

Charity registration number 1057920

Company registration number 03211438 (England and Wales)

CHALLENGE ADVENTURE CHARITIES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

CHALLENGE ADVENTURE CHARITIES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S G Mason-Elliott Mr T E Mason-Elliott
Charity number	1057920
Company number	03211438
Registered office	Millbank Wharf Millbank Street Southampton Hampshire SO14 5AG
Independent examiner	Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton Hampshire SO17 1XS

CHALLENGE ADVENTURE CHARITIES

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CHALLENGE ADVENTURE CHARITIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with 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 in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

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

Achievements and performance

The trustees were delighted that the charity was able to hold a successful event in the financial year. The Vosges Challenge was a well supported event that raised a significant amount of money for charity.

Financial review

The deficit of the company for the year was £10,847 (2023 - surplus of £3,458).

The trustees are pleased to announce that all monies raised by individual participants by way of sponsorship will continue to be distributed to charity.

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.

The reserves fund represents the unrestricted funds arising from past operating results. It also represents the free cash 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 do so at the earliest opportunity, such that these funds are not reserved. Reserves at 31 March 2024 of £26,766 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 and concluded that it is appropriate to build reserves up to a level that mitigates reliance on corporate sponsorship.

Structure, governance and management

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.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr S G Mason-Elliott

Mr T E Mason-Elliott

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.

CHALLENGE ADVENTURE CHARITIES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The trustees' report was approved by the Board of Trustees.

Mr T E Mason-Elliott
Trustee

24 March 2025

CHALLENGE ADVENTURE CHARITIES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHALLENGE ADVENTURE CHARITIES

I report to the trustees on my examination of the financial statements of Challenge Adventure Charities (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Fiander Tovell Limited

Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

Dated: 24 March 2025

CHALLENGE ADVENTURE CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
<u>Charitable activities</u>			
Participant sponsorship		91,312	138,268
Event sponsorship		-	7,500
Entry fees from cyclists		46,475	95,625
		<hr/>	<hr/>
Total income		137,787	241,393
		<hr/>	<hr/>
Expenditure on:			
<u>Charitable activities</u>			
General event costs		56,687	98,889
Subscriptions		87	225
Bank charges		548	554
Charitable donations		91,312	138,267
		<hr/>	<hr/>
Total charitable expenditure		148,634	237,935
		<hr/>	<hr/>
Total expenditure		148,634	237,935
		<hr/>	<hr/>
Net income/(expenditure) and movement in funds		(10,847)	3,458
		<hr/>	<hr/>
Reconciliation of funds:			
Fund balances at 1 April 2023		37,613	34,155
		<hr/>	<hr/>
Fund balances at 31 March 2024		26,766	37,613
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHALLENGE ADVENTURE CHARITIES

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Current assets					
Debtors	6	10,597		13,560	
Cash at bank and in hand		20,471		32,083	
		<u>31,068</u>		<u>45,643</u>	
Creditors: amounts falling due within one year	8	(4,302)		(8,030)	
Net current assets			26,766		37,613
			<u>26,766</u>		<u>37,613</u>
The funds of the charity					
Unrestricted funds	9		26,766		37,613
			<u>26,766</u>		<u>37,613</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

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

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

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

The financial statements were approved by the trustees on 24 March 2025

Mr T E Mason-Elliott
Trustee

Company registration number 03211438 (England and Wales)

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Challenge Adventure Charities is a private company limited by guarantee incorporated in England and Wales. The registered office is Millbank Wharf, Millbank Street, Southampton, Hampshire, SO14 5AG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

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

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

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.8 Employee benefits

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

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

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

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

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

3 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

4 Employees

The average monthly number of employees during the year was:

2024 Number	2023 Number
2	2
<u>2</u>	<u>2</u>

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

5 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

6 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	10,597	13,560
	<u>10,597</u>	<u>13,560</u>

7 Loans and overdrafts

	2024 £	2023 £
Bank overdrafts	-	1,355
	<u>-</u>	<u>1,355</u>
Payable within one year	-	1,355
	<u>-</u>	<u>1,355</u>

CHALLENGE ADVENTURE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank overdrafts	7	-	1,355
Other creditors		-	1,800
Accruals and deferred income		4,302	4,875
		<u>4,302</u>	<u>8,030</u>

9 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	37,613	137,787	(148,634)	26,766
	<u>37,613</u>	<u>137,787</u>	<u>(148,634)</u>	<u>26,766</u>

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	34,155	241,393	(237,935)	37,613
	<u>34,155</u>	<u>241,393</u>	<u>(237,935)</u>	<u>37,613</u>

10 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

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.