

CHALLENGE AID

REPORT AND ACCOUNTS

31 MARCH 2016



ChallengeAid
fit for a purpose

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31 MARCH 2016

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CHALLENGE AID

COMPANY INFORMATION

Directors

G.A.Birkett
P.A.Brewer
R.J.Bywater
I.M. Hunt
J.P.Marshall

Secretary

I.O. Thomas

Registered Company Number

5318179

Registered Charity Number

1109055

Registered Office

1 Kings Road
Llandovery
Carmarthenshire
SA20 OAW

CHALLENGE AID

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 March 2016.

Principal activity

ChallengeAid promotes health and fitness in UK schools, colleges, businesses and adults whilst benefitting disadvantaged children living in some of Africa's worst slums.

ChallengeAid's aim is to activate and empower young people and adults to make a difference through sponsored activity and exercise.

The Charity was established in 2005 to help disadvantaged children who live in appalling conditions in the developing world. This is being achieved by raising the awareness of schoolchildren in the UK about the severe poverty children in other parts of the world experience. This occurs largely through the provision to schools of DVD's and visits to promote exercise and awareness about the work of ChallengeAid.

None of the money raised through exercise, whether by schools & colleges or adult challenges, is used for administrative purposes.

Administrative costs are specifically covered by trustees' and private patrons' donations.

ChallengeAid is most grateful to those people who commit funding to the Charity.

Over the past few years there have been an increasing numbers of adults who have wanted to do challenges for ChallengeAid. The title Schoolchildren for Children is still appropriate for Primary and Preparatory schools, but we now operate exclusively as ChallengeAid for the purpose of engaging secondary schools, universities, corporate bodies and individuals in open challenges.

ChallengeAid is a company limited by guarantee.

Financial overview

The company received funds totalling £139,254 (2015: £121,659) during the year and incurred direct charitable expenditure totalling £73,914 (2015: £64,482). Details of awards made are given in note 4 to the accounts. The balance of funds carried forward at 31 March 2016 is £45,552 (2015: £33,530).

Review

There is an increasing range of adult sponsored challenges being undertaken by an increasing number of adults. These challenges vary from running, climbing mountains, cycling and many other arduous challenges, all of which can be viewed on our website.

We are currently supporting St. Prisca and a number of "Schools of Hope" in Nairobi, working with the Carlile Urban Mission and Pamoja Trust on the ground in the slum areas:-

St Prisca

Enabling 60 AIDS orphans and children made vulnerable by AIDS in Korogocho, Nairobi, to receive education, food and health care.

CHALLENGE AID

REPORT OF THE DIRECTORS (Continued)

Schools of Hope

Our focus however continues to be the development of Schools of Hope (SoH). These are alternative and complementary forms of education designed to help provide children, who go to school or more importantly, who need to either work or look after their younger siblings during the day, with the opportunity of an education in the evening to help to take them out of poverty. Most do not have lighting or space in their homes so they attend each evening during the week. ChallengeAid's support covers the provision of text books, desks and chairs, secure storage space and electric lighting. There is also a study programme of life skills support such as substance abuse education and HIV/Aids awareness programmes. The pupils also spend time creating music and drama and at weekends there are sports teams and coaching opportunities. We are currently catering for almost 1,500 children on a daily basis with the SoH programme. There is an increasing demand for places and this innovative programme is expanding rapidly.

Going forward, ChallengeAid aims to increase the number of participating schools, clubs and Colleges participating in fundraising activity events and to increase the number of adults raising money through a wider variety of challenges, and to increase the amount of Schools of Hope and consequently the number of pupils who are able to benefit from this programme.

This year ChallengeAid Africa has been set up as a company in its own right which means that we no longer need to rely on partners in Kenya running the SoH's for us. This has had a huge effect on increasing our efficiency with our own dedicated co-ordinator operating out of Nairobi. This also has positive implications on ChallengeAid's sustainability in the future as she can co-ordinate with all of the previous partners and keep an eye on their efficiency. This year has also seen us expanding into Tanzania with two new SoH's being established in Arusha.

Directors

The directors of the company who served during the year are as follows.

G.A.Birkett

P.A.Brewer

R.J. Bywater

R. Davies (resigned 28 April 2015)

I. M. Hunt

J.P.Marshall

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board of Directors on and signed on its behalf by:

P.A. Brewer
Director



Date: 4th October 2016.

