

Challengers



Annual Report 2020



Chairman's Report

Along with the rest of the world, the complications brought on by the coronavirus pandemic meant that 2020 was an extremely difficult year for Challengers. With lockdowns came some unavoidable closures of the service and cancellation of fundraising events, as well as new furlough arrangements, all of which had an impact on the financials. However, I am pleased that thanks to some difficult but quick decisions, we have made it through 2020 in a strong and sustainable financial position, and well-positioned for the challenges and opportunities that face us from here.

It's never easy making changes, but if there's one thing that this very difficult period has made apparent, it's how tenacious, resilient and adaptable the charity is. Despite the many challenges that 2020 has presented, the Trustees, Senior Leadership and staff teams have continued to provide an amazing service that is essential for disabled children and their families, and highly valued across our communities.

In that context, it's hard to call out individuals, but I do want to pay tribute to our former Acting CEO and Head of Finance Amanda Matthews, who steered us through the charity's restructuring and was part of the fabric of Challengers for many years. Whilst she left us for the Scottish Highlands early in 2021, she was the glue that held the ship together in the toughest of seas, and the charity will be thankful for her legacy for many years to come.

And on a final note, my personal thanks to all our supporters, stakeholders and members of Team Orange. You have my commitment that despite the ongoing pandemic, Challengers is tackling issues head-on and is continuing to provide play and leisure opportunities for hundreds of disabled children in Surrey, Hampshire and West Sussex. I'm incredibly grateful for the hard work of everyone involved and know that with the right strategy and leadership in place, the charity and Team Orange will continue to thrive.

Graeme Stretton, Chairman of Trustee Board

CEO Report



2020 was a year of both opportunity and significant challenge, created by the global health pandemic.

Like many organisations, Challengers was caught in a dichotomy between keeping people safe and providing much-needed support for children and families, however, the charity responded to this very well, taking the opportunity to explore new ways of working and alternative ways to provide a service.

There is no doubt that 'lockdown' and COVID-19 had a profound impact on disabled children, young people and their families and I want to pay tribute to Challengers for continuing to provide safe and effective face-to-face services during this time, as well as fun and engaging virtual activities. This was made possible by the leadership of Acting CEO Amanda Matthews and the team of committed and dedicated staff, Trustees, and Senior Leadership Team, all of whom responded swiftly and consistently to government guidelines, always focusing on 'what they could do' rather than 'what they couldn't' - something which is fundamental to the Challengers Approach.

Throughout this challenging period, staff have successfully managed and mitigated risks, preventing infection transmission, and most importantly - enabling children and young people to have fun and giving families respite during this incredibly stressful period. Before the pandemic working from home had not been a common practice at Challengers, therefore making the transition to home working highlighted the need for investment in IT and telephone infrastructure. This presented a further opportunity for Challengers to re-think the way that staff work and how we can connect with each other to create a more flexible and agile way of working for the future.

We all know that play is essential to every child's development, and Challengers is doing incredible things to ensure that every child has the opportunity to play. As the Interim CEO, it's my job to strengthen the foundations and to prepare the groundwork for the next chapter in this extraordinary charity's history, and I feel privileged to play a small part in ensuring its ongoing sustainability.

Louise Clarke, Interim CEO of Challengers

About Challengers

Challengers have been operating for over 40 years, providing thousands of disabled children and young people with opportunities to play, have fun, and make new friends. While lots has changed in that time – the locations we operate in, the people, and even the charity's name – our vision and mission haven't changed since 1979.

Vision

A world where all children and young people can play together, freely.

Mission

To provide truly inclusive, fun and safe places where all disabled children and young people can spend time with their friends. To offer a positive impact for families and the wider community.

Our Approach

Challengers is a place where everyone is welcome and celebrated for who they are. Young people are free to play and experience new things, and we will never exclude someone on the grounds of their impairment.

We believe that we deliver play and leisure in a truly inclusive and aspirational way, showing that there is no reason why disabled children and young people should be excluded from playing an active part in society. We hope that in doing so, we are leading by example and can positively influence other providers, as well as the way that society views disability.



Our Impact

Aside from bringing joy to the children themselves, another benefit of Challengers is that it provides a short break for the families. Raising a disabled child is complex and can be extremely demanding, therefore it's vital that families can access respite from care responsibilities. Parents can relax and enjoy time away from their child, knowing that they are safe and happy at Challengers with our trained staff.

Our staff are fundamental to delivering positive change. Many come with little or no experience of disability, but through their training and experiences at Challengers they often develop a real commitment to equality and inclusion. They leave us with informed and inspired views that change the way they live their lives and how they interact with those around them.

Strategy

As part of our new strategy moving forwards, we have identified three core goals that bring our vision and mission to life, using play opportunities to develop confidence in children and young people and ensure that every child is enabled to enjoy and experience play. They also set out to ensure that families have the opportunity to reach out to each other, reduce isolation, increase knowledge and improve the quality of information and support they have available to them. Our priorities, therefore, serve to support these goals and ensure that we continue to offer meaningful and impactful play opportunities, evidence our impact and also share our knowledge and expertise to educate and support local communities.

These goals and priorities can only be achieved with firm foundations; therefore, we aim to attract and retain the best quality staff and demonstrate best practices, in the most financially responsible and sustainable way. This will require a framework of strong governance, underpinned by a culture of continuous improvement, all guided by The Challengers Approach and our five core values.

Goals



Enable the people we support to develop skills and confidence through play

Contribute to a more inclusive society by challenging the barriers to play

Connect families together and enable a community of information sharing and support

Priorities



Excel at providing inclusive play opportunities

Evidence our impact in the communities we serve

Share our knowledge and expertise with a wider audience

Establish a Community Hub

Foundations



Staff happiness

Sustainable business model

Sound governance

Culture of continuous improvement

Values



Inclusive

Playful

Trustworthy

Ambitious

Accountable



2020 in numbers



Despite being unable to run a service for several months of the year due to lockdowns, Challengers still delivered close to 2000 sessions and supported almost 1000 disabled children and young people.

1,716

Challengers sessions delivered

987

Children and young people supported

5

Fundraising events (23 cancelled due to the pandemic)

1,880

Volunteer hours



60,198

Hours of play

Pre school: 28,008
Play: 18,076
Youth: 10,783

Young Adults 2,210
555: 235
Fun Swim & Swim Club: 174

37



Videos created to keep children entertained during lockdown

?



Hours spent on Zoom? Too many to count!



“

During lockdown their (Challengers') zoom meetings were one of my son's connections with other children and it helped his mental health

”

Head of Service Report

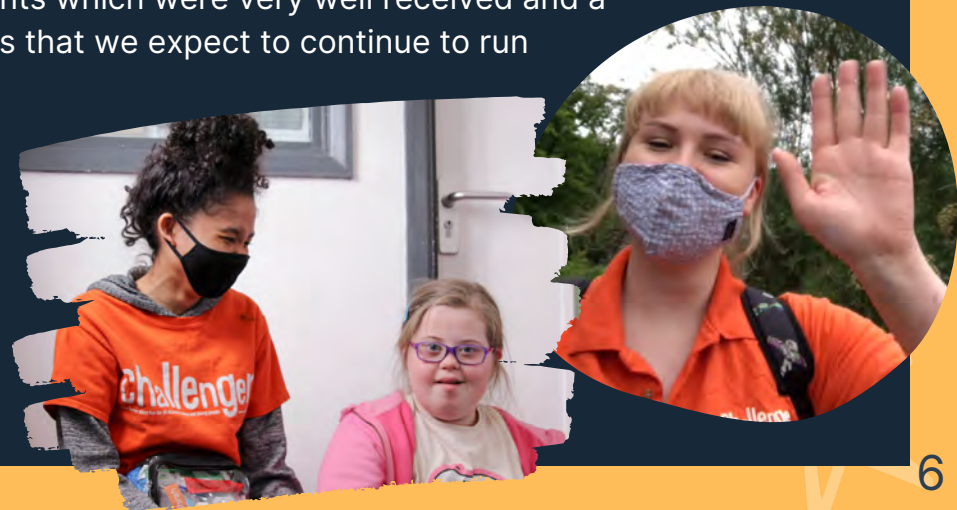
2020 was certainly a year to remember. Early in the year, the pandemic hit and we entered our first lockdown, which meant we had to close all schemes (except the Farnham and Guildford Pre-schools) and furlough most Challengers staff. While in lockdown things were busy behind the scenes - we restructured the organisation, planned the safe re-opening of our Play and Youth schemes, and made sure we were in the position to cope with the fallout of reduced funding opportunities that were now inevitable. They say if you don't like the road you are walking down then you should pave another one, and that is exactly what we did. We had to make very tough decisions to close vital services, including our Young Adult schemes which were absolutely heart-breaking. However, we knew that we had to take this action and that in doing so, the charity would be on a more robust footing going forward - allowing us to continue to run a fantastic service and support as many families as possible.

