



Challengers★

Annual Report for the
period ended 31 March 2022

CEO Report

2021/22 was a period which proved that working together and staying true to your values provides the best outcome. We started to feel that our sense of normality had returned at Challengers, and it was amazing to see the beaming smiles on the faces of children, young people, staff and supporters alike, with face-to-face service delivery increasing. Our services still run on the same ethos that Dr Helen Foley and founding partner Colin Hassell first established more than 40 years ago – and we continue to welcome and celebrate every child for who they are.

As one of the newest members of Team Orange, I have witnessed the extent to which our important work makes a difference and positively impacts families. It's wonderful to see parents benefit from the respite our short breaks offer, knowing their child is happy and safe, and to witness young people being free to play and experience new things, having the same opportunities as their non-disabled peers. While we are delighted to have our doors open more, we have also continued to offer virtual Challengers sessions on Zoom to ensure that we provide as much support as possible for our children and young people.

To quote the famous mobile advert we all remember, "The future's bright, the future's orange", and I truly believe the future is bright for Challengers and 'Team Orange'. Another cohort of children has learnt and grown at our inclusive Pre-schools over the last year, and it is fantastic to see disabled and non-disabled children playing and exploring together without biases or preconceived ideas, and celebrating their differences. We've still got a long way to go, but I'm proud to know that we're helping to raise the next generation in this way and moving closer to achieving our vision of a more inclusive society. It has also been wonderful to see the growth of our 555 service during 2021/22, which offers urgent support for disabled young people out of education. The more we can do to nurture and support children and young people, and equip them with skills and confidence, the more positive the future will be – not just for them, but for their families and the wider community.

On behalf of Challengers, whether you are new to Team Orange or have been here from the very beginning, thank you for helping us ensure the magic of play lives on.



Gen Dearman, CEO



Gen Dearman

Chairperson's Report

On behalf of the Board, I would like to express how immensely proud we are of everything that the team has achieved over the last year. We were not alone in having to rapidly innovate and adapt to an ever-evolving environment and new normal, but I think we stood out in the way that we overcame those challenges and turned many of them into opportunities. This hasn't always been easy, so I would like to pay tribute to our wonderful team and our supporters for their resilience and remarkable work during 2021/22. They are at the heart of how we deliver, and you can see in this Annual Report that the charity has continued to provide an amazing service for disabled children and their families.

At Challengers, our passion for inclusive play and leisure is driven by our vision of a world where all children and young can play together freely. There are still so many barriers that prevent young disabled people from having fun and being included, which means our services are still very-much needed, but we are starting to see a shift in attitudes and I am confident that the charity's important work contributes hugely to changing our society for the better.

As we continue in 2022 as a financially robust, stable charity, with a wonderful and ambitious CEO at the helm. I know Gen will lead the charity to even greater heights, and continue to reinvigorate and expand our impact and reach. I am excited about the many opportunities on the horizon and all the fun we'll have along the way with our incredible children and the wider Challengers orange family. Thank you for your support, and here's to another fantastic year and making a difference!

Gail Bedding

Gail Bedding, Chairperson



Gail Bedding

The trustees present their report and the audited financial statements for the period ended 31 March 2022. Reference and administrative information set out on page 50 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.



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 children and their parents can access respite. Enjoying time apart from one another with the parents knowing that their child is 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 strategy established in 2020, 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.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.



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

1

2

3

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	

Head of Service Report ☆

Similarly to last year, 2021/22 was also a period to remember. We entered the New Year, a time that is normally full of hope and new beginnings, in an unfortunate third lockdown. Despite this, it was also a year which massively showed the importance of working together and staying true to your values. #TeamOrange truly came together and kept going, even when things got tough, and focused on providing the service that so many children, young people and their families depend on, and staying positive.

Our Covid Response Team continued to work amazingly well in line with government guidance and lockdowns, setting up new policies and procedures, and topping up training to ensure sure we're able to keep everyone safe. Thanks to their incredibly hard work, commitment and resilience, we were able to keep our schemes open throughout the whole year.

We started to see more of our schemes go on out-trips and have activity providers coming in again, albeit in a slightly different way to before with the need for face-masks and social distancing, but still, a delight to be getting a bit closer back to 'normal'. Our previously launched Virtual Sessions also continued into this year after being such a success in 2020, has been a saving grace for many families over lockdown - we're pleased to have been able to continue this into 2021/22.

Despite staffing being a huge difficulty this year, by pulling together and rearranging staff where possible, we have managed to deliver in impossible situations. As Head of Service, I am overwhelmingly proud of how all of the operations managers, leaders, workers and volunteers have taken on the difficulties we have faced, and we're delighted to be continuing 2022 with a sense of perseverance and cooperation. Since Challengers was established in the 70s, our vision has always been a world where all children and young people can play together, freely, and we are excited to continue making this a reality.

Paul Wilson

Paul Wilson, Head of Service



Paul Wilson

2021/22 in numbers



2,075

Challengers
sessions delivered

846

Children and young
people supported

237

Volunteer hours



91,839

Hours of play



Pre school: 45,507

Play: 25,294

Youth: 16,505

555 Service: 2,926



“

Challengers has put the smile back on my son's face.. since attending Challengers he has been able to return to himself.

”

Meet William and his family



Challengers are there for the whole family. It's not just about providing inclusive play, leisure and early educational opportunities to disabled children and young people, but also about benefitting parents, carers and siblings.

Whilst their children attend our schemes, parents are able to work, spend time with family, and take a break from their demanding care responsibilities - something which is essential to their own mental health and emotional well-being. An example of a family who has massively benefitted in this way from our services is the Burch family.

William is six years old and has Autism Spectrum Disorder (ASD), and his brother Conan is four years old. William started to attend our Kingston Play scheme in March 2021, and his younger brother Conan has since joined him at weekend sessions, giving parents Peter and Chloe some much-needed respite.

"William likes to do everything at Challengers - he just loves to play! He's very active and engages in indoor and outdoor activities. He's non-verbal essentially, so any response can be garnered from whether or not he's happy when he knows it's Challengers day - which he always is! Honestly, we cannot thank Challengers enough for everything you do!"

- Peter



Meet William and Conan!





Feedback from families



97% of families scored our staff as good or excellent



"My daughter adores Challengers. It is the one place where she is free to express herself without being judged. All the staff know her very well and she feels valued and accepted by them."

“ —

It makes him beam, and jig, and flap, and skip. He feels safe, and secure, and part of something.

