

REGISTERED COMPANY NUMBER: 05342397 (England and Wales)  
REGISTERED CHARITY NUMBER: 1111859

Trustees' Report and  
Financial Statements for the Year Ended 31st January 2023  
for  
Challenge Wales



## Challenge Wales

### Contents of the Financial Statements for the Year Ended 31st January 2023

	Page
Chair's statement	1
Trustees' Report	2 to 11
Independent Examiner's Report	12
Statement of Financial Activities	13
Balance Sheet	14 to 15
Notes to the Financial Statements	16 to 25
Detailed Statement of Financial Activities	26 to 27

**Challenge Wales**  
**Chair's Statement**  
**for the Year Ended 31st January 2023**

It gives me great pleasure, in my second year as Chair of the Charity, to present the Trustees' report and Financial Statements for the year ended 31st January 2023.

It was good to be able to deliver a full season of activities for the first time since before the Covid pandemic. As our season continued, it was clear that Covid had had a lasting impact on the young people that sail with us in terms of social, academic and overall wellbeing. Sail Training is evidenced to improve mental health and life skills and reduce isolation, and it was wonderful to see from our outcomes measurements, the improvement in wellbeing, social interaction and confidence in the young people we worked with.

The year to 31<sup>st</sup> January 2023 was also one of significant change as Captain Andrew Hall, our Founder, Principal and Skipper, officially retired from the Charity. The Trustees considered how the organisation should be structured to support our future plans, creating a salaried position of Marine Operations Manager, and appointing an interim Chief Executive (volunteer) in October 2022 for a period of six months to assist with the transition.

Ensuring the safe operation of our fleet is paramount, and both vessels were scheduled for comprehensive inspection and maintenance during the winter of 2022/23 to ensure compliance with statutory requirements.

At the end of this reporting period, *Challenge Wales* was still undergoing work, but returned successfully to operations for the 2023 season. The initial survey findings on *Adventure Wales* recommended more extensive work, and the Board of Trustees have agreed to commission a detailed report on the condition of the yacht to enable an informed decision on its future.

Looking forward to the remainder of the 2023-24 financial year, the Charity faces a number of key challenges. The conditions post-pandemic have had an impact on cash flow, operating costs and availability of volunteers; and with the loss of the Marine Operations Manager in early 2023, there was a delay to the start of the 2023 season, but we were successful in recruiting a new permanent staff skipper in July 2023.

There have been further changes to the board of Trustees in 2023. Carl Sandom stepped down at the end of his tenure as Interim CEO. Vicky Williams, one of the founders of the charity, has stepped down as a Trustee to enable her to focus fully on managing day to day operations and business development, and to take a lead role in re-establishing the Fund-raising Committee. Russell Bright has also decided that the time is appropriate to step down, having served more than 4 years as a Trustee. I would like to thank the retiring Trustees for their commitment and hard work during what has been a challenging time.

The Trustees have identified the skills and experience we need to deliver on our future plans, and are proactively recruiting additional Trustees to complement the team. We're moving towards an exciting year ahead as we focus on our values, our passion for sail training, the needs of our beneficiaries and supporting the operational team.

Finally, none of this would be possible without the continuing commitment of our hard-working office team, led by Vicky Williams, our generous funders, and our amazing volunteers.

Helen Phillips  
Chair

 October 2023

**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

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

**Objectives and activities**

**Objectives**

The Challenge Wales charity works with young people aged 12 – 25 years on life-changing accredited personal development voyages to improve their prospects. This is achieved through activities delivered onboard the sail training vessels; *Challenge Wales | Wales' Tall Ship* and *Adventure Wales*

The vision that helps shape the focus of the Charity is; "To become the premier provider of youth development activities in Wales and the South West through sail training".

**Mission statement**

Challenge Wales' mission statement is; "To educate young people aged between 12 and 25 years in sail training and navigation so as to develop essential life skills including team development, communication, respect for others, self-confidence, self-esteem and interdependence enabling them to grow to full maturity as individuals and members of society and improving their conditions of life".

**Significant activities**

Activities on both yachts promotes the growth of group identity and personal self-confidence, enables achievement and success, places everyone on a level playing field and presents challenging experiences in a stimulating, positive, natural environment regardless of ability and background. Whether joining as an individual or as a group the aim is to give young people the opportunity they deserve to develop as positive citizens.

Challenge Wales is proud of its reputation in the youth work sector, particularly in Wales, for delivering innovative & effective services that are evidenced to be changing lives positively.

**Fundraising voyages:**

As a developing Charity receiving no government grants the Charity relies on fundraising voyages to help bring in revenue. These mainly take the form of one day big boat sailing days together with delivery voyages when the boat isn't used by youth groups. These voyages are also a critical part of our volunteer crew application process as every volunteer has to have sailed on Challenge Wales as a client before becoming a volunteer.

**Accreditation and Awards:**

Challenge Wales is a Sailability Centre and Training Centre with the Royal Yachting Association (RYA) and continues to be an Approved Activity Provider for the Gold Residential Duke of Edinburgh's Award (DofE). In 2022 Challenge Wales became an Approved Activity Provider for the Gold DofE Expedition section.

The Charity also offers Agored Cymru accreditation in Teamwork, Developing Own Confidence and Environmental Project. Challenge Wales is also a provider of the John Muir Award.

Challenge Wales is a member of CWVYS (Council of Wales Voluntary Youth Service), C3SC (Cardiff Third Sector Council), Youth Cymru and the Association of Sail Training Organisations (ASTO).



**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

**Membership Scheme:**

The Challenge Wales Membership Scheme is set up as a way to generate funds for the Charity.

**The Public Benefit resulting from Sail Training**

Various academic research has provided a wealth of evidence about the benefits of sail training voyages.