The Pre-school leaders and staff were amazing. While the world around them was in chaos they showed their resilience, providing an excellent service for keyworker children. They continued supporting children and families, taking on new covid guidance and making changes to the way they ran on almost a daily basis. Not being able to open all of our schemes was frustrating, especially as we knew that young people and their families were going through a really tough time in lockdown, so we started offering virtual services. This included YouTube videos of activities, songs and other fun, and then Zoom sessions for young people where they could take part in drumming, dancing, meet animals (virtually), show off their talents and just enjoy socialising. We even started social evening Zoom sessions for parents which were very well received and a great excuse for a glass or two! Zoom sessions have been such a success that we expect to continue to run them alongside our face-to-face services as we move forward.

We set up a Covid Response Team who were responsible for analysing the ever-changing government guidance, setting up new policies and procedures, and delivering training to make sure staff were able to keep themselves and the young people safe. Thanks to their incredibly hard work and commitment, we were able to reopen schemes before the summer period.



Paul Wilson



When our schemes finally re-opened it was really hard work, especially for our newly-appointed Operations Managers. They worked tirelessly to make sure the schemes were ready - there was new PPE to contend with and lots more cleaning, but crucially there were children and young people to play with, so the staff teams got on with doing what they do best and adapted to the new way of working. Likewise, the children and young people were also wonderful. They just embraced having the space to play and reminded us why what we do is so important. Throughout the whole pandemic, the hands-on Operations staff have remained so positive because they feed off the incredible resilience and boundless energy of the fantastic children and young people that come to our schemes.

Another real positive of this difficult time has been our 555 service, where we support children and young people whose school placement has broken down. The team does a fantastic job of keeping them positive and engaged while a new school is found for them, helping them to build confidence and valuable skills. I'm proud that our 555 service has made a huge difference to young people who have been going through a really hard time this year.

All in all, 2020 has been the most challenging year I can remember in my almost 20-year tenure at Challengers, but I am so proud to be part of this incredible charity.

We will get through this pandemic, and a rejuvenated Challengers will be there ready to provide even more essential play opportunities for disabled children and young people. Our staff teams are excited about the future and looking forward to being able to focus on play - which is what they do best!

**Paul Wilson,
Head of Service**



Our COVID-19 Response Team

New policies and procedures

Shannon and Ella spent countless hours researching and reading Government guidelines and created a COVID-19 manual for Challengers staff. The manual constantly needs to be reviewed, so each week they go through updates with staff to ensure that they understand the new policies and are compliant with all of the new procedures.

Risk assessments & audits

The team prepared individual risk assessments for each scheme and visit schemes weekly to check that the highest health and safety standards are being maintained and that new procedures are being followed correctly. Getting used to a new way of working is tricky, but our staff teams have taken it in their stride and are gaining knowledge and confidence with each day that goes by.

Challengers simply wouldn't have been able to re-open its doors without our COVID-19 Response team who worked tirelessly over the year to keep children, staff and families safe during the pandemic. The team formed in March, and quickly got to work by implementing creative solutions to get schemes up and running again.

Personal Protective Equipment (PPE)

Our Nurse Trainer Debbie spent much of the early lockdown training doctors and nurses on the front line in the proper use of PPE, before training our Play and Youth workers to the same standard. Alongside this, she trained staff in new first aid equipment and resuscitation procedures and kitted workers up with their personal supply of PPE and cleaning materials.

Training

Ella has been in high demand delivering lots of new training on topics like safeguarding, moving people and behaviour support which takes into account enhanced COVID-19 risks. The lack of routine during lockdown was very difficult for disabled children to adapt to, leading to the emergence of challenging behaviours in many of the children we support, so thorough and relevant staff training on how to handle this has been more important than ever.



Ella, Training Manager

“All of the hours of risk assessments, training and audits are worth it when you see the children playing and enjoying themselves.”

Feedback from families



We often hear from parents that Challengers is a lifeline for their family, and being able to access our schemes really can mean the difference between coping and not coping. During the lockdowns in 2020, it was vital that we could still offer some form of support to children and families, even if we couldn't see them face to face, so we decided to start running virtual Challengers sessions. It was a wonderful way to keep in touch with everyone, and for the children and young people to see and hear their orange friends. Here is Fran's experience ...



Meet Fran!

"During the lockdown, Fran desperately missed Challengers. It has always been her place to go to, her friends, her activities and that has been such an important part of her life as there are so few places that exist like Challengers. It's somewhere Fran can go to just be herself and be accepted. When we found out about Challengers' Zoom sessions it was such a boost! I remember when I told Fran about the virtual sessions it made me cry as I saw her face absolutely light up. The virtual Zoom meetings have been absolutely great for her, she looks forward to them every week and is really happy afterwards."



Feedback from families

While virtual sessions have worked well for many people, we appreciate that they aren't the same as an in-person interaction, so naturally, families were relieved to get back to Challengers once we re-opened. Knowing that their child is safe and happy at Challengers means parents can relax and spend time enjoying a vital break from caring - whether that's spending quality time with their other children, going out for lunch, or just doing the food shop!

"It has been incredibly challenging to have two autistic children at home during the pandemic, so Challengers re-opening has been fantastic for my son. There is nothing more they could have done, they have been incredibly supportive and communication has been great."

"My son really struggles with change and it showed when he first came back. Because of the lovely staff members and how well they know my son, we figured it out quickly and he is now happy going in again! I think Challengers is doing an amazing job given the current situation and I'm extremely happy with everything."



Feedback from families

"We were very happy with the COVID-19 precautions and preventative measures in place at the sessions."

99% of families scored our staff as good or excellent since the re-opening of our schemes in June 2020.



95% of families rated our facilities and use of PPE and cleaning & sanitising processes as good or excellent.

92% of families rated our activities as good or excellent.



"Amazing. My daughter has thrived on having 1:1 face contact. She has loved seeing both staff and friends."



100% of Farnham and Guildford Pre-school families rated facilities, activities and safeguarding as good or excellent.

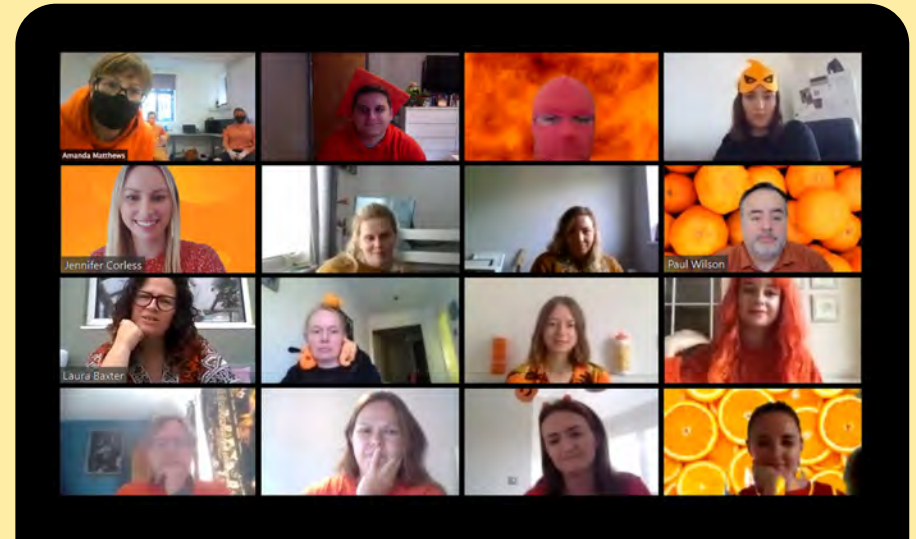
96% of Farnham and Guildford Pre-school families said Challengers helps improve their child's social skills.



