2017- £Nil).

N Whitley (Husband of H Whitley) donated £2,150 (2017- £100).

22. POST BALANCE SHEET EVENTS

As disclosed in the accounting policies note at Note 1, the company ceased to trade on 31st August 2019 on the grounds that the directors have been unable to source additional finance to enable the business to continue as a going concern. The going concern basis is not appropriate and the directors have therefore not prepared the financial statements on that basis.

MEDINA VALLEY CENTRE LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2018**

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	97,046	56,088
Legacies	-	5,000
Grants	<u>22,500</u>	<u>3,000</u>
	119,546	64,088
Activities for generating fund s/ Incoming resources from cha ritable activities		
Shop,bar and games sales	1,461	1,231
Event and catering income	<u>2,971</u>	<u>8,649</u>
	4,432	9,880
Investment income		
Deposit account interest	2	4
Charitable activities		
Course fees and other income	<u>380,455</u>	<u>270,431</u>
Total incoming resources	504,435	344,403
EXPENDITURE		
Other trading activities		
Shop,bar and games purchases	1,579	988
Hire of plant and machinery	-	729
Event and catering costs	-	867
Advertising and publicity	<u>12,489</u>	<u>19,937</u>
	14,068	22,521
Charitable activities		
Wages	221,824	169,136
Course direct expenses	95,400	55,900
Food and housekeeping	16,275	11,032
Transport,motor and travel	23,248	15,269
Telephone	3,895	3,351
Postage and stationery	2,914	2,021
Freehold property	-	8,438
Carried forward	363,556	265,147

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MEDINA VALLEY CENTRE LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2018**

	2018 £	2017 £
Charitable activities		
Brought forward	363,556	265,147
Plant and machinery	-	11,061
Fixtures and fittings	-	308
Motor vehicles	-	2,135
Computer equipment	-	169
	<u>363,556</u>	<u>278,820</u>
Other		
Interest on pension scheme liabilities	1,384	2,000
Support costs		
Other		
Wages	79,617	79,170
Rates and water	12,842	12,977
Insurance	8,310	8,949
Light and heat	23,219	14,639
Bad debt	29	(231)
Repairs to buildings	13,520	26,567
Loss on sale of tangible fixed assets	557	142
Bank charges	965	995
Bank loan interest	2,390	-
Hire purchase	1,316	1,113
	<u>142,765</u>	<u>144,321</u>
Governance costs		
Auditors' remuneration	3,326	5,089
Legal fees	200	500
	<u>3,526</u>	<u>5,589</u>
Total resources expended	<u>525,299</u>	<u>453,251</u>
Net expenditure	<u>(20,864)</u>	<u>(108,848)</u>

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