

# Challenge Ministries UK

England & Wales · Charity number 1162211

## Details

---

Other names	CHALLENGE MINISTRIES SWAZILAND UK, CMS-UK, SWAZI CHILDCARE
Status	Registered
Legal form	CIO
Registered	2015-06-15
Register	<a href="#">View on the Charity Commission register</a>

## Contact

---

Address	Crendon House Westfield Road Long Crendon Aylesbury HP18 9EW
Phone	07554671676
Email	<a href="mailto:info@cmswazi.org.uk">info@cmswazi.org.uk</a>
Website	<a href="http://www.cmswazi.org">www.cmswazi.org</a>

## Activities

---

**Objects:** THE OBJECTS OF THE CIO ARE, IN ACCORDANCE WITH CHRISTIAN PRINCIPLES SET OUT IN THE STATEMENT OF FAITH, AND FOR THE PUBLIC BENEFIT:-4.1. THE PREVENTION AND/OR RELIEF OF POVERTY AND/OR FINANCIAL HARDSHIP IN ESWATINI AND SUCH OTHER PARTS OF AFRICA AS THE CHARITY TRUSTEES MAY FROM TIME TO TIME DECIDE BY (BUT NOT EXCLUSIVELY) THE CONSTRUCTION OF HOMES IN LOCAL COMMUNITIES;4.2. THE ADVANCEMENT OF EDUCATION IN PARTICULAR (BUT NOT EXCLUSIVELY) FOR THE BENEFIT OF CHILDREN AND YOUNG PEOPLE DISADVANTAGED OR MARGINALISED BY REASON OF ECONOMIC, GEOGRAPHIC OR SOCIAL CIRCUMSTANCE IN ESWATINI AND SUCH OTHER PARTS OF AFRICA AS THE CHARITY TRUSTEES MAY FROM TIME TO TIME DECIDE BY (BUT NOT LIMITED TO) THE PROVISION OF SCHOOLS, EDUCATIONAL FACILITIES AND APPRENTICESHIP TRAINING CENTRES; AND4.3. TO PROMOTE AND PROTECT THE PHYSICAL AND MENTAL HEALTH OF THOSE INFECTED AND AFFECTED BY HIV/AIDS IN ESWATINI AND SUCH OTHER PARTS OF AFRICA THROUGH THE PROVISION OF FINANCIAL ASSISTANCE, SUPPORT, EDUCATION AND PRACTICAL ADVICE

**Activities:** The charity is promoting and protecting the physical and mental health of children and young people disadvantaged or marginalised by the HIV/AIDS pandemic in Swaziland. Relieving poverty, financial hardship and advancing education in local communities, through the construction of orphan homes, the

provision of educational facilities, apprenticeship training centres and business development.

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

## Geography

- Eswatini
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£543,700	£507,366	£109,004	3
2024-03-31	£461,270	£487,168	-	-
2023-03-31	£428,514	£437,618	-	-
2022-03-31	£371,995	£374,734	-	-
2021-03-31	£525,380	£510,400	£110,411	3

## Trustees

Name	Role	Appointed
<b>SIMON PHILIP HOWARD</b>	Chair	2015-06-15
Caroline Jane Priestnall		2025-10-15
Glyn Williams		2020-01-29
Graham Brewer		2020-03-14
Mark Dowding		2016-05-21
Mark Herbert		2023-09-20
Timothy Ambrose Collett		2024-07-03
Timothy James Whan		2023-12-07



**Challenge Ministries UK**

England & Wales - Charity number 1162211

---

# Accounts

---

**CHALLENGE MINISTRIES UK**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**CHARITY NUMBER 1162211**

## **CONTENTS**

---

	<b>Page</b>
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 8
Independent Examiner's report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the financial statements	12 - 17

## **Challenge Ministries UK**

### **Reference and administrative details of the charity, its trustees and advisers**

<b>Trustees</b>	Simon Howard, Chair Graham Brewer Lloyd Cheshire (resigned 22 March 2025) Tim Collett (appointed 3 July 2024) Mark Dowding Mark Herbert Carrie Priestnall (appointed 15 October 2025) Tim Whan Glyn Williams
<b>Charity Registered Number</b>	1162211
<b>Registered Office</b>	Crendon House Westfield Road Long Crendon HP18 9EW
<b>Independent Examiner</b>	Gary Brookes FCA BSc
<b>Bankers</b>	The Co-operative Bank plc PO Box 50 Skelmersdale WN8 6YL
<b>Solicitors</b>	Anthony Collins, Solicitors 134 Edmund Street Birmingham B3 2ES

# **Challenge Ministries UK**

## **Trustees' report for the year ended 31 March 2025**

### **OBJECTIVES AND ACTIVITIES**

#### **Summary of the purposes of the charity as set out in the governing document**

The objectives of the Charitable Incorporated Organisation, as set out in the Constitution are, in accordance with Christian principles set out in the Statement of Faith:

- the prevention and/or relief of poverty and/or financial hardship in Eswatini and such other parts of Africa as the charity trustees may from time to time decide by (but not exclusively) the construction of homes in local communities;
- the advancement of education in particular (but not exclusively) for the benefit of children and young people disadvantaged or marginalised by reason of economic, geographic or social circumstance in Eswatini and such other parts of Africa as the charity trustees may from time to time decide by (but not limited to) the provision of schools, educational facilities and apprenticeship training centres; and
- to promote and protect the physical and mental health of those infected and affected by HIV/AIDS in Eswatini and such other parts of Africa through the provision of financial assistance, support, education and practical advice.

#### **Summary of the main activities undertaken in relation to these purposes**

Our primary purpose is to raise funds to help care for orphans and vulnerable children in Eswatini.

In particular, we are helping support Bulembu, a disused mining town, as it provides a community with schools, homes, healthcare facilities and businesses. Bulembu has a dairy, a lodge and conference centre, a bakery, and other smaller agricultural initiatives.

## **Challenge Ministries UK**

### **Trustees' report for the year ended 31 March 2025 (continued)**

Challenge Ministries UK also provides support and raises funds for women's and men's centres providing rehabilitation for those living at the centres in a 12-month programme. The people cared for have emotional and behavioural problems. Some have been living on the streets, some have been abused and some have addiction problems. The centres provide vital care for these vulnerable young people.

The third strand of work is rural church planting which we call In Community By Community (ICBC) church plants. Our model is to plant a church and a school in a rural location. The pastor and his wife will care for the spiritual and educational needs of the population they serve. Some of the ICBCs also provide a home for orphans and some have a borehole to provide a much needed source of clean water for the local community. A community nurse makes routine visits to each of the ICBCs in order to run clinics, providing healthcare to people often unable to reach other healthcare facilities.

We raise funds for all these projects in Eswatini through regular giving and child sponsorship, through fundraising events and by making grant applications. Our growth to date has mostly come from churches and private individuals. Our intention for the future is to increase income from the business sector, through increased grant applications and by legacy giving in addition to growing our regular donor base.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Summary of main achievements during the year**

The year has seen a small increase in donation income from child sponsorship and other donations compared to the previous year. We have also continued to increase the programme of mission trips with five trips completed in the financial year compared to two in the previous financial year.

Taking people to see the work of Challenge Ministries on a 2-week mission trip remains a key activity as it is when people see the challenges in Eswatini and see the impact that Challenge Ministries are making that we capture hearts. Many people become donors once they have been on a mission trip. The mission trips also give an opportunity for participants to serve in Eswatini and to create connections with the work carried out there.

Bringing a choir from Eswatini to the UK provides a great opportunity for members to entertain, to share their stories and to testify to the impact of the work of Challenge Ministries. During the year a choir toured in Northern Ireland and successfully helped to raise funds and new supporters for the charity.

We are very grateful for donations from trustees that significantly contribute to our support and fundraising costs, which enables the charity to transfer most other donations in full to support the work in Eswatini. During the year £306,796 (2024: £300,314) was transferred as grants to Eswatini.

## **Challenge Ministries UK**

### **Trustees' report for the year ended 31 March 2025 (continued)**

We are extremely grateful to those donors who continued to support the charity on a regular basis, as well as those who gave one-off donations to support our core work of caring for orphans and vulnerable children and other projects to address difficulties faced in Eswatini. In the year we were able to provide financial support to four ICBC projects and to continue supporting young adults through tertiary education. Funds were also raised and transferred to support urgent needs in Eswatini including a disability fund to provide much needed medical care.

As reported last year, on 13 April 2024 the trustees resolved to change the name of the charity to Challenge Ministries UK.

## **FINANCIAL REVIEW**

### **Review of the charity's financial position at the end of the financial year**

Total income for the year was £543,700, which was an increase from £461,270 the previous year. Total donation and Gift Aid income increased to £450,364 (2024: £413,562) and additional income was recognised from organising Mission Impact trips. The charity recognised income from contributions of £85,755 (2023: £43,721) against the costs incurred for Mission Impact trips and at the year end held £8,387 (2023: £31,491) towards future trips which is recognised as a creditor.

Support and fundraising costs totalled £115,442 and was a reduction of £26,635 on the previous year total, largely due to lower overall staff costs relating to fundraising following a reorganisation of the team near the year of the previous financial year.

The charity was able to distribute funds of £306,796 to Eswatini during the year. Overall there was an excess of income over expenditure for the year of £36,334 (2024: a deficit of £25,898). At the year end, the charity held total funds of £109,004, of which £9,137 was held in Restricted Funds.

**Challenge Ministries UK**  
**Trustees' report for the year ended 31 March 2025 (continued)**

**RESERVES POLICY**

The trustees have reviewed the charity's reserves policy to assist in achieving long term stability, commensurate with the risks it faces, particularly relating to a significant fall in income and unexpected costs being incurred. The trustees take into account the level of recurring income it expects to receive to meet its operational costs. The trustees seek to hold unrestricted reserves in the range of £50-70k. At the year end unrestricted reserves were £99,867. Since the year end, grants have been made to Challenge Ministries in Eswatini such that reserves held are within the range provided for in the reserves policy.

**FUTURE PLANS**

The trustees plan to continue to develop and grow the charity, maintaining its focus on making a difference to the lives of vulnerable children in Eswatini.

The charity continues to improve its fundraising activities whilst carefully managing the level of costs incurred. Our donor relationship management system enables us to become more systematic in how we grow our donor pool and the investment in our staff team enables us to develop further our work with our ambassadors, who have a passion for CMS and the people of Eswatini, promoting our work in schools, churches and businesses. In these ways we will grow a much larger volunteer resource who can promote CMS across the UK. We plan to continue development of Mission Impact trips and continue arranging choir tours in the UK to engage with current and prospective supporters, demonstrating the impact of our work.

**Challenge Ministries UK**  
**Trustees' report for the year ended 31 March 2025**  
**(continued)**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The organisation is a charitable incorporated organisation, incorporated on 15 June 2015. The organisation was established under a constitution which outlines the objects and powers of the organisation and is a registered charity (charity number 1162211).

In common with Christian based organisations across the nation the trustees have had to be mindful of the needs to consider the Charity Commission's guidance of assessing all activities in the light of public benefit so that they are open to all people regardless of personal circumstances and backgrounds.

**Methods used to recruit and appoint new charity trustees**

New trustees are appointed by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the contribution to the skills mix and balance within the board is considered. Trustees that are appointed would be expected to support the values of the organisation.

**RISK POLICY**

The biggest financial risks to achieving the charity's objectives is the impact of exchange rates and protection of funds held. Money raised in the UK would buy less in Eswatini if the sterling exchange rate falls. All funds of the charity are held with its main bankers. The trustees do not consider it appropriate to sell forward any sterling currency as future donation income cannot be guaranteed.

As a charity which supports those helping children and other vulnerable people overseas, the trustees are very mindful of their responsibilities for safeguarding and protecting from harm those who come into contact with the charity. There are child protection policies in place, ensuring that their wellbeing and safety is ensured at all times. All trustees and staff of the charity have received training on the importance of safeguarding and in the charity's policies and procedures.

**Challenge Ministries UK**  
**Trustees' report for the year ended 31 March 2025 (continued)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required under charity law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and its results for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for the safeguarding of the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**APPROVAL**

This report was approved by the trustees on 5 December 2025 and signed on their behalf

DocuSigned by:  
*Simon Howard*  
80984AC2444F445...