- A study of the Value of Sail Training undertaken by the University of Edinburgh found dramatic and measurable improvements in personal confidence and the ability to work with, and understand differences, of other people. These benefits were sustained over time after the voyage had ended.
- A study carried out by the University of Sydney found that Sail Training was capable of producing social capital in its participants, showing success in fostering networks and alliances.

An independent evaluation of Challenge Wales over three years as part of its '*Voyages of Discovery*' project and carried out by the Social Effectiveness Research Centre found that sail training improves teamwork & communication skills, social networks and confidence as well as mental health and wellbeing. The project created learning, progression routes and a value-for-money approach.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. We review our aims, objectives and activities each year. This review looks back at what we achieved and the outcomes of our work in the previous year. This review helps us ensure our aims objectives and activities remain focused on our stated purposes.

**Volunteering:**

Challenge Wales wouldn't be the Charity it is without our amazing volunteers who donate their time to work with young people, become our crew on adult and fundraising voyages, maintain the boat and help us fundraise as well as providing us with a significant mix of skills, knowledge and expertise in various areas.

Those wishing to become volunteer crew have to have a volunteer qualifying assessment voyage to ensure they not only have the right skills but more importantly the right outlook for working with young people and the commitment. All those who become volunteers with Challenge Wales will require two successful character references followed by an enhanced DBS check which is carried out in a face-to-face meeting.

All volunteers also need to attend a shore-side volunteer induction as part of the volunteering process enabling them to learn about the Charity as much as we learn about the new volunteers. The Charity has changed its recruitment of volunteer crew from previously allowing people with no sailing experience to become (trainee) crew to insisting that volunteers have either Day Skipper qualifications, sailing experience and knowledge or experience in instructing / teaching. This has become an important move enabling those who are still inexperienced in sailing to become competent, confident and progress up the ranks while providing a slightly more experienced volunteer and filling the gaps left by volunteers who do not progress beyond that of a trainee.

Challenge Wales relies heavily on its volunteers for crewing and shore-side management of the Charity. Volunteers direct the affairs of Challenge Wales at board level, skipper and crew the boat, assist with maintenance, manage some of the administration tasks including book-keeping, as well as contributing to strategic planning and sub-committee/steering group activities. It is clear that Challenge Wales would not be the organisation it is today without its volunteers and the Charity continues to be greatly indebted to them.

**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

**Achievement and performance:**



**Back on the Water**

We were delighted to deliver a full season of voyages and activities in 2022, the first full season of operation since 2019. The impact of the pandemic meant no sailing at all in 2020 and only a partial year of activities in 2021, when we were one of the first sail training organisations to welcome back young people within the restrictions at the time.

This return to full operations has been a positive direction of travel, but not without some challenges including the ongoing impact of Covid infections on staff, crew and young people. In the summer, *Challenge Wales* also experienced first-hand the local impact of climate change as water levels in our home port meant that some days the water was so low *Challenge Wales* could not go sailing.

For the 2022 season our smaller boat *Adventure Wales* stayed close to home delivering the programme of youth voyages and adult fundraising trips. Meanwhile, *Challenge Wales* headed a little further afield to Northern Ireland, to the *Foyle Maritime Festival* to meet up with the *Clipper Round the World Race*. This gave young people on the trip an opportunity to be inspired, be part of an event and to do one of our more challenging sailing voyages as the round trip was over 500 miles. The end of our season finished with big boat *Challenge Experience* days, an opportunity to start recruiting new volunteers ready for the next season.

**Sail training activities**

It is the Charity's core mission is to work with young people "to educate young people in sail training so as to develop essential life skills". We deliver on this through on the water immersive, in-the-moment, personal development for those aged 12 – 25 years. It involves decision making, planning & problem solving, improves resilience, improves young people's teambuilding, communication & leadership skills. It helps young people to make new friends, improve confidence and self-esteem and has been evidenced to improve young people's mental health.

Youth development voyages ranged from 1 to 10 days with either established groups or individuals using our services. Up to 10 young people will join a voyage at any one time. Day voyages give a small taster into *Challenge Wales*' more structured residential voyages which get the young people planning their activities, working as a team in watches, cooking, cleaning and running a boat while making friends, learning life skills and having lots of fun.

The Charity runs a bursary scheme and through this is able to subsidise young people subject to them meeting the bursary criteria at the time. Funding is often available for individuals and groups if they require additional financial support, ensuring our voyages are as accessible as possible.

**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

**Sail training activities (continued)**

Challenge Wales' activities often form part of an accredited learning offering participants *Agored Cymru*<sup>1</sup> accreditation or RYA<sup>2</sup> sailing qualifications supporting literacy, numeracy, STEM and ocean literacy learning. We also provide activities that form part of young peoples' participation in the *Duke of Edinburgh's Award scheme*<sup>3</sup> as well as the *John Muir Award*<sup>4</sup>.

We seek to ensure that we work with and offer services to as many young people as we can from a variety of diverse backgrounds. Working closely with local and national youth organisations, Local Authorities and third sector we have worked with groups of young people including:

- Current and former looked after children
- Rurally isolated young people
- Young Carers
- Young people with low skills/qualifications and literacy levels
- Those who are not in Employment, Education or Training (NEET's)
- Black and minority ethnic young people, including Travellers
- Young people who are homeless or at risk of homelessness
- Young people from economically deprived households
- Additional learning needs / learning disabilities (including SEN school groups)
- High educational achievers
- Young people with Mental Health Issues
- LGBTQ groups
- Those looking to improve their prospects in a marine career

The work that Challenge Wales does continues to be aligned with a number of initiatives, policies and plans at local, national and UK government level. Most prominent at national level is the Welsh Government's *Well-being of Future Generations Act* <sup>5</sup>(2015) with its seven well-being goals (for example that of creating a healthier and more equal Wales) as well some of the foundations of those goals in particular reducing inequality.

Our activities are also relevant to the *Youth Engagement and Progressions Framework*<sup>6</sup>, or more recently, the *Youth Work Strategy for Wales*<sup>7</sup> which defines youth work as work which "offers young people opportunities for learning that are educative, expressive, participative, inclusive and empowering". Sail Training on our vessels certainly does that.

