

THE ACE CENTRE-NORTH

(a company limited by guarantee
and not having a share capital)

**REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

Company number: 4268143

Registered Charity Number: 1089313

WRIGLEY PARTINGTON

Chartered Accountants
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

THE ACE CENTRE-NORTH

CONTENTS

	<u>Page No.</u>
Report of the Trustees / Directors	3 - 9
Report of the Auditors	10 - 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 - 26

THE ACE CENTRE-NORTH

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

The trustees/directors of The Ace Centre-North present their annual report together with the financial statements for the year ended 31 March 2022. The provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP (FRS 102)) have been adopted in preparing the annual report and financial statements of the charity. The directors or members of the board of the charitable company (the charity) are its trustees for the purpose of charity law. Throughout this report they are collectively referred to as the 'trustees'.

Reference and Administrative Information

<u>Charity number:</u>	1089313
<u>Company number:</u>	4268143
<u>Chairman:</u>	P J Woolas
<u>CEO:</u>	A Reeves
<u>Company Secretary:</u>	S Carroll
<u>Principal office:</u>	Hollinwood Business Centre Albert Street Oldham OL8 3QL
<u>Auditors:</u>	Wrigley Partington Sterling House 501 Middleton Road Chadderton Oldham OL9 9LY
<u>Bankers:</u>	Royal Bank of Scotland Drummond House 1 Redheughs Avenue Edinburgh EH12 9JN
<u>Solicitors:</u>	Wrigley Claydon 29 - 33 Union Street Oldham OL1 1HH
<u>Investment managers:</u>	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ
<u>Trustees at date of this report:</u>	P J Woolas (Chairman) L G Coop J Jones A R Walker R Oldham D Reay T Waller M Ruane C Ball J Devlin M Littler S N Meredith

THE ACE CENTRE-NORTH

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022 continued...

Structure, Governance and Management

Governing Document

The Ace Centre-North (working name The Ace Centre) is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission.

Membership of the company at 31 March 2022 stood at 13 members comprising Oldham Metropolitan Borough Council and all twelve trustees as individual members.

Appointment of trustees

Members of the Board of Trustees are drawn from representatives of the local authority and individual representatives reflecting the skills, experience and expertise required to support the work of The Ace Centre.

Trustees' induction and training

Recent recruits to The Ace Centre have been offered a day's formal induction in addition to personalised induction, based on the needs and interests of individual trustees.

Organisation

The board of trustees normally meet four times each year and the annual general meeting is to be held immediately prior to the December meeting. Issues arising between meetings that require the consideration of all trustees are dealt with by correspondence.

The day to day activities of the centre are carried out by the Ace Centre CEO and staff, with the CEO reporting back to the trustees at each board meeting.

The arrangements for setting the pay of key management personnel are reviewed annually by the board of trustees. At present levels of pay are aligned with NJC Pay scales and any changes are benchmarked with local government practice.

The centre is not dependent upon the services of unpaid volunteers, donations or other intangible income, although it is keen to encourage volunteer involvement should it be offered.

Related parties

Members of the charity and its Board of Trustees are drawn from local business, education and training, and voluntary sector communities.

Close working relationships exist between the Charity and these representatives, which have proved invaluable to the charity in establishing improved links within the community and identifying relevant policy developments and prospective funding.

THE ACE CENTRE-NORTH

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022 continued...

Objectives and activities

The Ace Centre's charitable objects are:

- a) To advance, promote and encourage education and learning opportunities for people of all ages whose physical and communication difficulties are the primary cause of their disabilities, in particular but without prejudice to the generality of the foregoing to provide a focus for the use of microelectronics and other aids to communication.
- b) To provide opportunities for such individuals to improve their skills or abilities.
- c) To provide, administer and manage Assessment and Advice Centres for such individuals.
- d) To provide advice, resources and training facilities to parents, teachers, therapists and medical staff and others involved with physically disabled communication-impaired people.
- e) To employ skilled staff, experts, advisors, teachers, therapists, educationalists and others, either in Training and Assessment Centres or elsewhere.
- f) To arrange, promote and organise courses, conferences, training sessions, vocational and in service training, seminars and open days.
- g) To develop software/hardware and learning techniques, to collaborate with any companies, individuals, partnerships, businesses, organisations, bodies and persons for the furtherance of the company's objectives and to develop access devices, strategies and aids for communication for people with physical and communication difficulties.
- h) To survey and evaluate software and products and to gather, publish and disseminate information.
- i) To establish, maintain and develop libraries, resource centres, databanks, assessment facilities and equipment, and to make any of the same available for use by way of loan, to communication-impaired people, parents, children, professional advisors, medical staff, local authorities and others.

This year the Ace Centre's main activities have been to deliver assessment, training and information services to fulfil our obligations under the NHS England Specialised Health Commissioning contract which has been awarded to Ace Centre to provide specialised AAC services for eligible children and adults in the North West and Thames Valley & Wessex regions of England. The contract originally ran from 9th December 2014 to 31st March 2018, and was extended to 31st March 2019. In October 2018, Ace Centre tendered and was successful in being awarded this contract again from April 2019 for a two year period and it has now been agreed that this contract will be extended for a further two years beyond March 2021. In addition, Ace Centre is in the process of identifying potential opportunities for alternative income generation streams.

The Trustees are mindful of the Charity Commission guidance on public benefit and believe that the details set out above and in their report generally, clearly identify the intended beneficiaries of the charity's activities and clearly demonstrate that they are for the public benefit.

Risk management

The trustees are mindful of the risks both internal and external that the charity faces and, where appropriate, systems and procedures have been established to mitigate those risks. Internal control risks have been minimised by having procedures for the authorisation of all financial transactions. HR advice is taken regarding employment issues and all posts within the organisation are subject to enhanced DBS checks, as the charity deals with vulnerable beneficiaries on a daily basis. There are health and safety procedures and insurance cover in relation to public and employer liability.

The Centre has fidelity guarantee insurance to protect Centre staff and Trustees against financial impropriety. For this protection to be available a strict set of financial standards has to be in place and adhered to. In addition, in order to minimise the impact of losing Ace Centre's primary source of income in the future if this were to occur, the Trustees have agreed the reserves policy shown below.

Financial risk relating to fixed asset investments is dealt with in note 13 to the accounts.

Reserves Policy

The reserves policy is to maintain sufficient unrestricted reserves to enable Ace Centre to continue delivering its core services for a minimum of twelve months, at its current capacity, in the event of it losing its primary source of income.

Ace Centre running costs are increasing as our NHS activities continue to expand. Consequently, the minimum level of reserves required to maintain twelve months' running costs, including redundancy payments, is increasing as our staff teams and activities expand across both offices. This has resulted in a continual increase in the number of active clients within our client management system, an increase in the volume of equipment to be maintained and expansion in the technical services required to support this equipment across both regions.

At 31st March 2022, the Centre had unrestricted reserves of £4,096,829 which is felt to be an acceptable level and this will be formally reviewed on an annual basis. In agreeing this level of reserves, trustees have taken into consideration additional costs that could be incurred in the event of no alternative funding being identified, including redundancy and leasing commitments. They have also taken into consideration that the level of reserves would cover all core operating costs excluding providing NHS client equipment.

Achievements and performance

The management of the centre have agreed the following long term strategic objectives for Ace Centre along with a summary of achievements for 2021/2022:

Strategic Objective 1: - To provide quality services to meet the needs of individuals who require AT/AAC and people who support them. Ace Centre has continued to provide its core services, including those services commissioned by NHS England during and between heightened restrictions. Strict COVID protection policies and processes were implemented, following national policy and practice, consultation with all staff to meet the requirements of government and NHS guidelines, which required adaptations to how services could be maintained and delivered safely.

Strategic Objective 2:- Raise awareness of the centre through marketing and publicity materials. Ace Centre has invested in the recruitment of a software engineer who has developed the Ace Centre website in order to incorporate more functionality and to clarify Ace Centre charitable offer.