"They loved it! Smaller groups worked so well for them and they had so much fun. I really appreciated having a little time to myself."

Fundraising through a pandemic

In March 2020 we found ourselves in a strange and previously unimaginable situation – a national lockdown. No one knew how long the lockdown would go on for, but we knew that within a few months we would see a significant shortfall of approximately £150,000 from the forced cancellation of our fundraising events and activities. We rely on voluntary funding for half of our yearly income, and we knew that without this, we simply wouldn't be able to continue our work. But that wasn't an option. Challengers support thousands of families across the South, so we knew that we had to make up this money and be in a position to re-open schemes to provide vital play and social opportunities for our young people.



In early April we started an emergency appeal on Crowdfunder. We didn't know how people would respond, but the support we received was overwhelming. Supporters set up virtual raffles and events, took on running and cycling challenges, and even shaved their heads to raise money to help save our schemes, which is a testament to how much the community values Challengers and the important service we provide for disabled children and their families. Although we didn't reach our target of £150,000, over 1000 people donated and helped to raise an incredible £67,748. This money was vital to ensuring we're in a good standing to re-open following the first lockdown.

Virtual Marathon

Fundraising through a pandemic

The summer period was positive, and we were able to run a few of our larger events which allowed us to recoup some income, as well as some virtual fundraising events. However, with the pandemic ongoing, the future of our finances for 2021 and beyond was still uncertain. Following the second lockdown in November we launched a Christmas appeal which raised £4,551 – reaching our target of £5k with the addition of gift aid.

“ Fundraising through a pandemic has been difficult and stressful, but if one positive can be drawn from it, it's forced us to be creative and think outside of the box. It's also shown how wonderful our supporters are and how much Challengers is valued by the local community. This support kept us going through a difficult year, and spurred us on to fundraise even more in 2021. ”

Carla Gill, Head of Fundraising & Communications



Financial overview

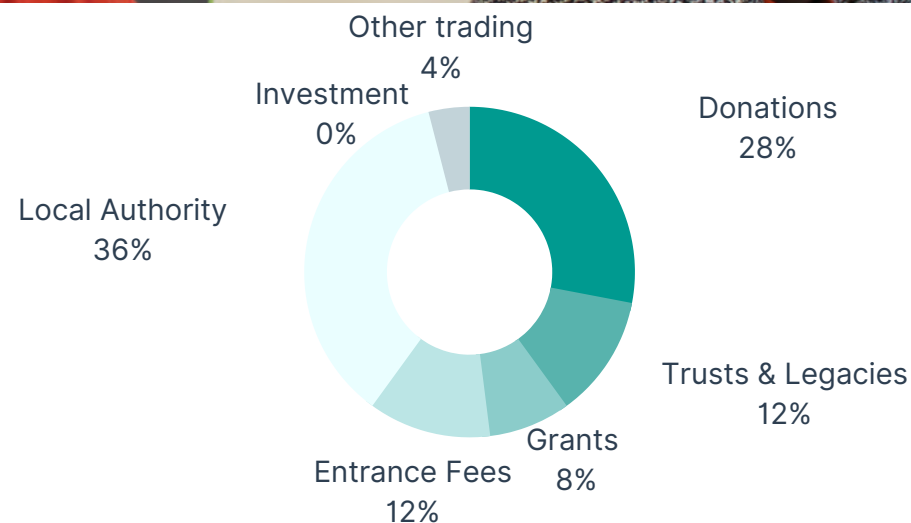
2020 Income

2020 proved to be a difficult year significantly impacted by the Covid 19 pandemic. However, the year reported a surplus of £89k across all funds. The unrestricted fund had a surplus of £101k and restricted funds had a surplus of £81k, offset by a deficit on designated funds of £93k. The designated fund deficit relates to depreciation charges against assets acquired in previous years. The Unrestricted fund and restricted fund are in surplus despite a reduction in income due to a reduction in costs as a result of reduced activity caused by Covid 19 restrictions and internal cost controls.

Total income decreased by 11% in 2020 to £2.9m (2019: £3.3m).

Donations and legacy £1,150k (+38% vs 2019); this year saw a drop in trust and foundation income of 25% (-£88k vs. 2019), a reduction to corporate income of 55% (-£73k vs. 2019), income from individuals dropped by £9k (-3% vs. 2019), income from communities dropped £31k (-40% vs. 2019) while legacy income achieved was £70k (nil in 2019). Donation and legacy income in 2020 include furlough income from the Government's Coronavirus Job Retention Scheme of £447k (2019 – nil)

Income for charitable activity £1.6m (-24% vs 2019)





With thanks to ...



Children In Need (main grant)- £10,057.75 supporting Guildford Pre-school and Play Leaders

Children in Need (small grant) - £10,000 supporting Guildford Youth

Children in Need (booster grant) - £3,000 supporting our COVID-19 response

Children in Need (bridging grant) - £40,231 supporting Guildford Pre-school and Play Leaders

Children in Need (next steps grant) - £28,877 supporting our COVID-19 response

TVCBC Councillor Community Grant - £1,000 supporting Andover Youth

The February Foundation - £5,000 supporting our COVID-19 response

Elmbridge Borough Council - £4,000 supporting our Esher Play Deputy Leader

Community Foundation for Surrey - £4,173.00 supporting COVID-19 IT costs

Community Foundation for Surrey - £5,000 supporting Recruitment and Volunteer Manager

Community Foundation for Surrey - £2,000 supporting after school sports club activities

Community Foundation for Surrey - £11,000 supporting our Service Manager in 2020
(Total support of £22,000 for 2020 and 2021)

Walton On Thames Charity - £4,566 supporting Esher Play

Farnham Town Council - £750 supporting Farnham Play

East Hampshire District Council - £7,425 supporting Alton Play

San Francisco Foundation - £9,455.78 supporting Guildford Play

National Lottery Community Fund - £36,946 COVID-19 emergency funding for Pre-schools

Mulberry Trust - £5,000 supporting virtual sessions

St James's Place Foundation - £4,500 supporting virtual sessions

The Leathersellers' Company Charitable Fund - £15,000 unrestricted funding

Thank you!



Financial overview

2020 Expenditure

Total expenditure decreased by 21% vs. 2019 to £2.8m.

Cost of raising funds decreased by 33% vs. 2019 which represents a decrease of 2p in each £1 raised, 10p of each £1 raised was spent on the generation of future income

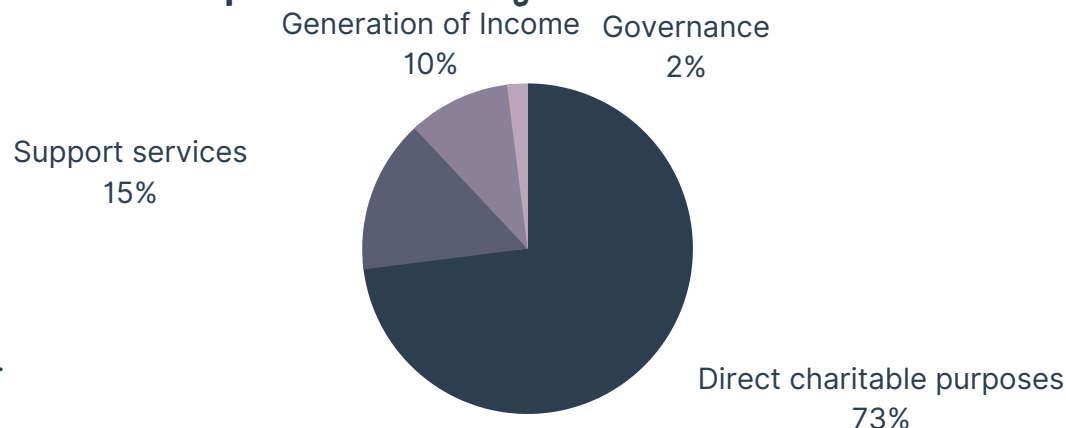
Charitable expenditure in the year decreased by 21% vs. 2019 which represents a decrease of 1p in each £1 raised, 73p of each £1 raised was spent on charitable expenditure.