We continue to monitor the impact of our youth voyages through an 'Outcomes Wheel' which measures the journey a young person goes on, whether it is a day or longer. The majority of young people taking part in Challenge Wales voyages reported improvements. Of those that completed the Outcomes Wheel 63% evidenced improvements in mental health and physical wellbeing, 73% showed improved teamwork abilities, 68% saw improved confidence and self-esteem and 63% said they had improved social networks (through making friends on the voyage). When these results are analysed a little bit deeper, those young people who joined us for Summer of Fun activities (which was aimed primarily at disadvantaged young people) saw even higher levels of improvements (up to 85%) after their sail training activities. We also saw more young people working towards *Agored Cymru* accreditation.

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<sup>1</sup> <https://www.agored.cymru/>

<sup>2</sup> <https://www.rya.org.uk/>

<sup>3</sup> <https://www.dofe.org/>

<sup>4</sup> <https://www.johnmuirtrust.org/john-muir-award/>

<sup>5</sup> <https://www.gov.wales/sites/default/files/publications/2021-10/well-being-future-generations-wales-act-2015-the-essentials-2021.pdf>

<sup>6</sup> <https://www.gov.wales/youth-engagement-and-progression-framework-overview>

<sup>7</sup> <https://www.gov.wales/sites/default/files/publications/2019-06/youth-work-strategy-for-wales.pdf>

**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

### **Developing the next generation of young sailors**

We are always keen to help develop the next generation of professional sailors and those looking to improve their prospects in a marine career. We do this through our youth voyages, and also through encouraging young people to become volunteers and to progress through formal sailing and marine accreditation schemes, such as the RYA.

Whilst this usually involves young people participating in a group residential, in April 2022 we launched Boat Camp, for individuals, which provided a lower-cost entry into volunteering for those aged 14+, making our activities more accessible for those who could not attend residentials and gave a taster into the outdoor education world.

### **Fundraising through sailing**

Alongside our core mission we continue to use our resources, when they are not delivering youth voyages, to help raise funds for the activities and opportunities for young people.

In June 2022, we sought to diversify our fundraising adult activities and target a new client group with the launch of *Sup and Sailing* ("Stand Up Paddleboarding") in Scotland in partnership with an outdoor water sports centre. Utilising the Charity's smaller boat this was highly successful and has opened up new future opportunities. This was enhanced by some excellent publicity with a six-page spread in a well-known Supping publication.

Back in Penarth, we successfully commenced delivery of RYA VHF and First Aid courses during 2022 providing a very welcome additional revenue stream. This followed on from our establishment as a shore-side training provider in 2022.

### **The Challenge Wales Team**

#### ***Leadership & Management***

Towards the end of 2022 we saw the leadership of the organisation change as one of the co-founders, Captain Andy Hall, stepped back from the Charity and retired. Andy has been an inspirational and dedicated leader, CEO and volunteer, skippering and leading the maintenance programme of the fleet.

The Trustees hosted a retirement event in October 2022, to which volunteers and supporters were invited, and presented him with an original painting of the yacht *Challenge Wales*<sup>8</sup>.

This change in leadership provided the opportunity for the Trustees to review and assess the organisational structure in the context of current operations and future strategy and plans. In October 2022 the Trustees appointed an interim Chief Executive on a voluntary basis for six months to support them in leading the transition plan following Captain Andy's retirement. A salaried position of Marine Operations was created, incorporating the role of Staff Skipper and responsibility for maintaining the fleet.

Meanwhile, our dedicated team in the office pulled out all the stops to deliver a full 2022 programme. This required a big effort to reschedule and reshuffle voyages as post-pandemic effects continued to impact our lives. They achieved great results, minimising cancellations, disappointed young people and subsequent loss of income. We were also delighted to welcome a new team member appointed to the post of administration assistant, who joined in March 2022.

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<sup>8</sup> Limited edition prints are available to purchase and a donation goes to the Charity.



**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

***Our Amazing Volunteers***

We say each year that Challenge Wales wouldn't be the charity it is without its team of amazing and dedicated volunteers, and this year is no exception. They have continued to support the charity with maintenance activities to keep the boats ship-shape, being positive role models on the boat, and helping to deliver our sail training voyages.

The recruiting, developing, supporting, training and ensuring volunteers are at the heart of everything we do. These activities follow the *Investing in Volunteers Framework*<sup>9</sup>, enabling the Charity to voluntarily benchmark itself against their quality standard. During the year, one of the Trustees has taken a lead on activities to review and plan future development to strengthen our volunteer programme processes and procedures. It has been gratifying to see new volunteers join the Challenge Wales team, which was great news after a reduction in active volunteers following the pandemic.

***Crew development and training***

We started the 2022 season with a series of Crew Refresher training sessions for volunteers. This was particularly important as many had not been out sailing with us for over two years as a result of the pandemic restrictions.

In July 2022 the charity became an RYA Training Centre for shore-side courses, enabling another revenue stream to be created but also provide additional training and personal development opportunities for Challenge Wales volunteers. The new VHF and First Aid courses are part of this and will be available to volunteers to support their development as crew.

***Maintaining the fleet***

Ensuring the safe operation of our fleet is paramount. Winter 2021/2 was *Challenge Wales'* five-year out of the water survey and we were expecting a full de-construction of the inside of the boat to take place, however the surveyor deferred this to winter 2022/3. This meant that the boat needed to be lifted out of the water and subjected to an extensive maintenance programme through the 2022/3 winter period. At the end of this reporting period the yacht was still undergoing work, however it was successfully returned to operations for the 2023 Season.

Towards the end of 2022, *Adventure Wales* was surveyed in line with its scheduled maintenance programme. The initial survey findings reported a more extensive maintenance requirement than anticipated and the Board of Trustees approved a recommendation to commission a more detailed review and report on the condition of the yacht to enable an informed decision on its future. This meant that the 2023 Programme was planned and is being delivered without *Adventure Wales* in operation.