Strategic Objective 3: - Strategically influence opportunities for future AAC/AT provision at a regional/national level. Ace Centre has continued to engage with the All Party Parliamentary Group for Assistive Technology and has established the ATech Policy Lab in collaboration with the political thinktank, Policy Connect and Bournemouth University. In addition, Ace Centre has contributed to several policy consultations from various Government Departments and organisations, including NICE and DfE. Ace Centre is also represented on the AAC Advisory Group, which oversees the development of NHS England Specialised AAC Services and contributes to a number of national NHSE working parties.

THE ACE CENTRE-NORTH

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022 continued...

Achievements and performance (cont)

Strategic Objective 4: - Develop business systems to control, monitor and develop the organisation. From the previous year's investment Ace Centre has seen significant improvements to existing systems. More robust controls have been implemented in both the HR and Finance functions. There is now greater control over credit card expenditure and overall credit control.

Strategic Objective 5: Optimise revenues from the provision of services and the delivery of projects both from restricted and unrestricted sources. Ace Centre has undertaken a staff consultation to identify priority areas for development in order to expand the range of services provided by Ace Centre, including the development of information resources, equipment management, client support and training.

Financial Review and future developments

The result for the year has been a deficit of £12,857 which compares with a surplus last year of £1,081,697. In December 2014 the Centre was awarded a substantial contract by NHS England to deliver its services in the North West and Thames Valley & Wessex regions. The current contract has been extended to March 2023 and our aim is to become the recognised provider beyond that date. The NHS contract is the charity's principal source of funding and generated income amounting to a total of £3,476,676 during the year (2021: £3,529,625). The investments with Rathbone's generated investment income of £66,164, compared with £46,902 last year, and an unrealised surplus of £88,531 (2021: £425,238) on the revaluation of those investments to market value at the year end. The balance sheet shows the charity's net assets to have reduced from £4,109,686 at 31 March 2021 to £4,096,829 at 31 March 2022, which remains a strong position and the trustees are optimistic that the charity can continue to meet its objectives. A careful review of likely future income and expenditure has been implemented and we are satisfied that the Centre can continue to operate effectively for the foreseeable future.

Investment powers and policy

Decisions about investments are made by the trustees, after taking appropriate professional advice where necessary, and investment performance is regularly reviewed. In June 2021 the trustees decided to invest an additional sum of £1.2m with Rathbone Investment Management, with the objective of trying to achieve a higher rate of return on those funds compared with leaving them on bank deposit, whilst still being able to access them if required. Further details of those investments are shown in note 13 to the accounts.

THE ACE CENTRE-NORTH

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022 continued...

Impact of the Coronavirus pandemic

Since the start of the Coronavirus pandemic in March 2020, Ace Centre has continued to deliver services to clients with the highest level of need and more recently, to all our clients. This has necessitated some changes in our methods of service delivery to reduce any risk to clients and staff, and those changes have enabled us to continue to meet our contractual obligations with NHS England. We have continued to receive full payment from NHS England on a monthly basis, for the full contract value, and we have been granted a two year extension of the NHS contract, which will now run until March 2023. The senior management team continually review the situation and have every confidence that the charity will be able to continue providing a high standard of service delivery.

Plans for future periods

The following operational objectives have been agreed for the period 2022-2023:

Ace Centre has undertaken an organisational review and has implemented a re-structure in order to develop and diversify services in addition to our NHS contract. Appointments have been made to managerial positions with dedicated time to develop the following services:

Training and Learning - this will include the development of Ace Centre Learning online training and the delivery of accredited training in partnership with The University of Dundee.

Partnerships and Consultancy - this will oversee the expansion and range of existing partnerships and the development of Ace Centre consultancy activities.

NHS and Local Service development - this will address the offer of support from Ace Centre to complement our NHS Contract to advocate for equitable access to AAC services for anyone who needs this.

Research and Development - this will focus on positioning Ace Centre as a partner for R & D opportunities with a wide range of stakeholders and ensuring that Ace Centre is research-ready for the future.