”



93% of children rate their happiness at Challengers a 4 or 5 out of 5

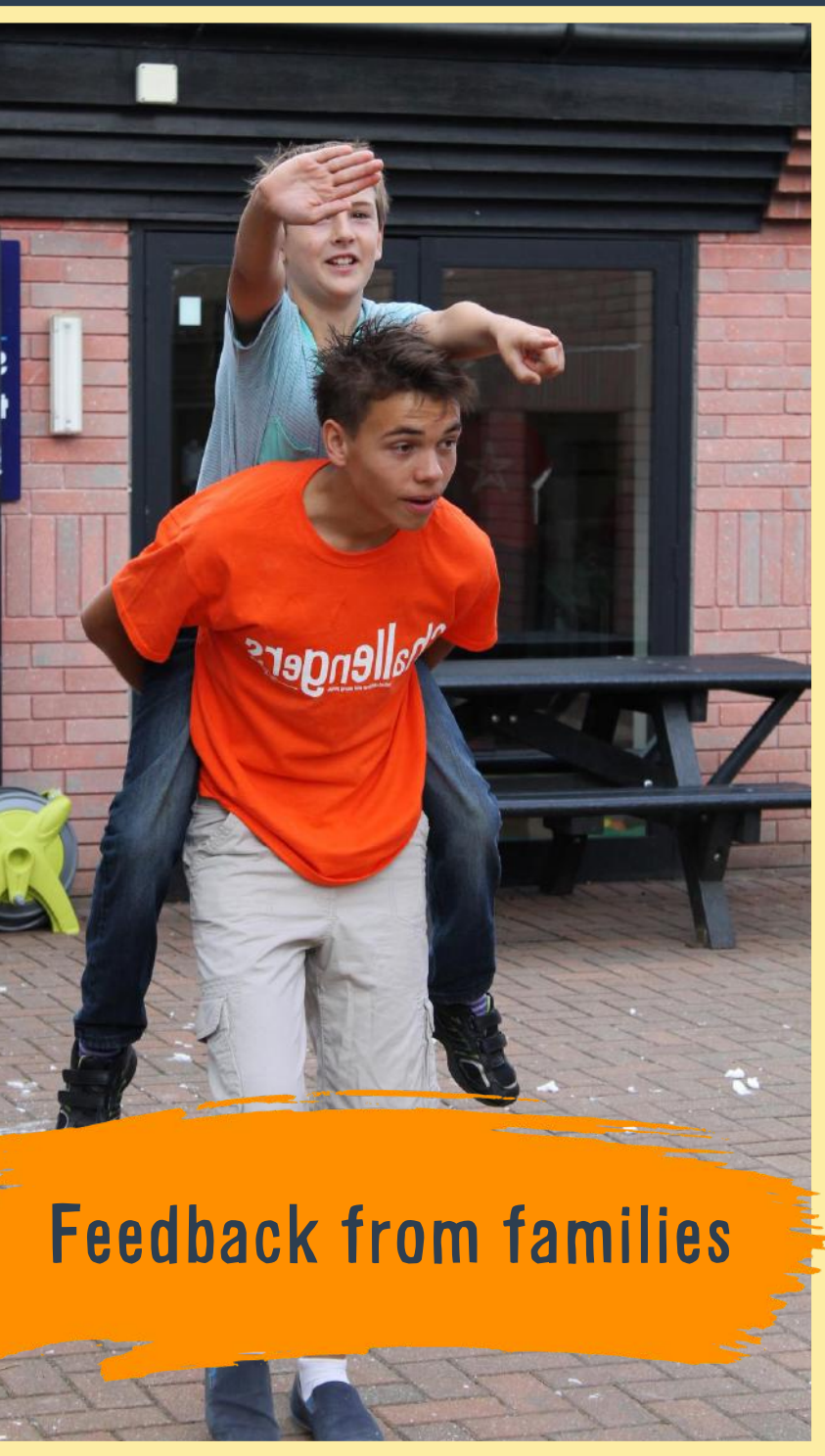
Absolutely loves it. On the day he goes he wakes up and says 'My play scheme day today' with a big smile on his face. He also said that he liked going because they truly understood him.

Over 85% of parents agree Challengers improves confidence, independence and lessens loneliness.



90% of families rated our activities as good or excellent.





Feedback from families

85%

of parents agree Challengers improves confidence, independence and lessens loneliness.

80%

of parents also agree that Challengers helps with their own mental health

90%

of parents would recommend Challengers to a friend or colleague

– Challengers 2021 Parent & Carer Survey

Without access to quality short breaks, up to 80% of parent carers of children with learning difficulties will reach 'breaking point' where they feel they can no longer care for their child's ongoing needs (*Every Disabled Child Matters, 2015*). These families are in desperate need of respite, particularly during the high-pressure summer holidays.

“

"My child is only 4 and is mostly non-verbal, so doesn't have the language to really express how she feels... Challengers has been an incredible discovery for her and for our family. When she is happy and in a good mood, we can all be happy."

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Fundraising Conditions and Statement





Fundraising Statement & Conditions



Challengers mission is to provide truly inclusive, fun and safe places where all disabled children and young people can spend time with their friends, and to offer a positive impact on families and the wider community. Achieving this mission is only possible through raising the funds for the services. The mission informs the fundraising choices made as we strive to provide inclusive opportunities and promote inclusion throughout our fundraising.

The full cost of running a Play or Youth scheme is £180 per child, per day. By utilising Local Authority funding and our fundraising income Challengers heavily subsidise the cost to parents. We believe that parents should not have to pay more for their disabled child to access Challengers than they would pay for a non-disabled child to access a similar service. Therefore, we provide bursaries and concessions to families in need, to help further reduce/eliminate financial barriers. We continue to fundraise for 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.



In 2021 we were grateful, that with adaptations, all events in 2021 (except the Carol Concert) were able to go ahead! Kelly's Cycle Challenge saw more than 300 cyclists attend, raising an incredible £35,338.42; the Lewis' hosting Challengers 8th Motoring Event and Wood Street Village hosting the most successful Jazz Festival to date.

We worked closely with our corporate supporters in order to keep them engaged by restarting the Business Club and hosting in person meetings. We also continued to be involved in engaging campaigns such as 'Vibrant Lives' with our long-term supporters Brewers Decorators.

We're very thankful to our supporters who continued to support Challengers both by making individual donations, and by taking on challenges themselves - such as our London Marathon running team, former attendee Ben's 100 miles challenge, mums Rachel and Sam taking on the Thames Path Challenge and Isla and Orla's mini-triathlon.

We are committed to a fair and ethical approach to all our fundraising practices, striving to build long-term relationships, to grow a more sustainable approach to fundraising which will maximise return over the longer term.

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. In 2021, we received no complaints about fundraising. 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.