Simon Howard, Chair

# Challenge Ministries UK for the year ended 31 March 2025

## Independent Examiner's Report to the Trustees of Challenge Ministries UK

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2025 which is set out on pages 10 to 17.

### **Responsibilities and basis of report**

As the charity trustees of the company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('The Act')

I report in respect of my examination of the charity's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the Act

### **Independent Examiner's Statement**

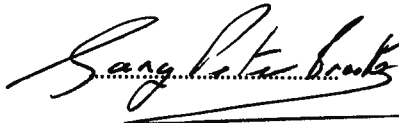
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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) the accounting records were not kept in respect of the company as required by section 130 of the Act, or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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

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.

Signed

 Date 8<sup>th</sup> December 2025

Gary Peter Brookes  
Fellow of The Institute of Chartered Accountants of England and Wales  
130 Wombourne Park  
Wombourne  
South Staffs  
WV5 0LY

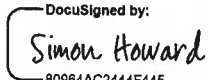
**Challenge Ministries UK**  
**Statement of Financial Activities**  
**for the year ended 31 March 2025**

	Notes	Restricted Funds 2025 £	Unrestricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>Income from:</b>					
Donations	4	51,587	398,777	450,364	413,562
Charitable Activities	5	-	92,666	92,666	47,708
Interest		-	670	670	-
<b>Total Income</b>		<u>51,587</u>	<u>492,113</u>	<u>543,700</u>	<u>461,270</u>
<b>Expenditure on:</b>					
Charitable Activities	6	45,525	427,746	473,271	431,691
Raising funds	7	-	34,095	34,095	55,477
<b>Total Expenditure</b>		<u>45,525</u>	<u>461,841</u>	<u>507,366</u>	<u>487,168</u>
<b>Net (Expenditure)/Income</b>		<u>6,062</u>	<u>30,272</u>	<u>36,334</u>	<u>(25,898)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward 1 April		<u>3,075</u>	<u>69,595</u>	<u>72,670</u>	<u>98,568</u>
Total funds carried forward 31 March		<u>9,137</u>	<u>99,867</u>	<u>109,004</u>	<u>72,670</u>

**Challenge Ministries UK**  
**Balance Sheet**  
**As at 31 March 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Current Assets</b>					
Cash at bank and in hand		120,048		107,385	
Debtors		<u>10</u>		<u>1</u>	
			120,058		107,386
<b>Creditors: amounts falling due within one year</b>	9		(11,054)		(34,716)
<b>Net Assets</b>			<u>109,004</u>		<u>72,670</u>
<b>Charity Funds</b>					
Restricted Funds	10		9,137		3,075
Unrestricted Funds	10		99,867		69,595
<b>Total Funds</b>			<u>109,004</u>		<u>72,670</u>

The financial statements were approved by the Trustees on 5 December 2025 and signed on their behalf by:

DocuSigned by:  
  
 80964AC2444F445...

Trustee

Mr Simon Howard, Chair

**Challenge Ministries UK**  
**for the year ended 31 March 2025**  
**Notes to the accounts**

**Note 1**            **Basis of preparation**

The charity is a Charitable Incorporated Organisation and constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition published October 2019, the Charities Act 2011 and the UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value.

**Note 2**            **Accounting policies**

- Recognition of income**    Income is included in the Statement of Financial Activities (SoFA) when:
- the charity becomes entitled to the resources;
  - it is more likely than not that the trustees will receive the resources; and
  - the monetary value can be measured with sufficient reliability.
- Grants and donations**    Grants and donations are only included in the SoFA when the general income recognition criteria are met.
- In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.
- Legacies**                Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.
- Tax reclaims on donations and gifts**    Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.
- Donated goods**            Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.
- The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.
- Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

**Note 2 (continued)**

**Accounting policies**

**Donated services and facilities**

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

**Support costs**

The charity has incurred expenditure on support costs. Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

**Note 3**

**Key judgements and assumptions concerning the future in applying the accounting policies**

Amounts received relating to Mission Impact trips planned for after the year end have not been recognised as income to the extent of contributions received in excess of costs incurred up to the year end, as these amounts may need to be repaid after the year end if for any reason a planned trip did not go ahead.

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

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2025**

**Note 4 Donations**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>
	<b>2025</b>	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Child Sponsorship	-	100,336	100,336	-	96,977	96,977
Donations and gifts	41,808	264,269	306,077	49,957	249,854	299,811
Gift Aid	9,779	34,172	43,951	1,487	15,287	16,774
<b>TOTAL</b>	<b>51,587</b>	<b>398,777</b>	<b>450,364</b>	<b>51,444</b>	<b>362,118</b>	<b>413,562</b>

**Note 5 Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Unrestricted Funds</b>
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Events	6,911	3,987
Mission Impact	85,755	43,721
	<b>92,666</b>	<b>47,708</b>

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2025**

**Note 6 Charitable Activities**

	Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Funds transferred to Swaziland	37,795	269,001	306,796	55,215	245,099	300,314
Education fees paid	-	670	670	-	220	220
Mission Impact	4,619	75,109	79,728	-	36,640	36,640
Shipping costs	-	4,730	4,730	-	7,917	7,917
Support Costs (Note 8)	3,111	78,236	81,347	1,835	84,765	86,600
<b>TOTAL</b>	<b>45,525</b>	<b>427,746</b>	<b>473,271</b>	<b>57,050</b>	<b>374,641</b>	<b>431,691</b>

**Note 7 Expenditure on raising funds**

	Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Staff costs	-	28,403	28,403	-	47,211	47,211
Marketing and event costs	-	5,692	5,692	-	8,266	8,266
<b>TOTAL</b>	<b>-</b>	<b>34,095</b>	<b>34,095</b>	<b>-</b>	<b>55,477</b>	<b>55,477</b>

**Note 8 Support Costs**

	2025	2024
	£	£
Staff costs	67,227	67,251
Office costs	3,343	4,590
Travel and accommodation costs	1,772	4,712
IT Consultancy	4,085	2,850
IT costs	3,400	6,252
Governance costs	1,520	945
<b>TOTAL</b>	<b>81,347</b>	<b>86,600</b>

Governance costs includes £945 paid to the independent examiner for the independent examination (2024- £945). During the year the average number of staff employed by the charity was 3 (2024 - 3). No employee received employee benefits of more than £60,000 (2024 - None).

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2025**

**Note 9 Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Deferred income	8,387	31,491
Taxation and social security	2,075	2,192
Other creditors	592	1,033
	<b>11,054</b>	<b>34,716</b>

Deferred income relates to amounts received in relation to Mission Impact trips planned for after the year end. The movement on deferred income in the year was

Deferred income brought forward		31,491	13,586
Amounts received during the year		62,651	61,626
Amounts recognised as income relating to trips undertaken	Note 5	(85,755)	(43,721)
Deferred income carried forward		<b>8,387</b>	<b>31,491</b>

**Note 10 Funds**

	<b>Balance at 1 April 2024</b>	<b>Income</b>	<b>Transfers to Eswatini</b>	<b>Costs</b>	<b>Balance at 31 March 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
ICBC Kincesi	2,135	5,018	6,050	672	431
ICBC Mpolonjenni	-	2,000	1,800	200	-
ICBC Mshaweni	-	2,350	1,735	193	422
ICBC Engcamini	-	6,635	5,308	590	737
Hardship	-	38	-	-	38
Ward support	-	1,181	-	-	1,181
Clothing Drive	-	2,710	1,991	220	499
Potters Wheel	100	1,286	1,110	276	-
Disability Fund	-	10,893	10,893	-	-
Solar lighting	-	113	103	10	-
Men's Life Group	50	650	600	50	50
Women Set Free	164	1,692	1,384	154	318
Tertiary education	406	7,558	4,209	466	3,289
Tractor	-	1,250	-	-	1,250
Presents	220	1,615	1,472	164	199
Medical emergency fund	-	44	-	-	44
Driving lessons fund	-	1,156	1,040	116	-
Mission Impact fund	-	5,298	-	4,619	679
Bulembu equipment fund	-	100	100	-	-
<b>Total restricted funds</b>	<b>3,075</b>	<b>51,587</b>	<b>37,795</b>	<b>7,730</b>	<b>9,137</b>
<b>Unrestricted funds</b>	<b>69,595</b>	<b>492,113</b>	<b>269,001</b>	<b>192,840</b>	<b>99,867</b>
<b>Total funds</b>	<b>72,670</b>	<b>543,700</b>	<b>306,796</b>	<b>200,570</b>	<b>109,004</b>

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2025**

**Note 11 Analysis of net assets between funds**

	Restricted Funds	Unrestricted Funds	Total 2025
	£	£	£
Debtors	-	10	10
Cash	9,137	110,911	120,048
Liabilities	-	(11,054)	(11,054)
<b>Net assets</b>	<b>9,137</b>	<b>99,867</b>	<b>109,004</b>

	Restricted Funds	Unrestricted Funds	Total 2024
	£	£	£
Debtors	-	1	1
Cash	3,075	104,310	107,385
Liabilities	-	(34,716)	(34,716)
<b>Net assets</b>	<b>3,075</b>	<b>69,595</b>	<b>72,670</b>

**Note 12 Trustee donations, expenses and related party disclosures**

None of the trustees were paid any remuneration or received any other benefits as a trustee or from an employment in the charity (2024 - None). In June 2024 £1,000 was paid for consulting services to Salt and Light Coaching Ltd, a company related to Mark Herbert.

No expenses were reimbursed to trustees during the year (2024 - None).

Amounts totalling £1,715 (2024: £5,280) were paid to trustees in reimbursement of operating costs paid on behalf of the charity

Donations from trustees during the year totalled £71,453 (2024 - £56,464)

Since March 2024, the charity has employed on a part time basis Amy Edwards who is the daughter of a trustee, Simon Howard. Including employer pension contributions the amounts payable for Amy Edwards in the year totalled £18,588 (2024: £1,549).

There were no other related party transactions during the year (2024 - None) requiring disclosure.

**Note 13 Previous year's Statement of Financial Activities**

	Notes	Restricted Funds 2024	Unrestricted Funds 2024	Total 2024
		£	£	£
<b>Income from:</b>				
Donations	4	51,444	362,118	413,562
Charitable Activities	6	-	47,708	47,708
<b>Total income</b>		<b>51,444</b>	<b>409,826</b>	<b>461,270</b>
<b>Expenditure on:</b>				
Charitable Activities	5	57,050	374,641	431,691
Raising funds	7	-	55,477	55,477
<b>Total Expenditure</b>		<b>57,050</b>	<b>430,118</b>	<b>487,168</b>
<b>Net income/(expenditure)</b>		<b>(5,606)</b>	<b>(20,292)</b>	<b>(25,898)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward 1 April		8,681	89,887	98,568
Total funds carried forward 31 March		<b>3,075</b>	<b>69,595</b>	<b>72,670</b>

**Challenge Ministries UK**

England & Wales - Charity number 1162211

---

# Accounts

---

**CHALLENGE MINISTRIES UK**  
(Formerly Challenge Ministries Swaziland UK)

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**CHARITY NUMBER 1162211**

# CONTENTS

---

	<b>Page</b>
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 8
Independent Examiner's report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the financial statements	12 - 17

**Challenge Ministries UK**  
**(Formerly Challenge Ministries Swaziland UK)**  
**Reference and administrative details of the charity, its trustees and advisers**

<b>Trustees</b>	Simon Howard, Chair Graham Brewer Lloyd Cheshire Tim Collett (appointed 3 July 2024) Mark Dowding Mark Herbert (appointed 20 September 2023) Tim Whan (appointed 7 December 2023) Glyn Williams
<b>Charity Registered Number</b>	1162211
<b>Registered Office</b>	Crendon House Westfield Road Long Crendon HP18 9EW
<b>Independent Examiner</b>	Gary Brookes FCA BSc
<b>Bankers</b>	The Co-operative Bank plc PO Box 50 Skelmersdale WN8 6YL
<b>Solicitors</b>	Anthony Collins, Solicitors 134 Edmund Street Birmingham B3 2ES

# **Challenge Ministries UK**

## **Trustees' report for the year ended 31 March 2024**

### **OBJECTIVES AND ACTIVITIES**

#### **Summary of the purposes of the charity as set out in the governing document**

The objectives of the Charitable Incorporated Organisation, as set out in the Constitution are, in accordance with Christian principles set out in the Statement of Faith:

- i. The prevention and/or relief of poverty and/or financial hardship in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not exclusively) the construction of homes in local communities
- ii. The advancement of education in particular (but not exclusively) for the benefit of children and young people disadvantaged or marginalised by reason of economic, geographic or social circumstances in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not limited to) the provision of schools, educational facilities and apprenticeship training centres
- iii. The advancement of the Christian faith in particular (but not limited to) the provision of, or assistance in the provision of, discipleship and training centres
- iv. To promote and protect the physical and mental health of those infected and affected by HIV/AIDS in Swaziland and such other parts of Africa through the provision of financial assistance, support, education and practical advice
- v. To promote sustainable development for the benefit of the public by (i) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities in Africa, and (ii) the promotion of sustainable means of achieving economic growth and regeneration.

