

ChallengeAid

Report and accounts

31 March 2020



ChallengeAid

REPORT AND ACCOUNTS

31 March 2020

CONTENTS

	Page
Company information	2
Report of the Directors	3-5
Accountants Report	6
Statement of financial activities	7
Balance sheet	8
Notes to the accounts	9-10

ChallengeAid

COMPANY INFORMATION

Directors	P.A.Brewer G.A.Birkett R.J.Bywater I.M. Hunt M. Ryan J. Cox M. Ellis
Secretary	I.O. Thomas
Registered Company Number	5318179
Registered Charity Number	1109055
Registered Office	1 Kings Road Llandovery Carmarthenshire SA20 0AW

ChallengeAid

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the accounts of the company for the year ended 31 March 2020.

Principal activities

ChallengeAid promotes health and fitness throughout the UK by motivating schools, universities, corporate groups and individuals to undertake physical challenges and raise money through sponsored activity and exercise. Most of our challenges are organised in-house so our costs are far less than those organised by for-profit companies for other charities.

Our pledge is that none of the money raised from any of these challenges or sponsored exercise is used for administrative purposes.

The aim of our charitable giving is to create "Schools of Hope" for aspirational young slum dwellers who may not be able to attend school during the day due to family or work commitments. These centres offer a complementary and alternative form of schooling, as well as a unique long term sustainable solution to the provision of education.

We believe that we are one of the very few charities that is able to respond to some of Africa's ongoing issues without creating a culture of dependency or bringing knee-jerk reactions to the latest crises.

Through our work we enable some of the poorest people in Africa to escape a lifetime of poverty.

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 visits to promote exercise and awareness about the work of ChallengeAid or sending presentations to schools.

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

ChallengeAid is a company limited by guarantee.

Financial overview:

The company received funds totalling £114,597 (2019: £146,133) during the year and incurred direct charitable expenditure totalling £77,876 (2019: £84,129). Details of awards made are given in note 4 to the accounts. The balance of funds carried forward at 31 March 2020 is £472 (2019: £25,466).

Review

St Prisca

Enabling 60 AIDS/orphans and children made vulnerable by AIDS in Korogocho, Nairobi to receive education, food and health care, though the level of impact for this project is being slowly phased out as it detracts from our main focus of the SoH programme.

Schools of Hope

Our major focus continues to be the development of Schools of Hope (SoH) which are 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 can attend each evening during the week and during weekends and school holidays. 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. Unusually for Kenya and the cultural norms of East Africa, we have more girls than boys attending our SoH's. This has largely been brought about through our sponsored Sanitary Pad programme which provides all adolescent girls who attend the SoH's regularly, with free sanitary pads. Since ChallengeAid began in 2005 over 10,000 pupils have benefitted from the SoH programme and we are currently catering for over 3,000 children each night, at weekends and during school holidays. We currently operate in Nairobi, Mombassa, Nyeri, the Aberdares, Bisil, Kajiado and Arusha in Tanzania.

We have in place quite an extensive extra-curricular programme. The pupils will spend time creating music and drama and at weekends there are sports teams and coaching opportunities. Our extra curricular programme now also includes regular Chess and debating competitions as well as providing coaching in Rugby, Football, Cricket & Volleyball. Over 40 Supervisors have received national Coaching Awards in Cricket, Rugby, Volleyball & Football. Last year our sporting festivals that took place in which over 300 students participated. Two years ago one girl was identified, and catapulted into playing Cricket in the Kenyan National U14 Squad. Last year we held several Arts festival for many pupils which took place in Arusha, Mathare & Kibera which included music, drama, dancing and recitation. A number of pupils from Kosovo SoH in Mathare got through to the final of a Chess Tournament for young people living in informal slum areas. Last year the two players were beaten but by another two players from our own SoH. Our numbers of Chess players continues to grow.

Adult Literacy Programme

This project is in Kajiado County - serving indigenous Masai households in four locations. We have currently enrolled 245 learners in 4 centres set up by the project, about 85% of the participants are women. Recently over 100 learners undertook a government exam in literacy. All passed.