With thanks to ...

Baily Thomas Charitable Trust- £4,000 supporting Farnham Youth Activities
Children in Need (small grant) - £10,000 supporting Guildford Youth Leader and Deputy
Community Foundation for Surrey - £15,000 supporting Virtual Challengers, Guildford Youth, and Farnham Youth staff costs
Councillor Brett-Warburton, Surrey County Council - £650 supporting Guildford Playground equipment
Councillor Goodwin, Surrey County Council - £1,500 supporting Guildford Youth equipment
DCMS - £28,626 unrestricted funding
Garfield Weston Foundation - £30,000 core funding
Aspire Grants, Guildford Borough Council - £2,500 supporting Guildford Youth
Guildford Poyle Charities - £4,000 supporting Guildford Youth and Play
Hobson Charity - £2,343 supporting Virtual Sessions, Zoom Licenses
Peter Harrison Foundation - £15,000 supporting Guildford Youth Workers
Souter Charitable Trust - £5,000 supporting Farnham Youth
St Faith's Trust - £20,000 supporting Farnham Youth (£10k) and Farnham Youth summer (£10k)
St James Place Foundation - £4,500 supporting Virtual Challengers
St Peter's Home and Sisterhood - £5,000 supporting Farnham Youth
Tadley Town Council - £1,500 supporting Basingstoke Youth
The Julia and Hans Rausing Trust - £30,000 supporting Guildford and Farnham Youth
The Wisley Foundation - £11,851 supporting Farnham Capital Equipment



With thanks to ★



Challengers is dependent on the wonderful volunteers who help us to deliver our service, attend events, and give their skills and time to the charity. Whether it be assisting with research tasks within our office, working with children and young people at our services or fundraising at events throughout the year, their contribution is invaluable and greatly appreciated.

Jai is one of our young volunteers, who kindly offered to help the fundraising team during her studies by supporting at street collections and offering a gift-wrapping service at Christmas to raise money for the charity.

I'd like to say a huge thank you to everyone at Challengers for giving me the opportunity to learn and grow through my volunteering. Not only did I have lots of fun with the friendly team, I learnt so much and gained new skills and confidence – both of which are invaluable."

Jai



Financial Overview

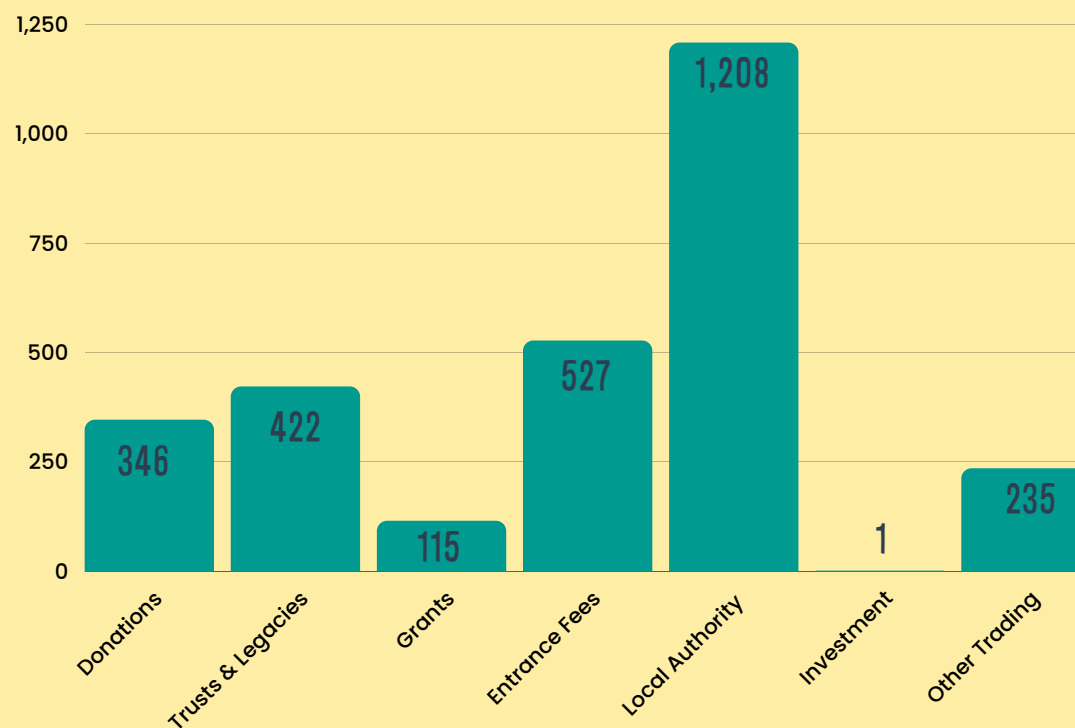
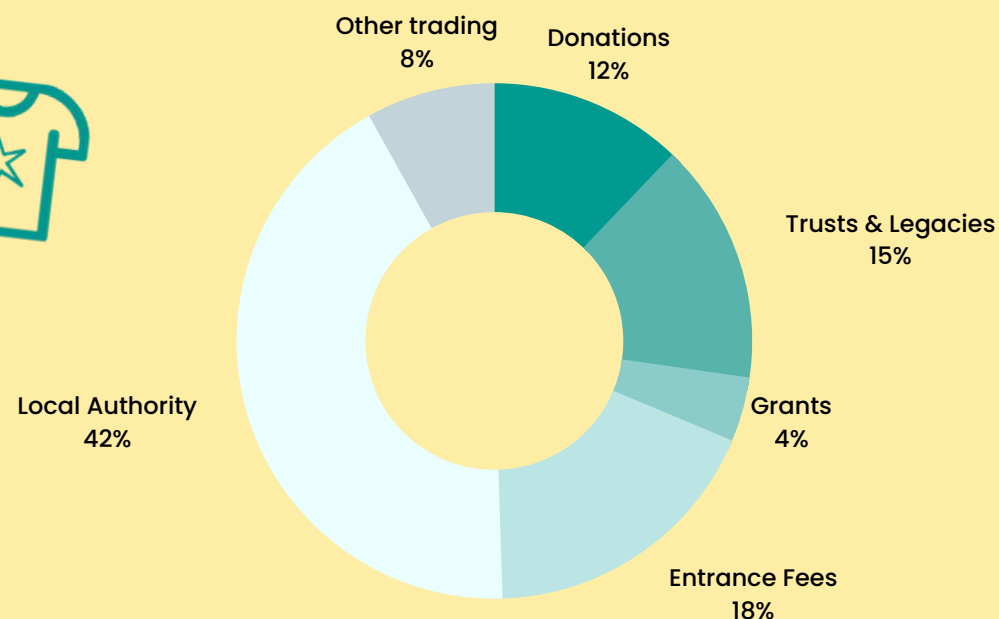
2021/22 Income

2021/22 proved to be another difficult year, with ongoing significant impact from the Covid 19 pandemic. The year reported a deficit of £61k across all funds. Unrestricted funds had a surplus of £133k, the restricted funds had a deficit of £99k and the designated funds had a deficit of £98k. The designated funds deficit relates to depreciation charges against assets acquired in previous years. The restricted funds deficit was a result of expenditure of restricted income received in previous years. The unrestricted funds recorded a surplus as a result of cost saving initiatives and a reduction in costs as a result of reduced activity caused by Covid 19 restrictions.

