

Company No. 2238901

Charity No. 299332

DEVELOPMENT THROUGH CHALLENGE

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



Development Through Challenge
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For the year ended 31 December 2020

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Development Through Challenge

Legal and administrative details

For the year ended 31 December 2020

Status	The organisation is a charitable Company limited by guarantee, incorporated on 23 March 1988 and registered as a charity on 24 May 1988.	
Governing Document	The Company was established under a memorandum of association, which establishes the objects and powers of the charitable Company and is governed under its articles of association.	
Company number	2238901	
Charity number	299332	
Registered office and operational address	Mile End Climbing Wall Haverfield Road London E3 5BE	
Honorary officers	Tim Nash (ex Chairman) Rod Leefe (new Chair) Martin Soulsby Kevin Murphy (ex Secretary) Adam Blewett (new Secretary) Brenda Taggart Calum Mclean Salim Hafejee Matt Teague Hiren Joshi Carolina Philippini Khatejia Hafesji	Resigned 20/04/20 Appointed 20/04/20 Hon Treasurer Resigned 07/09/20 Appointed 22/03/21 Appointed 28/09/20 Resigned 22/03/21 Resigned 22/03/21 Resigned 22/03/21 Appointed 22/03/21 Appointed 22/03/21
Principal Staff	Andy Reid Dean Straw	Chief Executive Officer to January 2021 Chief Executive Officer from 24/03/21
Bankers	National Westminster Bank PO Box 3242 Albion Yard 331/335 Whitechapel Road London E1 1AU	
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE	
Auditors	Goldwins Limited Chartered Accountants 75 Maygrove Road West Hampstead	

London
NW6 2EG

Development Through Challenge

Report of the Trustees

For the year ended 31 December 2020

The Trustees present their report and the audited financial statements for the year ended 31 December 2020.

Legal and administrative information is set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities: (FRS 102).

Objects of the Charity

The aims of Development through Challenge (DTC) are to help people to develop themselves through challenging physical activity, principally climbing and mountaineering.

Its principal facility is the Mile End Indoor Climbing Wall, a centre for bouldering and climbing. Recreational climbers attend to train both for an active lifestyle within the urban environment and for climbing expeditions throughout the world. Professional instruction is provided for our own climbing courses and for schools.

The Year's Activities

A wide range of people and groups visit and benefit from the facilities, including recreational climbers both adult and children; youth groups and schools. Interest in indoor climbing is growing as participants recognise it as an exciting option of exercise in the urban environment.

MECW continues to support the development of the National Indoor Award Scheme (NICAS). Our CEO sits on their board of trustees and the scheme continues to expand.

Achievements and performance

During 2020 Covid-19 measures restricted the ability of many organisations from achieving as much as they had in previous years. We are no exception. Along with other indoor sporting venues we were obliged to close for much of the year. This meant that not only could we not trade but also that we could not benefit climbers, schools or the local community. We supported our staff, taking advantage of the furlough arrangements and other resources.

The reserves we have accumulated over the years allowed us to weather the months we spent closed and permit us to approach the future with confidence.

We're very grateful to our staff for their loyalty and goodwill during difficult times for them and the organisation.

The Future

As the country tentatively reopens in 2021 we continue to improve our facility with a strong focus on safety and safeguarding as well as the integrity and quality of our climbing surfaces and experience. We have a new leadership team focused not only on the continual improvement of our operation but also on making a greater positive impact on our climbing and local communities.

Development Through Challenge
Report of the Trustees
For the year ended 31 December 2020

Governance and Staffing

A Board of Trustees who initiate, assess and review the work of DTC, its staff and resources undertake the government of the charity. The audited accounts and the annual report are reviewed and approved at a Trustee Meeting.

Reserves Policy

It is the policy of DTC to maintain, where possible, sufficient general reserves to allow DTC to maintain the climbing wall, premises and core staff and remain open while sustaining a significant temporary drop in customers and revenue. DTC also carries insurance for loss of income arising from any major disruption to the activity of the climbing wall.

Risk Statement

The Trustees of DTC, together with the auditors, conduct regular risk reviews of the activities. Apart from normal commercial risk, the principal areas requiring management are: Health and Safety, internal control and the segregation of duties, and the loss of customers to competing facilities.

A governance document is in place setting out the roles and responsibilities and financial authorities of the trustees and management. All staff have written job descriptions. Financial procedures and internal controls have been reviewed; and monthly management accounts on a full accrual basis is produced.

The Trustees consider that adequate systems exist to identify major risks and that adequate steps have been taken to mitigate those risks currently identified.

Statement of the responsibilities of the Trustees

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding

Development Through Challenge
Report of the Trustees
For the year ended 31 December 2020

the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Goldwins Limited have expressed their willingness to continue in office and in accordance with Section 485(2) Companies Act 2006, a resolution for their reappointment will be laid before the Annual General Meeting.