The Project also promotes livelihood enhancement among women. Four savings and loans groups have been formed and trained to managing a simple documentation system. Over 100 women are participating. The ladies are making craft and will be selling these outside their villages with support from the project. 350 women/mothers have received training in hygiene, nutrition and childcare - the training is carried out by the Ministry of Public Health and targets women who attend adult literacy classes.

This is a one-year pilot project being implemented by ChallengeAid Africa with financial support from ERKO an NGO from Slovakia, which has now been extended.

Challenges & Events

Going forward ChallengeAid aims to increase the number of challenges organised by schools and colleges in the UK for their fundraising activity events and also to increase the number of adults raising money through a wider variety of challenges. This year we had the inaugural Welsh Three Peaks Team Challenge and next year we have a group walking 100 miles along the Great Wall of China.

ChallengeAid Africa

Two years ago we set up as a company and foundation 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 has had positive implications on ChallengeAid's sustainability in the future as we can now co-ordinate with all of the previous partners and keep an eye on their efficiency. Another exciting development is a new relationship with the Federation of Slum Dwellers which will enable us to identify suitable buildings in slum areas for any future SoH's and also will be able to help us identify Community Leadership groups from which and on which our SoH Committee can be formed in that area.

Directors

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

P.A. Brewer (Chair)
G.A. Birkett
R.J. Bywater
I. M. Hunt
M. Ryan
J. Cox
M. Ellis

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:

Paul Brewer

P.A. Brewer
Director

Date:

22/12/2020

**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 2020 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

Warren Clare

Date:

22/12/2020

ChallengeAid

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020

INCOME AND EXPENDITURE	Note	2020 £	2019 £
Incoming resources			
Donations	2	110,123	139,171
Gift aid repayments/HMRC refunds		6,387	6,563
Other income		(1,938)	380
Interest receivable		25	19
Total incoming resources		114,597	146,133
Resources expended			
Fundraising trading costs	3	17,669	24,849
Charitable expenditure	4	77,876	84,129
Management and administration of the charity	5	44,046	45,084
Total resources expended		139,591	154,062
Net incoming/(outgoing) resources for the year		(24,994)	(7,929)
Fund balances brought forward		25,466	33,395
Fund balances carried forward at 31 March 2020		472	25,466

The notes on pages 9-10 form part of these accounts.

BALANCE SHEET

31 March 2020

		2020 £	2019 £
Current assets	<i>Note</i>		
Cash at bank and in hand		<u>6,472</u>	<u>36,466</u>
		6,472	36,466
Creditors			
Amounts falling due within one year	6	(6,000)	(11,000)
Net assets		<u>£472</u>	<u>£25,466</u>
Capital and reserves			
General fund		<u>£472</u>	<u>£25,466</u>

For the financial year ended 31 March 2020, 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 9-10 form part of these accounts.

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

Paul Brewer

P.A. Brewer
Director

22/12/2020

Date

ChallengeAid
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020

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.

	2020 £	2019 £
2 Donations received		
School challenges	973	473
Adult challenges	2,193	4,488
	3,166	4,961
Fund raising events	29,848	55,639
Private Donations	77,109	78,571
Grants	-	-
	<u>110,123</u>	<u>139,171</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	17,669	24,849
Other	-	-
	<u>17,669</u>	<u>24,849</u>

4 Direct charitable expenditure

St Prisca's School, Nairobi	-	1,000
Challenge & exercise activity	-	-
ChallengeAid Africa	59,805	62,000
Direct salary costs	10,269	10,861
Direct expenses	7,802	10,267
	<u>77,876</u>	<u>84,129</u>

ChallengeAid
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
5 Management and administration of the charity		
Staff salaries	30,809	29,967
Public relations	67	174
Fundraising & Bidding consultancy	-	2,450
Promotional material	605	497
Legal and professional fees	382	3,109
Website maintenance	432	140
Premises costs	3,234	3,176
Insurance costs	1,837	1,748
Office supplies	2,698	3,282
Bank charges	422	541
Miscellaneous	3,560	-
	<u>44,046</u>	<u>45,084</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		
Loans	6,000	11,000
	-	-
	<u>6,000</u>	<u>11,000</u>