Total income decreased by 2% in 2021/22 to £2.9m (2020: £2.9m).

Donations and legacy £769k (-33% vs 2020); this year saw an increase in trust and foundation income of 57% (+£152k vs. 2020), an increase in corporate income of 104% (+£62k vs. 2020), income from individuals dropped by £162k (-63% vs. 2020), income from communities was unchanged at £48k (2020: £48k) while legacy income dropped 96% to £3k (2020: £70k).

Income for charitable activity £1.8m (+13% vs 2020)



Financial Overview

2021/22 Expenditure

Total expenditure increased by 3% vs. 2020 to £2.9m.

Cost of raising funds decreased by 1% vs. 2020 which represents a decrease of 1p in each £1 raised, 9p of each £1 raised was spent on the generation of future income

Charitable expenditure in the year decreased by 2% vs. 2020 which represents a decrease of 4p in each £1 raised, 69p of each £1 raised was spent on charitable expenditure.

Expenditure on support costs increased by 31% vs. 2020, 19% of total expenditure compared to 15% in 2020. Support costs include the cost of teams within Finance, Quality and Communications together with investment in staff recruitment, learning and development.

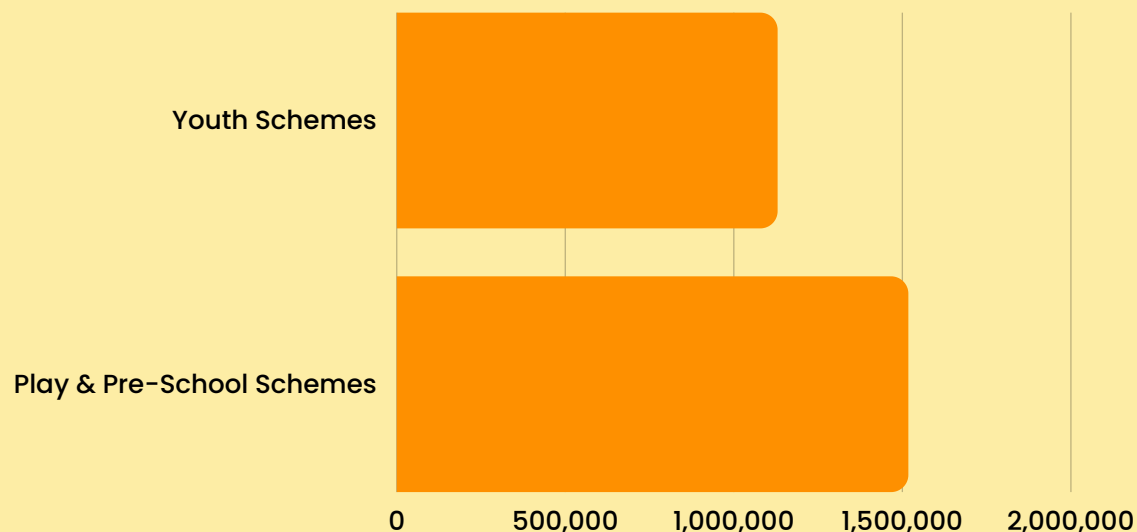
Governance costs remained consistent with 2020 at 2% of total expenditure.

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 (for every £1 raised)

Charitable Purpose	69p	£2,025,495
Support Services	19p	£545,617
Generation of Income	9p	£274,688
Governance	2p	£70,296

Breakdown of Charitable Expenditure (total £2.6 million)



Reserves

Challengers' reserves policy is to maintain free cash reserves of between 3 and 5 months expenditure, plus an additional £50k-£100k for remedial property repairs and maintenance. Due to seasonal changes in activity levels this will fluctuate throughout the year, however, free reserves should be maintained between £710k and £1.2m.

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 reserves level at year end was £832k, representing 4 months 2021/22 average operating expenditure.

Year-end designated funds stood at £2.43m, 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 £2.36m has been set aside for known future depreciation cost on buildings at our Farnham and Guildford centres over the next 50 years.

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.

The Risk Register is reviewed on a monthly basis at the Finance and Risk meeting and in addition at the relevant sub-committee meetings. The management of day-to-day operational risks is delegated to the Senior Leadership Team to proactively manage throughout the year. 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. Key risks and mitigations are on the next page.



Going Concern

The Trustees take financial governance seriously and each month consider the monthly finance reports, the cashflow 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 agree that Challengers is a strong and viable going concern. The factors that lead to this conclusion are:

- Demand for Challengers services
- Contracts in place or in the process of being renewed.
- Strong financial governance and current financial position
- Good management control and regular governance
- Effective and proactive management team
- Clearly demonstrable public benefit
- Clear and well-informed strategic plan
- Well-informed income generation plan

Risk Clarification



Finance

Operations & HR

Operations & Finance

Risk factor



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.
Changes to Local Authority contracts through contract renewals
Unanticipated changes in commissioned income.
Services too reliant on one funding source.
Session fees not increased in line with inflation.

People capability and capacity.
Difficulty recruiting and retaining talented staff in a competitive labour market and the current economic environment .
Inability to recruit and deploy enough staff.
Failure to protect staff.

Facilities
Damage to the Farnham or Guildford buildings means they are unusable for a period of time.
Insufficient building maintenance causes long term issues.
Re-emergence of COVID-19
Impact on cashflow short and long term.
Impact on service users.
Impact on staff.
Safety of operational staff and service users.

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.

- Regularly review recruitment processes.
- Embed our values in appraisal and training.
- Challengers has become an accredited Real Living Wage employer.
- 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.