Statement as to Disclosure of Information to Auditors

The Trustees in office at the date of approval of this report have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Approved by the Trustees on **28 June 2021**

And signed on their behalf by:



.....
Rod Leefe

Independent Auditor's Report

To the members of

Development Through Challenge

Opinion

We have audited the financial statements of Development Through Challenge for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its income and expenditure for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report

To the members of

Development Through Challenge

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

To the members of

Development Through Challenge

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

Independent Auditor's Report
To the members of
Development Through Challenge

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 9 September 2021

.....
Anthony Epton (Senior Statutory Auditor)
for and on behalf of
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

Development Through Challenge

Statement of financial activities (incorporating income and expenditure account)

For the year ended 31 December 2020

Income from:	Note	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Donations and grants	3a	1,338	221,811	223,149	7,978
<i>Charitable activities:</i>					
▪ Climbing facilities	3b	-	513,924	513,924	1,340,138
<i>Other trading activities:</i>					
▪ Sub letting	3c	-	2,890	2,890	2,981
▪ Café income		-	21,961	21,961	59,646
Total income		<u>1,338</u>	<u>760,586</u>	<u>761,924</u>	<u>1,410,743</u>
Expenditure on:					
▪ Advertising and fundraising		-	2,351	2,351	696
▪ Café		-	16,435	16,435	38,852
Charitable activities					
▪ Climbing facilities		157	1,018,826	1,018,983	1,131,389
Total expenditure		<u>157</u>	<u>1,037,612</u>	<u>1,037,769</u>	<u>1,170,937</u>
Net income / (expenditure)		1,181	(277,026)	(275,845)	239,806
Transfer between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	13	1,181	(277,026)	(275,845)	239,806
Funds at the start of the year		<u>3,932</u>	<u>831,787</u>	<u>835,719</u>	<u>595,913</u>
Funds at the end of the year		<u>5,113</u>	<u>554,761</u>	<u>559,874</u>	<u>835,719</u>

All of the above results are derived from continuing activities. There are no other recognised gains or losses other than stated above.

Development Through Challenge
Balance Sheet
As at 31 December 2020

	Note	£	2020 £	2019 £
Fixed assets				
Tangible fixed assets	8		174,110	156,031
Current assets				
▪ Debtors	9	12,348		70,066
▪ Cash at bank and in hand		<u>523,694</u>		<u>691,427</u>
		536,042		761,494
Creditors: amounts falling due within one year	10	<u>(100,278)</u>		<u>(81,805)</u>
Net current assets			<u>435,764</u>	<u>679,688</u>
Total assets less current liabilities			609,874	835,719
Creditors: amounts falling due after one year	10	<u>(50,000)</u>		=
Net assets	11		<u>559,874</u>	<u>835,719</u>
Funds	12			
Restricted funds			5,113	3,932
Unrestricted				
▪ General funds			<u>554,761</u>	<u>831,787</u>
Total funds			<u>559,874</u>	<u>835,719</u>

Approved by the directors on 28th June **2021** and signed on their behalf by:



.....
Rod Leefe
Chairman

Company No. 2238901

Development Through Challenge
Statement of Cash Flows
For the year ended 31 December 2020

	Note	2020	2019
		£	£
Net cash provided by / (used in) operating activities	14	<u>(102,606)</u>	<u>255,020</u>
Cash flows from investing activities:			
Interest/ rent/ dividends from investments		-	-
Sale/ (purchase) of fixed assets		<u>(65,127)</u>	<u>(1,701)</u>
Cash provided by / (used in) investing activities		<u>(166,733)</u>	<u>(1,701)</u>
Change in cash and cash equivalents in the year		(167,733)	253,319
Cash and cash equivalents at the beginning of the year		691,427	438,108
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year		<u>523,694</u>	<u>691,427</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

1. Accounting policies

- a) The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

Development Through Challenge meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost.

- b) The trustees consider there are no material uncertainties about Development Through Challenge ability to continue as a going concern.
- c) Voluntary income is received by way of donations and is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost.
- d) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.
- e) Grants for the purchase of fixed assets are credited to incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted fund. Where a fixed asset is donated to the charity for its own use, it is treated in a similar way to a restricted grant.
- f) Fees income represents income derived from members to use facilities and is stated exclusive of value added tax. This includes a one off member charge which entitles the member to use the facilities thereafter. These membership charges are recognised when received.
- g) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- h) Expenditure is recognised in the period in which they are incurred. Total expenditure includes attributable VAT, which cannot be recovered.

Management and administration costs include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

- i) The costs of generating funds relate to the costs incurred by the charity in raising funds for the charitable work.