Information and Resources - this will develop Ace Centre's existing charitable offer in collaboration with other Ace Centre service managers.

Engineering and Technical - this will develop and diversify Ace Centre's profile to provide engineering services in collaboration with a wider range of stakeholders.

Managers appointed to each position are in the process of developing five year business and financial plans for implementation from April 2023, which has been informed on by whole staff feedback on Ace Centre's future activities. A budget for investment in each and every service is being agreed with support from members of the Senior Management Team for Board approval.

THE ACE CENTRE-NORTH

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022 continued...

Trustees' responsibilities in relation to the financial statements

The charity's trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the charity's incoming resources and applications of resources during the year and of its state of affairs at the end of the year. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements, and;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 enables them to ensure that the financial statements comply with 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.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving this report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Compliance with accounting standards

The trustees confirm that the financial statements comply with current statutory requirements, the requirements of the company's memorandum and articles of association and the requirements of the Charities SORP (FRS 102).

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

This report was approved by the board of directors on 21st September 2022 and signed on its behalf by:



Stephen Carroll
Company Secretary

THE ACE CENTRE-NORTH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACE CENTRE-NORTH

Opinion

We have audited the financial statements of The Ace Centre-North for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- 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 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinions on other matter prescribed by the Companies Act 2006.

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

THE ACE CENTRE-NORTH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACE CENTRE-NORTH (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable 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 financial statements 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

THE ACE CENTRE-NORTH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACE CENTRE-NORTH (continued)

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance related to those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Charities SORP (FRS 102). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Appropriate audit procedures were performed to address those risks including testing journal entries and challenging assumptions and judgements made by management in their significant accounting estimates. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our 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. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Ducie (Senior statutory auditor)

For and on behalf of

Wrigley Partington

Chartered Accountants and
Statutory Auditor

Date : 21st September 2022

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

THE ACE CENTRE-NORTH

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account) : YEAR ENDED 31 MARCH 2022

		2022			2021		
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
INCOME							
Donations and legacies	2	11,892	-	11,892	9,013	-	9,013
Charitable activities:							
Service delivery	3	3,593,258	-	3,593,258	3,605,609	-	3,605,609
Other trading activities:							
Fundraising events	4	-	-	-	-	-	-
Investment income	5	66,164	-	66,164	46,902	-	46,902
Other	6	-	-	-	-	-	-
Total incoming resources		3,671,314	-	3,671,314	3,661,524	-	3,661,524
EXPENDITURE							
Raising funds	7	1,412	-	1,412	1,253	-	1,253
Charitable activities:							
Service delivery	7	3,728,059	-	3,728,059	2,961,493	-	2,961,493
Governance	7	43,231	-	43,231	42,319	-	42,319
Total expenditure	7	3,772,702	-	3,772,702	3,005,065	-	3,005,065
Net incoming resources before investment gains/(losses)		(101,388)	-	(101,388)	656,459	-	656,459
Net gains/(losses) on investments	13	88,531	-	88,531	425,238	-	425,238
Net income/(expenditure)		(12,857)	-	(12,857)	1,081,697	-	1,081,697
Transfers between funds	22	-	-	-	-	-	-
Net movement in funds		(12,857)	-	(12,857)	1,081,697	-	1,081,697
Reconciliation of funds							
Total funds brought forward		4,109,686	-	4,109,686	3,027,989	-	3,027,989
Total funds carried forward	22	4,096,829	-	4,096,829	4,109,686	-	4,109,686

All incoming resources and resources expended are derived from continuing activities.
The accompanying notes are an integral part of this statement of financial activities.

