

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH
LEARNING DISABILITIES
(Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Company Registration No. NI027973 (Northern Ireland)
Registered with The Charity Commission for Northern Ireland NIC101686

CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING
DISABILITIES (A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Charitable Company Information	1
Trustees' Report	2
Independent Auditors' Report	7
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

COMPANY INFORMATION

Trustees	Mr K S Brundle – Chair Mr J McGregor – Vice Chair Mr M Dawson Mrs A Dunn Mr T Hopkins Dr P McLoughlin Mr J Melvin Mr O Paulin Mrs N Roche Mr J Rance (appointed October 2022)
Company Secretary	Mr O Paulin
Company Number	NI027973
Charity Number	NIC101686
Registered office	25–31 Lisburn Road Belfast BT9 7AA
Auditors	Moore (NI) LLP 4 th Floor – Donegall House 7 Donegall Square North Belfast BT1 5GB
Bankers	Bank of Ireland University Road Belfast BT7 1NA
Solicitors	Murphy O’Rawe Scottish Provident Buildings 4 th Floor 7 Donegall Square West Belfast BT1 6JF

CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also Directors for the purposes of company law, present their strategic report for the year ended 31 March 2023.

Objectives and Activities

The objectives for which the organisation was established are:

- To promote the preservation and safeguarding of mental health and particularly the relief of persons with learning disabilities within Northern Ireland.
- To promote and undertake research into the special problems of learning disabilities of persons within Northern Ireland.
- To provide a means of consultation and joint action for organisations and individuals working for the relief and benefit of disabled people and to promote and help promote effective communication and co-operation between statutory and voluntary agencies and organisations and individuals working in the field of disability.
- To encourage the provision or improvement of facilities and services for disabled people.
- To promote the education relief and welfare of disabled people and their integration within the community.
- To promote the rehabilitation, training and care of those persons aforementioned.

Challenge provides direct benefits to individuals with learning disabilities through the provision of meaningful day activities with a range of diversional and educational activities and the development of vocational skills. These schemes enable individuals to take a full and active part in contributing to the local economy and being integrated into the local community.

Benefits are evidenced through feedback from stakeholder and service user surveys and service user outcomes.

In setting objectives and activities for the year the Trustees have given consideration to the Charity Commission for Northern Ireland's guidance on public benefit.

Principal activities

The principal activity of the charity is the provision of day activity services for people with learning disabilities through employment at horticultural projects and cookie companies.

The charity is limited by guarantee and the liability of its members is limited to £1.

Achievements and Performance

Challenge currently operates 2 day activity services in Northern Ireland which enable individuals to take a full and active part in their local community and contribute to the economy.

Blissful Bites Bakery is a social enterprise for adults with learning disability. It is based in Portadown and supplies several local shops with produce – apple tarts, shortbread and various tray bakes. Service users are involved in the process from beginning to end, from collecting apples to measuring, rolling, baking, decorating, packaging, delivering, merchandising and banking revenue. Alongside the development of practical skills, trainees complete a certificate in food hygiene, training in COSHH, manual handling, and allergies.

Trading also continued at Cusher Meadow Allotments with the sale of window boxes and bird boxes built by service users trained by conservation volunteers.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Conlig Day Services have 2 activities.

Conlig Day Services – All service users are now based at the Conlig Presbyterian Church Halls. There has been an increase in Service Users referred from children's services. The scheme has now focused on daily living skills and there has been an increase in community based activities. Service Users have the opportunity to take part in kitchen activities and the service users can assist staff to prepare the scheme lunches. They are also offered seasonal arts and crafts, literacy and numeracy, indoor and outdoor exercise, team games and community outings to the Ark Farm and other local attractions and beauty spots.

The Village Gardens - All the service users are kept busy assisting with the maintenance of the garden area, cutting grass and hedges and painting fences and sheds when required. An easing of restrictions saw an increase in Service User involvement in the sale of bedding plants, hanging baskets, planter boxes, and shrubs to the general public. The Village Gardens also has been involved with the Conlig Village Association and taken part in the Ards and North Down Borough Council In Bloom competition. There has also been an increase in community based activities.

The results for the year are included within these financial statements.

Plans for Future Periods

Challenge believes that every individual has a right to meaningful activity during the day and recognises that for some the development of self-help and other life skills may be limited. The organisation would aspire to enable each individual to develop as normally as possible and acquire skills relevant to adulthood and a level of self-reliance. Therefore the continued service provision of day activity services for people with learning disabilities will remain a priority.

Structure, Governance and Management

Governing Document

The charitable company is limited by guarantee, not having a share capital. It is registered in Northern Ireland (registration number: NI 027973) and is Registered with The Charity Commission for Northern Ireland (reference number: NIC101686). It is governed by its Memorandum and Articles of Association.