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

Accounting policies (continued)

- j) Depreciation is provided at rates calculated to write down the cost of each asset on a straight-line basis to its estimated residual value over its expected useful life. The depreciation rates in use as follows:

▪ Improvement to premises	over the remaining life of the lease or shorter, as appropriate
▪ Climbing wall	10 years
▪ Climbing equipment	5 years
▪ Office equipment	5 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their realisable value and value in use.

- k) Stocks are started at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realised value is the price at which stocks can be sold in the normal course of business after allowing for the cost of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.
- l) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- m) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

2. Detailed comparatives for the statement of financial activities

Income from:	2019 Restricted £	2019 Unrestricted £	2019 Total £
Donations and grants	4,523	3,455	7,978
<i>Charitable activities:</i>			
▪ Climbing facilities	-	1,340,138	1,340,138
<i>Other trading activities:</i>			
▪ Sub letting	-	2,981	2,981
▪ Café income	<u>-</u>	<u>59,646</u>	<u>59,646</u>
Total income	<u>4,523</u>	<u>1,406,220</u>	<u>1,410,743</u>
Expenditure on:			
▪ Advertising and fundraising	-	696	696
▪ Café	-	38,852	38,852
Charitable activities			
▪ Climbing facilities	<u>4,946</u>	<u>1,126,443</u>	<u>1,131,389</u>
Total expenditure	<u>4,946</u>	<u>1,165,991</u>	<u>1,170,937</u>
Net income / (expenditure)	(423)	240,229	239,806
Transfer between funds	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	(423)	240,229	239,806
Funds at the start of the year	<u>4,355</u>	<u>591,558</u>	<u>595,913</u>
Funds at the end of the year	<u>3,932</u>	<u>831,787</u>	<u>835,719</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

3a. Donations, legacies and similar income

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Counter Donations	-	6,468	6,468	776
Grants and other donations	1,338	213,477	214,815	6,153
Gift Aid	<u>-</u>	<u>1,866</u>	<u>1,866</u>	<u>1,049</u>
Total	<u>1,338</u>	<u>221,811</u>	<u>223,149</u>	<u>7,978</u>

3b. Climbing facility income

	2020 Total £	2019 Total £
Climbing and equipment hire fees	413,474	931,619
Membership fees	25,910	63,825
Course fees	<u>74,540</u>	<u>344,694</u>
	<u>513,924</u>	<u>1,340,138</u>

3c. Other trading activities

	2020 Total £	2019 Total £
Subletting income	2,890	2,981
Café income	<u>21,961</u>	<u>59,646</u>
	<u>24,851</u>	<u>62,627</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

4. Total Expenditure

	Advertising / Fundraising £	Café £	Climbing facilities £	Support Costs £	2020 Total £	2019 Total £
Staff cost (Note 6)	-	-	643,662	-	643,662	673,949
Premises	-	-	108,635	-	108,635	42,640
General office cost	-	-	89,027	-	89,027	97,396
Insurance	-	-	10,666	-	10,666	21,911
Legal & professional fees	-	-	-	25,641	25,641	36,333
Audit & accountancy	-	-	-	6,560	6,560	6,420
Training costs	-	-	1,786	-	1,786	2,793
Contract climbing costs	-	-	21,030	-	21,030	113,753
Bank charges and interest	-	-	-	16,951	16,951	27,170
Advertising and promotion	2,351	-	-	-	2,351	696
Climbing equipment	-	-	9,752	-	9,752	14,104
Maintenance Wall	-	-	12,709	-	12,709	33,199
General repair and maintenance	-	-	25,516	-	25,516	25,099
Purchase of goods for resale	-	16,435	-	-	16,435	38,852
Depreciation	-	-	47,048	-	47,048	36,622
Total	2,351	16,435	969,831	49,152	1,037,769	1,170,937
Support costs allocation	-	-	49,152	(49,152)	-	
Total Expenditure 2020	2,351	16,435	1,018,983	-	1,037,769	
Total Expenditure 2019	696	38,852	1,131,389	-		1,170,937

Support costs are allocated between activities on the basis of staff time spent.

Of the total expenditure £157 was restricted expenditure (2019: £4,946) and £1,037,612 was unrestricted expenditure (2019: £1,165,991).

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

5. Net income / (expenditure) for the year

This is stated after charging:

	2020	2019
	£	£
Depreciation	47,048	36,622
Auditors' remuneration	6,560	6,300

No trustee received any remuneration during the year and no trustee was reimbursed for travel or any other expenses (2019 – Nil).

6. Staff costs and numbers

Staff costs were as follows:

	2020	2019
	£	£
Salaries and wages	586,431	621,672
Social security costs	36,784	42,420
Other Staff costs	<u>20,447</u>	<u>9,857</u>
	<u>643,662</u>	<u>673,949</u>

Total employee benefits including pension contributions of the key management personnel were £61,448 (2019: £60,285).