**Chartered Accountants' Report to the Board of Directors
on the unaudited financial statements of ChallengeAid**

In accordance with our engagement letter and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 March 2016 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Warren Clare
Chartered Accountants

04/10/2016

CHALLENGE AID

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2016

INCOME AND EXPENDITURE	Note	2016 £	2015 £
Incoming resources			
Donations	2	128,321	116,313
Gift aid repayments/HMRC refunds		10,391	4,710
Other income		508	615
Interest receivable		34	20
Total incoming resources		<u>139,254</u>	<u>121,659</u>
Resources expended			
Fundraising trading costs	3	19,749	17,916
Charitable expenditure	4	73,914	64,482
Management and administration of the charity	5	33,569	29,564
Total resources expended		<u>127,232</u>	<u>111,962</u>
Net incoming/(outgoing) resources for the year		12,022	9,697
Fund balances brought forward		<u>33,530</u>	<u>23,833</u>
Fund balances carried forward at 31 March 2016		<u>45,552</u>	<u>33,530</u>

The notes on pages 8-9 form part of these accounts.

CHALLENGE AID - REGISTERED NUMBER 5318179

BALANCE SHEET

31 MARCH 2016

		2016 £	2015 £
Current assets	<i>Note</i>		
Cash at bank and in hand		<u>45,552</u>	<u>35,030</u>
		45,552	35,030
Creditors			
Amounts falling due within one year	6	-	(1,500)
Net assets		<u><u>£45,552</u></u>	<u><u>£33,530</u></u>
Capital and reserves			
General fund		<u><u>£45,552</u></u>	<u><u>£33,530</u></u>

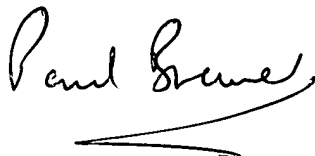
For the financial year ended 31 March 2016, the company was entitled to exemption from audit under section 477 Companies Act 2006. No notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The notes on pages 8-9 form part of these accounts.

Approved by the Board of Directors and signed on its behalf by

P.A. Brewer
Director



Date

4th October 2016

CHALLENGE AID
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Basis of accounting

The accounts have been prepared in accordance with applicable standards, the Statement of Recommended Practice - Accounting and Reporting by Charities, and under the historical cost convention.

Incoming resources and outgoing expenditure are accounted for on an accruals basis.

	2016	2015
	£	£
2 Donations received		
School challenges	12,675	4,454
Adult challenges	16,569	35,575
	<u>29,243</u>	<u>40,029</u>
 Fund raising events	 30,482	 34,894
Private Donations	41,596	33,790
Grants	27,000	7,600
	<u>128,321</u>	<u>116,313</u>

Income from schools represents 50% of funds actually raised for the schools. The balance of funds raised is retained directly by the schools.

3 Fundraising trading costs

Fundraising events	18,917	17,607
Other	832	309
	<u>19,749</u>	<u>17,916</u>

4 Direct charitable expenditure

St Prisca's School, Nairobi	10,700	10,400
Carlisle Urban Mission Homework Club (Kenya)	4,100	10,000
Rhino Ark	5,600	-
Schools of Hope (Pamoja)	-	12,000
Challenge & exercise activity	6,642	12,796
ChallengeAid Africa	24,343	-
Direct salary costs	12,920	10,734
Direct expenses	9,608	8,552
	<u>73,914</u>	<u>64,482</u>

CHALLENGE AID
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	£	
5 Management and administration of the charity		
Staff salaries	18,046	16,327
Public relations	1,387	1,199
Fundraising & Bidding consultancy	-	3,000
Promotional material	783	-
Legal and professional fees	3,521	1,965
Website maintenance	525	278
Premises costs	3,264	3,180
Insurance costs	1,279	286
Office supplies	2,843	1,975
Bank charges	940	1,307
Miscellaneous	982	47
	<u>33,569</u>	<u>29,564</u>

Costs incurred in the management and administration of the charity are covered by funds raised by private donors.

6 Creditors: amounts falling due within one year		
Accruals	<u>-</u>	<u>1,500</u>
	<u>-</u>	<u>1,500</u>