Challenge operates according to the principles outlined in The Code of Good Governance. The Governance Committee monitors compliance and identifies actions and completion dates for any issues identified.

Recruitment and Appointment of Trustees

New members are identified either via a formal recruitment process or recommendation. As part of the recruitment process, potential Trustees may be co-opted onto the Board and invited to attend meetings as an observer before formal appointment at the AGM.

Trustees' Terms of Office

A formal Terms of Office policy ensures a balance between continuity and renewal. Trustees serve for an initial period of 3 years, with an option to serve a further 2 periods of 3 years. Trustees meet with the Chair of the Board and Chair of the Governance Committee annually to review their position and contribution and provide feedback on their experience.

Trustee Induction and Training

New Trustees have an initial meeting with the Chair of the Board and the Chief Executive and are briefed on a range of issues to provide a full introduction to the organisation, governance, its decision making

CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

process, its strategic and business plans and its recent financial performance. Information is provided on the roles, responsibilities and legal obligations as Company Directors and Charity Trustees.

Conflict of Interest

Trustees are required to complete a Conflict of Interest Form on appointment. This is held on file by the Executive Office and is updated annually with members also required to advise of any conflict that may arise in the intervening period. "Conflict of Interest" is a standing item on the agenda for all Board and Committee meetings with any declaration formally recorded.

Organisational Structure

Praxis Care Group

Praxis Care Group comprises Praxis Care; The Northern Ireland Agoraphobia and Anxiety Society; The Secret Garden (Hillsborough) Limited; Challenge, A Northern Ireland Charity for People with Learning Disabilities Limited and Respond, A Northern Ireland Charity for Elderly People Limited. Praxis Care Limited is the parent company and the Board of Trustees of Praxis Care are responsible for the Group's overall strategic direction. In February 2022 the process to dissolve The Secret Garden (Hillsborough) Limited and Respond, A Northern Ireland Charity for Elderly People Limited commenced and the dissolution of both companies was confirmed in May 2022 with all relevant parties notified.

The Praxis Care Board operates as detailed in its governing document, its Memorandum and Articles of Association. The day-to-day operations of the group are delegated to the Chief Executive Andrew Mayhew and the Senior Leadership Team.

The **Finance Committee** meets monthly to monitor financial performance.
Membership: John McGregor (chair), John Melvin, Jacinta Walsh

The **Governance Committee** meets bi-monthly to oversee all governance matters relating to the organisation.
Membership: Oswyn Paulin (chair), Ambrose McLoughlin, Mike Dawson

The **Property Committee** meets bi-monthly and oversees the strategy, development and management of all Praxis Care properties.
Membership: Tim Hopkins (chair), Stewart Harrington

The **HR Committee** meets bi-monthly to review and make recommendations to the Board on strategic HR and L&D issues, including management and leadership development, succession planning and remuneration. The HR Committee also considers Health & Safety Issues arising from the Employee Health & Safety Forum
Membership: Mike Dawson (chair), Ken Brundle, Mary McColgan

The **Care and Development** meets bi-monthly to oversee the care operations of the organisation and review development opportunities.
Membership: John McGregor (chair), Ken Brundle, Alyson Dunn, Brendan Mullen

The **Nominations Committee**, chaired by Ken Brundle, meets as required to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and its Committees and make recommendations to the Board.
Membership: Ken Brundle (chair), Oswyn Paulin

CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The **Research Committee**, chaired by Nevin Ringland, meets to facilitate the development of new and innovative evidence-based social care and support services, interventions and training through the dissemination of research and knowledge.

While various responsibilities have been delegated by the Board to the Committees, each Committee remains accountable to the Board. Each Committee comprises at least two Non-Executive Members, who work in partnership with the Senior Leadership Team and other relevant staff, to discharge the responsibilities of the Committee.

Non-Executive Members appointed by the Board to each Committee are independent of management and free of any business or other relationship which could materially interfere with the exercise of independent judgement in this area.

Good attendance at Board and Committee Meetings is a prerequisite for effective governance and it is expected that Board Members will achieve 75% attendance. In 2021/22, the overall attendance rate of the members at Board Meetings was 75.5%.

Related Parties

The charity has no related parties except those included under the 'Praxis Care Group' as defined above.

Financial Review

Results

Total incoming resources increased from £18,930 in 2022 to £25,965 in 2023. The organisation generated a positive financial outcome for the period with a net increase in funds of £14,851 (2022: £5,273 surplus).

Investment Powers and Restrictions

Under the Memorandum and Articles of Association, the charity may invest monies not immediately required for its purposes in or upon such investments, securities or property, as may be thought fit. Subject nevertheless to such conditions and such consents as may for the time being, be imposed or required by law and the charity's Governing Document.