- Facilities**
- Recruitment of Facilities Manager focused on building maintenance
 - Annual report from professional Surveyor highlighting repair and maintenance requirements over a 0-to-5-year timeframe
 - Disaster recovery plan regularly reviewed and tested.
- Re-emergence of COVID-19**
Maintain policies and procedures in a state of readiness to respond to future outbreaks
Challengers' emergency fundraising appeal



Remuneration

Challengers has developed a remuneration statement to provide a clear and transparent set of guidelines which demonstrate accountability and applies to all employees. During the 2021/22 year, Challengers became a Real Living Wage employer and committed to pay all staff at least the real living wage on an annual basis. The organisation does not offer an annual discretionary bonus scheme, nor does it offer a long-term incentive plan (LTIP).

The organisation has a series of salary bands in a structure that is fair and equitable. Job roles are mapped onto this structure.

Salary bands are benchmarked with industry and local standards to ensure that they are fair as well as remove subjectivity to salary decisions. Each year we continue to monitor this structure and compare with competitors and other organisations.



The Gender Gap

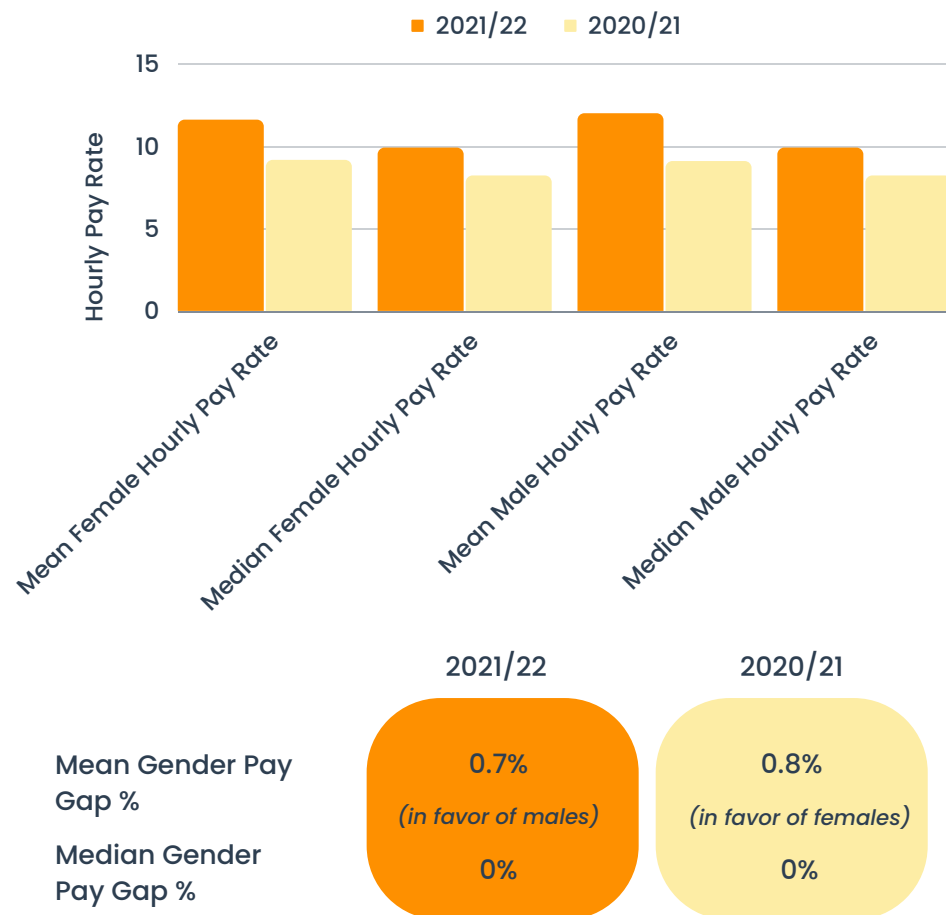


Despite great strides being made in the past two decades, a gender pay gap remains in place in the UK. Latest figures suggest there may be a slight improvement in the situation in the UK however there is still a bias towards men. The Office for National Statistics states that the gender pay gap for full time employees in 2021 was 7.9%, however when you split this by age the gap for under 40s is close to zero. This reflects our workforce, whom are in the main under 40.

As a Charity working in the care sector we attract a large number of females to work with us. This is not unusual in our sector and in fact we do attract a good number of males compared to some of our peers.

At Challengers, we enforce a strict pay structure which means that men and women are paid at the same rate for a job role – this is across office and scheme-based roles. We strive to be a learning and equal opportunities organisation that invests in both men and women alike, keen to support them to be the very best they can be for the charity and for themselves.

For our operational staff hourly rates are now based on the Real Living Wage. We pay this rate as a minimum hourly rate to all staff regardless of age and have committed to abide by the Real Living Wage in the future. In addition, operational staff working on services within Greater London are paid a minimum rate of the London Living Wage.





As with all charities it is the responsibility of the Trustees to ensure the efficient, legal and professional performance of Challengers. The Chief Executive Officer works with the board to develop the strategic framework, agree the strategic direction and report on the delivery. The operational day to day running is delegated to the Senior Leadership Team (SLT) who are:

- Gennie Dearman, Chief Executive Officer
- Andrew Kendall, Head of Finance
- Carla Gill, Head of Fundraising & Communications
- Laura Baxter, Head of Quality
- Paul Wilson, Head of Service

The SLT provide regular reporting to the trustees through sub-committee meetings on Finance & Risk, Fundraising & Communications and Operations & Quality, and main board.



Trustee Recruitment

Following recruitment new trustees will be allocated a 'mentor' from amongst the present trustees and will undertake an induction programme under the control of the Chief Executive and the mentor. He/she will be given induction material to allow them fully to understand the charitable purpose of Challengers, its financial situation, its future plans and the current situation of the charity. The new trustee will be encouraged to visit the centre when children are present and to attend at least one community based project early on. All trustees are welcome to attend any of the staff training sessions.

The induction information provided to new trustees is as follows:

- 1) The latest Strategic Review
- 2) Most recent annual report and accounts
- 3) Key Policies
- 4) Annual Risk Audit
- 5) Copy of Memorandum and Articles of Association.
- 6) Copies of Charity Commission leaflet CC3 "The Essential Trustee: what you need to know" and Companies House booklet "Being a Director"
- 7) This Trustees Handbook where, as appendices, there is additional important information such as a list of present trustees, trustee job description etc.
- 8) Committee terms of reference

Trustees Responsibilities

The Trustees (who are also directors of Disability Challengers for the purposes of company law) set and monitor strategy and policies. The trustees delegate authority to deliver strategy to the Chief Executive Officer and Senior Leadership Team, with regular board meetings where reports are received on all the core activities of the charitable company. The trustees have established standing sub groups each with its terms of reference for Finance, Audit & Risk; Safeguarding & Operations; and Fundraising & Communications.

