

Company No. 2238901

Charity No. 299332

DEVELOPMENT THROUGH CHALLENGE

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016



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Development Through Challenge

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For the year ended 31 December 2016

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Development Through Challenge

Legal and administrative details

For the year ended 31 December 2016

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 Salim Hafejee Matt Teague Hiren Joshi Martin Soulsby Kevin Murphy Damian Jaques Brenda Taggart	Chairman Hon Treasurer Hon Secretary
Principal Staff	Andy Reid	Chief Executive Officer/ Centre Manager
Bankers	National Westminster Bank PO Box 3242 Albion Yard 331/335 Whitechapel Road London E1 1AU	
Solicitors	Russell-Cooke Solicitors 8 Bedford Row London WC1R 4BX	
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 2016

The Trustees present their report and the audited financial statements for the year ended 31 December 2016.

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, issued in March 2005.

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, adults, children and people training for climbing expeditions throughout the world use the Wall. Professional instruction is provided for our own climbing courses and for schools.

The Year's Activities

Trading conditions improved throughout 2016, although less so for those organisations offering non-essential items and recreation. Finances have been robust enough to continue to invest in the business. A number of competitors have made additions to their facilities. Despite this strong competition, turnover again exceeded one million.

Blokkfest, a large and very well attended regional bouldering competition returned to use the facilities. On this occasion the British Bouldering Team accompanied them and held one of their regional training days, using our Competition Wall.

During the year, a wide range of people and groups used the Wall, including recreational climbers both adult and children; youth groups such as Cadets and Scouts, Get Active and Home Education; after school clubs; children in Pupil Referral Units; children with emotional difficulties; groups of disabled people, and people training for climbing expeditions throughout the world.

DTC continues to be one of the primary developers of the National Indoor Climbing Accreditation Scheme NICAS. This is a national scheme of training from the age of eight being delivered to individuals, schools, colleges and groups. The Wall now has nearly 800 youngsters enrolled in NICAS and a thriving Youth Squad. Mile End has played a leading role in the development of a new award, the National Indoor Bouldering Award Scheme NIBAS, which focuses on bouldering and was introduced nationally in 2016.

Despite local cut-backs in youth provision, the Mile End Holiday schemes continue to be popular with local groups. Birthday parties at the Wall continued to be popular and a good source of income.

Development through Challenge

Report of the Trustees

For the year ended 31 December 2016

DTC also provides expertise to charities and other groups wishing to run abseils. We provide a site assessment, risk assessment and full technical operation of the abseil. This is a growing service. This year again DTC provided a mobile climbing wall at shows and these continue to be good marketing opportunities for the Wall and our courses. Courses by professional instructors were provided for individual climbers, for beginners and those wishing to develop their climbing skills. They included "Leading" on an indoor wall and "Indoor to Outdoor Courses".

DTC provided Mountain Leading Training leading to the Single Pitch Award, the Climbing Wall Award and recreational First Aid - all required by professionals working in this field.

Wall Development

There were no major projects this year; instead efforts were concentrated on the quality of the product. Investments in new holds and volumes were intended to make the best of the climbing surfaces added in the last two years; and visit numbers suggest that these efforts have been successful.

The Future

Whilst the climbing wall industry generally has felt the effects of the recession, Mile End has not seen the reductions of income experienced by a number of large walls. Funds in hand and control of spending during this period allowed us to operate comfortably, and to fund the developments made during the year and for the future. An on-going business plan is in place, setting out the strategy for the centre over the medium to long term.

Mile End continues to be recognised as a centre of climbing excellence, particularly bouldering, and for its friendly and welcoming atmosphere.

Governance and Staffing

A Board of Trustees who initiate, assess and review the work of DTC, its staff and resources undertakes the government of the charity. An Annual General Meeting is held to receive the audited accounts and the annual report.

The organisation's work is carried out by a core group of 6 full-time staff, 24 part-time staff and a flexible pool of freelance climbing and canoeing instructors (currently 18) led by Andrew Reid the Chief Executive. A Finance Manager is employed to maintain financial controls.

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.

Development through Challenge
Report of the Trustees
For the year ended 31 December 2016

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.