#### **Summary of the main activities undertaken in relation to these purposes**

Our primary purpose is to raise funds to help care for orphans and vulnerable children in Swaziland which is now known as Eswatini.

In particular, we are helping convert Bulembu, a disused mining town, into a community with schools, homes, healthcare facilities and businesses. Bulembu has a dairy, a lodge and conference centre, a bakery, a honey factory and other smaller agricultural initiatives.

## **Challenge Ministries UK**

### **Trustees' report for the year ended 31 March 2024 (continued)**

Challenge Ministries UK also provides support and raises funds for women's and men's centres providing rehabilitation for those living at the centres in a 12-month programme. The people cared for have emotional and behavioural problems. Some have been living on the streets, some have been abused and some have addiction problems. The centres provide vital care for these vulnerable young people.

The third strand of work is rural church planting which we call In Community By Community (ICBC) church plants. Our model is to plant a church and a school in a rural location. The pastor and his wife will care for the spiritual and educational needs of the population they serve. Some of the ICBCs also provide a home for orphans and some have a borehole to provide a much needed source of clean water for the local community. A community nurse makes routine visits to each of the ICBCs in order to run clinics, providing healthcare to people often unable to reach other healthcare facilities.

We raise funds for all these projects in Eswatini through regular giving and child sponsorship, through fundraising events and by making grant applications. Our growth to date has mostly come from churches and private individuals. Our intention for the future is to increase income from the business sector, through increased grant applications and by legacy giving in addition to growing our regular donor base.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Summary of main achievements during the year**

The year has seen significant development of the charity following an increase in the staff team in the previous year. Despite challenging economic circumstances, we have maintained our overall level of donation income and have increased the programme of mission trips with two completed in the financial year and a further three planned during 2024.

Taking people to see the work of Challenge Ministries on a 2-week mission trip remains a key activity as it is when people see the challenges in Eswatini and see the impact that CMS are making that we capture hearts. Most people become donors once they have been on a mission trip. The mission trips also give an opportunity for participants to serve in Eswatini and to create connections with the work carried out there.

We are very grateful for donations from trustees and from MTech Access that significantly contribute to our support and fundraising costs, which enables the charity to transfer most other donations in full to support the work in Eswatini. During the year £300,314 was transferred as grants to Eswatini.

## **Challenge Ministries UK**

### **Trustees' report for the year ended 31 March 2024 (continued)**

We are extremely grateful to those donors who continued to support the charity on a regular basis, as well as those who gave one-off donations to support our core work of caring for orphans and vulnerable children and other projects to address difficulties faced in Eswatini. In the year we were able to provide financial support to four ICBC projects and to continue supporting young adults through tertiary education. Funds were also raised and transferred to support urgent needs in Eswatini and the Potters Wheel church.

On 13 April 2024 the trustees resolved to change the name of the charity to Challenge Ministries UK.

## **FINANCIAL REVIEW**

### **Review of the charity's financial position at the end of the financial year**

Total income for the year was £461k, which was an increase from £429k the previous year. Total donation income was similar to the previous year but additional income was received from organising Mission Impact trips. The charity recognised income from contributions of £47,708 (2023: £16,628) against the costs incurred for Mission Impact trips and at the year end held £31,491 (2023: £13,586) towards future trips which is recognised as a creditor.

Support and fundraising costs totalled £142k, which was a significant increase on the previous year total of £98k. This reflects the full year impact of the increased investment in our staff team during the previous financial year.

The charity was able to distribute funds of £300k to Eswatini during the year resulting in an excess of expenditure over income for the year of £26k. At the start of the financial year the reserves held by the charity were in excess of that required under the reserves policy and the trustees decided to reduce the level of reserves held by transferring additional amounts to Eswatini. At the year end, the charity held total funds of £73k.

# **Challenge Ministries UK**

## **Trustees' report for the year ended 31 March 2024 (continued)**

### **RESERVES POLICY**

The trustees have reviewed the charity's reserves policy to assist in achieving long term stability, commensurate with the risks it faces, particularly relating to a significant fall in income and unexpected costs being incurred. The trustees take into account the level of recurring income it expects to receive to meet its operational costs. The trustees seek to hold unrestricted reserves in the range of £50-70k. At the year end unrestricted reserves were £70k.

### **FUTURE PLANS**

The trustees plan to continue to develop and grow the charity, maintaining its focus on making a difference to the lives of vulnerable children in Eswatini.

The charity continues to improve its fundraising activities whilst carefully managing the level of costs incurred. Our donor relationship management system enables us to become more systematic in how we grow our donor pool and the investment in our staff team enables us to develop further our work with our ambassadors, who have a passion for CMS and the people of Eswatini, promoting our work in schools, churches and businesses. We plan to continue development of Mission Impact trips. In this way we will grow a much larger volunteer resource who can promote CMS across the UK.

# **Challenge Ministries UK**

## **Trustees' report for the year ended 31 March 2024**

### **(continued)**

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The organisation is a charitable incorporated organisation, incorporated on 15 June 2015. The organisation was established under a constitution which outlines the objects and powers of the organisation and is a registered charity (charity number 1162211).

In common with Christian based organisations across the nation the trustees have had to be mindful of the needs to consider the Charity Commission's guidance of assessing all activities in the light of public benefit so that they are open to all people regardless of personal circumstances and backgrounds.

### **Methods used to recruit and appoint new charity trustees**

New trustees are appointed by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the contribution to the skills mix and balance within the board is considered. Trustees that are appointed would be expected to support the values of the organisation.

## **RISK POLICY**

The biggest financial risks to achieving the charity's objectives is the impact of exchange rates and protection of funds held. Money raised in the UK would buy less in Eswatini if the sterling exchange rate falls. All funds of the charity are held with its main bankers. The trustees do not consider it appropriate to sell forward any sterling currency as future donation income cannot be guaranteed.

As a charity which supports those helping children and other vulnerable people overseas, the trustees are very mindful of their responsibilities for safeguarding and protecting from harm those who come into contact with the charity. There are child protection policies in place, ensuring that their wellbeing and safety is ensured at all times. All trustees and staff of the charity have received training on the importance of safeguarding and in the charity's policies and procedures.

## **Challenge Ministries UK**

### **Trustees' report for the year ended 31 March 2024 (continued)**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required under charity law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and its results for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for the safeguarding of the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **APPROVAL**

This report was approved by the trustees on 8 January 2025 and signed on their behalf

A handwritten signature in black ink, appearing to read 'Simon Howard', written in a cursive style.

Simon Howard, Chair

# Challenge Ministries UK for the year ended 31 March 2024

## Independent Examiner's Report to the Trustees of Challenge Ministries UK

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2024 which is set out on pages 10 to 17.

### **Responsibilities and basis of report**

As the charity trustees of the company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('The Act')

I report in respect of my examination of the charity's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the Act

### **Independent Examiner's Statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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) the accounting records were not kept in respect of the company as required by section 130 of the Act, or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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

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.

Signed



Date 11/1/2025

Gary Peter Brookes  
Fellow of The Institute of Chartered Accountants of England and Wales  
130 Wombourne Park  
Wombourne  
South Staffs  
WV5 0LY

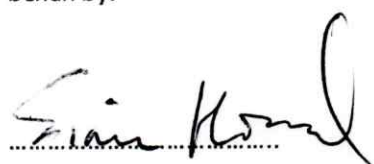
**Challenge Ministries UK**  
**Statement of Financial Activities**  
**for the year ended 31 March 2024**

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds</b>	<b>Total Funds</b>
	<b>Notes</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>					
Donations	4	51,444	362,118	413,562	411,886
Charitable Activities	5	-	47,708	47,708	16,628
<b>Total Income</b>		<u>51,444</u>	<u>409,826</u>	<u>461,270</u>	<u>428,514</u>
<b>Expenditure on:</b>					
Charitable Activities	6	57,050	374,641	431,691	380,444
Raising funds	7	-	55,477	55,477	57,174
<b>Total Expenditure</b>		<u>57,050</u>	<u>430,118</u>	<u>487,168</u>	<u>437,618</u>
<b>Net (Expenditure) / Income</b>		<u>(5,606)</u>	<u>(20,292)</u>	<u>(25,898)</u>	<u>(9,104)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward 1 April		<u>8,681</u>	<u>89,887</u>	<u>98,568</u>	<u>107,672</u>
Total funds carried forward 31 March		<u><u>3,075</u></u>	<u><u>69,595</u></u>	<u><u>72,670</u></u>	<u><u>98,568</u></u>

**Challenge Ministries UK**  
**Balance Sheet**  
**As at 31 March 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Current Assets</b>					
Cash at bank and in hand		107,385		114,362	
Debtors		<u>1</u>		<u>-</u>	
			107,386		114,362
<b>Creditors: amounts falling due within one year</b>	9		(34,716)		(15,794)
<b>Net Assets</b>			<u><b>72,670</b></u>		<u><b>98,568</b></u>
<b>Charity Funds</b>					
Restricted Funds	10		3,075		8,681
Unrestricted Funds	10		69,595		89,887
<b>Total Funds</b>			<u><b>72,670</b></u>		<u><b>98,568</b></u>

The financial statements were approved by the Trustees on 8 January 2025 and signed on their behalf by:



Trustee

Mr Simon Howard, Chair

**Note 1**                    **Basis of preparation**

The charity is a Charitable Incorporated Organisation and constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition published October 2019, the Charities Act 2011 and the UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value.

**Note 2**                    **Accounting policies**

**Recognition of income**      Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Grants and donations**      Grants and donations are only included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

**Legacies**                      Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

**Tax reclaims on donations and gifts**      Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Donated goods**              Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

**Note 2 (continued)**

**Accounting policies**

**Donated services and facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

**Support costs**

The charity has incurred expenditure on support costs. Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

**Note 3**

**Key judgements and assumptions concerning the future in applying the accounting policies**

Donations received relating to Mission Impact trips planned for after the year end have not been recognised as income to the extent of contributions received in excess of costs incurred up to the year end, as these amounts may need to be repaid after the year end if for any reason a planned trip did not go ahead.

