

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
CHALLENGE ADVENTURE CHARITIES**

LEES
Chartered Certified Accountants
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CHALLENGE ADVENTURE CHARITIES

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Principal Activity

The principal activity of the company throughout the year was to raise charity funds through the organisation of cycling events.

Review of the Year

The directors were delighted that, following the difficulties with Covid, the charity was able to hold two successful events during the year. The Cahors Challenge and the Napoleon Challenge were both very well supported and raised a significant amount of money for charity.

FINANCIAL REVIEW

Results and Investment Policy

The surplus of the company for the year was £3,458 (2022 - Deficit of £514).

The trustees are pleased to announce that all the monies raised by individual participants by way of sponsorship will continue to be distributed to charity. Intangible income in respect of accountancy and audit services provided at no cost to the company is not reflected in the company's income and expenditure; all other costs have been met by participants and the event sponsors.

The investment policy of the company is to distribute sponsorship income at the earliest opportunity and therefore it does not invest funds on a long-term basis. Funds from sponsorship income accrue bank interest until they are donated to the respective charities.

Reserves policy

The reserves fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity, as there are no fixed assets. It is the policy of the charity to distribute all monies raised by participants by way of sponsorship income and to do so at the earliest opportunity, such that these funds are not reserved. Reserves at 31 March 2023 of £37,613 represent the excess of corporate event sponsorship, entry fees from participants and bank interest compared to overheads. The trustees have examined the requirement to maintain free reserves and concluded that it is appropriate to build reserves up to a level that mitigates reliance on corporate sponsorship.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The company is made up of a board of two directors who act as the trustees; all decisions are made by unanimous agreement of the trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03211438 (England and Wales)

Registered Charity number

1057920

Registered office

18 Glasshouse Studios
Fryern Court Road
Fordingbirdge
Hampshire
SP6 1QX

Trustees

Mr C J Saltrick (resigned 12 June 2023)

Mr S G Mason-Elliott

Mr T E Mason-Elliott (appointed 17 February 2023)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Mr Jeremy Laurence Hyde FCCA FCA

LEES

Chartered Certified Accountants

Ingram House

Meridian Way

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Approved by order of the board of trustees on 25 March 2024 and signed on its behalf by:

Mr T E Mason-Elliott - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHALLENGE ADVENTURE CHARITIES

Independent examiner's report to the trustees of Challenge Adventure Charities ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

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

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)).

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

Mr Jeremy Laurence Hyde FCCA FCA

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25 March 2024

CHALLENGE ADVENTURE CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

		2023 Unrestricted funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	<u>241,393</u>	<u>-</u>
EXPENDITURE ON			
Charitable activities			
General		779	514
Charitable donations		138,267	-
General event costs		<u>98,889</u>	<u>-</u>
Total		<u>237,935</u>	<u>514</u>
NET INCOME/(EXPENDITURE)		3,458	(514)
RECONCILIATION OF FUNDS			
Total funds brought forward		34,155	34,669
TOTAL FUNDS CARRIED FORWARD		<u>37,613</u>	<u>34,155</u>

The notes form part of these financial statements

CHALLENGE ADVENTURE CHARITIES (REGISTERED NUMBER: 03211438)

**BALANCE SHEET
31 MARCH 2023**

	Notes	2023 Unrestricted funds £	2022 Total funds £
CURRENT ASSETS			
Debtors	5	13,560	27,303
Cash at bank		<u>32,083</u>	<u>86,013</u>
		45,643	113,316
CREDITORS			
Amounts falling due within one year	6	(8,030)	(79,161)
NET CURRENT ASSETS		<u>37,613</u>	<u>34,155</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		37,613	34,155
NET ASSETS		<u>37,613</u>	<u>34,155</u>
FUNDS	8		
Unrestricted funds		<u>37,613</u>	<u>34,155</u>
TOTAL FUNDS		<u>37,613</u>	<u>34,155</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 25 March 2024 and were signed on its behalf by:

Mr T E Mason-Elliott - Trustee

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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. Participant sponsorship is the amount raised by individual participants in respect of sponsorship donations.

EVENT SPONSORSHIP

Event sponsorship is the amount raised for the cycle event as a whole by corporate sponsors.

ENTRY FEES FROM CYCLISTS

Entry fees from cyclists are the costs of the cycling event that are passed on to the individual participants.

CYCLING EVENT COSTS

The cycling event costs cover the organisation and running costs of the cycling events undertaken throughout the year.

ADMINISTRATION COSTS

Administration costs include filing fees, bank charges and the cost of promotional materials.

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.

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.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Participant sponsorship	138,268	-
Event sponsorship	7,500	-
Entry fees from cyclists	95,625	-
	<u>241,393</u>	<u>-</u>

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
EXPENDITURE ON	
Charitable activities	
General	514
NET INCOME/(EXPENDITURE)	(514)
RECONCILIATION OF FUNDS	
Total funds brought forward	34,669
TOTAL FUNDS CARRIED FORWARD	<u>34,155</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Event costs paid in advance	<u>13,560</u>	<u>27,303</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Bank loans and overdrafts (see note 7)	1,355	-
Entry fees received in advance	4,875	30,450
Other creditors	<u>1,800</u>	<u>48,711</u>
	<u>8,030</u>	<u>79,161</u>

7. LOANS

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year on demand:		
Bank overdrafts	<u>1,355</u>	<u>-</u>

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

8. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	34,155	3,458	37,613
TOTAL FUNDS	<u>34,155</u>	<u>3,458</u>	<u>37,613</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	241,393	(237,935)	3,458
TOTAL FUNDS	<u>241,393</u>	<u>(237,935)</u>	<u>3,458</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	34,669	(514)	34,155
TOTAL FUNDS	<u>34,669</u>	<u>(514)</u>	<u>34,155</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	-	(514)	(514)
TOTAL FUNDS	<u>-</u>	<u>(514)</u>	<u>(514)</u>

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

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	34,669	2,944	37,613
TOTAL FUNDS	<u>34,669</u>	<u>2,944</u>	<u>37,613</u>

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

8. MOVEMENT IN FUNDS - continued

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 £	Movement in funds £
Unrestricted funds			
General fund	241,393	(238,449)	2,944
TOTAL FUNDS	<u>241,393</u>	<u>(238,449)</u>	<u>2,944</u>

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.