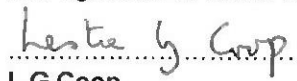
THE ACE CENTRE-NORTH

BALANCE SHEET : AS AT 31 MARCH 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	138,690	171,753
Investments	13	3,526,879	2,178,661
Total fixed assets		<u>3,665,569</u>	<u>2,350,414</u>
CURRENT ASSETS			
Debtors	14	95,271	102,415
Cash at bank and in hand	15	727,938	2,397,204
Total current assets		<u>823,209</u>	<u>2,499,619</u>
LIABILITIES:			
Creditors falling due within one year	16	391,949	740,347
Net current assets		<u>431,260</u>	<u>1,759,272</u>
Net assets	23	<u>4,096,829</u>	<u>4,109,686</u>
THE FUNDS OF THE CHARITY			
<i>Restricted income funds</i>	22	-	-
<i>Unrestricted funds:</i>	22	4,096,829	4,109,686
Total charity funds	22	<u>4,096,829</u>	<u>4,109,686</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The accounts were approved by the Board on 21st September 2022
and signed on its behalf by:

 Trustee/Director
L G Coop
Registration number 4268143

The accompanying notes are an integral part of this balance sheet.

THE ACE CENTRE-NORTH

STATEMENT OF CASH FLOWS : YEAR ENDED 31 MARCH 2022

	<i>Note</i>	2022 £	2021 £
Cash used in operating activities	24	<u>(417,654)</u>	<u>1,138,091</u>
Cash flows from investing activities			
Interest income	5	-	11,603
Dividend income	5	66,164	35,299
Purchase of tangible fixed assets	12	(58,089)	(105,953)
Purchase of fixed asset investments	13	(1,259,687)	(43,007)
Proceeds from fixed asset disposals		-	-
Cash provided by (used in) investing activities		<u>(1,251,612)</u>	<u>(102,058)</u>
Increase/(decrease) in cash and cash equivalents in the year		(1,669,266)	1,036,033
Cash and cash equivalents at the beginning of the year		2,397,204	1,361,171
Total cash and cash equivalents at the end of the year	15	<u>727,938</u>	<u>2,397,204</u>

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) **Basis of preparation**

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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Ace Centre-North meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) **Company status**

The charity is a company limited by guarantee. The members of the company are drawn from Oldham's civic community and from business, education and training, and voluntary sector communities elsewhere. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The charity was incorporated in England and the address of its registered office is Hollinwood Business Centre, Albert Street, Oldham, OL8 3QL.

c) **Income recognition policies**

Items of income are recognised and included in the accounts when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable and the amount can be measured reliably. The following specific policies apply to categories of income:

Legacies: entitlement is the earlier of estate account being finalised and cash received.

Grants and contract income, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of performance its recognition is deferred and included in creditors. Where entitlement occurs before income is received the income is accrued.

Donated assets are capitalised at a value equivalent to market value at the date of donation.

Investment income is recognised on a receivable basis.

Income is included in the SOFA net of Value Added Tax where applicable.

d) **Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis (eg. number of employees or estimated usage). Expenditure is classified under the following activity

Costs of raising funds are those costs incurred in trading activities that raise funds.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services, and include both the direct costs and support costs relating to those activities.

Governance costs, which are included within charitable activities, are those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

e) Donated services and facilities

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the activity. Irrecoverable VAT is charged against the category of resources expended/activity for which it was incurred.

g) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

h) Tangible fixed assets and depreciation

Individual fixed assets costing £495 or more are capitalised at cost, with the exception of loan equipment purchased to provide to clients on lifetime loans in accordance with the charity's objects and the terms of the NHS agreement, which are charged to the SOFA on acquisition.

Depreciation has been provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows :

Leasehold alterations -	20% Straight line
Fixtures and fittings -	25% Reducing balance
Computer equipment -	33% Straight line
Assessment equipment -	33% Straight line
Motor vehicles -	25% Reducing balance

i) Investments

Listed fixed asset investments are initially measured at cost and subsequently at fair value (their market value) at the reporting date. Changes in fair value are recognised in the statement of financial activities.

j) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees/directors in furtherance of the general objectives of the Charity and that have not been designated for other purposes.

Restricted funds are funds subject to restrictions imposed by the donor or by the specific terms of the appeal under which the funds are raised.