Expenditure on support costs decreased by 11% vs. 2019 15% of total expenditure compared to 13% in 2019. Support costs include the cost of teams within Finance, Quality and Communications together with investment in staff recruitment, learning and development.

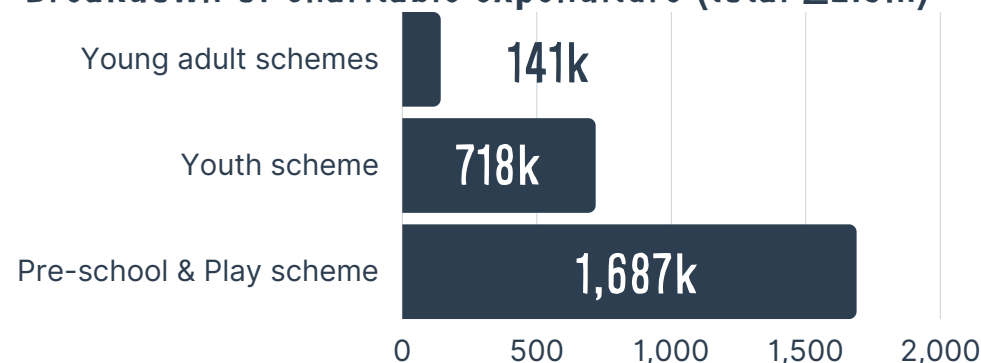
Governance costs remained consistent with 2019 at 2% of total expenditure.

In accordance with charity accounting practice, Support and Governance costs are allocated to charitable expenditure based on each activity's proportion of delivered hours.

How we spend our funding



Breakdown of charitable expenditure (total £2.5m)



The impact of COVID-19



Services

Following Government advice, all Challengers services were suspended on 10th March 2020. We subsequently ran a key worker and vulnerable child service from our Guildford Pre-school (Farnham Pre-school remained closed as there were no applicants for the service).

The impact of COVID-19 on service users and their families has been huge. Many have struggled with the change of routine, which has caused anxiety levels to rise and behaviour to escalate. There has been no respite for families and it has been particularly hard for those working from home. Challengers has kept in touch with families and offered remote support via video activities, Q&A sessions for parents and welfare calls.

Staff and Volunteers

Where possible, staff have been furloughed during the pandemic. All other staff have worked from home, with the exception of those running services or performing tasks where it has been essential to be in the office. Volunteers have been encouraged to support teams remotely where possible.

Income

- Voluntary income has been impacted by COVID-19. Voluntary income, excluding furlough income, fell by 16% in the year with Corporate and Trust donations being affected most by COVID-19.
- Local Authority funding fell 22% (£297k) in the year, reflecting reduced delivery of local authority funded sessions.
- Session fees fell 49% (£327k) in the year due to sessions cancelled during the lockdown.
- These reductions to income were partially offset by £446k of income from the Coronavirus Job Retention Scheme covering the wages of staff placed on furlough.

Cashflow

- Challengers has managed its cash reserves carefully during 2020. Cash at the bank has risen £358k during 2020 as measures to control costs have been put in place.

Reserves

Challengers' reserves policy is to maintain free cash reserves of between 4 and 6 months expenditure. Due to seasonal changes in activity levels, this will fluctuate throughout the year, however, free reserves should be maintained between £850k and £1.5m.

The main objective of the reserves policy is to deal with short term cashflow challenges to protect the long-term future of the charity. In addition, the trustees believe this level of reserve would allow a safe and sensible closure in the event that this was the only option.

Reserves are reviewed monthly at the Finance and Risk subcommittee.

The free cash reserves level at year-end was £1,181k, representing 5 months 2020 average operating expenditure.

Year-end designated funds stood at £2.53m, the residual value of this fund is required to support the long-term security of premises and IT infrastructure to ensure the charity can meet its objectives.

Of this amount, £2.42m has been set aside for known future depreciation costs on buildings at our Farnham and Guildford centres over the next 50 years.

Going concern

The Trustees take financial governance seriously and each month consider the monthly finance reports, the cash flow and the organisational KPIs to ensure challengers is meeting its charitable objectives and continue to do so in the foreseeable future.

The Board of Trustees agrees that Challengers is a strong and viable going concern. The factors that lead to this conclusion are:

- Demand for Challengers services and contracts in place
- Strong financial governance and current financial position
- Good management control and regular governance
- The effective and proactive management team
- Clearly demonstrable public benefit
- Clear and well-informed strategic plan
- Well-informed income generation plan



Fundraising conditions & statement



The actual cost to the charity to run a Play or Youth scheme is £180 per child per day. We use Local Authority funding and our own fundraising income to heavily subsidise schemes so that parents only need to pay a small contribution towards the overall cost. We do this so that the cost of attending is not a barrier to families, as we believe that parents shouldn't have to pay more for their disabled child to access Challengers than they would pay for a non-disabled child to access a similar 'mainstream' service.

We are very grateful to have been successful in receiving a large proportion of the funding available from Local Authorities for 2021 to help fund Challengers schemes, however, we have received less money overall than in previous years. Inevitably, these funding changes have impacted what we are able to run and means that in some areas we may have to reduce or cease services.

We are working hard to find options for reducing our costs in order to fund more places at Challengers schemes, as well as continuing to look for opportunities to provide more of a service for everyone. We will continue to fundraise as much as we can to fund additional places at our schemes, and we greatly value the effort and commitment shown across key areas of voluntary income by those who support our fundraising. During a period that has seen many changes and challenges, the Fundraising team has worked incredibly hard and delivered a brilliant year-end figure. We look forward to growing all lines of income in the coming years to deliver a sustainable fundraising portfolio required to protect our schemes.

We are committed to a fair and ethical approach to all our fundraising practices. We are registered with the Fundraising Regulator, are signed up to the Fundraising Preference Service, and comply with the revised standards outlined in the Fundraising Regulator's Code of Fundraising Practice for the UK. We do not work with Professional Fundraising Organisations or Commercial Participators to solicit donations, have a strict policy of never selling or passing on our supporters' personal data, and have never bought fundraising data from a third party. We are also proud to report that we have never received any complaints relating to our fundraising practices.



Risk



The Board's risk appetite guides the risk management process. The Board is not seeking to eliminate risk as there is a recognition that it is necessary to accept the risks that cannot be mitigated in full or which fall beyond Challengers' control. However, the Senior Leadership Team actively monitor and manage such risks to provide reasonable, but not absolute assurance that the charity is protected.

Challengers have a robust risk monitoring process. Risks are ranked by the likelihood of occurrence and impact to the charity. There is an annual Risk Register meeting to which all Trustees and members of the Leadership Team are expected to attend and contribute to. This results in a register that is reviewed by trustees monthly at the Finance and Risk meeting and in addition at the relevant sub-committee meetings.

However, the management of day-to-day operational risks is delegated to the Senior Leadership Team to proactively manage throughout the year. This is done on a monthly basis at a risk register review workshop with actions assigned to members of that team.

The Board approves a comprehensive annual budget and plan for Challengers and the Board and its Committees monitor performance against these plans and budgets on a monthly basis. Material variances, together with any revised financial forecasts, are submitted regularly to the Finance Committee and to the Board. The Board is satisfied that these systems, combined with internal financial controls and the reserves policy, will ensure that sufficient resources are available to meet the immediate needs of Challengers in the event of adverse conditions.



Risk Clarification

Finance

The funding model is no longer sustainable

Voluntary income targets not met due to internal and external influences.
Short-term voluntary income, lack of recurring revenue.
Unanticipated changes in commissioned income.
Services too reliant on one funding source.
Session fees not increased in line with inflation.

★ Risk factor

★ What are we doing about it?

- Agile fundraising team able to respond to challenging factors.
- Regular giving campaign.
- Continue to develop relationships with Commissioners.
- Flexible budget able to respond to economic changes.
- Review the funding model of each scheme.
- Set a minimum level of local authority contribution for each scheme, applied at contract renewal.

Operations & HR

People capability and capacity.

Difficulty recruiting and retaining talented staff in a competitive labour market.
Inability to recruit and deploy enough staff.
Failure to protect staff.