***Governance and Management***

Challenge Wales is a Charitable Company Limited by Guarantee. Trustees usually meet each month and review all charity policies and operating procedures each year. They are responsible for the strategic management and administration of the organisation.

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<sup>9</sup> <https://investinginvolunteers.co.uk/>

**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

**Priorities and Developments for 2023**

Annually the Trustees take time out to review the Charity's position and update its longer term strategy and annual plan. This exercise considers the strengths weaknesses opportunities and threats (SWOT) facing the organisation.

A number of key challenges were factored into the plans for 2023 including the continued impact of the post-pandemic on the Charity's activities. Postponed voyages paid for 12 months earlier needing space on the programme in 2022 and 2023 meant a reduced capacity for new bookings and resulting impact on cash flow. Reduced volunteer capacity also required more use of short term senior crew (such as contract Skippers and Mates) to help deliver our programme, with resulting increase in operating costs.

These anticipated challenges were added to by the loss of our Marine Operations Manager in early 2023. This had an impact on the timely completion of the winter maintenance programme and meant a delay to the start of our 2023 sailing season.

More positively, we were successful in recruiting a new permanent staff skipper in July 2023, having delivered the earlier part of the programme with volunteer and contract senior crew.

Our 2023 Plans included the launch of a *Corporate Leadership Residential Programme*, as part of our adult fundraising activities, our plans also included stepping back into the world of *Tall Ships Racing*. This is an event bringing young people together from all over the world, *Tall Ships Races* is about being better global citizens, fun and adventure, life-skills and personal development and a positive focus on the environment. A further development was the launch of a shore side training course for volunteers, *SEA-ing the Bigger Picture*. This focuses on youth work, engaging young people and safeguarding and ties in with the roll out of compulsory online safeguarding training, through Social Care Wales, for all volunteers which reflects new Welsh legislation. We are delighted to report that all these activities have been successfully delivered.

**Thank You**

Challenge Wales would like to thank the individual donors, friends, trusts and funders who have believed in us and supported us this year. Your support has been life-changing to many of the young people we have had the pleasure of welcoming onboard.

We'd like to pay a huge thanks to all the companies who provide us with help, assistance, guidance and services to enable us to do the work that we do.

We'd like to thank all our volunteers, their contributions to crewing and maintenance and getting the boat ship shape, as well as our amazing staff team.

**We really appreciate everyone's help and support and you are really making a difference to young people – Thank You**



## Challenge Wales

### Trustees' Report for the Year Ended 31st January 2023

**And Finally**, it's always great to hear the positive feedback and the impact we are having:

*"I was really pleased to join the crew and everyone was friendly and inclusive. I have had the opportunity to build on my sailing skills learned previously with Challenge Wales but also the social and life skills learned. This is invaluable to me as a young person on the ASD spectrum and I am very grateful for the opportunity. I have come away feeling confidence in my own abilities and encouraged to learn more. Diolch yn fawr".* **Participant on a residential voyage**

*"This specific trip for me was very inspiring and has reignited the thirst to be on the water. I am thankful for what Challenge Wales does because it has a definite impact on my life and has opened so many doors towards future career options on land and on the sea"* **Participant on residential voyage.**

*"The favourite part of the voyage was watching the young people take on new skills, working as a team despite not knowing each other prior. It was special to see how those young people developed skills, listened and acted in a positive attitude"* **Local Authority Group leader accompanying young people**

*"Some young people had reservations about being at sea, but it was fantastic to see them completely absorbed in the experience and surprise themselves at what they achieved. We enjoyed seeing the young people bonding, working as a team and not one needed to reach for their phones. They switched off from social media and escaped from day-to-day routines, at times even reflecting upon life and their choices alongside the opportunity they were currently having. Many of the young people that attended do not often leave their local community so this experience was huge and gave them all a massive sense of achievement"* **Housing Association Group Leader accompanying young people**

*"The most important lesson I learnt from Challenge Wales is that I am more capable than I believe myself to be. My anxieties before the voyage were remedied by the crew's expertise and emotional support provided by the other young people. My experience with Challenge Wales served as a purposeful exercise in managing anxiety and mindfulness. In addition to improving my self-confidence, the crew helped and encouraged me to come out of my shell. It was a wonderful experience that has left a lasting impression on me"* **Participant"**

**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

**Structure, governance and management**

**Governing document**

The Charity, registration number 1111859, is a company limited by guarantee and governed by its Memorandum and Articles of Association. It received its charitable registration and became an incorporated company, number 05342397, on the 25 January 2005.

**Recruitment and appointment of new Trustees**

Potential Trustees are invited to attend one of Challenge Wales' Trustee meetings as an observer, although not a compulsory route to becoming a Trustee it is encouraged to give the potential trustee an insight into the Charity.

Trustees are appointed at any board meeting and are chosen from individuals interested in the work of the Charity. In an effort to maintain a diverse and skilled mix of Board members, Trustees are required to provide a list of their skills (and update it annually through a skills audit). This enables the Trustees to identify gaps in the board skills mix and address these.

**Organisational structure**

The Charity employs a Business Development Manager who oversees an Administration Assistant (when in post) and the Youth Development Officer. Other Trustees undertake finance and vessel management roles. The Charity also has a designated Child Protection and Safeguarding Officer and this role is currently undertaken by Peter Robinson.

The Charity has appointed a permanent Chair of the Board of Trustees, which is a volunteer role, to have oversight of the day to day operations of the charity

**Induction and training of new Trustees**

All new Trustees are already familiar with Challenge Wales' activities. New Trustees are provided with an induction pack which includes the Memorandum & Articles of Association, the current annual Report and Accounts, a copy of the previous board meeting minutes and links to the Charity Commission publications "The Essential Trustee" and "The Hallmarks of an Effective Charity". A Disclosure and Barring Service (DBS) check is undertaken following successfully receiving two character references.