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

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2024**

**Note 4 Donations**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Child Sponsorship	-	96,977	96,977	-	99,198	99,198
Donations and gifts	49,957	249,854	299,811	69,203	200,728	269,930
Gift Aid	1,487	15,287	16,774	3,275	39,482	42,756
<b>TOTAL</b>	<b>51,444</b>	<b>362,118</b>	<b>413,562</b>	<b>72,478</b>	<b>339,408</b>	<b>411,886</b>

**Note 5 Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Unrestricted Funds</b>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Events	3,987	
Mission Impact	43,721	16,628
	<u>47,708</u>	<u>16,628</u>

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2024**

**Note 6 Charitable Activities**

	<b>Restricted Funds 2024 £</b>	<b>Unrestricted Funds 2024 £</b>	<b>Total 2024 £</b>	<b>Restricted Funds 2023 £</b>	<b>Unrestricted Funds 2023 £</b>	<b>Total 2023 £</b>
Funds transferred to Swaziland	55,215	245,099	300,314	76,795	243,434	320,229
Education fees paid	-	220	220	310	-	310
Mission Impact	-	36,640	36,640	-	14,645	14,645
Shipping costs	-	7,917	7,917	-	4,550	4,550
Support Costs (Note 8)	1,835	84,765	86,600	5,201	35,509	40,710
<b>TOTAL</b>	<b>57,050</b>	<b>374,641</b>	<b>431,691</b>	<b>82,306</b>	<b>298,138</b>	<b>380,444</b>

**Note 7 Expenditure on raising funds**

	<b>Restricted Funds 2024 £</b>	<b>Unrestricted Funds 2024 £</b>	<b>Total 2024 £</b>	<b>Restricted Funds 2023 £</b>	<b>Unrestricted Funds 2023 £</b>	<b>Total 2023 £</b>
Staff costs	-	47,211	47,211	-	34,984	34,984
Marketing and event costs	-	8,266	8,266	-	22,190	22,190
<b>TOTAL</b>	<b>-</b>	<b>55,477</b>	<b>55,477</b>	<b>-</b>	<b>57,174</b>	<b>57,174</b>

**Note 8 Support Costs**

	<b>2024 £</b>	<b>2023 £</b>
Staff costs	67,251	30,938
Office costs	4,590	1,852
Travel and accommodation costs	4,712	2,099
IT Consultancy	2,850	2,050
IT costs	6,251	1,466
Governance costs	945	2,305
<b>TOTAL</b>	<b>86,600</b>	<b>40,710</b>

Governance costs includes £945 paid to the independent examiner for the independent examination (2023- £845). During the year the average number of staff employed by the charity was 3 (2023 - 3). No employee received employee benefits of more than £60,000 (2023 - None).

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2024**

**Note 9 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Deferred income	31,491	13,586
Taxation and social security	2,192	671
Other creditors	1,033	1,537
	<b>34,716</b>	<b>15,794</b>

Deferred income relates to amounts received in relation to Mission Impact trips planned for after the year end.

**Note 10 Funds**

	<b>Balance at 1 April 2023</b>	<b>Income</b>	<b>Transfers to Eswatini</b>	<b>Allocated costs</b>	<b>Balance at 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
ICBC Kincesi	-	3,085	(950)		2,135
ICBC Gbeni and Ingwempisi	-	3,000	(3,000)		-
ICBC Mpolonjenni	-	4,000	(4,000)		-
ICBC Mshaweni		2,000	(2,000)		-
Hardship	189		(189)		-
Emergency relief		5,000	(5,000)		-
Clothing Drive	-	282	(216)	(66)	-
Hawane boys	-	15,000	(15,000)		-
Potters Wheel	1,000	9,900	(10,500)	(300)	100
Adoption fund	160		(144)	(16)	-
Solar lighting	-	8	(8)		-
Mens Life Group	150	650	(735)	(15)	50
Women Set free	850	1,807	(2,251)	(242)	164
Tertiary education	4,839	6,260	(9,710)	(983)	406
Presents	-	333	(103)	(10)	220
Medical emergency fund	1,289	112	(1,194)	(207)	-
Shoes for Orphans	204	7	(214)	3	-
<b>Total restricted funds</b>	<b>8,681</b>	<b>51,444</b>	<b>(55,214)</b>	<b>(1,836)</b>	<b>3,075</b>
<b>Unrestricted funds</b>	<b>89,887</b>	<b>373,185</b>	<b>(245,100)</b>	<b>(148,377)</b>	<b>69,595</b>
<b>Total funds</b>	<b>98,568</b>	<b>424,629</b>	<b>(300,314)</b>	<b>(150,213)</b>	<b>72,670</b>

**Challenge Ministries UK**  
**Notes to the accounts**  
**for the year ended 31 March 2024**

**Note 11 Analysis of net assets between funds**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Debtors	-	1	1
Cash	3,075	104,309	107,385
Liabilities	-	(34,716)	(34,716)
<b>Net assets</b>	<b>3,075</b>	<b>69,594</b>	<b>72,670</b>

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash	8,681	105,681	114,362
Liabilities	-	(15,794)	(15,794)
<b>Net assets</b>	<b>8,681</b>	<b>89,887</b>	<b>98,568</b>

**Note 12 Trustee donations, expenses and related party disclosures**

None of the trustees were paid any remuneration or received any other benefits as a trustee or from an employment in the charity (2023 - None).

No expenses were reimbursed to trustees during the year (2023 - None).

Donations from trustees during the year totalled £56,464 (2023 - £46,659)

There were no other related party transactions during the year (2023 - None) requiring disclosure.

**Note 13 Previous year's Statement of Financial Activities**

	<b>Notes</b>	<b>Restricted Funds 2023</b>	<b>Unrestricted Funds 2023</b>	<b>Total 2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>				
Donations	4	72,478	339,408	411,886
Charitable Activities	6	-	16,628	16,628
<b>Total income</b>		<b>72,478</b>	<b>356,036</b>	<b>428,514</b>
<b>Expenditure on:</b>				
Charitable Activities	5	82,306	298,138	380,444
Raising funds	7	-	57,174	57,174
<b>Total Expenditure</b>		<b>82,306</b>	<b>355,312</b>	<b>437,618</b>
<b>Net income/(expenditure)</b>		<b>(9,828)</b>	<b>724</b>	<b>(9,104)</b>

**Reconciliation of funds**

Total funds brought forward 1 April	18,509	89,163	107,672
Total funds carried forward 31 March	<b>8,681</b>	<b>89,887</b>	<b>98,568</b>

**Challenge Ministries UK**

England & Wales - Charity number 1162211

---

# Accounts

---

# CHALLENGE MINISTRIES SWAZILAND UK

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CHARITY NUMBER 1162211

## **CONTENTS**

---

	<b>Page</b>
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 8
Independent Examiner's report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the financial statements	12 - 17

## **Challenge Ministries Swaziland UK**

### **Reference and administrative details of the charity, its trustees and advisers**

<b>Trustees</b>	Simon Howard, Chair Tony Barwell Graham Brewer Lloyd Cheshire Mark Dowding Mark Herbert (appointed 20 September 2023) Tim Whan (appointed 7 December 2023) Glyn Williams
<b>Charity Registered Number</b>	1162211
<b>Registered Office</b>	Crendon House Westfield Road Long Crendon HP18 9EW
<b>Independent Examiner</b>	Gary Brookes FCA BSc FCIE
<b>Bankers</b>	The Co-operative Bank plc PO Box 50 Skelmersdale WN8 6YL
<b>Solicitors</b>	Anthony Collins, Solicitors 134 Edmund Street Birmingham B3 2ES

# **Challenge Ministries Swaziland UK**

## **Trustees' report for the year ended 31 March 2023**

### **OBJECTIVES AND ACTIVITIES**

#### **Summary of the purposes of the charity as set out in the governing document**

The objectives of the Charitable Incorporated Organisation, as set out in the Constitution are, in accordance with Christian principles set out in the Statement of Faith:

- i. The prevention and/or relief of poverty and/or financial hardship in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not exclusively) the construction of homes in local communities
- ii. The advancement of education in particular (but not exclusively) for the benefit of children and young people disadvantaged or marginalised by reason of economic, geographic or social circumstances in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not limited to) the provision of schools, educational facilities and apprenticeship training centres
- iii. The advancement of the Christian faith in particular (but not limited to) the provision of, or assistance in the provision of, discipleship and training centres
- iv. To promote and protect the physical and mental health of those infected and affected by HIV/AIDS in Swaziland and such other parts of Africa through the provision of financial assistance, support, education and practical advice
- v. To promote sustainable development for the benefit of the public by (i) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities in Africa, and (ii) the promotion of sustainable means of achieving economic growth and regeneration.

#### **Summary of the main activities undertaken in relation to these purposes**

Our primary purpose is to raise funds to help care for orphans and vulnerable children in Swaziland/Eswatini.

In particular, we are helping convert Bulembu, a disused mining town, into a community with schools, homes, healthcare facilities and businesses. The project is designed eventually to become self-sustaining with the profits from the businesses providing for the childcare costs. Bulembu has a dairy, a lodge and conference centre, a bakery, a honey factory and other smaller agricultural initiatives.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2023 (continued)**

CMS UK also provides support and raises funds for women's and men's centres providing holistic care for those living at the centres in a 12-month programme. The people cared for have emotional and behavioural problems. Some have been living on the streets, some have been abused and some have addiction problems. The centres provide vital care for these vulnerable young people.

In Community, By Community (ICBC) projects take holistic care and education into remote locations across Eswatini. Our model is to plant a church and a school in a rural location. The pastor and his wife will care for the spiritual and educational needs of the population they serve. Some of the ICBCs also provide a home for orphans and some have a borehole to provide a much needed source of clean water for the local community. A community nurse makes routine visits to each of the ICBCs in order to run clinics, providing healthcare to people often unable to reach other healthcare facilities.

CMS UK raises funds for all these projects in Eswatini through regular giving and child sponsorship, through fundraising events and by making grant applications. Our growth to date has mostly come from private individuals met at church or school-based events. Our intention for the future is to increase income from the business sector, through increased grant applications and by legacy giving in addition to growing our regular donor base.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Summary of main achievements during the year**

The year has seen significant development of the charity. Following the COVID pandemic we have been able to resume face to face fundraising and we restarted the programme of mission trips with one completed in the year. To support these activities and increase the charity's profile on social media the staff team was increased with an additional headcount.

Taking people to see the work of CMS on a 2-week mission trip remains a key activity as it is when people see the challenges in Eswatini and see the impact that CMS are making that we capture hearts. Most people become donors once they have been on a mission trip. The mission trips also give an opportunity for participants to serve in Eswatini and to create connections with the work carried out there.

Donations from trustees and the income from MTech Access meant that virtually all CMS UK support and fundraising costs are covered, which enables the charity to transfer most other donations in full to support the work in Eswatini. During the year £320,229 was transferred as grants to Eswatini, an increase of 6% on the £302,026 transferred in the previous financial year.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2023 (continued)**

We are extremely grateful to those donors who continued to support the charity on a regular basis, as well as those who gave one-off donations to support our core work of caring for orphans and vulnerable children and other projects to address difficulties faced in Eswatini. In the year we were also able to provide financial support to enable drilling of boreholes so that clean water is available to rural communities, to develop ICBC buildings and to continue supporting young adults through tertiary education. Funds we also raised and transferred to support urgent medical needs in Eswatini and the Potters Wheel church.

### **FINANCIAL REVIEW**

#### **Review of the charity's financial position at the end of the financial year**

Total income for the year was £429k, which was an increase from £372k the previous year. Regular income through our child sponsorship programme reduced a little with donations of £99k. However promotional events in person were restarted in the year and a successful choir tour was held which resulted in significant one-off income. The charity recognised income from contributions of £16,628 against the costs of a mission impact trip and received further amounts, totalling £13,586 towards future trips and this amount is recognised as a creditor.

Support and fundraising costs totalled £98k, which was a significant increase on the previous year total of £68k. This was due to an increased investment in our staff team and increased marketing and event costs as a result of being able to attend in person exhibitions and the costs of the UK tour of a choir from Eswatini.

The charity was able to distribute funds of £320k to Eswatini during the year and at the year end, the charity held total funds of £98k, a small decrease compared to the previous year end figure of £108k.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2023 (continued)**

### **FUTURE PLANS**

The trustees plan to continue to develop and grow the charity, maintaining its focus on making a difference to the lives of vulnerable children in Eswatini.

The charity continues to improve its fundraising activities whilst carefully managing the level of costs incurred. Our donor relationship management system enables us to become more systematic in how we grow our donor pool and the investment in our staff team enables us to develop further our work with our ambassadors, who have a passion for CMS and the people of Eswatini, promoting our work in schools, churches and businesses. In this way we will grow a much larger volunteer resource who can promote CMS across the UK.

Our longer-term vision is to raise £1m per year in the UK.

### **RESERVES POLICY**

The trustees have reviewed the charity's reserves policy to assist in achieving long term stability, commensurate with the risks it faces, particularly relating to a significant fall in income and unexpected costs being incurred. The trustees take into account the level of recurring income it expects to receive to meet its operational costs. The trustees seek to hold unrestricted reserves in the range of £50-70k. At the year end unrestricted reserves were £90k.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2023 (continued)**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The organisation is a charitable incorporated organisation, incorporated on 15 June 2015. The organisation was established under a constitution which outlines the objects and powers of the organisation and is a registered charity (charity number 1162211).