They 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.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Auditors Sayer Vincent LLP were re-appointed during the year to act as Challengers' auditors. The Trustees' report was approved by the Trustees on 16th November 2022 and is signed on their behalf by:

Mrs Gail Bedding – Chairperson

A photograph of two children, a boy and a girl, sitting at a yellow table in a classroom, painting Easter eggs. The boy, on the left, is wearing a red hoodie and is focused on painting a purple egg. The girl, on the right, is wearing a pink patterned sweater and is laughing joyfully while holding a purple egg. On the table, there are paint containers, brushes, and other eggs. In the background, there are orange storage cabinets and a red fire extinguisher.

Independent Auditor's Report to the members of Challengers





Opinion

We have audited the financial statements of Disability Challengers (the 'charitable company') for the period ended 31 March 2022 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 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the period 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 Challengers' 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 period 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 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.

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)

22 November 2022

**for and on behalf of Sayer Vincent LLP,
Statutory Auditor**

**Invicta House, 108-114 Golden Lane, London,
EC1Y 0TL**

Financial Statement



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

Company no. 4300724

For the period ended 31 March 2022

	Note	Unrestricted £	Designated £	Restricted £	15 month to March 2022 Total £	Unrestricted £	Designated	Restricted £	12 months to December 2020 Total £
Income from:									
Donations and legacies	2	451,622	–	317,188	768,810	920,566	–	229,926	1,150,492
Charitable activities									
Pre-school and Play Schemes	3	936,027	–	100,078	1,036,105	851,420	–	214,318	1,065,738
Youth Schemes	3	799,010	–	14,856	813,866	512,003	–	30,381	542,383
Young Adult Schemes	3	–	–	–	–	26,059	–	1,158	27,217
Other trading activities	4	215,431	–	19,918	235,348	124,628	–	–	124,628
Investments	5	1,008	–	–	1,008	1,997	–	–	1,997
Total income		2,403,098	–	452,040	2,855,138	2,436,674	–	475,782	2,912,456
Expenditure on:									
Raising funds	6	274,688	–	–	274,688	276,539	–	–	276,539
Charitable activities									
Pre-school and Play Schemes	6	1,160,567	68,097	285,812	1,514,476	1,326,660	71,838	288,921	1,687,419
Youth Schemes	6	834,787	27,756	264,389	1,126,932	595,876	19,330	102,639	717,845
Young Adult Schemes	6	–	–	–	–	137,123	1,583	2,513	141,220
Training Project	6	–	–	–	–	(750)	–	750	–
Other		–	–	–	–	–	–	–	–
Total expenditure		2,270,041	95,853	550,201	2,916,095	2,335,449	92,752	394,823	2,823,023
Net income / (expenditure) for the year	8	133,057	(95,853)	(98,161)	(60,957)	101,225	(92,752)	80,959	89,433
Reconciliation of funds:									
Total funds brought forward		894,588	2,529,144	506,695	3,930,427	793,363	2,621,896	425,736	3,840,994
Total funds carried forward		1,027,645	2,433,291	408,534	3,869,470	894,588	2,529,144	506,695	3,930,427

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 March 2022

	Note	£	March 2022 £	December 2020 £
Fixed assets:				
Tangible assets	13		3,028,922	3,077,397
			3,028,922	3,077,397
Current assets:				
Debtors	14	249,431		136,891
Short term deposits		173,839		173,839
Cash at bank and in hand		897,484		1,007,294
		1,320,755		1,318,023
Liabilities:				
Creditors: amounts falling due within one year	15	(410,375)		(464,993)
Net current assets			910,380	853,030
Total assets less current liabilities			3,939,303	3,930,427
Creditors: amounts falling due after one year	17		(69,833)	-
Total net assets			3,869,470	3,930,427
The funds of the charity:	19a			
Restricted income funds			408,534	506,695
Unrestricted income funds:				
Designated funds		2,433,291		2,529,144
General funds		1,027,645		894,588
Total unrestricted funds			3,460,936	3,423,732
Total charity funds			3,869,470	3,930,427

Approved by the trustees on 16th November 2022 and signed on their behalf by

Gail Bedding
Chairman

Bernard McAlister
Treasurer

Disability Challengers
Statement of cash flows

Company no. 4300724

For the period ended 31 March 2022

		15 month to March 2022		12 months to December 2020	
	Note	£	£	£	£
Cash flows from operating activities					
Net income for the reporting period		(60,957)		89,433	
Depreciation charges	13	138,814		129,430	
Interest and rent from investments		1,008		1,997	
(Increase)/decrease in debtors	14	(112,541)		126,855	
Increase/(decrease) in creditors	15	15,214		37,410	
Net cash provided by / (used in) operating activities			(18,464)		385,125
Cash flows from investing activities:					
Dividends, interest and rents from investments		(1,008)		(1,997)	
Purchase of fixed assets	13	(90,338)		(25,025)	
Net cash provided by / (used in) investing activities			(91,346)		(27,022)
Change in cash and cash equivalents in the year			(109,809)		358,104
Cash and cash equivalents at the beginning of the year			1,181,133		823,029
Cash and cash equivalents at the end of the year			1,071,323		1,181,133
Analysis of cash and cash equivalents and of net debt					
		At 1 January 2021	Cash flows	Other non-cash changes	At 31 March 2022
		£	£	£	£
Short-term deposits		173,839	-	-	173,839
Cash at bank and in hand		1,007,294	(109,809)		897,484
Total cash and cash equivalents		1,181,133	(109,809)	-	1,071,323

For the period ended 31 March 2022

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.

The charity's accounting reference period ending 31 December 2021 has been extended so as to end on 31 March 2022. Subsequent periods will end on 31 March in future years. The trustees consider that ending the accounting period on 31 March allows readers of the financial statements to better understand income and expenditure relating to the main contractual relationships of the charity.