**Registered office**

Crown House  
Windsor Road  
CF64 1JG

**Trustees during the year ended 31 January 2023**

Ms V. Williams B.A.(Hons), M.A., M.I.D.M., M.C.I.M., Chartered  
Marketer  
Mr D. P. Chapman B.A., F.C.A., DChA  
Mr R.L. Bright B.Sc

Ms H Phillips MSc, B.Sc (Eng) (Hons), ACGI  
Dr C. W. Sandom B.Eng (Hons), MSc, PhD CEng, CEngHF, FIET  
Ms K. Mason B.A. (Hons), M.Sc (Econ), MIHSM

Subsequent to the year end Dr C.W. Sandom resigned on 27 March 2023, Ms V Williams resigned as a Trustee on 25 September 2023 and Mr R.L Bright resigned on 29 September 2023.

**Independent examiner**

Haines Watts Wales LLP  
7 Neptune Court  
Vanguard Way  
Cardiff, CF24 5PJ

**Bankers**

Barclays Bank Plc  
Port Talbot, West Glamorgan, SA13 1LJ



**Challenge Wales**  
**Trustees' Report**  
**for the Year Ended 31st January 2023**

**Financial review**

**Results**

The Charity reports a deficit on unrestricted funds for the year amounting to £115,406 (2022: surplus £26,866). This was caused primarily by the impairment charge on Adventure Wales of £116,966 which arose following its scheduled survey late in 2022. This has resulted in the level of unrestricted funds carried forward to next year decreasing from £556,145 to £440,739 (2022: £529,279 to £556,145). These unrestricted funds include a revaluation reserve amounting to £286,961 (2022: £286,961), which arose from the revaluation of the Challenge Wales yacht.

Restricted funds brought forward and amounts received during the year have been fully expended in the year with the exception of those stated in note 17 to the accounts,

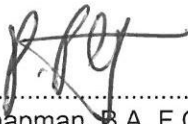
**Investment policy and objectives**

The Charity has no investment powers except to place any surplus funds into deposit accounts.

**Reserves policy**

It is the policy of the Trustees to maintain adequate unrestricted funds to ensure that they are able to provide for the continuance of sail training activities should grant funding not be able. The Trustees are currently looking into ways to improve the available reserves. Once the investment in fixed assets and investments is taken into consideration, the Charity had available free funds (excluding unrestricted long term creditors) of £111,846 (2022: £120,637).

Approved by order of the board of Trustees on 30 October 2023 and signed on its behalf by:



.....  
D. P. Chapman, B.A. F.C.A. Dip ChA – Trustee & Treasurer

**Independent Examiner's Report to the Trustees of  
Challenge Wales**

I report to the Charity Trustees on my examination of the accounts of the charitable company for the year ended 31st January 2023 set out on pages thirteen to twenty five.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

I have completed my examination.

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

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

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



Mr Stephen Lucey  
FCA  
Haines Watts Wales LLP  
7 Neptune Court  
Vanguard Way  
Cardiff  
CF24 5PJ

 October 2023

# Challenge Wales

## Statement of Financial Activities (incorporating an Income and Expenditure account) for the Year Ended 31st January 2023

				2023	2022
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
<b>Income and endowments from</b>					
Donations and legacies		31,170	-	31,170	7,658
<b>Charitable activities</b>	4				
Core funding		94,505	47,690	142,195	126,189
Investment income	3	-	-	-	9
Other income	2	-	-	-	206
HMRC Corona Virus Job Retention Scheme		-	-	-	13,256
<b>Total</b>		125,675	47,690	173,365	147,318
<b>Expenditure on</b>					
Raising funds		150	-	150	140
<b>Charitable activities</b>					
Core funding		240,931	75,876	316,807	134,648
<b>Total</b>		241,081	75,876	316,957	134,788
<b>Net (expenditure)/income</b>		(115,406)	(28,186)	(143,592)	12,530
<b>Other recognised gains</b>					
Gain on revaluation of fixed assets		-	-	-	-
<b>Net movement in funds</b>		(115,406)	(28,186)	(143,592)	12,530
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		556,145	28,186	584,331	571,801
<b>Transfer between funds</b>		-	-	-	-
<b>Total funds carried forward</b>		440,739	-	440,739	584,331

The notes on pages 16 to 25 form part of these financial statements

# Challenge Wales

## Balance Sheet At 31st January 2023

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10	442,040	-	442,040	559,515
Investments	11	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		442,140	-	442,140	559,615
<b>Current assets</b>					
Stock		400	-	400	400
Debtors	12	28,184	-	28,184	44,361
Cash at bank and in hand		<u>106,028</u>	<u>-</u>	<u>106,028</u>	<u>134,219</u>
		134,612	-	134,612	179,980
<b>Creditors</b>					
Amounts falling due within one year	13	<u>(22,766)</u>	<u>-</u>	<u>(22,766)</u>	<u>(30,157)</u>
<b>Net current assets</b>		<u>111,846</u>	<u>-</u>	<u>111,846</u>	<u>148,823</u>
<b>Total assets less current liabilities</b>		553,986	-	553,986	708,438
<b>Creditors</b>					
Amounts falling due after more than one year	14	<u>(113,247)</u>	<u>-</u>	<u>(113,247)</u>	<u>(124,107)</u>
<b>Net assets</b>		<u>440,739</u>	<u>-</u>	<u>440,739</u>	<u>584,331</u>
<b>Funds</b>	17				
Unrestricted funds				440,739	556,145
Restricted funds				<u>-</u>	<u>28,186</u>
<b>Total funds</b>				<u>440,739</u>	<u>584,331</u>

The notes on pages 16 to 25 form part of these financial statements

## Challenge Wales

### Balance Sheet - continued At 31st January 2023

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

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st January 2023 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for

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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102 (effective January 2019).