Designated funds comprise unrestricted funds that have been put aside at the discretion of the trustees/directors for particular purposes.

k) Pensions

The charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held and managed separately from those of the charity. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the SOFA, so as to spread the cost of pensions over employees' working lives with the charity, in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

1 Accounting policies continued

l) Taxation

The company is a registered charity and as such is entitled to the exemption from tax to the extent that the income received falls within section 505 ICTA 1988 and section 256 CGTA 1992 and is applied to charitable purposes only.

m) Holiday pay

Provision is made in the accounts for holidays accrued but not taken as at the end of the financial year.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

o) Cash at bank and in hand

Cash at bank and 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.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Assessment of going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and the accounts have been drawn up on the going concern basis which assumes that the charity will continue in operation for the foreseeable future.

r) Financial instruments

Listed investments are measured at fair value with changes in fair value being recognised in the statement of financial activities.

The charity's other financial assets and financial liabilities are of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
2 <u>Income from donations and legacies</u>				
Donations	11,892	-	11,892	9,013
Legacies	-	-	-	-
	<u>11,892</u>	<u>-</u>	<u>11,892</u>	<u>9,013</u>
3 <u>Income from charitable activities</u>				
Service delivery:				
Centre courses	33,123	-	33,123	26,442
Engineering services	2,772	-	2,772	3,514
Recharged activities	-	-	-	159
Assessments	12,308	-	12,308	4,000
Consultancy and audit work	210	-	210	3,674
Publications	8,657	-	8,657	7,186
Products	2,090	-	2,090	-
Voiceitt App	24,458	-	24,458	-
NHS income	3,476,676	-	3,476,676	3,529,625
Partnerships (formerly service level agreements)	32,964	-	32,964	31,009
	<u>3,593,258</u>	<u>-</u>	<u>3,593,258</u>	<u>3,605,609</u>
4 <u>Income from other trading activities</u>				
Fundraising events	-	-	-	-
5 <u>Investment income</u>				
Interest on listed investments	-	-	-	11,603
Dividends on listed investments	66,164	-	66,164	35,299
	<u>66,164</u>	<u>-</u>	<u>66,164</u>	<u>46,902</u>
6 <u>Other income</u>				
Profit on fixed asset disposal	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

7 Total resources expended

	Charitable activities				
	Raising funds	Service delivery	Governance	Total 2022	Total 2021
	£	£	£	£	£
Costs directly allocated to activities					
Payroll and associated costs	1,199	1,530,401	-	1,531,600	1,307,340
Materials	-	4,113	-	4,113	2,738
Advertising	-	52,559	-	52,559	22,975
Motor expenses	-	2,571	-	2,571	2,032
Travel and accommodation	-	79,602	-	79,602	25,237
Equipment for service delivery	-	931,546	-	931,546	677,035
Consultancy	-	31,651	-	31,651	8,917
Fundraising costs	213	-	-	213	183
Bad debts	-	-	-	-	(356)
Depreciation	-	56,314	-	56,314	61,372
Computer costs	-	64,950	-	64,950	37,389
	1,412	2,753,707	-	2,755,119	2,144,862
Support costs					
Payroll and associated costs	-	392,713	34,231	426,944	333,327
Staff training	-	12,599	-	12,599	10,417
Personnel, recruitment and CRB	-	13,017	-	13,017	2,746
Rent and rates	-	141,518	-	141,518	137,406
Insurance	-	17,838	-	17,838	11,559
Light, heat and water	-	14,172	-	14,172	9,378
Repairs and maintenance	-	12,642	-	12,642	19,289
Printing, stationery and postage	-	20,480	-	20,480	16,570
Subscriptions and journals	-	21,539	-	21,539	8,167
Telephone	-	6,335	-	6,335	5,340
Equipment hire	-	1,144	-	1,144	1,832
Audit	-	-	9,000	9,000	11,950
Accountancy	-	2,000	-	2,000	2,000
Legal and professional	-	13,473	-	13,473	22,056
Bank charges	-	3,777	-	3,777	1,232
Sundries and cleaning	-	7,853	-	7,853	10,373
Irrecoverable VAT	-	248,217	-	248,217	199,073
Depreciation	-	34,838	-	34,838	48,445
Loss on fixed asset disposals	-	-	-	-	-
Research and development	-	2,980	-	2,980	4,889
Computer costs	-	7,217	-	7,217	4,154
	-	974,352	43,231	1,017,583	860,203
Total resources expended	1,412	3,728,059	43,231	3,772,702	3,005,065

Support costs have been apportioned using time spent, a basis which is considered consistent with the use of the resources.