In common with Christian based organisations across the nation the trustees have had to be mindful of the needs to consider the Charity Commission's guidance of assessing all activities in the light of public benefit so that they are open to all people regardless of personal circumstances and backgrounds.

#### **Methods used to recruit and appoint new charity trustees**

New trustees are appointed by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the contribution to the skills mix and balance within the board is considered. Trustees that are appointed would be expected to support the values of the organisation.

### **RISK POLICY**

The biggest financial risks to achieving the charity's objectives is the impact of exchange rates and protection of funds held. Money raised in the UK is buying less in Eswatini if the sterling exchange rate falls. All funds of the charity are held with its main bankers.

As a charity which supports those helping children and other vulnerable people overseas, the trustees are very mindful of their responsibilities for safeguarding and protecting from harm those who come into contact with the charity. There are child protection policies in place, ensuring that their wellbeing and safety is ensured at all times. All trustees and staff of the charity have received training on the importance of safeguarding and in the charity's policies and procedures.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2023 (continued)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required under charity law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and its results for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for the safeguarding of the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **APPROVAL**

This report was approved by the trustees on 10 January 2024 and signed on their behalf

DocuSigned by:  
  
80964AC2444F445...

Simon Howard, Chair

**Challenge Ministries Swaziland UK  
for the year ended 31 March 2023  
Independent Examiner's Report to the Trustees of Challenge  
Ministries Swaziland UK**

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2023 which is set out on pages 10 to 17.

***Responsibilities and basis of report***

As the charity trustees of the company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('The Act')

I report in respect of my examination of the charity's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the Act

***Independent Examiner's Statement***

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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) the accounting records were not kept in respect of the company as required by section 130 of the Act, or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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

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.

Signed



Date 12/01/2024

Gary Peter Brookes  
Fellow of The Institute of Chartered Accountants of England and Wales  
130 Wombourne Park  
Wombourne  
South Staffs  
WV5 0LY

**Challenge Ministries Swaziland UK**  
**Statement of Financial Activities**  
**for the year ended 31 March 2023**

	Notes	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<b>Income from:</b>					
Donations	4	72,478	339,408	411,886	371,995
Charitable Activities	5	-	16,628	16,628	-
<b>Total Income</b>		<u>72,478</u>	<u>356,036</u>	<u>428,514</u>	<u>371,995</u>
<b>Expenditure on:</b>					
Charitable Activities	6	82,306	298,138	380,444	338,093
Raising funds	7	-	57,174	57,174	36,641
<b>Total Expenditure</b>		<u>82,306</u>	<u>355,312</u>	<u>437,618</u>	<u>374,734</u>
<b>Net (Expenditure)/Income</b>		<u>(9,828)</u>	<u>724</u>	<u>(9,104)</u>	<u>(2,739)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward 1 April 2022		18,509	89,163	107,672	110,411
Total funds carried forward 31 March 2023		<u>8,681</u>	<u>89,887</u>	<u>98,568</u>	<u>107,672</u>

**Challenge Ministries Swaziland UK**  
**Balance Sheet**  
**As at 31 March 2023**

	Notes	2023		2022	
		£	£	£	£
<b>Current Assets</b>					
Cash at bank and in hand		114,362		124,995	
Debtors		-		-	
		<u>114,362</u>		<u>124,995</u>	
<b>Creditors: amounts falling due within one year</b>	9		(15,794)		(17,323)
<b>Net Assets</b>			<u><b>98,568</b></u>		<u><b>107,672</b></u>
<b>Charity Funds</b>					
Restricted Funds	10		8,681		18,509
Unrestricted Funds	10		89,887		89,163
<b>Total Funds</b>			<u><b>98,568</b></u>		<u><b>107,672</b></u>

The financial statements were approved by the Trustees on 10 January 2024 and signed on their behalf by:

DocuSigned by:

*Simon Howard*

80964AC2444F445.....

Trustee

Mr Simon Howard, Chair

**Challenge Ministries Swaziland UK**

**for the year ended 31 March 2023**

**Notes to the accounts**

**Note 1 Basis of preparation**

The charity is a Charitable Incorporated Organisation and constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition published October 2019, the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value.

**Note 2 Accounting policies**

**Recognition of income** Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Grants and donations** Grants and donations are only included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

**Legacies** Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

**Tax reclaims on donations and gifts** Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Donated goods** Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

**Challenge Ministries Swaziland UK**  
**for the year ended 31 March 2023**  
**Notes to the accounts (continued)**

**Note 2 (continued)**

**Accounting policies**

**Donated services and facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

**Support costs**

The charity has incurred expenditure on support costs. Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

**Note 3**

**Key judgements and assumptions concerning the future in applying the accounting policies**

Donations received relating to Mission Impact trips planned for after the year end have not been recognised as income to the extent of contributions received in excess of costs incurred up to the year end, as these amounts may need to be repaid after the year end if for any reason a planned trip did not go ahead.

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

**Challenge Ministries Swaziland UK**  
**Notes to the accounts**  
**for the year ended 31 March 2023**

**Note 4 Donations**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Child Sponsorship	-	99,198	99,198	-	106,566	106,566
Donations and gifts	69,203	200,728	269,930	69,378	150,599	219,977
Gift Aid	3,275	39,482	42,756	2,429	43,023	45,452
<b>TOTAL</b>	<b>72,478</b>	<b>339,408</b>	<b>411,886</b>	<b>71,807</b>	<b>300,188</b>	<b>371,995</b>

**Note 5 Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Unrestricted Funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Mission Impact	<u>16,628</u>	<u>-</u>

**Challenge Ministries Swaziland UK**  
**Notes to the accounts**  
**for the year ended 31 March 2023**

**Note 6 Charitable Activities**

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £
Funds transferred to Swaziland	76,795	243,434	320,229	71,253	230,773	302,026
Education fees paid	310	-	310	-	-	-
Mission Impact	-	14,645	14,645	-	-	-
Shipping costs	-	4,550	4,550	-	4,641	4,641
Support Costs (Note 8)	5,201	35,509	40,710	4,577	26,849	31,426
<b>TOTAL</b>	<b>82,306</b>	<b>298,138</b>	<b>380,444</b>	<b>75,830</b>	<b>262,263</b>	<b>338,093</b>

**Note 7 Expenditure on raising funds**

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total 2023 £	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £
Staff costs	-	34,984	34,984	-	36,538	36,538
Marketing and event costs	-	22,190	22,190	-	103	103
<b>TOTAL</b>	<b>-</b>	<b>57,174</b>	<b>57,174</b>	<b>-</b>	<b>36,641</b>	<b>36,641</b>

**Note 8 Support Costs**

	2023 £	2022 £
Staff costs	30,938	15,290
Office costs	1,852	2,088
Travel and accommodation costs	2,099	288
IT Consultancy	2,050	4,500
IT costs	1,466	6,315
Governance costs	2,305	2,945
<b>TOTAL</b>	<b>40,710</b>	<b>31,426</b>

Governance costs includes £895 paid to the independent examiner for the independent examination (2022- £845). During the year the average number of staff employed by the charity was 3 (2022 - 3). No employee received employee benefits of more than £60,000 (2022 - None).

**Challenge Ministries Swaziland UK****Notes to the accounts****for the year ended 31 March 2023****Note 9 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deferred income	13,586	16,370
Taxation and social security	671	860
Other creditors	1,537	93
	<b>15,794</b>	<b>17,323</b>

Deferred income relates to amounts received in relation to Mission Impact trips planned for after the year end.

**Note 10 Funds**

	<b>Balance at 1 April 2022</b>	<b>Income</b>	<b>Transfers to Eswatini</b>	<b>Allocated costs</b>	<b>Balance at 31 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
ICBC Building	-	5,000	(4,500)	(500)	-
Tractor Fund	-	5,000	(4,500)	(500)	-
Water pipeline	120	-	-	(120)	-
Hardship Fund	-	944	(755)	-	189
Borehole	13,660	17,000	(28,994)	(1,666)	-
Potters Wheel	1,000	12,000	(10,800)	(1,200)	1,000
Men's Centre	100	1,650	(1,440)	(160)	150
Women's Centre	471	2,034	(1,433)	(222)	850
Adoption Fund	-	160	-	-	160
Tertiary education support	2,260	12,935	(9,626)	(730)	4,839
Provision of presents	-	68	(60)	(8)	-
Medical Emergency Fund	157	14,776	(13,394)	(249)	1,289
Shoes for Orphans	741	911	(1,293)	(156)	203
<b>Total restricted funds</b>	<b>18,509</b>	<b>72,478</b>	<b>(76,795)</b>	<b>(5,511)</b>	<b>8,681</b>
<b>Unrestricted funds</b>	<b>89,163</b>	<b>356,036</b>	<b>(243,434)</b>	<b>(111,878)</b>	<b>89,887</b>
<b>Total funds</b>	<b>107,672</b>	<b>428,514</b>	<b>(320,229)</b>	<b>(117,389)</b>	<b>98,568</b>

**Challenge Ministries Swaziland UK****Notes to the accounts****for the year ended 31 March 2023****Note 11 Analysis of net assets between funds**

	Restricted Funds	Unrestricted Funds	Total 2023
	£	£	£
Cash	8,681	105,681	114,362
Liabilities	-	(15,794)	(15,794)
<b>Net assets</b>	<b>8,681</b>	<b>89,887</b>	<b>98,568</b>

	Restricted Funds	Unrestricted Funds	Total 2022
	£	£	£
Cash	-	124,995	124,995
Liabilities	-	(17,323)	(17,323)
<b>Net assets</b>	<b>-</b>	<b>107,672</b>	<b>107,672</b>

**Note 12 Trustee donations, expenses and related party disclosures**

None of the trustees were paid any remuneration or received any other benefits as a trustee or from an employment in the charity (2022 - None).

No expenses were reimbursed to trustees during the year (2022 - None).

Donations from trustees during the year totalled £46,659 (2022 - £33,838)

There were no other related party transactions during the year (2022 - None) requiring disclosure.

**Note 13 Previous year's Statement of Financial Activities**

	Notes	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £
<b>Income from:</b>				
Donations	4	71,807	300,188	371,995
<b>Total income</b>		<b>71,807</b>	<b>300,188</b>	<b>371,995</b>
<b>Expenditure on:</b>				
Charitable Activities	5	75,830	262,263	338,093
Raising funds	7	-	36,641	36,641
<b>Total Expenditure</b>		<b>75,830</b>	<b>298,904</b>	<b>374,734</b>
<b>Net income/(expenditure)</b>		<b>(4,023)</b>	<b>1,284</b>	<b>(2,739)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward 1 April 2021		22,532	87,879	110,411
Total funds carried forward 31 March 2022		18,509	89,163	107,672

**Challenge Ministries UK**

England & Wales - Charity number 1162211

---

# Accounts

---

# CHALLENGE MINISTRIES SWAZILAND UK

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

CHARITY NUMBER 1162211

## **CONTENTS**

---

	<b>Page</b>
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 8
Independent Examiner's report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the financial statements	12 - 17

## **Challenge Ministries Swaziland UK**

### **Reference and administrative details of the charity, its trustees and advisers**

**Trustees** Simon Howard, Chair  
Tony Barwell  
Graham Brewer  
Lloyd Cheshire  
Mark Dowding  
Ralph Turner (resigned 12 January 2022)  
Glyn Williams

**Charity Registered Number** 1162211

**Registered Office** Crendon House  
Westfield Road  
Long Crendon  
HP18 9EW

**Independent Examiner** Gary Brookes FCA BSc FCIE

**Bankers** The Co-operative Bank plc  
PO Box 50  
Skelmersdale  
WN8 6YL

**Solicitors** Anthony Collins, Solicitors  
134 Edmund Street  
Birmingham  
B3 2ES

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2022**

### **OBJECTIVES AND ACTIVITIES**

#### **Summary of the purposes of the charity as set out in the governing document**

The objectives of the Charitable Incorporated Organisation, as set out in the Constitution are, in accordance with Christian principles set out in the Statement of Faith:

- i. The prevention and/or relief of poverty and/or financial hardship in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not exclusively) the construction of homes in local communities
- ii. The advancement of education in particular (but not exclusively) for the benefit of children and young people disadvantaged or marginalised by reason of economic, geographic or social circumstances in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not limited to) the provision of schools, educational facilities and apprenticeship training centres
- iii. The advancement of the Christian faith in particular (but not limited to) the provision of, or assistance in the provision of, discipleship and training centres
- iv. To promote and protect the physical and mental health of those infected and affected by HIV/AIDS in Swaziland and such other parts of Africa through the provision of financial assistance, support, education and practical advice
- v. To promote sustainable development for the benefit of the public by (i) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities in Africa, and (ii) the promotion of sustainable means of achieving economic growth and regeneration.