The financial statements were approved by the Board of Trustees on 30 October 2023 and were signed on its behalf by:



.....  
Ms H Phillips MSc, B.Sc (Eng) (Hons), ACGI



.....  
Mr D. P. Chapman, B.A., F.C.A., DChA –Trustee & Treasurer

Company Number 05342397

**Notes to the Financial Statements  
for the Year Ended 31st January 2023**

**1. Accounting policies**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

**Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement in accordance with the Financial Reporting Standard 102 (effective January 2019).

**Income**

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income is recognised on a receivable basis.

Grants receivable for revenue purposes are credited to the income and expenditure account when they become due. Capital grants, received to fund the purchase of fixed assets, are held in a restricted fund and transferred to general funds over the expected useful life of the related assets.

**Expenditure**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of goods for resale.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Raising funds**

Raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

**Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs include costs of the preparation and examination of the statutory accounts and the cost of any legal advice to Trustees on governance or constitutional matters.

## Challenge Wales

### Notes to the Financial Statements - continued for the Year Ended 31st January 2023

#### 1. Accounting policies - continued

##### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost, less residual value, of each asset over its estimated useful life. Depreciation commences from the date an asset is fully commissioned.

- Challenge Wales Yacht 20 years
- Adventure Wales Yacht 10 years
- RIB safety boat 10 years

Fixed assets purchased from unrestricted funds and with an initial value of over £1,000 are capitalised at cost. All Fixed assets purchased from restricted funds are capitalised at cost.

##### Taxation

The company is a registered Charity and all of its income is primary purpose and is therefore exempt from taxation.

##### Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

##### Investments

Fixed asset investments are included at market value at the balance sheet date.

##### Stock

Stock comprises of fuel bunkered on Challenge Wales and is valued at cost.

##### 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.

##### 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.

##### Functional currency

The Company's functional and presentation currency is the pound sterling.

#### 2. Other trading activities

	2023 £	2022 £
Sundry income and merchandise	-	206
	-	206

#### 3. Investment income

	2023 £	2022 £
Deposit account interest	-	9

## Challenge Wales

### Notes to the Financial Statements - continued for the Year Ended 31st January 2023

#### 4. Income from charitable activities

		2023	2022
	Activity	£	£
Membership subscriptions	Core funding	7,345	8,347
Sail days and training courses	Core funding	480	505
Sail Training Activities	Core funding	38,482	19,852
Reardon Smith Nautical Trust	Core funding	45,750	10,000
Reardon Smith Nautical Trust	Centenary grant	-	20,000
Reardon Smith Nautical Trust	Training Centre Capital Grant	13,888	-
Garfield Weston	Core funding	20,000	20,000
Wales Council for Voluntary Action	Core, capital and COVID funding	-	14,063
ASTO	Core and COVID funding	4,730	5,750
James Myatt	Bursaries	1,275	-
Royal Thames Yacht Club	Bursaries	1,173	-
CWYVS	Summer of Fun Revenue Funding	6,190	-
Merthyr County Borough Council	Winter of Wellbeing Revenue Funding	2,882	-
National Lottery Community Fund	Core funding	-	9,307
Welsh Government -ERF	COVID funding	-	2,500
Welsh Government – Outdoor activities	COVID funding	-	6,250
Joseph Levy Foundation	Core funding	-	3,000
Crystal Lodge	Core funding	-	1,000
Sports Council for Wales	Capital funding	-	1,263
Sail Training International	Core funding	-	2,815
Vale of Glamorgan Council	COVID funding	-	-
Co-Operative	Core Funding	-	1,537
		<u>142,195</u>	<u>126,189</u>

#### 5. Support costs

	Other	Governance	Totals
	£	costs	£
Core funding	<u>13,471</u>	<u>1,480</u>	<u>14,951</u>

Support costs, included in the above, are as follows

	2023	2022
	£	£
Property rent and rates	11,838	9,723
Light, heat and water	192	633
Telephone	398	287
Accountancy and legal fees	1,480	1,495
Office consumables	737	628
Marketing	-	948
Office repairs and small equipment	306	708
	<u>14,951</u>	<u>14,422</u>

#### 6. Net income

Net income is stated after charging:

	2023	2022
	£	£
Depreciation and impairment charge - owned assets	118,648	5,776
Hire of life rafts	1,907	1,696
Operating leases	7,800	7,800
Loan interest	7,079	7,406
Independent Examiner's fee	<u>1,480</u>	<u>1,345</u>



## Challenge Wales

### Notes to the Financial Statements - continued for the Year Ended 31st January 2023

#### 7. Analysis of staff costs, trustee remuneration and expenses and the costs of key management personnel

	2023	2022
	£	£
Salaries and wages	65,547	53,757
Social security costs	2,213	4,341
Pension costs	<u>1,301</u>	<u>1,094</u>
	<u>69,061</u>	<u>59,192</u>

The key management personnel of the Charity comprise the Trustees. The total employee benefits of the key management personnel of the Charity were £38,083.

Ms V Williams, a Trustee has a two year contract of employment with the Charity and received a salary of £38,083 (2022: £35,200) in respect of her services as Marketing and Business Development Manager. This remuneration is made by way of provision in the Charity's governing documents.

None of the other Trustees received remuneration or expenses in this or the previous year. No employees received emoluments in excess of £60,000.