Reserves

The Board of Trustees has established a policy whereby the unrestricted funds ('the free resources') held by the Charity should be four months of the unrestricted resources exposed, which equates to £3,705. At this level, the Trustees feel that they would be able to continue the current activities of the Charity. In the event of a significant drop in funding, it would obviously be necessary to consider how the funding would be replaced or activities changed. At present the free resources need to grow by £38,319 to meet the target level. The Trustees of Praxis Care have agreed to provide any necessary ongoing financial and operational support to sustain the charity for the foreseeable future.

COVID-19

COVID-19 continued to have an impact during 2022/23. The organisation's priority was the protection of the people we support and staff and Praxis Care developed a comprehensive plan to manage the impact of the pandemic to minimise the risks. This was closely monitored to ensure that the response was appropriate and regularly updated in line with the guidance issued by the public health authorities, regulators and commissioners in all jurisdictions.

The Board and Committees were kept informed of the impact of Covid on services and individuals and there was ongoing communication with staff to provide updates, encourage vigilance and provide support. Praxis Care continues to monitor public health policy and the position of commissioners and regulators in each jurisdiction.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees

The Trustees who served the Charity during the period were as follows:

Mr K S Brundle - Chair
Mr J McGregor – Vice Chair
Mr M Dawson
Mrs A Dunn
Mr T Hopkins
Dr P McLoughlin
Mr J Melvin
Mr O Paulin
Mrs N Roche
Mr J Rance (appointed October 2022)

Trustees' Responsibilities Statement

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 Charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing financial statements, the Trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 and SORP FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of the Board


Chair

Mr. K S Brundle
Date: 12 October 2023

Registered Office:
25-31 Lisburn Road
Belfast

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHALLENGE A NORTHERN IRELAND
CHARITY FOR PEOPLE WITH LEARNING DISABILITIES**

Opinion

We have audited the accounts of Challenge A Northern Ireland Charity for People with Learning Disabilities for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, including a summary of significant accounting policies. 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).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including 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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the charity's ability to continue to trade as a going concern. The charity incurred a net profit of £5,273 during the year ended 31 March 2022 and, at that date, the charity had net current liabilities of £49,465 and the charity continues to rely on the support of its parent charity, Praxis Care. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the charity was unable to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHALLENGE A NORTHERN IRELAND
CHARITY FOR PEOPLE WITH LEARNING DISABILITIES**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report has 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 Trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 accounts 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 Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees' are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

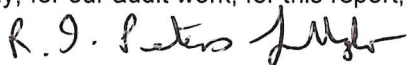
In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.


**Dr R I Peters Gallagher OBE FCA (Senior
Statutory Auditor)
for and on behalf of Moore (NI) LLP
Chartered Accountants
Statutory Auditor**

12 October 2023
4th Floor Donegall House
7 Donegall Square North
Belfast
BT1 5GB

CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE
ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Total 2023 £	Unrestricted Funds £	Total 2022 £
Income from:					
Charitable activities	2	25,965	25,965	18,930	18,930
Expenditure on:					
Charitable activities	3	(11,114)	(11,114)	(13,657)	(13,657)
Net income for the year/ Net movement in funds		14,851	14,851	5,273	5,273
Fund balances at 1 April 2022		(49,465)	(49,465)	(54,738)	(54,738)
Fund balances at 31 March 2023		(34,614)	(34,614)	(49,465)	(49,465)

There are no recognised gains and losses other than those passing through the statement of financial activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 11 – 17 form part of these financial statements and should be read in conjunction therewith.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Notes	£	2023 £	2022 £	£
Fixed assets	5				
Tangible assets		9,504		11,931	
Current assets					
Cash at bank and in hand		<u>34,709</u>		<u>27,035</u>	
		34,709		38,966	
Creditors: amounts falling due within one year	6	<u>(78,827)</u>		<u>(88,431)</u>	
Net current liabilities			<u>(44,118)</u>	<u>(49,465)</u>	
Total assets less current liabilities			<u>(34,614)</u>	<u>(49,465)</u>	
Income funds					
Unrestricted funds	7		<u>(34,614)</u>	<u>(49,465)</u>	

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

Approved by the Board and authorised for issue on **12 October 2023**

Chair
Mr K S Brundle



Trustee
Mr O Paulin



Company Registration No NI027973

The notes on pages 11 – 17 form part of these financial statements and should be read in conjunction therewith.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. Accounting Policies

Charity information

Challenge a Northern Ireland Charity for People with Learning Disabilities is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 25-31 Lisburn Road, Belfast, BT9 7AA.