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

	Total 2022 £	Total 2021 £
8 Staff costs		
Total staff emoluments for the year were as follows:		
Salaries	1,479,902	1,250,286
National Insurance	150,944	128,486
Pension (see note 21)	327,698	261,895
	<u>1,958,544</u>	<u>1,640,667</u>

9 Staff numbers

The average number of full-time equivalent employees and secondees during the year were as follows:

	Number	Number
Charitable activities:		
Service delivery	38.6	33.0
Governance	0.5	0.4
Raising funds	-	-
	<u>39.1</u>	<u>33.4</u>

The number of employees whose emoluments amounted to more than £60,000 in the year were:

	Number	Number
Between £60,000 and £70,000	<u>2</u>	<u>1</u>

The charity considers its key management personnel to comprise the trustees and the CEO. The total employment benefits including employer pension contributions of the key management personnel were £91,268 (2021: £90,013).

None of the trustees were paid any remuneration during the year (2021: None). Travelling expenses amounting to a total of £862 (2021: Nil) were paid on behalf of nine of the trustees.

10 Net movement in funds

Net movement in funds is arrived at after charging /(crediting):		
Depreciation of tangible fixed assets	91,152	109,817
(Profit)/loss on revaluation of fixed asset investments	(88,531)	(425,238)
Operating lease rentals	123,176	124,343
Auditors' remuneration:		
Audit	9,000	11,950
Other services	2,000	2,000

11 Taxation

The company is a registered charity and no provision is considered necessary for taxation.

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

	Leasehold alterations	Fixtures & Fittings	Computer Equipment	Assessment Equipment	Motor Vehicles	Total
Cost						
At 1 April 2021	90,291	123,868	122,657	553,576	12,528	902,920
Additions	-	1,728	9,158	47,203	-	58,089
Disposals	-	-	-	-	-	-
At 31 March 2022	90,291	125,596	131,815	600,779	12,528	961,009
Depreciation						
At 1 April 2021	76,175	85,231	101,139	459,068	9,554	731,167
Charge for the period	7,614	9,986	16,495	56,314	743	91,152
Disposals	-	-	-	-	-	-
At 31 March 2022	83,789	95,217	117,634	515,382	10,297	822,319
Net Book Value						
At 31 March 2022	6,502	30,379	14,181	85,397	2,231	138,690
At 31 March 2021	14,116	38,637	21,518	94,508	2,974	171,753

13 Fixed asset investments

Movement in fixed asset investments:	2022	2021
	£	£
Market value at 1 April 2021	2,178,661	1,710,416
Additions to investments at cost	1,259,687	43,007
Net gain/(loss) on revaluation	88,531	425,238
Market value at 31 March 2022	<u>3,526,879</u>	<u>2,178,661</u>
Fixed asset investments by type:	2022	2021
	£	£
UK equity funds	1,842,734	1,170,750
Overseas equity funds	1,681,065	1,005,939
Total listed investments	<u>3,523,799</u>	<u>2,176,689</u>
Cash on interest bearing deposit	3,080	1,972
	<u>3,526,879</u>	<u>2,178,661</u>

The above relates to an investment with Rathbone Investment Management. Of the value held at 31 March 2022, £1,682,628 is a medium term investment (3-5 years from March 2019) and £1,844,251 is a long term investment (5 years+).

All investments are carried at their fair value (quoted market price).

No material investments (holdings of more than 5% of the total portfolio value) are included within the above.

Financial risk relating to investments is managed by retaining expert advisors and investment managers, who operate an investment policy that provides for a high degree of diversification of holdings within investment asset classes.