The centre has a member of the management team dedicated to Health and Safety and has regular dialogue with the HSE. All incidents are recorded and reported, with a monthly report to management, trustees and the HSE detailing the relevant statistics, describing incidents, lessons learned and actions taken.

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 continuing programme of refurbishment, renewal and new route setting addresses the risk of losing customers to the competition from new climbing centres. Marketing and advertising is also used to attract new customers. DTC maintains a disruption of business insurance policy.

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

Development through Challenge
Report of the Trustees
For the year ended 31 December 2016

Trustees

The Trustees who served during the year and up to the date of this report were as follows:

Tim Nash, Salim Haferjee, Hiren Joshi, Matt Teague, Martin Soulsby, Brenda Taggart, Kevin Murphy & Damian Jaques.

Appointment of the Trustees

All Trustees must retire at each AGM but are eligible for re-election. The Trustees may appoint a person to fill a casual vacancy, that person holding office until the next AGM and being eligible for re-election.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of guarantees was 8. The Trustees are members of the charity but this entitles them only to voting rights.

Auditors

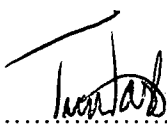
Goldwins Limited have expressed their willingness to continue in office and in accordance with Section 485(2) Companies Act 2006, a resolution for their reappointment will be laid before the Annual General Meeting.

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 26 June 2017 ~~2016~~

And signed on their behalf by:


.....
Tim Nash

Independent auditor's report
To the members of
Development Through Challenge

We have audited the financial statements of Development Through Challenge for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of trustees and auditor

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees;
- and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2016 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.

Independent auditor's report
To the members of
Development Through Challenge

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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.

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

Date: *15 August* 2017

Development Through Challenge

Statement of financial activities (incorporating income and expenditure account)

For the year ended 31 December 2016

Income from:	Note	Restricted £	Unrestricted £	2016 Total £	2015 Total £
Donations and grants	3a	7,980	12,470	20,450	22,858
<i>Charitable activities:</i>					
▪ Climbing facilities	3b	-	1,030,179	1,030,179	910,491
<i>Other trading activities:</i>					
▪ Sub letting		-	22,781	22,781	22,086
▪ Café income		-	45,895	45,895	49,675
Total income		<u>7,980</u>	<u>1,111,325</u>	<u>1,119,305</u>	<u>1,005,110</u>
Expenditure on:					
▪ Advertising and fundraising		-	2,985	2,985	3,157
▪ Café		-	32,688	32,688	34,207
Charitable activities					
▪ Climbing facilities		42,611	920,358	962,969	932,017
Total expenditure	4	<u>42,611</u>	<u>956,031</u>	<u>998,642</u>	<u>969,381</u>
Net movement in funds	14	(34,631)	155,294	120,663	35,729
Funds at the start of the year		<u>152,092</u>	<u>372,570</u>	<u>524,662</u>	<u>488,933</u>
Funds at the end of the year		<u>117,461</u>	<u>527,864</u>	<u>645,325</u>	<u>524,662</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 2016

	Note	£	2016 £	2015 £
Fixed assets				
Tangible fixed assets	8		194,028	257,770
Current assets				
▪ Stock	9	1,241		1,241
▪ Debtors	10	40,170		22,631
▪ Cash at bank and in hand		<u>513,607</u>		<u>318,445</u>
		555,018		342,317
Creditors: amounts falling due within one year	11	<u>(103,721)</u>		<u>(56,021)</u>
Net current assets			<u>451,297</u>	<u>286,296</u>
Total assets less current liabilities			645,325	544,066
Creditors: amounts falling due in more than one year	12		-	<u>(19,404)</u>
Net assets	13		<u>645,325</u>	<u>524,662</u>
Funds	14			
Restricted funds			117,461	152,092
Unrestricted				
▪ General funds			<u>527,864</u>	<u>372,570</u>
Total funds			<u>645,325</u>	<u>524,662</u>

Approved by the directors on 26 June 2017 and signed on their behalf by:


.....
Tim Nash
Chairman

Company No. 2238901

Development Through Challenge
Statement of Cash Flows
For the year ended 31 December 2016