- Regularly review recruitment processes.
- Embed our values in appraisal and training.
- Benchmark our pay and benefits across the sector.
- Good induction and supervision process, good support from outsourced external professionals in Health and Safety and HR.

Operations & Finance

COVID-19

Impact on cashflow short and long term.
Impact on service users.
Impact on staff.
Safety of operational staff and service users.

- Challengers' emergency fundraising appeal.
- Application for COVID-19 funding.
- Virtual sessions, live video sessions via Zoom, video activities on YouTube, video messaging.
- Welfare calls to service users.
- Ensure all government safety advice is followed and adhered to when operating services.
- Ensure all safety equipment is available.
- Continue staff meetings for all staff.



Board of Trustees

Challengers is a company limited by guarantee registered in England and Wales and a registered charity. Its objects and powers are set out in its Memorandum and Articles of Association. Challengers' activities are coordinated from its headquarters in Guildford.

The directors of Challengers for the purposes of company law are referred to throughout this report as Trustees. They are also Trustees for charity law purposes. The Board of Trustees is the governing body of Challengers and comprises 16 members who served during the year and up to the date of this report are set out on the final page of this document. The full Board Committee meets four times a year. Each Trustee also sits on one of two subcommittees, these are Finance and Risk which meets monthly, Operations and Quality which meets 4 times a year, and Fundraising and Communications which also meets 4 times a year. Details of who sits on each committee can also be found on the final page. The subcommittees have no decision-making powers but make recommendations to the Board.

Trustees are appointed by co-option. One third of the Trustees, who act as directors for the purposes of company law, shall retire from office at the Annual General Meeting. Those retiring Trustees shall be eligible for re-election. Should a Trustee resign prior to the end of their term, a new Trustee may be co-opted to serve the remainder of that term. Trustees do not receive any remuneration for their services. The members of the company comprise all of the Trustees. The members have guaranteed the liabilities of the company, up to £1 each.

Trustees are appointed through an open recruitment process that is widely publicised and each and every Trustee has a specific role to which they are recruited. Applicants are interviewed by a selection panel including the Chairman and CEO. The charity has a programme for induction and training of Trustees which is clearly set out in the Challengers Trustee Handbook.

The handbook is revised annually alongside any skills gaps that may have developed. The Chair also meets with every Trustee to discuss their position and experience giving both parties the opportunity to discuss confidentially the Board's performance. Every three years we will invite an external body into meetings to review Board performance. This was last done was in 2017 by a CEO of a local charity who gave a comprehensive report back to the charity.

Information given to Auditor

Each of the Trustees has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and that they have each taken all the steps that they ought to have taken, as Trustees, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. Furthermore, Trustees and senior staff have completed the annual declaration of interest paperwork.

Organisation structure

The Trustee Board is responsible for the direction, management and control of Challengers. The Board is responsible for approving the policies and strategy of Challengers and for ensuring the effective use of its resources in accordance with its charitable objects and UK law. The Board exercises overall responsibility for the direction, management and control of Challengers by supervising the work of the Chief Executive and, through them, the staff, so that the organisation is run efficiently and accountably. In order to achieve this, the Board reviews all long-term strategic and financial plans together with annual plans and budgets, and all major operational and financial policies.

Trustees Responsibilities

The Trustees (who are also directors of Disability Challengers for the purposes of company law) are responsible for preparing the Trustees' annual reports and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (the United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees 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 Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping adequate 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. 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors Sayer Vincent LLP were re-appointed during the year to act as Challengers' auditors. The Trustees' report was approved by the Trustees on 10th September 2021 and is signed on their behalf by:

Mr Graeme Stretton – Chairman



Fun for everyone





Independent auditor's report
to the members of Challengers

Auditor's report

Opinion

We have audited the financial statements of Disability Challengers (the 'charitable company') for the year ended 31 December which comprise the statement of financial activities, balance sheet, statement of cash flows 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 FRS 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 December 2020 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

Have been prepared in accordance with the requirements of the Companies Act 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 Auditor's 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 significant doubt on Disability Challenger's ability to continue as a going concern for a period of at least twelve 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 auditor's 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.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has 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 trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires 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 trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.





Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.



Capability of the audit in detecting irregularities



In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.





Auditor's report



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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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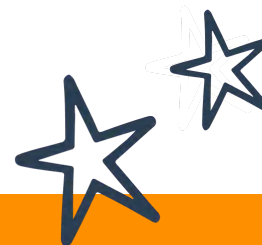
Use of our report

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

20 September 2021

**for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL**



Challengers



Financial Statement

Disability Challengers
Statement of financial activities (incorporating an income and expenditure account)

Company no. 4300724

For the year ended 31 December 2020

	Note	Unrestricted £	Designated £	Restricted £	2020 Total £	Unrestricted £	Designated	Restricted £	2019 Total £
Income from:									
Donations and legacies	2	920,566	-	229,926	1,150,492	492,651	-	342,802	835,453
Charitable activities									
Pre-school and Play Schemes	3	851,420	-	214,318	1,065,738	1,094,592	-	88,010	1,182,602
Youth Schemes	3	512,003	-	30,381	542,383	816,071	-	42,200	858,271
Young Adult Schemes	3	26,059	-	1,158	27,217	102,666	-	2,500	105,166
Training Project	3	-	-	-	-	-	-	-	-
Other trading activities	4	124,628	-	-	124,628	265,432	-	-	265,432
Investments	5	1,997	-	-	1,997	5,367	-	-	5,367
Total income		2,436,674	-	475,782	2,912,456	2,776,779	-	475,512	3,252,292
Expenditure on:									
Raising funds	6	276,539		-	276,539	408,861		4,000	412,861
Charitable activities									
Pre-school and Play Schemes	6	1,326,660	71,838	288,921	1,687,419	1,467,673	67,972	278,148	1,813,793
Youth Schemes	6	595,876	19,330	102,639	717,845	890,968	23,684	189,600	1,104,252
Young Adult Schemes	6	137,123	1,583	2,513	141,220	208,787	2,771	18,944	230,502
Training Project	6	(750)	-	750	-	-	-	12,702	12,702
Other		-	-	-	-	-	-	-	-
Total expenditure		2,335,449	92,752	394,823	2,823,023	2,976,288	94,426	503,394	3,574,109
Net income / (expenditure) for the year	8	101,225	(92,752)	80,959	89,433	(199,509)	(94,426)	(27,882)	(321,817)
Reconciliation of funds:									
Total funds brought forward		793,363	2,621,896	425,736	3,840,994	992,872	2,716,322	453,618	4,162,812
Total funds carried forward		894,588	2,529,144	506,695	3,930,427	793,363	2,621,896	425,736	3,840,994

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18a to the financial statements.

Disability Challengers
Balance sheet

Company no. 4300724

As at 31 December 2020

	Note	£	2020 £	£	2019 £
Fixed assets:					
Tangible assets	13		3,077,397		3,181,802
			3,077,397		3,181,802
Current assets:					
Debtors	14	136,891		263,746	
Short term deposits		173,839		173,839	
Cash at bank and in hand		1,007,294		649,190	
		1,318,023		1,086,775	
Liabilities:					
Creditors: amounts falling due within one year	15	(464,993)		(427,583)	
Net current assets			853,030		659,192
Total net assets			3,930,427		3,840,994
The funds of the charity:	18a				
Restricted income funds			506,695		425,736
Unrestricted income funds:					
Designated funds		2,529,144		2,621,895	
General funds		894,588		793,363	
Total unrestricted funds			3,423,732		3,415,258
Total charity funds			3,930,427		3,840,994

Approved by the trustees on 10th September 2021 and signed on their behalf by

Graeme Stretton
Chairman

Bernard McAlister
Treasurer

Disability Challengers
Statement of cash flows

Company no. 4300724

For the year ended 31 December 2020

	Note	2020 £	£	2019 £	£
Cash flows from operating activities					
Net income for the reporting period		89,433		(338,093)	
Depreciation charges	13	129,430		131,791	
Interest and rent from investments		1,997		5,367	
(Increase)/decrease in debtors	14	126,855		81,436	
Increase/(decrease) in creditors	15	37,410		(55,482)	
Net cash provided by / (used in) operating activities			385,125		(174,981)
Cash flows from investing activities:					
Dividends, interest and rents from investments		(1,997)		(5,367)	
Purchase of fixed assets	13	(25,025)		(16,811)	
Net cash provided by / (used in) investing activities			(27,022)		(22,178)
Change in cash and cash equivalents in the year			358,104		(197,159)
Cash and cash equivalents at the beginning of the year			823,029		1,020,188
Cash and cash equivalents at the end of the year			1,181,133		823,029
Analysis of cash and cash equivalents and of net debt					
		At 1 January 2020 £	Cash flows £	Other non- cash changes £	At 31 December 2020 £
Short-term deposits		173,839	-	-	173,839
Cash at bank and in hand		649,190	358,104		1,007,294
Total cash and cash equivalents		823,029	358,104	-	1,181,133

For the year ended 31 December 2020

1 Accounting policies

a) Statutory information

Disability Challengers is a charitable company limited by guarantee and is incorporated in the United Kingdom and Wales.