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 period ended 31 March 2022

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 31 December 2023, 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 continued to impact the UK during the 2021/22 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 period ended 31 March 2022

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 period ended 31 March 2022

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	50%
● Youth Schemes	50%
● Young Adult Schemes	0%

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	50%
● Youth Schemes	50%
● Young Adult Schemes	0%

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 – 20 years
● Other Equipment	5 years
● IT Equipment	3 years
● Fixtures and Fittings	5 years
● Motor Vehicles	4 years

For the period ended 31 March 2022

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 £	15 month to March 2022 Total £	Unrestricted £	Restricted £	12 months to December 2020 Total £
Gifts	368,619	313,588	682,207	403,249	211,819	615,068
Legacies	3,000	–	3,000	70,420	–	70,420
Donated services	–	3,600	3,600	–	18,107	18,107
Furlough Income	80,003	–	80,003	446,897	–	446,897
	<u>451,622</u>	<u>317,188</u>	<u>768,810</u>	<u>920,566</u>	<u>229,926</u>	<u>1,150,492</u>

For the period ended 31 March 2022

3 Income from charitable activities

	Unrestricted £	Restricted £	15 month to March 2022 Total £	Unrestricted £	Restricted £	12 months to December 2020 Total £
Pre-school and play schemes						
Contract – Surrey County Council	322,109	–	322,109	287,548	–	287,548
Contract – Hampshire County Council	177,410	–	177,410	236,120	–	236,120
Contract – Achieving for Children	105,882	–	105,882	54,989	–	115,909
Session fees	330,626	–	330,626	272,763	–	272,763
Grants	–	100,078	100,078	–	214,318	214,318
Sub-total for Pre-school and play schemes	936,027	100,078	1,036,105	851,420	214,318	1,126,658
Youth Schemes						
Contract – Surrey County Council	295,855	–	295,855	219,011	–	219,011
Contract – Hampshire County Council	184,637	–	184,637	191,057	–	191,057
Contract – Reading Borough Council	4,380	–	4,380	5,000	–	5,000
Contract – West Sussex County Council	61,508	–	61,508	27,753	–	27,753
Contract – Achieving for Children	56,524	–	56,524	29,359	–	29,359
Session fees	196,106	–	196,106	39,822	–	39,822
Grants	–	14,856	14,856	–	30,381	30,381
Sub-total for Youth Schemes	799,010	14,856	813,866	512,003	30,381	542,383
Young Adult Schemes						
Session fees	–	–	–	26,059	–	26,059
Grants	–	–	–	–	1,158	1,158
Sub-total for Young Adult Schemes	–	–	–	26,059	1,158	27,217
Total income from charitable activities	1,735,037	114,934	1,849,972	1,389,482	245,856	1,696,258

For the period ended 31 March 2022

4 Income from other trading activities

	Unrestricted £	Restricted £	15 month to March 2022 Total £	Unrestricted £	Restricted £	12 months to December 2020 Total £
Centre rental	30,694	–	30,694	19,364	–	19,364
Sponsored events	38,313	19,418	57,730	25,084	–	25,084
Corportate events	56,028	–	56,028	27,364	–	27,364
Other events	72,454	500	72,954	37,165	–	37,165
Profit / (Loss) on sale of non-current assets	5,000	–	5,000	–	–	–
Miscellaneous	12,941	–	12,941	15,652	–	15,652
	<u>215,431</u>	<u>19,918</u>	<u>235,348</u>	<u>124,628</u>	<u>–</u>	<u>124,628</u>

5 Income from investments

	Unrestricted £	Restricted £	15 month to March 2022 Total £	Unrestricted £	Restricted £	12 months to December 2020 Total £
Bank interest on Reserves	1,008	–	1,008	1,997	–	1,997
	<u>1,008</u>	<u>–</u>	<u>1,008</u>	<u>1,997</u>	<u>–</u>	<u>1,997</u>

For the period ended 31 March 2022

6 Analysis of expenditure (current year)

	Charitable activities						15 months to March 2022 Total £	12 months to December 2020 Total £	
	Raising funds £	Pre-school & Play Schemes £	Youth Schemes £	Young Adult Schemes £	Governance costs £	Support costs £			
Staff costs (Note 9)	231,293	802,029	502,826	–	56,353	473,276	2,065,777	2,246,538	
Activities	–	23,311	42,775	–	–	–	66,087	44,371	
Motor costs	–	10,788	11,579	–	–	957	23,324	15,517	
Equipment costs	1,112	56,959	52,711	–	–	1,684	112,466	90,892	
Property costs	–	126,132	90,387	–	–	1,081	217,600	79,349	
Insurance	–	25,989	13,222	–	2,295	223	41,729	42,226	
PPS, Phone, Scheme promotion	6,003	21,302	20,822	–	–	509	48,637	35,989	
Depreciation	1,377	93,714	40,576	–	–	3,147	138,814	129,430	
Other costs	11,268	46,295	44,077	–	11,648	50,446	163,734	129,890	
Provision for doubtful debt	–	–	0	–	–	14,294	14,294	(1,000)	
Fundraising direct cost	23,634	–	0	–	–	–	23,634	9,820	
	274,688	1,206,519	818,975	–	70,296	545,617	2,916,095	2,823,023	
Support costs	–	272,809	272,809	–	–	(545,617)	–	–	
Governance costs	–	35,148	35,148	–	(70,296)	–	–	–	
Total expenditure 2022	274,688	1,514,476	1,126,932	–	–	–	2,916,095		
Total expenditure 2020	276,539	1,687,419	717,845	141,220	–	–		2,823,023	

In 2022 unrestricted expenditure was £2,365,894 (2020: £2,428,201) and restricted expenditure was £550,201 (2020: £394,823).

For the period ended 31 March 2022

7 Analysis of expenditure (prior year)

	Charitable activities						2020 Total £
	Raising funds £	Pre-school & Play Schemes £	Youth Schemes £	Young Adult Schemes £	Governance costs £	Support costs £	
Staff costs (Note 10)	246,398	1,022,000	503,804	101,168	39,099	334,070	2,246,538
Activities	–	17,830	21,345	5,197	–	–	44,371
Motor costs	–	6,765	6,928	1,824	–	–	15,517
Equipment costs	4,766	48,506	9,296	2,867	–	25,457	90,892
Property costs	1,407	48,240	24,366	2,852	–	2,485	79,349
Insurance	1,048	28,848	6,888	1,296	2,295	1,851	42,226
PPS, Phone, Scheme promotion	6,569	10,183	5,093	971	–	13,174	35,989
Depreciation	1,163	93,582	30,837	1,795	–	2,054	129,430
Other costs	5,370	42,303	24,098	4,319	14,375	39,425	129,890
Provision for doubtful debt	–	–	–	–	–	(1,000)	(1,000)
Fundraising direct cost	9,820	–	–	–	–	–	9,820
	276,539	1,318,256	632,654	122,288	55,769	417,517	2,823,023
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

For the period ended 31 March 2022

8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	15 months to March 2022 £	12 months to December 2020 £
Depreciation	138,814	129,430
Profit on disposal of fixed assets	5,000	–
Auditor's remuneration (excluding VAT):		
Audit	9,250	14,900
Tax advice	–	–

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

Staff costs were as follows:

	15 months to March 2022 £	12 months to December 2020 £
Salaries and wages	1,873,332	2,106,621
Social security costs	116,391	112,153
Employer's contribution to defined contribution pension schemes	28,595	27,763
Consultancy costs	47,460	–
	2,065,777	2,246,538

No employees earned above £60,000 during the period (2020: no employees earned above £60,000).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £305,202 (2020: £329,362).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

For the period ended 31 March 2022

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 191 (2020: 352).