	Note	2016 £	2015 £
Net cash provided by / (used in) operating activities	15	<u>212,086</u>	<u>78,282</u>
Cash flows from investing activities:			
Interest/ rent/ dividends from investments		-	-
Sale/ (purchase) of fixed assets		<u>(16,924)</u>	<u>(15,200)</u>
Cash provided by / (used in) investing activities		<u>(16,924)</u>	<u>(15,200)</u>
Change in cash and cash equivalents in the year		195,162	63,082
Cash and cash equivalents at the beginning of the year		318,445	255,363
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year		<u>513,607</u>	<u>318,445</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2016

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) Resources expended are recognised in the period in which they are incurred. Resources expended include 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 2016

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 2016

2. Detailed comparatives for the statement of financial activities

Income from:	2015 Restricted £	2015 Unrestricted £	2015 Total £
Donations and grants	22,670	188	22,858
<i>Charitable activities:</i>			
▪ Climbing facilities	-	910,491	910,491
<i>Other trading activities:</i>			
▪ Sub letting	-	22,086	22,086
▪ Café income	-	49,675	49,675
Total income	<u>22,670</u>	<u>982,440</u>	<u>1,005,110</u>
Expenditure on:			
▪ Advertising and fundraising	-	3,157	3,157
▪ Café	-	34,207	34,207
Charitable activities			
▪ Climbing facilities	24,949	907,068	932,017
Total expenditure	<u>24,949</u>	<u>944,432</u>	<u>969,381</u>
Net movement in funds	(2,279)	38,008	35,729
Funds at the start of the year	<u>154,371</u>	<u>334,562</u>	<u>488,933</u>
Funds at the end of the year	<u>152,092</u>	<u>372,570</u>	<u>524,662</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2016

3a. Donations, legacies and similar incoming resources

	Restricted £	Unrestricted £	2016 Total £	2015 Total £
Counter Donations	3,265	-	3,265	21,544
Grants and other donations	<u>4,715</u>	<u>12,470</u>	<u>17,185</u>	<u>1,314</u>
Total	<u>7,980</u>	<u>12,470</u>	<u>20,450</u>	<u>22,858</u>

3b. Climbing facility income

	2016 Total £	2015 Total £
Climbing and equipment hire fees	679,349	726,219
Membership fees	39,228	1,020
Course fees	<u>311,602</u>	<u>183,252</u>
	<u>1,030,179</u>	<u>910,491</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2016

4. Total Resources expended

	Advertising and Fundraising £	Café £	Climbing facilities £	Support Costs £	2016 Total £	2015 Total £
Staff cost (Note 6)	-	-	505,198	-	505,198	507,328
Premises	-	-	51,061	-	51,061	8,552
General office cost	-	-	83,852	-	83,852	93,046
Insurance	-	-	17,272	-	17,272	17,292
Legal & professional fees	-	-	-	19,386	19,386	17,278
Audit & accountancy	-	-	-	6,000	6,000	5,800
Training costs	-	-	8,336	-	8,336	3,872
Contract climbing costs	-	-	112,977	-	112,977	106,688
Bank charges and interest	-	-	-	20,853	20,853	19,857
Advertising and promotion	2,985	-	-	-	2,985	3,157
Climbing equipment	-	-	16,770	-	16,770	18,678
Maintenance Wall	-	-	2,745	-	2,745	16,985
General repair and maintenance	-	-	37,853	-	37,853	36,222
Purchase of goods for resale	-	32,688	-	-	32,688	34,207
Depreciation	-	-	80,666	-	80,666	80,419
Total	2,985	32,688	916,730	46,239	998,642	969,381
Support costs allocation	-	-	46,239	(46,239)	-	-
Total Expenditure 2016	2,985	32,688	962,969	-	998,642	969,381
Total Expenditure 2015	3,157	34,207	932,017	-	969,381	969,381

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

Of the total expenditure £42,611 was restricted expenditure (2015: £24,949) and £956,031 was unrestricted expenditure (2015: £944,432).

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2016

5. Net incoming / (outgoing) resources for the year

This is stated after charging:

	2016	2015
	£	£
Depreciation	80,666	80,419
Auditors' remuneration	6,000	5,800

No trustee received any remuneration during the year and no trustee was reimbursed for travel or any other expenses (2015 – Nil).