The registered office address and principal place of business, is Challengers Play Centre, Stoke Park, London Road, Guildford, GU1 1TU.

b) Basis of preparation

The financial statements have been prepared 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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually

evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

For the year ended 31 December 2020

1 Accounting policies (continued)

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Having assessed projected future income, expenditure and cash flows over the period to 30 September 2022, including expected service delivery, changes to local authority funding and the variability of fundraising income and analysed the strength of the charity's reserves, liquid assets and its ability to withstand a short-term material fall in income, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue their activities for the foreseeable future. Therefore, we have continued to adopt the going concern basis in preparing the financial statements.

Coronavirus

The coronavirus pandemic impacted the UK during the 2020 financial year. The trustees and the senior leadership team met regularly to work through the emergency, guided by a specific coronavirus risk register which focused on following guidance and procedures designed nationally and within Challengers to keep the people we support and colleagues safe, delivering contractual obligations, continuity of business, financial security and planning. Whilst the pandemic has been hugely challenging at the operational level, Challengers has remained in control of its service quality and financial performance throughout. Whilst the future is uncertain, Challengers has maintained its cash and reserves at levels which provide financial protection against the ongoing impact of the pandemic.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

For the year ended 31 December 2020

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose

Expenditure on charitable activities includes the costs of delivering Pre-school, Play, Youth and Young Adult services undertaken to further the purposes of the charity and their associated support costs

Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

For the year ended 31 December 2020

1 Accounting policies (continued)

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Pre-school and Play Schemes	78%
Youth Schemes	18%
Young Adult Schemes	4%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Pre-school and Play Schemes	78%
Youth Schemes	18%
Young Adult Schemes	4%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

Land	not depreciated
Buildings	50 years
Play Equipment	5 - 10 years
Other Equipment	5 years
IT Equipment	3 years
Fixtures and Fittings	5 years
Motor Vehicles	4 years

For the year ended 31 December 2020

1 Accounting policies (continued)

l) 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.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

n) 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.

o) 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 method.

p) Pensions

The charitable company operates a defined contribution scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Gifts	403,249	211,819	615,068	492,651	327,988	820,638
Legacies	70,420	-	70,420	-	-	-
Donated services	-	18,107	18,107	-	14,815	14,815
Furlough Income	446,897	-	446,897	-	-	-
	<u>920,566</u>	<u>229,926</u>	<u>1,150,492</u>	<u>492,651</u>	<u>342,803</u>	<u>835,453</u>

For the year ended 31 December 2020

3 Income from charitable activities

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Pre-school and play schemes						
Contract - Surrey County Council	287,548	-	287,548	279,314	-	279,314
Contract - Hampshire County Council	236,120	-	236,120	279,534	-	279,534
Contract - Achieving for Children	54,989	-	54,989	115,909	-	115,909
Session fees	272,763	-	272,763	419,835	-	419,835
Grants	-	214,318	214,318	-	88,010	88,010
Sub-total for Pre-school and play schemes	851,420	214,318	1,065,738	1,094,592	88,010	1,182,602
Youth Schemes						
Contract - Surrey County Council	219,011	-	219,011	325,748	-	325,748
Contract - Hampshire County Council	191,057	-	191,057	235,268	-	235,268
Contract - Reading Borough Council	5,000	-	5,000	23,000	-	23,000
Contract - Wokingham Borough Council	-	-	-	750	-	750
Contract - West Sussex County Council	27,753	-	27,753	46,908	-	46,908
Contract - Achieving for Children	29,359	-	29,359	41,436	-	41,436
Session fees	39,822	-	39,822	142,961	-	142,961
Grants	-	30,381	30,381	-	42,200	42,200
Sub-total for Youth Schemes	512,003	30,381	542,383	816,071	42,200	858,271
Young Adult Schemes						
Session fees	26,059	-	26,059	102,666	-	102,666
Grants	-	1,158	1,158	-	2,500	2,500
Sub-total for Young Adult Schemes	26,059	1,158	27,217	102,666	2,500	105,166
Total income from charitable activities	1,389,482	245,856	1,635,338	2,013,328	132,710	2,146,038

For the year ended 31 December 2020

4 Income from other trading activities

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Centre rental	19,364	-	19,364	38,671	-	38,671
Sponsored events	25,084	-	25,084	59,784	-	59,784
Corporate events	27,364	-	27,364	75,608	-	75,608
Other events	37,165	-	37,165	88,775	-	88,775
Miscellaneous	15,652	-	15,652	2,594	-	2,594
	<u>124,628</u>	<u>-</u>	<u>124,628</u>	<u>265,432</u>	<u>-</u>	<u>265,432</u>

5 Income from investments

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Bank interest on Reserves	1,997	-	1,997	5,367	-	5,367
	<u>1,997</u>	<u>-</u>	<u>1,997</u>	<u>5,367</u>	<u>-</u>	<u>5,367</u>

For the year ended 31 December 2020

6 Analysis of expenditure (current year)

	Charitable activities							2020 Total £	2019	Total £
	Raising funds £	Pre-school & Play Schemes £	Youth Schemes £	Young Adult Schemes £	Training Project £	Governance costs £	Support costs £			
Staff costs (Note 9)	246,398	1,022,000	503,803.57	101,168	-	39,099	334,070	2,246,538	2,574,595	
Activities	-	17,830	21,344.55	5,197	-	-	-	44,371	130,322	
Motor costs	-	6,765	6,928.06	1,824	-	-	-	15,517	41,787	
Equipment costs	4,766	48,506	9,296.00	2,867	-	-	25,457	90,892	104,748	
Property costs	1,407	48,240	24,365.66	2,852	-	-	2,485	79,349	215,129	
Insurance	1,048	28,848	6,888.04	1,296	-	2,295	1,851	42,226	50,137	
PPS, Phone, Scheme promotion	6,569	10,183	5,092.75	971	-	-	13,174	35,989	46,078	
Depreciation	1,163	93,582	30,837.02	1,795	-	-	2,054	129,430	131,791	
Other costs	5,370	42,303	24,097.86	4,319	-	14,375	39,425	129,890	213,208	
Provision for doubtful debt	-	-	-	-	-	-	(1,000)	(1,000)	2,850	
Fundraising direct cost	9,820	-	-	-	-	-	-	9,820	63,465	
	276,539	1,318,256	632,654	122,288	-	55,769	417,517	2,823,023	3,574,109	
Support costs	-	325,663	75,153	16,701	-	-	(417,517)	-	-	
Governance costs	-	43,500	10,038	2,231	-	(55,769)	-	-	-	
Total expenditure 2020	276,539	1,687,419	717,845	141,220	-	-	-	2,823,023		
Total expenditure 2019	412,861	1,813,793	1,104,252	230,501	12,702	-	-		3,574,109	

Cost of raising funds support expenditure has been directly allocated to each expenditure line on the basis of the number of staff employed for the function as a % of total head office staff.

In 2020 unrestricted expenditure was £2,428,200 (2019: £3,070,714) and restricted expenditure was £394,823 (2019: £503,394).