#### 8. Staff numbers

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

	2023	2022
Business Development and Administrative support	2.0	2.0
Ship's skippers and mates	<u>0.7</u>	<u>-</u>
	<u>2.7</u>	<u>2.0</u>

# Challenge Wales

## Notes to the Financial Statements - continued for the Year Ended 31st January 2023

### 9. Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income and endowments from</b>			
Donations and legacies	7,658	-	7,658
<b>Charitable activities</b>			
Core funding	49,991	76,198	126,189
Other trading activities	215	-	215
HMRC Coronavirus Job Retention	<u>13,256</u>	<u>-</u>	<u>13,256</u>
<b>Total</b>	71,120	76,198	147,318
<b>Expenditure on</b>			
Raising funds	140	-	140
<b>Charitable activities</b>			
Core funding	<u>44,114</u>	<u>90,534</u>	<u>134,648</u>
<b>Total</b>	<u>44,254</u>	<u>90,534</u>	<u>134,788</u>
<b>Net income and Net movement in funds</b>	26,886	(14,336)	12,530
<b>Reconciliation of funds</b>			
<b>Total funds brought forward</b>	529,729	42,522	571,801
<b>Transfer between funds</b>	-	-	-
<b>Total funds carried forward</b>	<u>556,145</u>	<u>28,186</u>	<u>584,331</u>

## Challenge Wales

### Notes to the Financial Statements - continued for the Year Ended 31st January 2024

#### 10. Tangible fixed assets

	Challenge Wales Yacht £	Adventure Wales Yacht £	Other equipment £	Total £
<b>Cost or valuation</b>				
At 1 February 2022	478,843	171,733	4,250	654,826
Additions	430	-	742	1,172
At 31 January 2023	<u>479,273</u>	<u>171,733</u>	<u>4,992</u>	<u>655,998</u>
<b>Depreciation</b>				
At 1 February 2022	78,996	14,765	1,550	95,311
Charge for the year	981	-	700	1,681
Impairment charge	-	116,966	-	116,966
At 31 January 2023	<u>79,977</u>	<u>131,731</u>	<u>2,250</u>	<u>213,958</u>
<b>Net Book Value</b>				
At 31 January 2023	<u>399,296</u>	<u>40,002</u>	<u>2,742</u>	<u>442,040</u>
At 31 January 2022	<u>399,847</u>	<u>156,968</u>	<u>2,700</u>	<u>559,515</u>

Challenge Wales Yacht is held on a revalued basis (plus additions at cost) less accumulated depreciation, being revalued at appropriate intervals. The current valuation for the Challenge Yacht of £450,000 was carried out by YSC Surveys (Yacht & Small Craft Surveying) on 30 January 2015.

The historical cost amounts to £226,493 on which depreciation of £97,088 has been charged.

The Adventure Wales Yacht is carried at a Directors' valuation based on an informal survey.

#### 11. Fixed asset investments

	Shares in group undertakings £
<b>Market value</b>	
At 1st February 2022 and 31st January 2023	<u>100</u>
<b>Net book value</b>	
At 1st February 2022 and 31st January 2023	<u>100</u>

There were no investment assets outside the UK.

The shares in group undertakings represent a 100% holding of the issued share capital of Challenge Wales (Sales) Limited, a company incorporated in England and Wales, registered number 08049080. The following amounts are derived from the unaudited accounts of Challenge Wales (Sales) Limited for the year ended 31 January 2023.

# Challenge Wales

## Notes to the Financial Statements - continued for the Year Ended 31st January 2023

### 11. Fixed asset investments (continued)

	2023 £	2022 £
Turnover	19,170	10,809
Total expenditure	(1,389)	(762)
Net profit for year	<u>17,781</u>	<u>10,047</u>
 Total assets	 8,332	 13,565
Total liabilities	(451)	(3,418)
 Shareholders' funds	 <u>7,881</u>	 <u>10,147</u>

### 12. Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	10,668	31,421
VAT	3,683	836
Amounts owed by group undertakings	461	-
Prepayments and accrued income	<u>13,372</u>	<u>12,104</u>
	<u>28,184</u>	<u>44,361</u>

### 13. Creditors: amounts falling due within one year

	2023 £	2022 £
Other loans	10,692	17,711
Trade creditors	3,052	1,929
Amounts owed to group undertakings	100	-
Social security and other taxes	5,096	3,860
Accruals and deferred income	<u>3,826</u>	<u>6,657</u>
	<u>22,766</u>	<u>30,157</u>

### 14. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other loans - 1-2 years	17,417	18,150
Other loans - 2-5 years	33,343	35,925
Other loans – over 5 years	<u>62,487</u>	<u>70,032</u>
	<u>113,247</u>	<u>124,107</u>

The repayment profile of the other loans reflects the loan schedules in force with the Wales Council for Voluntary Action.

# Challenge Wales

## Notes to the Financial Statements - continued for the Year Ended 31st January 2023

### 15. Operating lease commitments

The following operating lease payments are committed to be paid:

	2023 £	2022 £
Expiring:		
Within 1 year	10,800	10,800
Within 2 to 5 years	<u>25,800</u>	<u>36,600</u>

### 16. Secured debts

The following secured debts are included within creditors:

	2023 £	2022 £
Other loans	<u>93,650</u>	<u>124,107</u>

All other loans are secured by way of statutory ship's mortgage and deed of covenant dated 3 April 2008.

### 17. Movement in funds

	At 1.2.22 £	Net movement in funds £	Transfers between funds £	At 31.1.23 £
<b>Unrestricted funds</b>				
General fund	269,184	(115,406)	-	153,778
Revaluation reserve	<u>286,961</u>	<u>-</u>	<u>-</u>	<u>286,961</u>
	556,145	(115,406)	-	440,739
<b>Restricted funds</b>				
National Lottery Awards for All	8,186	(8,186)	-	-
Reardon Smith Nautical Trust	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>
	28,186	(28,186)	-	-
<b>TOTAL FUNDS</b>	<u>584,331</u>	<u>(143,592)</u>	<u>-</u>	<u>440,739</u>

## Challenge Wales

### Notes to the Financial Statements - continued for the Year Ended 31st January 2023

#### 17. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	<u>94,505</u>	<u>(240,931)</u>	<u>(146,426)</u>
<b>Restricted funds</b>			
ASTO	4,730	(4,730)	-
Garfield Weston	20,000	(20,000)	-
Merthyr County Borough Council	2,882	(2,882)	-
The National Lottery Awards for All	-	(8,186)	(8,186)
CWVYS	6,190	(6,190)	-
Reardon Smith Nautical Trust	13,888	(13,888)	-
Reardon Smith Nautical Trust	-	<u>(20,000)</u>	<u>(20,000)</u>
	<u>47,690</u>	<u>(75,876)</u>	<u>(28,186)</u>
<b>TOTAL FUNDS</b>	<u><u>142,195</u></u>	<u><u>(316,807)</u></u>	<u><u>(174,612)</u></u>

#### Unrestricted funds

General funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Charity. Revaluation reserve relates to the Challenge Wales Yacht, this was reduced annually in-line with depreciation.