#### **Summary of the main activities undertaken in relation to these purposes**

Our primary purpose is to raise funds to help care for orphans and vulnerable children in Swaziland/Eswatini.

In particular, we are helping convert Bulembu, a disused mining town, into a community with schools, homes, healthcare facilities and businesses. The project is designed eventually to become self-sustaining with the profits from the businesses providing for the childcare costs. Bulembu has a dairy, a lodge and conference centre, a bakery, a honey factory, an essential oils business and other smaller agricultural initiatives.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2022 (continued)**

CMS UK also provides support and raises funds for women's and men's centres providing holistic care for those living at the centres in a 12-month programme. The people cared for have emotional and behavioural problems. Some have been living on the streets, some have been abused and some have addiction problems. The centres provide vital care for these vulnerable young people.

In Community, By Community (ICBC) projects take holistic care and education into remote locations across Eswatini. Our model is to plant a church and a school in a rural location. The pastor and his wife will care for the spiritual and educational needs of the population they serve. Some of the ICBCs also provide a home for orphans and some have a borehole to provide a much needed source of clean water for the local community. A community nurse makes routine visits to each of the ICBCs in order to run clinics, providing healthcare to people often unable to reach other healthcare facilities.

CMS UK raises funds for all these projects in Eswatini through regular giving and child sponsorship, through fundraising events and by making grant applications. Our growth to date has mostly come from private individuals met at church or school-based events. Our intention for the future is to increase income from the business sector sponsoring the Bulembu businesses, through increased grant applications and by legacy giving in addition to growing our regular donor base.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Summary of main achievements during the year**

When the COVID pandemic hit, we were unable to do any face to face fundraising and so we switched to virtual events and this situation has largely continued through the 2021/22 financial year. All mission trips were put on hold and no conferences or exhibitions were attended. Longer term this could have a negative impact on CMS UK growth as these activities are a primary source of new donors. Mission trips recommenced in October 2022.

Taking people to see the work of CMS on a 2-week mission trip remains a key fundraising activity as it is when people see the challenges in Eswatini and see the impact that CMS are making that we capture hearts. Most people become donors once they have been on a mission trip.

Donations from trustees and the income from MTech Access meant that virtually all CMS UK support and fundraising costs are covered, which enables the charity to transfer other donations in full to support the work in Eswatini.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2022 (continued)**

With the continuing restrictions as a result of COVID, 2021/22 was a year of consolidation and we are extremely grateful to those donors who continued to support the charity on a regular basis, as well as those who gave one-off donations to support our core work of caring for orphans and vulnerable children and other projects to address difficulties faced in Eswatini. In the year we were also able to provide financial support to enable solar lighting to be installed, to construct a church and school building at the Mhlangatane ICBC and to continue supporting young adults through tertiary education.

### **FINANCIAL REVIEW**

#### **Review of the charity's financial position at the end of the financial year**

Total income for the year was £372k, which was a reduction from the exceptionally high level of income the previous year as the substantial level one-off income in the previous year was not expected to be repeated. Regular income through our child sponsorship programme continued to increase with donations of £107k, a 10% increase on the previous year. Promotional events could still not be held during most of the year and as noted above Mission Impact trips were postponed. The charity continues to hold contributions of £16,370 received towards future trips and this amount is recognised as a creditor.

Support and fundraising costs totalled £68k, similar to the level in the previous year. This includes costs incurred in implementing a new donor relationship management system and consultancy costs to develop the charity's policies and procedures for safeguarding.

The charity was able to distribute funds of £302k to Eswatini during the year and at the year end, the charity held total funds of £108k, a small decrease compared to the previous year end figure of £110k.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2022 (continued)**

### **FUTURE PLANS**

The trustees plan to continue to develop and grow the charity, maintaining its focus on making a difference to the lives of vulnerable children in Eswatini.

The charity continues to improve its fundraising activities whilst carefully managing the level of costs incurred. Our donor relationship management system enables us to become more systematic in how we grow our donor pool and are planning in the current financial year to develop further our fundraising team to work with our ambassadors, who have a passion for CMS and the people of Eswatini, promoting our work in schools, churches and businesses. In this way we will grow a much larger volunteer resource who can promote CMS across the UK.

Our longer-term vision is to raise £1m per year in the UK.

### **RESERVES POLICY**

The trustees have reviewed the charities reserves policy to assist in achieving long term stability, commensurate with the risks it faces, particularly relating to a significant fall in income and unexpected costs being incurred. The trustees take into account the level of recurring income it expects to receive to meet its operational costs. The trustees seek to hold unrestricted reserves in the range of £50-70k. At the year end unrestricted reserves were £89k.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2022 (continued)**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The organisation is a charitable incorporated organisation, incorporated on 15 June 2015. The organisation was established under a constitution which outlines the objects and powers of the organisation and is a registered charity (charity number 1162211).

In common with Christian based organisations across the nation the trustees have had to be mindful of the needs to consider the Charity Commission's guidance of assessing all activities in the light of public benefit so that they are open to all people regardless of personal circumstances and backgrounds.

#### **Methods used to recruit and appoint new charity trustees**

New trustees are appointed by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the contribution to the skills mix and balance within the board is considered. Trustees that are appointed would be expected to support the values of the organisation.

### **RISK POLICY**

The biggest financial risks to achieving the charity's objectives is the impact of exchange rates and protection of funds held. Money raised in the UK is buying less in Eswatini if the sterling exchange rate falls. All funds of the charity are held with its main bankers.

As a charity which supports those helping children and other vulnerable people overseas, the trustees are very mindful of their responsibilities for safeguarding and protecting from harm those who come into contact with the charity. There are child protection policies in place, ensuring that their wellbeing and safety is ensured at all times. During the year end these policies and procedures have been reviewed, with the assistance of an expert, independent consultant. All trustees and staff of the charity have received training on the importance of safeguarding and in the charity's policies and procedures.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2022 (continued)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required under charity law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and its results for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for the safeguarding of the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **APPROVAL**

This report was approved by the trustees on 18 January 2023 and signed on their behalf

DocuSigned by:  
*Simon Howard*  
80964AC2444F445...

Simon Howard, Chair

# **Challenge Ministries Swaziland UK for the year ended 31 March 2022 Independent Examiner's Report to the Trustees of Challenge Ministries Swaziland UK**

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2022 which is set out on pages 10 to 17.

## ***Responsibilities and basis of report***

As the charity trustees of the company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('The Act')

I report in respect of my examination of the charity's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the Act

## ***Independent Examiner's Statement***

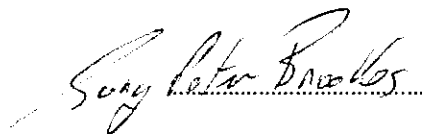
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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) the accounting records were not kept in respect of the company as required by section 130 of the Act, or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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

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.

Signed



Date 19/1/2023

Gary Peter Brookes  
Fellow of The Institute of Chartered Accountants of England and Wales  
130 Wombourne Park  
Wombourne  
South Staffs  
WV5 0LY

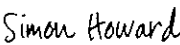
**Challenge Ministries Swaziland UK**  
**Statement of Financial Activities**  
**for the year ended 31 March 2022**

	Notes	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Income from:</b>					
Donations	4	71,807	300,188	371,995	525,380
<b>Total Income</b>		<u>71,807</u>	<u>300,188</u>	<u>371,995</u>	<u>525,380</u>
<b>Expenditure on:</b>					
Charitable Activities	5	75,830	262,263	338,093	471,589
Raising funds	6	-	36,641	36,641	38,811
<b>Total Expenditure</b>		<u>75,830</u>	<u>298,904</u>	<u>374,734</u>	<u>510,400</u>
<b>Net (Expenditure) /Income</b>		<u>(4,023)</u>	<u>1,284</u>	<u>(2,739)</u>	<u>14,980</u>
<b>Reconciliation of funds</b>					
Total funds brought forward 1 April 2021		<u>22,532</u>	<u>87,879</u>	<u>110,411</u>	<u>95,431</u>
Total funds carried forward 31 March 2022		<u>18,509</u>	<u>89,163</u>	<u>107,672</u>	<u>110,411</u>

**Challenge Ministries Swaziland UK****Balance Sheet****As at 31 March 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Current Assets</b>					
Cash at bank and in hand		124,995		136,139	
Debtors		-		-	
			124,995		136,139
<b>Creditors: amounts falling due within one year</b>	8		(17,323)		(25,728)
<b>Net Assets</b>			<b>107,672</b>		<b>110,411</b>
<b>Charity Funds</b>					
Restricted Funds	9		18,509		22,532
Unrestricted Funds	9		89,163		87,879
<b>Total Funds</b>			<b>107,672</b>		<b>110,411</b>

The financial statements were approved by the Trustees on 18 January 2023 and signed on their behalf by:

DocuSigned by:  
  
 80984AC2444F445.....

Trustee

Mr Simon Howard, Chair

**Challenge Ministries Swaziland UK**  
**for the year ended 31 March 2022**  
**Notes to the accounts**

**Note 1**                    **Basis of preparation**

The charity is a Charitable Incorporated Organisation and constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition published October 2019, the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value.

**Note 2**                    **Accounting policies**

**Recognition of income**      Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Grants and donations**      Grants and donations are only included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

**Legacies**                      Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

**Tax reclaims on donations and gifts**      Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Donated goods**              Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

**Challenge Ministries Swaziland UK  
for the year ended 31 March 2022  
Notes to the accounts (continued)**

**Note 2 (continued)**

**Accounting policies**

**Donated services and facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

**Support costs**

The charity has incurred expenditure on support costs. Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Governance and support costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

**Note 3**

**Key judgements and assumptions concerning the future in applying the accounting policies**

Donations received relating to Mission Impact trips planned for after the year end have not been recognised as income. Given the impact of the COVID-19 pandemic, trips have been cancelled or postponed so it has been assumed that these donations may need to be repaid after the year end.

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

**Challenge Ministries Swaziland UK****Notes to the accounts****for the year ended 31 March 2022****Note 4 Donations**

	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2021 £
Child Sponsorship	-	106,566	106,566	-	97,076	97,076
Donations and gifts	69,378	150,599	219,977	39,124	344,634	383,758
Gift Aid	2,429	43,023	45,452	1,170	43,376	44,546
<b>TOTAL</b>	<b>71,807</b>	<b>300,188</b>	<b>371,995</b>	<b>40,294</b>	<b>485,086</b>	<b>525,380</b>

**Note 5 Charitable Activities**

	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2021 £
Funds transferred to Swaziland	71,253	230,773	302,026	42,282	403,146	445,428
Mission Impact	-	-	-	-	(7,132)	(7,132)
Shipping costs	-	4,641	4,641	-	3,480	3,480
Support Costs (Note 7)	4,577	26,849	31,426	2,777	27,036	29,813
<b>TOTAL</b>	<b>75,830</b>	<b>262,263</b>	<b>338,093</b>	<b>45,059</b>	<b>426,530</b>	<b>471,589</b>

**Note 6 Expenditure on raising funds**

	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total 2022 £	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2021 £
Staff costs	-	36,538	36,538	-	38,721	38,721
Marketing and event costs	-	103	103	-	90	90
<b>TOTAL</b>	<b>-</b>	<b>36,641</b>	<b>36,641</b>	<b>-</b>	<b>38,811</b>	<b>38,811</b>

**Challenge Ministries Swaziland UK**  
**Notes to the accounts**  
**for the year ended 31 March 2022**

**Note 7 Support Costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff costs	15,290	13,635
Office costs	2,088	12,958
Travel and subsistence costs	288	-
IT Consultancy	4,500	-
IT costs	6,315	2,430
Governance costs	2,945	790
<b>TOTAL</b>	<b><u>31,426</u></b>	<b><u>29,813</u></b>

Governance costs includes £845 paid to the independent examiner for the independent examination.