Basis of accounting

The financial statements have been prepared in accordance with the Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going Concern

The continued operation of the charity is dependent on the ongoing support of Praxis Care. The Trustees consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. Praxis Care has indicated that they will provide the necessary ongoing financial and operational support to sustain the charity for the foreseeable future. As a result they consider that it is appropriate to prepare the financial statements on a going concern basis.

The financial statements do not include any adjustments that would result if Praxis Care support was withdrawn.

Cash flow statement

The Trustees have taken advantage of the exemption in Financial Reporting Standard 102 Section 7 from including a cash flow statement in the financial statements on the grounds that the charitable company is small.

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. Accounting policies (*continued*)

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Funding provided through contractual agreements and performance related grants is recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Accommodation Equipment – 20%

Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. Accounting policies (continued)

Taxation

Challenge a Northern Ireland Charity for People with Learning Disabilities is a registered charity with HMRC and is entitled to certain tax exempt income and profits from investments in furtherance of the charity's primary objectives, if these surpluses are applied solely for charitable purposes.

The charitable company is registered for VAT and accordingly, all its expenditure is recorded exclusive of any VAT incurred.

Funds

The Charity has unrestricted funds for which it is responsible. These are funds which are expendable at the discretion of the board in the furtherance of the objects of the Charity. In addition funds may be held in order to finance capital investment and working capital.

2. Income from charitable activities

	2023	2022
	£	£
Sales	8,923	10,414
Grant Income – Lottery Fund	<u>17,042</u>	<u>8,516</u>
	<u>25,965</u>	<u>18,930</u>

3. Expenditure on charitable activities

	2023	2022
	£	£
Materials	1,643	2,624
Agency	516	2,580
Wages and salaries	(12)	1,226
Accommodation costs	2,377	23
Vehicle expenses	2,508	4,733
Depreciation	2,427	1,069
Other	1,655	1,402
	<u>11,114</u>	<u>13,657</u>
	<u>11,114</u>	<u>13,657</u>

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Staff costs and emoluments

Total staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	(18)	1,221
Social security costs	5	4
Pension costs	1	1
Agency costs	516	2,580
Other staff costs	838	192
	<u>1,342</u>	<u>3,998</u>

5. Tangible fixed assets

	Accom. Equipment	Total
	£	£
Cost		
At 1 April 2022	13,000	13,000
Additions	-	-
At 31 March 2023	<u>13,000</u>	<u>13,000</u>
Depreciation		
At 1 April 2022	1,069	1,069
Charge for year	2,427	2,427
At 31 March 2023	<u>3,496</u>	<u>3,496</u>
Net book value		
At 31 March 2023	9,504	9,504
At 31 March 2022	<u>11,931</u>	<u>11,931</u>

6. Creditors: amounts falling due within one year

	2023	2022
	£	£
Amounts due to group undertakings	79,526	88,620
Taxation and social security	(699)	(189)
	<u>78,827</u>	<u>88,431</u>

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH LEARNING DISABILITIES
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Reconciliation of movements in unrestricted funds

	2023	2022
	£	£
Surplus for the financial year	14,851	5,273
Opening unrestricted funds	(49,465)	(54,738)
	<hr/>	<hr/>
Closing unrestricted funds	<u>(34,614)</u>	<u>(49,465)</u>

8. Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9. Related party transactions

The charity has not disclosed related party transactions on the basis that consolidated financial statements are available.

10. Ultimate parent charitable company

Praxis Care, a charitable company incorporated in Northern Ireland (Charity Registration Number NI 017623), is the ultimate parent charitable company of Challenge A Northern Ireland Charity for People with Learning Disabilities. Praxis Care registered office is 25-31 Lisburn Road, Belfast, BT9 7AA.

The charity's principal activity during the year continued to be the provision of support services for adults and children with a learning disability, mental ill health, acquired brain injury, and for older people, including people with dementia.

The Praxis Care Board operates as detailed in the governing document for the Charity, its Memorandum and Articles of Association. The day-to-day operations of the group are delegated to the Chief Executive and the Senior Leadership Team.

**CHALLENGE A NORTHERN IRELAND CHARITY FOR PEOPLE WITH
LEARNING DISABILITIES**

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2023

**DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

	2023		2022	
	£	£	£	£
Turnover				
Income		<u>25,965</u>		<u>18,930</u>
		25,965		18,930
Expenditure				
Materials	<u>(1,643)</u>		<u>(2,624)</u>	
	(1,643)		(2,624)	
Net trading income		24,322		16,306
Administrative expenses				
Agency	516		2,580	
Wages and salaries	(12)		1,226	
Accommodation costs	2,377		23	
Vehicle expenses	2,508		4,733	
Depreciation	2,427		1,069	
Other	1,655		1,402	
		<u>9,471</u>		<u>11,033</u>
Operating surplus		<u><u>14,851</u></u>		<u><u>5,273</u></u>