#### Restricted funds

- ASTO - a bursary received for those taking part in sail training voyages..
- Garfield Weston – provided support grant towards core operating costs.
- Merthyr County Borough Council – provided funding towards improving young people's mental health post-covid
- The National Lottery Awards for All – providing funds for volunteer training and expenses
- Reardon Smith Nautical Trust – provided funding to assist young people to obtain sailing qualifications and develop sailing experience towards their sailing qualifications
- Reardon Smith Nautical Trust – provided funding to set up as a shore-side training provider
- CWVYS- provided funding to help young people improve their mental health and wellbeing post-covid

## Challenge Wales

### Notes to the Financial Statements - continued for the Year Ended 31st January 2023

#### 17. Movement in funds - continued

##### Transfers between funds

Depreciation on revalued assets is transferred from the revaluation reserve to unrestricted funds in-line with the Charity's depreciation policy.

#### 18. Related party disclosures

##### Wages and salaries

One of the Trustees has a two year contract of employment with the Charity and received a salary of £38,083 (2022: £35,200).

##### Trustee Memberships

During the year ended 31 January 2023 the Trustees and family members collectively paid £625 (2022: £685) for annual membership of the Charity.

##### Trustee Donations

During the year the Charity received donations from Trustees totalling £974 (2022: £432).

##### Transactions with Subsidiary

During the year ended 31 January 2022 the Charity received £20,047 (2022: £51) by way of Gift Aid donation from its' trading subsidiary Challenge Wales (Sales) Limited.

##### Skipper's Fees

During the year Captain A.H. Hall, a relative of a Trustee of the Charity (Trustee of the Charity until 4 October 2021), was paid £14,140 (2022: £6,720) in respect of services provided to the Charity in his capacity as Skipper of Challenge Wales and Adventure Wales

#### 19. Member's liability

The Charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the Charity in the event of liquidation.

# Challenge Wales

## Detailed Statement of Financial Activities for the Year Ended 31st January 2023

	2023 £	2022 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Third party donations	7,564	5,227
Gift aid	2,060	2,380
Challenge Wales (Sales) Limited	20,047	51
Private Donations	<u>1,499</u>	<u>-</u>
	31,170	7,658
<b>Investment income</b>		
Deposit account interest	-	<u>9</u>
<b>Charitable activities</b>		
Membership subscriptions	7,345	8,347
Crew fees	480	505
Sail Training Activities	38,482	19,852
Reardon Smith Nautical Trust – sail training bursary	45,750	10,000
Reardon Smith Nautical Trust – general grant	13,888	20,000
Garfield Weston	20,000	20,000
Wales Council for Voluntary Action	-	14,063
Welsh Government ERF funding	-	2,500
Welsh Government Outdoor Activities grant	-	6,250
ASTO	4,730	5,750
The National Lottery Community Fund-Awards for All	-	9,307
James Myatt	1,275	-
Millenium Stadium Charitable Trust	-	-
Sail Training International	-	2,815
Co-Operative	-	1,537
Royal Thames Yacht Club	1,173	-
Crystal Lodge	-	1,000
Sports Council for Wales	-	1,263
Joseph Levy Foundation	-	3,000
CWYVS	6,190	-
Merthyr County Borough Council	<u>2,882</u>	<u>-</u>
	142,195	126,189
<b>Other income</b>		
Sundry income	<u>-</u>	<u>206</u>
	-	206
HMRC Corona Virus Job Retention Scheme	-	13,256
<b>Total incoming resources</b>	173,365	147,318

This page does not form part of the statutory financial statements



**Challenge Wales**  
**Detailed Statement of Financial Activities**  
**for the Year Ended 31st January 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Expenditure</b>		
<b>Charitable activities</b>		
Wages	86,635	59,192
Skipper and mates' fees	22,850	8,700
Insurance	7,362	7,341
Postage and stationery	50	19
Coding of Challenge Wales and Adventure Wales	13,631	-
Sundries	1,666	674
Offshore costs	20,100	18,394
Boat repairs and maintenance	6,112	7,256
Onshore storage costs	224	272
Marine Charts and publications	592	337
Subscriptions and donations	1,458	1,561
Travel and subsistence	6,271	387
Computer and software	2,536	2,429
Depreciation of Vessels and other equipment	1,682	5,776
Impairment charge on Adventure Wales	116,966	-
Bank and other loan interest	7,079	7,406
Staff and volunteer training	793	-
Course accreditation, monitoring and evaluation	83	300
	<hr/> 296,090	<hr/> 120,044
<b>Support costs</b>		
<b>Other</b>		
Property rent and rates	11,838	9,723
Light, heat and water	192	633
Telephone	398	287
Office consumables	737	628
Marketing	-	948
Office repairs and maintenance	306	708
Bank charges	211	182
	<hr/> 13,682	<hr/> 13,109
<b>Governance costs</b>		
Accountancy and legal fees	1,480	1,495
Recruitment fees	5,555	-
Fund raising costs	150	140
	7,185	1,635
<b>Total resources expended</b>	<u>316,957</u>	<u>134,788</u>
<b>Net (expenditure)/ income</b>	<u>(143,592)</u>	<u>12,530</u>

This page does not form part of the statutory financial statements