During the year the average number of staff employed by the charity was 3 (2021 - 3). No employee received employee benefits of more than £60,000 (2021 - None).

**Note 8 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income	16,370	20,702
Taxation and social security	860	521
Other creditors	93	4,505
	<b><u>17,323</u></b>	<b><u>25,728</u></b>

Deferred income relates to donations received in relation to Mission Impact trips planned for after the year end. However due to the impact of Covid-19 these trips have been cancelled or postponed so income will not be recognised until the trips occur. During the year, £4,332 was repaid to donors.

**Challenge Ministries Swaziland UK****Notes to the accounts****for the year ended 31 March 2022****Note 9 Funds**

	<b>Balance at 1 April 2021</b>	<b>Income</b>	<b>Transfers to Eswatini</b>	<b>Allocated costs</b>	<b>Balance at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
Mhlanghatane In Community, By Community	20,134	-	(20,134)	-	-
Mhlindazwe In Community, By Community	500	900	(1,260)	(140)	-
Water pipeline	982	120	(900)	(82)	120
Borehole	-	13,660	-	-	13,660
Solar lighting	-	7,187	(6,925)	(262)	-
Phephile leg	-	766	(766)	-	-
Potters Wheel	-	23,000	(19,800)	(2,200)	1,000
Ward support	-	4,725	(4,253)	(472)	-
Men's Centre	-	650	(495)	(55)	100
Women's Centre	-	1,881	(1,316)	(94)	471
Tertiary education support	766	15,497	(12,799)	(1,204)	2,260
Provision of presents	150	462	(544)	(68)	-
Medical Emergency Fund	-	157	-	-	157
Shoes for Orphans	-	2,802	(2,061)	-	741
<b>Total restricted funds</b>	<b>22,532</b>	<b>71,807</b>	<b>(71,253)</b>	<b>(4,577)</b>	<b>18,509</b>
<b>Unrestricted funds</b>	<b>87,879</b>	<b>300,188</b>	<b>(230,773)</b>	<b>(68,131)</b>	<b>89,163</b>
<b>Total funds</b>	<b>110,411</b>	<b>371,995</b>	<b>(302,026)</b>	<b>(72,708)</b>	<b>107,672</b>

**Challenge Ministries Swaziland UK**  
**Notes to the accounts**  
**for the year ended 31 March 2022**

**Note 10 Analysis of net assets between funds**

	Restricted Funds £	Unrestricted Funds £	Total 2022 £
Debtors	-	-	-
Cash		124,995	124,995
Liabilities	-	(17,323)	(17,323)
<b>Net assets</b>	<b>-</b>	<b>107,672</b>	<b>107,672</b>

	Restricted Funds £	Unrestricted Funds £	Total 2021 £
Debtors	-	-	-
Cash	22,532	113,607	136,139
Liabilities	-	(25,728)	(25,728)
<b>Net assets</b>	<b>22,532</b>	<b>87,879</b>	<b>110,411</b>

**Note 11 Trustee donations, expenses and related party disclosures**

None of the trustees were paid any remuneration or received any other benefits as a trustee or from an  
 No expenses were reimbursed to trustees during the year (2021 - None).

Donations from trustees during the year totalled £33,838 (2021 - £82,774)

There were no other related party transactions during the year (2021 - None) requiring disclosure.

**Note 12 Previous year's Statement of Financial Activities**

	Notes	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2021 £
<b>Income from:</b>				
Donations	4	40,294	485,086	525,380
<b>Total income</b>		<b>40,294</b>	<b>485,086</b>	<b>525,380</b>
<b>Expenditure on:</b>				
Charitable Activities	5	45,059	426,530	471,589
Raising funds	7	-	38,811	38,811
<b>Total Expenditure</b>		<b>45,059</b>	<b>465,341</b>	<b>510,400</b>
<b>Net income/(expenditure)</b>		<b>(4,765)</b>	<b>19,745</b>	<b>14,980</b>

**Reconciliation of funds**

Total funds brought forward 1 April 2020	27,297	68,134	95,431
Total funds carried forward 31 March 2021	<b>22,532</b>	<b>87,879</b>	<b>110,411</b>

**Challenge Ministries UK**

England & Wales - Charity number 1162211

---

# Accounts

---

# CHALLENGE MINISTRIES SWAZILAND UK

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

CHARITY NUMBER 1162211

## CONTENTS

---

	<b>Page</b>
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 8
Independent Examiner's report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the financial statements	12 - 17

**Challenge Ministries Swaziland UK**  
**Reference and administrative details of the charity, its trustees and advisers**

<b>Trustees</b>	Simon Howard, Chair Tony Barwell Graham Brewer Lloyd Cheshire Mark Dowding Ralph Turner Glyn Williams
<b>Charity Registered Number</b>	1162211
<b>Registered Office</b>	Crendon House Westfield Road Long Crendon HP18 9EW
<b>Independent Examiner</b>	Gary Brookes FCA BSc FCIE
<b>Bankers</b>	The Co-operative Bank plc PO Box 50 Skelmersdale WN8 6YL
<b>Solicitors</b>	Anthony Collins, Solicitors 134 Edmund Street Birmingham B3 2ES

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2021**

### **OBJECTIVES AND ACTIVITIES**

#### **Summary of the purposes of the charity as set out in the governing document**

The objectives of the Charitable Incorporated Organisation, as set out in the Constitution are, in accordance with Christian principles set out in the Statement of Faith:

- i. The prevention and/or relief of poverty and/or financial hardship in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not exclusively) the construction of homes in local communities
- ii. The advancement of education in particular (but not exclusively) for the benefit of children and young people disadvantaged or marginalised by reason of economic, geographic or social circumstances in Swaziland and such other parts of Africa as the charity trustees may from time to time decide by (but not limited to) the provision of schools, educational facilities and apprenticeship training centres
- iii. The advancement of the Christian faith in particular (but not limited to) the provision of, or assistance in the provision of, discipleship and training centres
- iv. To promote and protect the physical and mental health of those infected and affected by HIV/AIDS in Swaziland and such other parts of Africa through the provision of financial assistance, support, education and practical advice
- v. To promote sustainable development for the benefit of the public by (i) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities in Africa, and (ii) the promotion of sustainable means of achieving economic growth and regeneration.

#### **Summary of the main activities undertaken in relation to these purposes**

Swaziland, which has been renamed Eswatini, has the highest prevalence of HIV/AIDS in the world and as a consequence life expectancy has dropped to 32 years. The average age of a Swazi national is now 18 and 70% of the population live in poverty. Our primary purpose is to raise funds to help care for orphans and vulnerable children in Swaziland/Eswatini.

In particular, we are helping convert Bulembu, a disused mining town, into a community with schools, homes, healthcare facilities and businesses. The project is designed eventually to become self-sustaining with the profits from the businesses providing for the childcare costs. Bulembu has a bottled water business, a dairy, a lodge and conference centre, a bakery, a honey factory, an essential oils business and other smaller agricultural initiatives. In 2020 the business enterprises were hit hard by the COVID pandemic. CMS sold the water business in October 2020 and the honey business was downscaled to minimise losses.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2021 (continued)**

CMS UK also provides support and raises funds for women's and men's centres providing holistic care for those living at the centres in a 12-month programme. The people cared for have emotional and behavioural problems. Some have been living on the streets, some have been abused and some have addiction problems. The centres provide vital care for these vulnerable young people.

In Community, By Community (ICBC) projects take holistic care and education into remote locations across Eswatini. Our model is to plant a church and a school in a rural location. The pastor and his wife will care for the spiritual and educational needs of the population they serve. Some of the ICBCs also provide a home for orphans. A community nurse makes routine visits to each of the ICBCs in order to run clinics, providing healthcare to people often unable to reach other healthcare facilities.

CMS UK raises funds for all these projects in Eswatini through regular giving and child sponsorship, through fundraising events and by making grant applications. Our growth to date has mostly come from private individuals met at church or school-based events. Our intention for the future is to increase income from the business sector sponsoring the Bulembu businesses, through increased grant applications and by legacy giving in addition to growing our regular donor base.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Summary of main achievements during the year**

When the COVID pandemic hit, we were unable to do any face to face fundraising and so we switched to virtual events and these have been surprisingly effective. In May 2020 we conducted a virtual choir event instead of the usual face to face choir tour. This was our single greatest fundraising event during the year along with smaller "fun" raising events for people to try virtually, such as a bake a cake competition and a toilet roll challenge. Regular updates on the COVID crisis in Eswatini to existing donors enabled us to keep regular child sponsorship donations steady at a time we feared losses due to people being put on furlough.

All mission trips were put on hold and no conferences or exhibitions were attended. Longer term this could have a negative impact on CMS UK growth as these activities are a primary source of new donors.

Taking people to see the work of CMS on a 2-week mission trip remains a key fundraising activity as it is when people see the challenges in Eswatini and see the impact that CMS are making that we capture hearts. Most people become donors once they have been on a mission trip. 2020/21 was set up to be a record year with 8-9 teams booked to travel. The impact of COVID was that these planned trips have been postponed until it is safe to once again travel to the country.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2021 (continued)**

Donations from trustees and the income from MTech Access meant that all CMS UK expenditure is covered so we did not need to make any furlough or redundancy decisions.

During the year we took the decision to migrate our donor management system from E-Tapestry to Salesforce enabling better reporting and better data capture on all our donors. The Salesforce system is now used for most of our marketing processes and links to our financial data held in QuickBooks.

In summary, 2020/21 proved to be a year of exceptional growth despite COVID and the inability for face to face fundraising and the cancelling of mission teams. It seems that virtual fundraising is a good way to reach donors and drive income. As a result, the charity was able to distribute funds of £445k to Eswatini during the year. CMS UK is stable as running costs are covered by donations from MTech Access and trustees so the trustees do not anticipate any need to reduce the scale of the charity's operations and are confident that it will continue as a going concern.

### **FINANCIAL REVIEW**

#### **Review of the charity's financial position at the end of the financial year**

Total income was £525k, an increase of nearly 50% on the prior year. Our fundraising activity continued but was heavily adapted given the restrictions placed on us by the COVID pandemic. Promotional events could not be held and as noted above Mission Impact trips were postponed. The changes made to fundraising were successful and the generosity of donors in challenging times has been remarkable with a substantial increase in the level of one-off donations.

There was no income in the year from Charitable activities (mission trips) and £17,839 of contributions previously received for trips which have been postponed have been returned to the donors. The charity continues to hold contributions of £20,702 received towards future trips and this amount is recognised as a creditor.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2021 (continued)**

Support costs decreased to £33k, from the level of £36k in the previous year, largely due to reduced costs of travel although costs were incurred on the introduction of Salesforce system. Fundraising costs also decreased as no in-person fundraising events could be held due to the COVID pandemic.

With increased income and reduced cost, the charity was able to distribute funds of £445k to Eswatini during the year, compared to £193k in the previous year.

At the year end, the charity held funds of £110k, an increase over the previous year end figure of £95k.

### **FUTURE PLANS**

The trustees plan to continue to develop and grow the charity, maintaining its focus on making a difference to the lives of vulnerable children in Eswatini.

The exceptional level of income in the year to 31 March 2021 is not expected to be repeated in the following year. However, the charity continues to improve its fundraising activities whilst carefully managing the level of costs incurred. Our donor management system enables us to become more systematic in how we grow our donor pool and we have started recruiting people with a passion for CMS and the orphans of Eswatini to become ambassadors for us in their schools, churches and businesses. In this way we will grow a much larger volunteer resource who can promote CMS across the UK.

Our longer-term vision is to raise £1m per year in the UK.