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
14 Debtors and prepayments		
Trade debtors	23,738	40,493
Prepayments and accrued income	71,533	61,922
	<u>95,271</u>	<u>102,415</u>
15 Cash at bank and in hand		
Cash at bank	727,938	2,396,793
Cash in hand	-	411
	<u>727,938</u>	<u>2,397,204</u>
16 Creditors : amounts falling due within one year		
Trade creditors	150,174	293,744
Value Added Tax	4,095	5,172
PAYE and NI	-	32,409
Pension contributions	-	35,046
Accruals	56,373	52,039
Deferred income	181,307	321,937
	<u>391,949</u>	<u>740,347</u>
Movements on deferred income account:		
Brought forward	321,937	6,051
Released	(321,937)	(6,051)
Income deferred in current year	181,307	321,937
	<u>181,307</u>	<u>321,937</u>

Income has been deferred as it was received in advance of the services being provided.

17 Share capital

The company has no share capital, and the liability of members is limited by guarantee to £10 per member.

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

18 Capital commitments

There were no commitments for capital expenditure at 31 March 2022.

19 Financial aid

The company acknowledges the support of its corporate members and sponsors in kind.

20 Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Expiring within 1 year	38,476	6,105
Expiring within 2 - 5 years	-	94,532
Expiring after 5 years	-	-

21 Pension fund

The scheme available to staff is the Greater Manchester Pension Fund (GMPF), which is a final salary defined benefit scheme. Contributions to the scheme are charged to the SOFA so as to spread the cost of pensions over employees' working lives with the charity. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was as at 31 March 2019. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed that the investment returns would be 3.6% per year, that salary increases would average 3.1% per year and that the present and future pensions would increase at a rate of 2.3% per year. The proportion of members' accrued benefits covered by the actuarial valuation amounted to 100%. At 31 March 2019 there was a surplus within the GMPF of £529m (2016: £1,371m deficit). The practical consequence of this surplus for the charity is that the employer contribution rate to the fund will reduce from 22.7% of pensionable pay for the year ended 31 March 2020 to 21.7% of pensionable pay for each of the three years ended 31 March 2023.

The pension charge for the year was £327,698 (2021: £261,895).

The trustees understand that it should be possible for the actuary to provide disaggregated FRS17 figures for Ace Centre North but that due to the relatively small number of employees it is difficult to identify the charity's share of the scheme assets and liabilities on a consistent, reliable and reasonable basis. Further, the cost of providing the necessary report is considered to be significant. For this reason the contributions are accounted for as if the scheme was a defined contribution scheme.

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

22 Analysis of charitable funds

Analysis of fund movements:

	At 1 April 2021 £	Incoming resources £	Resources expended £	Investment gains £	At 31 March 2022 £
<i>Restricted Funds:</i>					
<i>Funds for restricted purposes</i>	-	-	-	-	-
<i>Unrestricted funds:</i>					
General fund	4,109,686	3,671,314	(3,772,702)	88,531	4,096,829
Total	4,109,686	3,671,314	(3,772,702)	88,531	4,096,829

23 Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	138,690	-	-	138,690
Fixed asset investments	3,526,879	-	-	3,526,879
Debtors	95,271	-	-	95,271
Cash at bank and in hand	727,938	-	-	727,938
Creditors due within one year	(391,949)	-	-	(391,949)
Net assets 31 March 2022	4,096,829	-	-	4,096,829

THE ACE CENTRE-NORTH

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 31 MARCH 2022

24 Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	(12,857)	1,081,697
Add back depreciation charge	91,152	109,817
Add back assessment equipment transferred to clients	-	6,100
Add back (profit)/loss on revaluation of investments	(88,531)	(425,238)
Deduct interest income shown in investing activities	-	(11,603)
Deduct dividend income shown in investing activities	(66,164)	(35,299)
Decrease/(increase) in debtors	7,144	76
Increase/(decrease) in creditors	(348,398)	412,541
	<u>(417,654)</u>	<u>1,138,091</u>

25 Related party transactions

There were no related party transactions during the year (2021: none)