No employee earned more than £60,000 during the year. The average number of employees during the year was as follows:

	2020	2019
	No.	No.
Running of the climbing facilities	42	44
Management and administration	<u>1</u>	<u>1</u>
	<u>43</u>	<u>45</u>

7. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. No tax charges have arisen in the Charity.

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2020

8. Tangible fixed assets

	Improvement to premises £	Climbing wall £	Climbing equipment £	Office Equipment £	Total £
Cost					
At the start of the year	<u>489,961</u>	<u>661,517</u>	<u>121,184</u>	<u>121,103</u>	<u>1,393,765</u>
Additions	<u>3,438</u>	<u>25,638</u>	<u>6,588</u>	<u>29,463</u>	<u>65,127</u>
At the end of year	<u>493,399</u>	<u>687,155</u>	<u>127,772</u>	<u>150,566</u>	<u>1,458,892</u>
Depreciation					
At the start of the year	<u>489,961</u>	<u>519,508</u>	<u>117,171</u>	<u>111,094</u>	<u>1,237,734</u>
Charge for the year	<u>344</u>	<u>30,782</u>	<u>4,605</u>	<u>11,317</u>	<u>47,048</u>
At the end of the year	<u>490,305</u>	<u>550,290</u>	<u>121,776</u>	<u>122,411</u>	<u>1,284,782</u>
Net book value					
At the end of the year	<u>3,094</u>	<u>136,865</u>	<u>5,996</u>	<u>28,155</u>	<u>174,110</u>
At the start of the year	<u>-</u>	<u>142,009</u>	<u>4,013</u>	<u>10,009</u>	<u>156,031</u>

9. Debtors

	2020 £	2019 £
Trade debtors	4,929	66,270
Other debtors and prepayments	<u>7,419</u>	<u>3,796</u>
	<u>12,348</u>	<u>70,066</u>

10. Creditors: amounts falling due within one year

	2020 £	2019 £
Taxation and social security	16,968	26,190
Accruals and other creditors	83,310	50,431
Deferred income	<u>-</u>	<u>5,184</u>
	<u>100,278</u>	<u>81,805</u>

11. Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loan	<u>50,000</u>	<u>-</u>
	<u>50,000</u>	<u>-</u>

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12. Analysis of net assets between funds

	Restricted Funds £	General funds £	Total Funds £
Tangible fixed assets	-	174,110	174,110
Net current assets	5,113	430,651	435,764
Long term liability	-	(50,000)	(50,000)
Net assets at the end of the year	<u>5,113</u>	<u>554,761</u>	<u>559,874</u>

Analysis of net assets between funds 2019

	Restricted Funds £	General funds £	Total Funds £
Tangible fixed assets	-	156,031	156,031
Net current assets	<u>3,932</u>	<u>675,756</u>	<u>679,688</u>
Net assets at the end of the year	<u>3,932</u>	<u>831,787</u>	<u>835,719</u>

13. Movements in funds

	At the start of the year £	Income £	Expenses £	Transfers £	At the end of the year £
Restricted funds:					
Squad funds	<u>3,932</u>	<u>1,338</u>	<u>(157)</u>	-	<u>5,113</u>
	3,932	1,338	(157)		5,113
General funds	<u>831,787</u>	<u>760,586</u>	<u>(1,037,612)</u>	-	<u>554,761</u>
Total funds	<u>835,719</u>	<u>761,924</u>	<u>(1,037,769)</u>	-	<u>559,874</u>

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Movement in funds 2019

	At the start of the year £	Income £	Expenses £	Transfers £	At the end of the year £
Restricted funds:					
Squad funds	<u>4,355</u>	<u>4,523</u>	<u>(4,946)</u>	<u>-</u>	<u>3,932</u>
	4,355	4,523	(4,946)	-	3,932
General funds	<u>591,558</u>	<u>1,406,220</u>	<u>(1,165,991)</u>	<u>-</u>	<u>831,787</u>
Total funds	<u>595,913</u>	<u>1,410,743</u>	<u>(1,170,937)</u>	<u>-</u>	<u>835,719</u>

Purpose of restricted funds

Squad fund: this fund represents amounts received and spent on the training and development of climbing squad.

14. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(275,845)	239,806
Depreciation	47,048	36,622
(Loss)/ profit on the sale of fixed assets	-	-
(Increase)/ decrease in debtors	57,718	1,923
Increase/ (decrease) in creditors	<u>68,473</u>	<u>(23,331)</u>
Net cash provided by / (used in) operating activities	<u>(102,606)</u>	<u>255,020</u>

15. Related party transactions

No trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year (2019 – Nil).