	15 months to March No.	12 months to December No.
Raising funds	5	7
Pre-school and Play Schemes	116	218
Youth Schemes	57	85
Young Adult Schemes	–	23
Support	13	19
	191	352

11 Related party transactions

There are no related party transactions to disclose for 2022 (2020: none).

Donations totalling £4,249 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 period ended 31 March 2022

13 Tangible fixed assets

	Freehold property £	Equipment Play £	Equipment Other £	Motor vehicles £	Furniture £	Total £
Cost						
At the start of the year	3,474,260	538,442	236,984	154,396	14,012	4,418,094
Additions in year	–	24,288	66,050	–	–	90,338
Disposals in year	–	–	–	51,458	–	51,458
At the end of the year	3,474,260	562,730	303,034	102,938	14,012	4,456,974
Depreciation						
At the start of the year	522,709	451,698	204,237	148,605	13,449	1,340,697
Charge for the year	69,810	22,402	40,406	5,791	404	138,813
Eliminated on disposal	–	–	–	51,458	–	51,458
At the end of the year	592,519	474,100	244,643	102,938	13,853	1,428,052
Net book value						
At the end of the year	2,881,742	88,630	58,391	–	159	3,028,922
At the start of the year	2,951,551	86,744	32,747	5,791	563	3,077,397

Land with a value of £681,864 (2020: £681,864) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

14 Debtors

	March 2022 £	December 2020 £
Trade debtors	131,904	62,166
Prepayments	109,121	34,531
Accrued income	8,406	40,194
	249,431	136,891

For the period ended 31 March 2022

15 Creditors: amounts falling due within one year

	March 2022 £	December 2020 £
Trade creditors	152,490	309,440
Borrowings	10,000	–
Lease liabilities	18,103	–
Taxation and social security	23,577	24,227
Accruals	130,807	103,792
Deferred income (note 16)	75,398	27,534
	410,375	464,993

16 Deferred income

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

	March 2022 £	December 2020 £
Balance at the beginning of the year	27,534	171,396
Amount released to income in the year	(27,534)	(171,396)
Amount deferred in the year	75,398	27,534
Balance at the end of the year	75,398	27,534

17 Creditors: amounts falling due in greater than one year

	March 2022 £	December 2020 £
Borrowings	39,167	–
Lease liabilities	30,666	–
	69,833	–

Borrowings comprises a Coronavirus Business Interruption Loan from Barclays Bank repayable over 7 years with the final repayment due in February 2028. The loan is unsecured and is subject to interest of 2.5% per annum.

For the period ended 31 March 2022

18a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	195,408	2,425,406	408,108	3,028,922
Net current assets	902,070	7,885	426	910,381
Non-current liabilities	(69,833)			(69,833)
Net assets at 31 March 2022	1,027,645	2,433,291	408,534	3,869,470

18b Analysis of net assets between funds (prior 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

For the period ended 31 March 2022

19a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Capital					
Equipment fund	15,863	6,000	12,552	–	9,310
Farnham Refurbishment Project	409,450	–	10,652	–	398,797
Scheme operating					
Pre-school and Play Schemes	58,043	216,379	274,210	–	213
Youth Schemes	23,340	229,660	252,786	–	213
Young Adult Schemes	–	–	–	–	–
Total restricted funds	506,695	452,039	550,201	–	408,534
Unrestricted funds:					
Designated funds:					
Property and Development fund	2,504,816	–	71,525	–	2,433,291
IT Development fund	24,329	–	24,329	–	–
Total designated funds	2,529,144	–	95,853	–	2,433,291
General funds	894,588	2,403,098	2,270,041	–	1,027,645
Total unrestricted funds	3,423,731	2,403,098	2,365,894	–	3,460,936
Total funds	3,930,427	2,855,138	2,916,095	–	3,869,470

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

For the period ended 31 March 2022

19b Movements in funds (prior year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 January 2021 £
Restricted funds:					
Capital					
Equipment fund	33,071	–	17,208	–	15,863
Farnham Refurbishment Project	368,929	–	28,357	68,878	409,450
Scheme operating					
Pre-school and Play Schemes	3,428	337,057	255,805	(26,637)	58,043
Youth Schemes	825	135,259	90,545	(22,199)	23,340
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

Transfers between funds

2020: Nil transfer of funds

2019: Nil transfer of funds

For the period ended 31 March 2022

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.

20 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 period ended 31 March 2022 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.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.



Date of incorporation as a company:
8 October 2001

Date of registration as a charity:
19 December 2002

Executive committee

Chairperson and Parent Trustee – Gail Bedding (1,2,3)
Chairman – Graeme Stretton (Resigned June 2022)
Treasurer – Bernard McAlister (Appointed May 2021) (1)
Board Secretary – Megan Dooley (1,2)
Communications Trustee – Alison Stenlake (Appointed November 2021) (3)
Fundraising Trustee – Rachel Bartholomeusz (3)
Legal Trustee – Holly Chantler (1)
Safeguarding Trustee – Sormeh Nikourazm (2) (Appointed January 2021)
Governance Trustee – Kim Sanders (1)
Parent Trustee – Deborah Smith
Parent Trustee – Natasha Morris (Appointed 2021)
Samantha Bossi (Resigned November 2021)
Graham Seddon (Resigned June 2021)
Dr Mike Walker (Resigned November 2021)

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

Leadership team

CEO – Louise Clarke (Interim until January 2022), Gen Dearman (from February 2022)
Head of Finance – Andrew Kendall (from March 2021)
Head of Quality – Laura Baxter
Head of Fundraising & Communications – Carla Gill
Head of Service – Paul Wilson

Patrons

Mrs Caroline Breckell MVO DL
Mr Christopher Brewer MBE
Mr Colin Hassell, Co-Founder
Mr Derek Arden and Mrs Sally Arden
Miss Jenny Seagrove
Mr Larry Sullivan
Mr Michael Buerk

Michael More Molyneux DL, Lord-Lieutenant for Surrey
Mrs Moira Martin
Ms Myanna Buring
Mr Peter Gordon
Miss Rachel Morris MBE
Mrs Sally Phillips

Advisors



Auditors

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

Honorary Legal Advisers

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



Bankers

Barclays Bank PLC
North Street, Guildford, GU1 4AG

Registered Office

Challengers

Stoke Park, Guildford, GU1 1TU

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





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