6. Staff costs and numbers

Staff costs were as follows:

	2016	2015
	£	£
Salaries and wages	456,032	461,183
Social security costs	31,240	35,127
Other Staff costs	<u>17,926</u>	<u>11,018</u>
	<u>505,198</u>	<u>507,328</u>

Total employee benefits including pension contributions of the key management personnel were £57,580 (2015: £56,200).

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

	2016	2015
	No.	No.
Running of the climbing facilities	33	33
Management and administration	<u>1</u>	<u>1</u>
	<u>34</u>	<u>34</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 2016

8. Tangible fixed assets

	Improvement to premises £	Climbing wall £	Climbing equipment £	Office Equipment £	Total £
Cost					
At the start of the year	488,819	536,366	108,596	93,978	1,227,759
Additions	-	-	3,960	12,964	16,924
At the end of year	<u>488,819</u>	<u>536,366</u>	<u>112,556</u>	<u>106,942</u>	<u>1,244,683</u>
Depreciation					
At the start of the year	<u>369,996</u>	<u>410,980</u>	<u>104,914</u>	<u>84,099</u>	<u>969,989</u>
Charge for the year	<u>39,134</u>	<u>34,169</u>	<u>1,702</u>	<u>5,661</u>	<u>80,666</u>
At the end of the year	<u>409,130</u>	<u>445,149</u>	<u>106,616</u>	<u>89,760</u>	<u>1,050,655</u>
Net book value					
At the end of the year	<u>79,689</u>	<u>91,217</u>	<u>5,940</u>	<u>17,181</u>	<u>194,028</u>
At the start of the year	<u>118,823</u>	<u>125,386</u>	<u>3,682</u>	<u>9,879</u>	<u>257,770</u>

9. Stock

	2016 £	2015 £
Finished goods for resale	<u>1,241</u>	<u>1,241</u>

10. Debtors

	2016 £	2015 £
Trade debtors	28,066	16,286
Other debtors and prepayments	<u>12,104</u>	<u>6,345</u>
	<u>40,170</u>	<u>22,631</u>

11. Creditors: amounts falling due within one year

	2016 £	2015 £
Charity Bank Loan	19,404	21,747
Taxation and social security	18,145	7,487
Accruals	<u>66,172</u>	<u>26,787</u>
	<u>103,721</u>	<u>56,021</u>

Development Through Challenge
Notes to the Financial Statements
For the year ended 31 December 2016

12. Creditors: amounts falling due in more than one year

	2016 £	2015 £
Charity Bank Loan	<u>-</u>	<u>19,404</u>
Analysis of loan		
Wholly repayable within five years	19,404	41,150
Included in current liabilities	<u>(19,404)</u>	<u>(21,747)</u>
	<u>-</u>	<u>19,404</u>

13. Analysis of net assets between funds

	Restricted Funds £	General funds £	Total Funds £
Tangible fixed assets	107,706	86,322	194,028
Net current assets	9,755	441,542	451,297
	<u>-</u>	<u>-</u>	<u>-</u>
Net assets at the end of the year	<u>117,461</u>	<u>527,864</u>	<u>645,325</u>

14. Movements in funds

	At the start of the year £	Incoming Resources £	Outgoing Resources £	At the end of the year £
Restricted funds:				
Premises funds	143,487	4,715	(40,496)	107,706
Squad funds	<u>8,605</u>	<u>3,265</u>	<u>(2,115)</u>	<u>9,755</u>
	152,092	7,980	(42,611)	117,461
General funds	<u>372,570</u>	<u>1,111,325</u>	<u>(956,031)</u>	<u>527,864</u>
Total funds	<u>524,662</u>	<u>1,119,305</u>	<u>(998,642)</u>	<u>645,325</u>

Purpose of restricted funds

Premises fund: this fund represents amounts received and now spent on improvements to and development of the premises, to be expended by depreciation in future years.

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

Development Through Challenge

Notes to the Financial Statements

For the year ended 31 December 2016

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

	2016	2015
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	120,663	35,729
Depreciation	80,666	80,419
(Loss)/ profit on the sale of fixed assets	-	-
(Increase)/ decrease in debtors	(17,539)	1,000
Increase/ (decrease) in creditors	28,296	(38,866)
Net cash provided by / (used in) operating activities	<u>212,086</u>	<u>(78,282)</u>

16. 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 (2015 – Nil).