For the year ended 31 December 2020

7 Analysis of expenditure (prior year)

	Charitable activities							2019 Total £
	Raising funds £	Pre-school & Play Schemes £	Youth Schemes £	Young Adult Schemes £	Training Project £	Governance costs £	Support costs £	
Staff costs (Note 10)	313,935	1,052,560	679,550	146,169	-	40,567	341,813	2,574,595
Activities	-	37,773	76,714	15,835	-	-	-	130,322
Motor costs	-	11,895	25,752	4,139	-	-	-	41,787
Equipment costs	5,388	41,124	18,762	4,310	-	-	35,164	104,748
Property costs	2,586	128,974	72,909	6,056	-	-	4,605	215,129
Insurance	1,255	29,674	11,821	2,874	-	2,295	2,218	50,137
PPS, Phone, Scheme promotion	13,542	8,457	5,797	1,302	-	-	16,980	46,078
Depreciation	1,118	89,871	35,864	2,962	-	-	1,975	131,791
Other costs	11,572	60,808	40,211	10,023	12,702	11,878	66,012	213,208
Provision for doubtful debt	-	1,906	759	185	-	-	-	2,850
Fundraising direct cost	63,465	-	-	-	-	-	-	63,465
	412,861	1,463,043	968,140	193,856	12,702	54,741	468,767	3,574,109
Support costs	-	314,074	121,879	32,814	-	-	(468,767)	-
Governance costs	-	36,676	14,233	3,832	-	(54,741)	-	-
Total expenditure 2019	412,861	1,813,793	1,104,252	230,501	12,702	-	-	3,574,109

Cost of raising funds support expenditure has been directly allocated to each expenditure line on the basis of the number of staff employed for the function as a % of total head office staff.

For the year ended 31 December 2020

8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2020 £	2019 £
Depreciation	129,430	131,791
Profit on disposal of fixed assets	-	-
Operating lease rentals payable:		
Other	-	2,113
Auditor's remuneration (excluding VAT):		
Audit	14,900	8,650
Tax advice	-	440

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	2,106,621	2,419,351
Social security costs	112,153	125,354
Employer's contribution to defined contribution pension schemes	27,763	29,713
	2,246,538	2,574,418

No employees earned above £60,000 during the year (2019: one employee earned between £60,000 and £69,999).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £329,362 (2019: £260,144).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2019: £nil).
No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

For the year ended 31 December 2020

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 352 (2019: 376).

	2020 No.	2019 No.
Raising funds	7	11
Pre-school and Play Schemes	218	232
Youth Schemes	85	90
Young Adult Schemes	23	24
Support	19	19
Governance	-	-
	352	376

11 Related party transactions

There are no related party transactions to disclose for 2020 (2019: none).

Donations totalling £4,623 were received from related parties during the year without conditions.

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

For the year ended 31 December 2020

13 Tangible fixed assets

	Freehold property £	Equipment Play £	Equipment Other £	Motor vehicles £	Furniture £	Total £
Cost						
At the start of the year	3,454,425	538,442	240,806	154,396	14,012	4,402,081
Additions in year	19,835	-	5,189	-	-	25,025
Disposals in year	-	-	9,012	-	-	9,012
At the end of the year	3,474,260	538,442	236,984	154,396	14,012	4,418,094
Depreciation						
At the start of the year	466,863	432,559	173,256	134,707	12,894	1,220,279
Charge for the year	55,845	19,139	39,993	13,898	555	129,430
Eliminated on disposal	-	-	9,012	-	-	9,012
At the end of the year	522,709	451,698	204,237	148,605	13,449	1,340,697
Net book value						
At the end of the year	2,951,551	86,744	32,747	5,791	563	3,077,397
At the start of the year	2,987,562	105,883	67,550	19,689	1,118	3,181,802

Land with a value of £681,864 (2019: £681,864) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

14 Debtors

	2020 £	2019 £
Trade debtors	62,166	109,866
Prepayments	34,531	31,655
Accrued income	40,194	122,225
Credit card reserve	-	-
	136,891	263,746

For the year ended 31 December 2020

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	309,440	29,016
Taxation and social security	24,227	36,914
Accruals	129,963	190,256
Deferred income (note 16)	1,363	171,396
	464,993	427,583

16 Deferred income

Deferred income comprises of Local Authority contracts and session fees booked in advance of delivery.

	2020 £	2019 £
Balance at the beginning of the year	171,396	163,448
Amount released to income in the year	(171,396)	(163,448)
Amount deferred in the year	1,363	171,396
Balance at the end of the year	1,363	171,396

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	130,825	2,521,259	425,313	3,077,397
Net current assets	763,763	7,885	81,382	853,030
Net assets at 31 December 2020	894,588	2,529,144	506,695	3,930,427

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	136,584	2,614,010	431,208	3,181,802
Net current assets	656,779	7,885	(5,472)	659,192
Net assets at 31 December 2019	793,363	2,621,895	425,736	3,840,994

For the year ended 31 December 2020

18a Movements in funds (current year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted funds:					
Capital					
Equipment fund	33,071	-	17,208	-	15,863
Farnham Refurbishment Project	368,929	-	28,357	-	340,572
Scheme operating					
Pre-school and Play Schemes	3,428	337,057	255,805	-	84,680
Youth Schemes	825	135,259	90,545	-	45,539
Young Adult Schemes	-	3,466	2,157	-	1,309
Other					
Fundraising	-	-	-	-	-
Training Project	19,483	-	750	-	18,733
Staff Training	-	-	-	-	-
Department of Health - Engagement Project	-	-	-	-	-
Total restricted funds	425,736	475,782	394,823	-	506,695
Unrestricted funds:					
Designated funds:					
Property and Development fund	2,564,234	-	59,418	-	2,504,816
IT Development fund	57,662	-	33,333	-	24,329
Total designated funds	2,621,896	-	92,752	-	2,529,144
General funds	793,363	2,436,674	2,335,449	-	894,588
Total unrestricted funds	3,415,258	2,436,674	2,428,200	-	3,423,732
Total funds	3,840,994	2,912,456	2,823,023	-	3,930,428

The narrative to explain the purpose of each fund is given at the foot of the note below.

For the year ended 31 December 2020

18b Movements in funds (prior year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 January 2019 £
Restricted funds:					
Capital					
Equipment fund	53,062	-	19,991	-	33,071
Farnham Refurbishment Project	364,054	13,000	8,125	-	368,929
Scheme operating					
Pre-school and Play Schemes	3,130	231,342	231,044	-	3,428
Youth Schemes	-	168,632	167,807	-	825
Young Adult Schemes	-	18,538	18,538	-	-
Other					
Fundraising	-	4,000	4,000	-	-
Training Project	32,185		12,702	-	19,483
Staff training		40,000	40,000		
Department of Health - Engagement Project	1,187	-	1,187	-	-
Total restricted funds	453,618	475,512	503,394	-	425,736
Unrestricted funds:					
Designated funds:					
Property and Development fund	2,625,327	-	61,093	-	2,564,234
IT Development fund	90,995	-	33,334	-	57,662
Total designated funds	3,107,032	-	94,427	-	2,621,896
General funds	992,872	2,776,779	2,976,288	-	793,363
Total unrestricted funds	3,709,194	2,776,779	3,070,715	-	3,415,258
Total funds	4,162,812	3,252,291	3,574,109	-	3,840,994

Transfers between funds

2020: Nil transfer of funds
2019: Nil transfer of funds

For the year ended 31 December 2020

Purposes of restricted funds

Equipment fund - Represents donations for specific item of equipment. Depreciation being provided over the useful life of the item.

Farnham Building Refurbishment Project - During 2018 our play and youth buildings at our Farnham site under went significant refurbishment. The project was completed in January 2019.

This fund will cover future depreciation charges associated with refurbishment.

Scheme operating Fund - funding for general running costs on specific schemes.

Fundraising - Funds & supplies donated to publish Christmas cards and support fundraising events.

Training project - Fund to support the research and development of accredited training and trading.

Staff Training- Garfield Western Foundation grant to support the cost of our training , officer, online training portal and courses.

Department of Health - Health and Social Care Volunteering fund grant over 4 years total funding £48,149 ending Mar 19 to deliver Challengers Engagement Volunteers project, improving health & care outcomes for disabled children and young people.