### **RESERVES POLICY**

The trustees have reviewed the charities reserves policy to assist in achieving long term stability, commensurate with the risks it faces, particularly relating to a significant fall in income and unexpected costs being incurred. The trustees take in to account the level of recurring income it expects to receive to meet its operational costs. The trustees seek to hold unrestricted reserves in the range of £50-70k. At the year end unrestricted reserves were £88k although since the year end these have been reduced to within the range of the reserves policy as a result of further transfers of funds to Eswatini.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2021 (continued)**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The organisation is a charitable incorporated organisation, incorporated on 15 June 2015. The organisation was established under a constitution which outlines the objects and powers of the organisation and is a registered charity (charity number 1162211).

In common with Christian based organisations across the nation the trustees have had to be mindful of the needs to consider the Charity Commission's guidance of assessing all activities in the light of public benefit so that they are open to all people regardless of personal circumstances and backgrounds.

#### **Methods used to recruit and appoint new charity trustees**

New trustees are appointed by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the contribution to the skills mix and balance within the board is considered. Trustees that are appointed would be expected to support the values of the organisation.

### **RISK POLICY**

The biggest financial risk to achieving the charity's objectives is the impact of exchange rates. Money raised in the UK is buying less in Eswatini if the sterling exchange rate falls.

As a charity which supports those helping children and other vulnerable people overseas, the trustees are very mindful of their responsibilities for safeguarding and protecting from harm those who come into contact with the charity. There are child protection policies in place, ensuring that their wellbeing and safety is ensured at all times. Since the year end these policies and procedures have been reviewed, with the assistance of an expert, independent consultant. All trustees and staff of the charity are receiving training on the importance of safeguarding and in the charities policies and procedures.

## **Challenge Ministries Swaziland UK Trustees' report for the year ended 31 March 2021 (continued)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are required under charity law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and its results for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for the safeguarding of the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **APPROVAL**

This report was approved by the trustees on 13 January 2022 and signed on their behalf

DocuSigned by:  
*Simon Howard*  
80984AC2444F445...

Simon Howard, Chair

**Challenge Ministries Swaziland UK  
for the year ended 31 March 2021  
Independent Examiner's Report to the Trustees of Challenge  
Ministries Swaziland UK**

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2021 which is set out on pages 10 to 17.

***Responsibilities and basis of report***

As the charity trustees of the company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('The Act')

I report in respect of my examination of the charity's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the Act

***Independent Examiner's Statement***

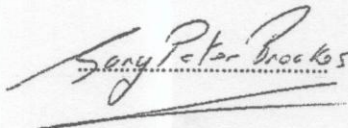
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

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) the accounting records were not kept in respect of the company as required by section 130 of the Act, or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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

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.

Signed



Date 18/01/2022

Gary Peter Brookes  
Fellow of The Institute of Chartered Accountants of England and Wales  
130 Wombourne Park  
Wombourne  
South Staffs  
WV5 0LY

**Challenge Ministries Swaziland UK**  
**Statement of Financial Activities**  
**for the year ended 31 March 2021**

	Notes	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>Income from:</b>					
Donations	4	40,294	485,086	525,380	271,932
Charitable Activities	6	-	-	-	38,940
Events		-	-	-	43,092
<b>Total Income</b>		<u>40,294</u>	<u>485,086</u>	<u>525,380</u>	<u>353,964</u>
<b>Expenditure on:</b>					
Charitable Activities	7	45,059	426,530	471,589	283,051
Raising funds	8	-	38,811	38,811	64,151
<b>Total Expenditure</b>		<u>45,059</u>	<u>465,341</u>	<u>510,400</u>	<u>347,202</u>
<b>Net (Expenditure)/Income</b>		<u>(4,765)</u>	<u>19,745</u>	<u>14,980</u>	<u>6,762</u>
<b>Reconciliation of funds</b>					
Total funds brought forward 1 April 2020		<u>27,297</u>	<u>68,134</u>	<u>95,431</u>	<u>88,669</u>
Total funds carried forward 31 March 2021		<u>22,532</u>	<u>87,879</u>	<u>110,411</u>	<u>95,431</u>

**Challenge Ministries Swaziland UK**  
**Balance Sheet**  
**As at 31 March 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Current Assets</b>					
Cash at bank and in hand		136,139		129,676	
Debtors		-		5,298	
			136,139		134,974
<b>Creditors: amounts falling due within one year</b>	10		(25,728)		(39,543)
<b>Net Assets</b>			<u>110,411</u>		<u>95,431</u>
<b>Charity Funds</b>					
Restricted Funds	11		22,532		27,297
Unrestricted Funds	11		87,879		68,134
<b>Total Funds</b>			<u>110,411</u>		<u>95,431</u>

The financial statements were approved by the Trustees on 13 January 2022 and signed on their behalf by:

DocuSigned by:

*Simon Howard*

.....8098AAC2144AF445.....

Trustee

Mr Simon Howard, Chair

**Challenge Ministries Swaziland UK**  
**for the year ended 31 March 2021**  
**Notes to the accounts**

**Note 1**                    **Basis of preparation**

The charity is a Charitable Incorporated Organisation and constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition published October 2019, the Charities Act 2011 the and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value.

**Note 2**                    **Accounting policies**

**Recognition of income**      Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Grants and donations**      Grants and donations are only included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

**Legacies**                      Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

**Tax reclaims on donations and gifts**      Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Donated goods**              Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

**Challenge Ministries Swaziland UK**  
**for the year ended 31 March 2021**  
**Notes to the accounts (continued)**

**Note 2 (continued)**

**Accounting policies**

**Donated services and facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

**Support costs**

The charity has incurred expenditure on support costs. Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Governance and support costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

**Note 3**

**Key judgements and assumptions concerning the future in applying the accounting policies**

Donations received relating to Mission Impact trips planned for after the year end have not been recognised as income. Given the impact of the COVID-19 pandemic, trips have been cancelled or postponed so it has been assumed that these donations may need to be repaid after the year end.

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

**Challenge Ministries Swaziland UK**  
**Notes to the accounts**  
**for the year ended 31 March 2021**

**Note 4 Donations**

	Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Grant (Note 5)	-	-	-	5,298	-	5,298
Child Sponsorship	-	97,076	97,076	-	86,722	86,722
Donations and gifts	39,124	344,635	383,758	39,471	115,191	154,662
Gift Aid	1,170	43,376	44,546	1,779	23,471	25,250
<b>TOTAL</b>	<b>40,294</b>	<b>485,086</b>	<b>525,380</b>	<b>46,548</b>	<b>225,384</b>	<b>271,932</b>

**Note 5 Grant**

	Restricted Funds	Unrestricted Funds	Restricted Funds	Unrestricted Funds
	2021	2021	2020	2020
	£	£	£	£
Peter Stebbings Memorial Charity	-	-	5,298	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>5,298</b>	<b>-</b>

The grant from the Peter Stebbings Memorial Charity is funding the installation of a new pipeline supplying safe drinking water for sanitation, hygiene, irrigation and cooking from a reservoir to Bulembu village.

**Note 6 Charitable Activities**

	Unrestricted Funds	Unrestricted Funds
	2021	2020
	£	£
Mission Impact	-	38,940

**Challenge Ministries Swaziland UK****Notes to the accounts**

for the year ended 31 March 2021

**Note 7 Charitable Activities**

	Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Funds transferred to Swaziland	42,282	403,146	445,428	19,251	173,909	193,160
Mission Impact	-	(7,132)	(7,132)	-	54,189	54,189
Support Costs (Note 9)	2,777	30,516	33,293	-	35,702	35,702
<b>TOTAL</b>	<b>45,059</b>	<b>426,530</b>	<b>471,589</b>	<b>19,251</b>	<b>263,800</b>	<b>283,051</b>

**Note 8 Expenditure on raising funds**

	Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Staff costs	-	38,721	38,721	-	36,893	36,893
Marketing and event costs	-	90	90	-	27,258	27,258
<b>TOTAL</b>	<b>-</b>	<b>38,811</b>	<b>38,811</b>	<b>-</b>	<b>64,151</b>	<b>64,151</b>

**Note 9 Support Costs**

	2021	2020
	£	£
Staff costs	13,635	13,893
Office costs	12,958	4,051
Travel and subsistence costs	-	2,892
Training costs	-	126
IT costs	2,430	2,705
Shipping costs	3,480	10,698
Governance costs	790	1,337
<b>TOTAL</b>	<b>33,293</b>	<b>35,702</b>

Governance costs includes £790 paid to the independent examiner for the independent examination.

During the year the average number of staff employed by the charity was 3 (2020 - 3). No employee received employee benefits of more than £60,000 (2020 - None).

**Challenge Ministries Swaziland UK**  
**Notes to the accounts**  
**for the year ended 31 March 2021**

**Note 10 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Deferred income	20,702	38,541
Taxation and social security	521	804
Other creditors	4,505	198
	<u>25,728</u>	<u>39,543</u>

Deferred income relates to donations received in relation to Mission Impact trips planned for after the year end. However due to the impact of Covid-19 these trips have been cancelled or postponed so income will not be recognised until the trips occur. During the year, £17,839 was repaid to donors.

**Note 11 Funds**

	Balance at 1 April 2020	Income	Transfers to Eswatini	Support costs	Balance at 31 March 2021
	£	£	£		£
<b>Restricted funds</b>					
Mhlanghatane In Community, By Community	21,999	135	(2,000)	-	20,134
Mhlindazwe In Community, By Community		500	-	-	500
Water pipeline		982	-	-	982
Water Pump		3,000	(3,000)	-	-
Hardship Fund		10,000	(10,000)	-	-
Fire protection		2,629	(2,366)	(263)	-
Provision of text books		4,484	(4,270)	(214)	-
Provision of bulk food		3,500	(3,500)		-
Media equipment		2,615	(2,353)	(262)	-
Tertiary education support		11,889	(9,656)	(1,467)	766
Provision of presents		560	(369)	(41)	150
Peter Stebbings Memorial Charity	5,298	-	(4,768)	(530)	-
Total restricted funds	<u>27,297</u>	<u>40,294</u>	<u>(42,282)</u>	<u>(2,777)</u>	<u>22,532</u>
<b>Unrestricted funds</b>	<u>68,134</u>	<u>485,086</u>	<u>(403,146)</u>	<u>(62,195)</u>	<u>87,879</u>
<b>Total funds</b>	<u>95,431</u>	<u>525,380</u>	<u>(445,428)</u>	<u>(64,972)</u>	<u>110,411</u>

**Challenge Ministries Swaziland UK****Notes to the accounts**

for the year ended 31 March 2021

**Note 12 Analysis of net assets between funds**

	Restricted Funds £	Unrestricted Funds £	Total 2021 £
Debtors	-	-	-
Cash	22,532	113,607	136,139
Liabilities	-	(25,728)	(25,728)
<b>Net assets</b>	<b>22,532</b>	<b>87,879</b>	<b>110,411</b>

	Restricted Funds £	Unrestricted Funds £	Total 2020 £
Debtors	5,298	-	5,298
Cash	21,999	107,677	129,676
Liabilities	-	(39,543)	(39,543)
<b>Net assets</b>	<b>27,297</b>	<b>68,134</b>	<b>95,431</b>

**Note 13 Trustee donations, expenses and related party disclosures**

None of the trustees were paid any remuneration or received any other benefits as a trustee or from an  
No expenses were reimbursed to trustees during the year (2020 - None).

Donations from trustees during the year totalled £82,774 (2020 - £54,410)

There were no other related party transactions during the year (2020 - None) requiring disclosure.

**Note 14 Previous year's Statement of Financial Activities**

	Notes	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total 2020 £
<b>Income from:</b>				
Donations	4	46,548	225,384	271,932
Charitable Activities	6	-	38,940	38,940
Events		-	43,092	43,092
<b>Total income</b>		<b>46,548</b>	<b>307,416</b>	<b>353,964</b>
<b>Expenditure on:</b>				
Charitable Activities	7	19,251	263,800	283,051
Raising funds	9	-	64,151	64,151
<b>Total Expenditure</b>		<b>19,251</b>	<b>327,951</b>	<b>347,202</b>
<b>Net income/(expenditure)</b>		<b>27,297</b>	<b>(20,535)</b>	<b>6,762</b>

**Reconciliation of funds**

Total funds brought forward 1 April 2019	-	88,669	88,669
Total funds carried forward 31 March 2020	27,297	68,134	95,431