

Financial Report for the Year Ended 31 May 2011 (unaudited)

This report is based on unaudited information, and excludes the details of some of our local groups' activities. At the time of going to print, the audit has not been completed and we do not have the details relating to all local groups. The updated, audited results will be published on our website as soon as they are available.

Our overall position

In 2010/11, Disability Snowsport suffered like many charities from a reduction in its fundraised income, and we faced a deficit of £59,279 after a surplus of £75,208 last year.

Our total income declined from £825,132 to £740,501 (a fall of 10%), while expenditure increased from £749,924 to £799,980 (an increase of 6.6%).

In terms of our main activities for the year, we had planned and expected:

To maintain our programme of overseas activity weeks

To invest significantly in the work we do in indoor snow centres around the country

To scale down the activity of the British Disabled Ski Team (BDST) given that 2010/11 would not be a year of Paralympic competition.

Fundraising

2010/11 was a difficult environment for fundraising for many charities. We raised £165,912 of unrestricted income - which we can use to support any activity - compared to £207,178 last year, a fall of 20%. This is not to downplay the efforts of many supporters of DSUK who worked enormously hard on our behalf at fundraising events such as the Skiathon; and we have benefited greatly from the support of staff at organisations such as Crystal Holidays who have generously raised funds on our behalf. But the climate for fundraising events was more difficult than in recent years. As an example, the London Santa Run was less well supported than in previous years.

Our restricted income – where donors specify what we must do with it – was £259,571, compared to £365,197. Much of this significant fall was due to the end of support for the British Disabled Ski Team (BDST) in Paralympic year.

Of the restricted donations, some £60,000 is to support our overseas activities; £62,500 to support ski schools; and £88,700 to support the BDST.

Our trusts fundraiser has pursued many leads and we are grateful to all the trusts and foundations that have supported us – at a time when we know that their income is going down and they face increased calls on their funds.

Activities

Our principal activities are our overseas activity weeks, ski schools, the BDST and our network of local groups.

We charged participants on our overseas activities some £146k (up from £132k last year), while the costs were some £222k. With the restricted donations to support the activity weeks, this area of our work was close to break even.

We charged users of our ski schools £104,675 (£59,832 last year), reflecting the growth in this area of our work. Costs were £212,352. So, after allowing for the restricted donations that support this work, the net cost to the charity was over £45,000. The expansion of our ski school network to cover all the indoor slopes in the country had been agreed as a priority for 2010/11.

The BDST incurred costs of £145,781 (against £211,831 last year). After taking into account the specific support from restricted funds, and the team's income of approximately £32,000, the BDST has been supported by the charity as a whole to the extent of some £35,000.

Support costs, at less than 10% of overall expenditure, are kept well in check.

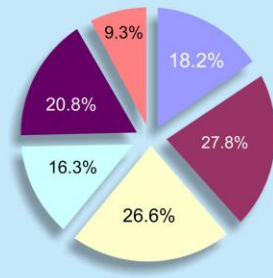
Reserves

Our target is to hold reserves that would be adequate to see us through the out of season months. We need reserves to undertake specific projects at short notice, and to cover the administration, fundraising and support costs without which the charity could not function. We also need reserves to cover gaps in funding - if specific donors withdraw, we will need to close projects unless we have adequate reserves to tide us over.

Most of our reserves are tied up in buildings, vehicles and other equipment: we spent the money some years ago but the assets we bought are still valuable to us. Of course, we cannot use these reserves for anything else.

Our unrestricted reserves, which we can use at our discretion, have been depleted by this year's deficit. They now stand at some £XXXX after recovering to £90,900 last year. Our target for these reserves - enough to cover our "out of season costs" - would be around £125,000.

Expenditure



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|---------------------------------------|-----------------|-------|
| Competition | £145,781 | 18.2% |
| Overseas activities | £222,661 | 27.8% |
| Ski Schools | £212,352 | 26.6% |
| Other costs | £130,577 | 16.3% |
| Local groups | £14,193 | 20.8% |
| Fundraising, including event costs | £74,216 | 9.3% |
| | £799,780 | |
| Including support costs | £68,127 | |