Purposes of designated funds

Property and Development fund - Is the result of two capital campaigns one to buy the land and buildings at Challengers Farnham centre and the other to build Challengers new centre at Guildford which was completed in 2013. This fund will cover future depreciation and maintenance charges for both properties.

IT Development fund - Development of Challengers new online booking and CRM system. This fund will cover future depreciation charges.

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Trustees' Admin Report

The Trustees of Disability Challengers present their Annual Report for the year ended 31 December 2020 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report under the 2006 Act, together with the audited financial statements for the year.

President

Dr Helen Foley (deceased)

We were saddened to hear that the co-founder and President of Challengers, Dr Helen Foley MBE, had passed away in 2020. Without Helen, Challengers simply would not be the lifeline for thousands of families that it is today. As a tribute to her incredible commitment to the charity, we will be honouring her legacy by installing a memorial bench at Challengers HQ in Guildford.

Patrons

Mr Derek Arden and Mrs Sally Arden
Mr Michael Buerk
Ms Myanna Buring
Mr Christopher Brewer DL
Mr Colin Brompton
Mr Peter Gordon
Mr Colin Hassell, Co-Founder
Mr Damon Hill and Mrs Georgie Hill
Mr Matthew Kelly
Mrs Moira Martin
Lord-Lieutenant for Surrey, Michael More Molyneux DL
Miss Rachel Morris MBE
Mr James Morrison
Mr Rene Poisson and Mrs Ruth Poisson
Mrs Jane Powis
Mrs Sally Phillips
Lady Beryl Tindle
Mrs Sandy Tyrrell
Miss Jenny Seagrove
Mr Larry Sullivan
Dr Bill White
Mrs Sandra Young
Mrs Juliet Cummings-Gough
Mrs Caroline Breckell MVO DL
Mr Dom Sibley



Trustees Admin Report

Executive committee

Chairman - Graeme Stretton (Appointed July 2019) (1,2,3)
Treasurer - Graham Seddon (Resigned June 2021) (1)
Treasurer - Bernard McAlister (Appointed May 2021) (1)
Company Secretary - Laura Sercombe (Resigned February 2020) (2)
Company Secretary - Megan Dooley (2)
Gail Bedding (2)
Robert Pickles (Resigned August 2020) (3)
Rachel Bartholomeusz (1,3)
Anele Griessel (Resigned April 2020) (2)
Phil Heasman (Resigned June 2020) (2)
Mike Walker (2)
Samantha Bossi (3)
Deborah Smith (1)
Holly Chantler (1)
Kim Sanders (1)
Sormeh Nikourazm (Appointed February 2021) (2)

(1) Member Finance & Risk committee
(2) Member of Operations & Quality committee
(3) Member of Fundraising & Communications committee

Leadership team

CEO - David McAuley (until March 2020)
CEO - Amanda Matthews (from March 2020 until December 2020)
Interim CEO - Louise Clarke (from December 2020)
Head of Finance and Operations Support - Amanda Matthews (until December 2020)
Head of Finance and Operations Support - Paul Clark (from July 2020 until March 2021)
Head of Finance and Operations Support (co-head) - Zoe Youkee (from November 2020 until March 2021)
Head of Finance and Operations Support - Andrew Kendall (from March 2021)
Head of Quality - Laura Baxter
Interim Head of Quality - Ella Arbelaez-Rodriguez (from January 2021)
Head of Fundraising - Natasha Iles (until June 2020)
Head of Communications and Events - Jennifer Corless (until November 2020)
Head of Fundraising, Communications and Events - Carla Gill (from November 2020)
Head of Operations / Head of Service West - Paul Wilson
Head of Service East - Sam Morris (until June 2020)

Advisors

Auditors

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London, EC1Y 0TL

Bankers

Barclays Bank PLC
North Street
Guildford, GU1 4AG

Honorary Legal Advisers

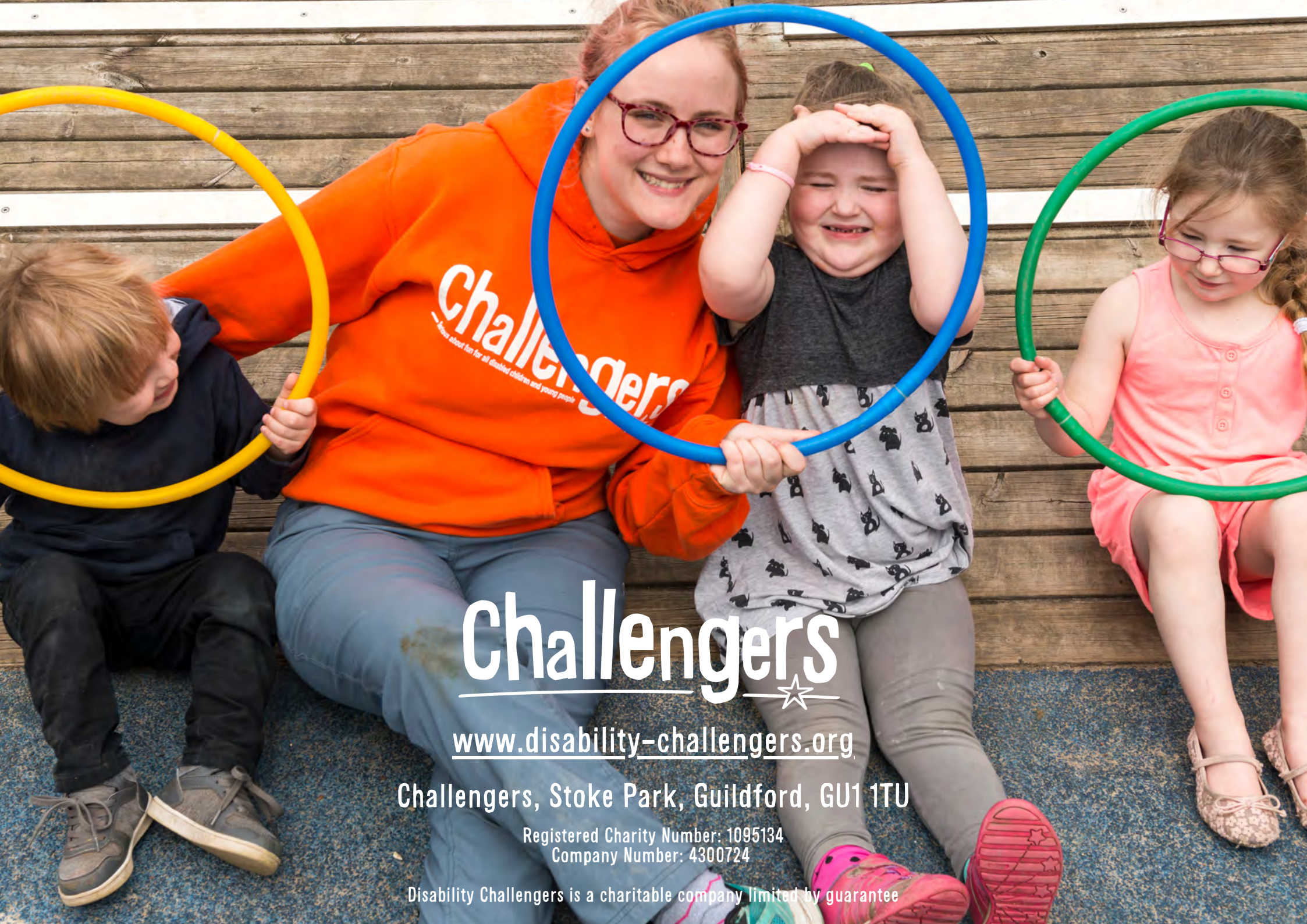
rhw solicitors LLP
Ranger House
Walnut Tree Close
Guildford, GU1 4UL

Registered Office

Challengers
Stoke Park
Guildford, GU1 1TU

The Charity (Registered Charity: 1095134) is a company limited by guarantee (No: 4300724) and governed by the Memorandum and Articles of Association.





Challengers
about fun for all disabled children and young people

Challengers

www.disability-challengers.org

Challengers, Stoke Park, Guildford, GU1 1TU

Registered Charity Number: 1095134

Company Number: 4300724

Disability Challengers is a charitable company limited by guarantee