

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**Company Number : 4345294**

**Registered Charity Number : 1122223**

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

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**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT**

**YEAR ENDED 31 MARCH 2021**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31<sup>st</sup> March 2021.

**Reference and administrative details**

Registered Company Number: 4345294  
Registered Charity Number: 1122223  
Registered Office 99 Acklam Road  
Acklam  
Middlesbrough  
TS5 5HR

**Senior Management Team**

Chief Executive: Sandra Phillips  
Operations Director: Paul Wales  
Head of Finance: Anne Davies

Details of the Board of Trustees are set out below. The Trustees are also known as directors of ACTES TRUST for the purposes of company law.

Name	Role	Date Elected	Date Resigned
Charlie Rooney		13.07.2010	
Geoff Payne	Chair from 05.02.19	25.01.2007	
Sharon Stuttard		17.11.2008	
Peter Dawson		07.05.2019	
Helen Dudiack		04.02.2020	

**ACTES TRUST  
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**THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

Auditors	Azets Audit Services New Garth House Upper Garth Gardens Guisborough TS14 6HS
Bankers	National Westminster Bank PLC PO Box 352 Brampton Road Newcastle under Lyme ST5 0QX
Solicitors:	Womble Bond Dickinson St Anns Wharf 112 Quayside Newcastle upon Tyne Tyne and Wear NE1 3DX
Investment Bankers:	Cazenove Capital 12 Moorgate London EC2R 6DA



# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

### **YEAR ENDED 31 MARCH 2021**

In preparing this report the trustees have had due regard to guidance published by the charities commission on public benefit as required under the Charities Act 2011.

#### **Introduction from the Chair**

In line with the previous few years, 2020/21 has continued to be challenging for the Charity and this has been further complicated due to the Covid-19 pandemic. The funding landscape has remained difficult with fewer opportunities in terms of funding and despite best efforts the Charity ended the year showing a loss. The Board continue to review of the whole business instigating changes where needed.

Throughout 2020/21 the Charity continued to provide high quality rental space mainly with the Acklam Green Centre, supporting a local secondary school and NHS services (mental health) and during the pandemic provided a much-needed location for the vital blood donation service to operate safely.

The Charity still retains properties which the Charity lets to tenants to provide an income stream, however property management is not a core activity. The intention over the course of the next few years is that the Charity will divest itself of the housing stock and reinvest the sales proceeds into core activities.

While the financial aspect of the business is disappointing, the Charity has continued to grow its reputation and recognition for the services we provide. We have continued to provide our services to support those furthest from the labour market alongside our accredited and non-accredited training programmes.

The impact of Covid-19 on the Charity has been significant on both centres', room bookings have decreased particularly from regular and repeat bookings, this is due the enforced government restrictions resulting in business interruption throughout the year which has resulted in a loss of income. We are forecasting, along with many other organisations, that covid-19 will have a material effect on our financial projections for the coming years and are therefore taking action to mitigate some of that loss where possible.

Fortunately, client support services still received funding which allowed the Charity to continue to provide direct support to beneficiaries, mainly through remote home-based support. This year has also seen the Charity extend its work on the environment especially working with communities on climate change.

The focus of the Charity remains supporting clients in achieving their goals. In ensuring that beneficiaries are not disadvantaged the board authorised the use of the reserves to provide continued support.

Just before the year end the current Chief Executive resigned to move onto pastures new and an interim structure was put in place utilising the other members of the Senior Management Team. After six months of running with this successfully the board have decided to make the structure permanent.

I would like to thank the board of trustees for giving their time and support during the year and on behalf of them all I would like to thank the staff team for their dedication and hard work to ensure our continued growth and for their professionalism in particular working through the challenges faced by the Covid-19 pandemic, ensuring that beneficiaries of the Charity continued to receive support.

Geoff Payne

Chair of the Board

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Structure, Governance and Management**

Actes Trust is a company limited by guarantee governed by a Board of Trustees and its Memorandum and Articles of Association dated 24<sup>th</sup> December 2001 and amended 10<sup>th</sup> September 2010 and 17<sup>th</sup> September 2012. It is a registered charity with the Charity Commission. The Board of Trustees are appointed by its members.

The Board of Trustees:

- Sets the policy of the charity;
- Is involved in determining the corporate strategy of ACTES, including setting key strategic objectives;
- Approves the financial strategy for the organisation and authorises major decisions about the use of finances;
- Approves the programme of delivery for ACTES activities;
- Sets the framework for human resources policy.

### **Recruitment and Training of Trustees**

Trustees are recruited in line with the terms laid down in the Articles of Association. Trustees serve for an initial term of 4 years after which they can be re-appointed for a further 2 years at any periodic board meeting. There is no limit to the number of 2 year terms that a trustee can serve.

Individuals wishing to be considered for the role of Trustee are required to submit an application to the Chair of the Board who will short-list suitable applicants on the basis of relevant skills and experience, prior to an election process.

Following their appointment Trustees are issued with a Trustee Handbook and are invited to an induction meeting to update them on the current strategic issues facing the organisation. On-going training needs are identified as part of an annual, formal appraisal process designed for Trustees.

### **Organisational Structure & Decision Making**

Responsibility for the day to day management of Actes and the implementation of Board decisions and policy is delegated to Actes Chief Executive, with the support of Actes Management Team and staff.

The Board meets a minimum of 4 times per year.

### **Setting Pay and Remuneration**

The Board are responsible for setting the remuneration of the Chief Executive Officer and the Deputy Chief Executive Officer. The Board take into account similar roles in comparative organisations in determining the salary levels and seek external advice. The Chief Executive officer is responsible for setting the remuneration level for all other staff again benchmarking against similar roles within comparative organisations.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Related Parties**

None of the trustees receive remuneration or any other benefit from their work with the charity. Any connection between a trustee or a senior manager of the charity with an Actes service user or organisation that supplies goods or services to Actes must be disclosed to the board of trustees in the same way any other contractual relationship with a related party. In the current year no such related part transactions were reports.

The charity's wholly owned subsidiary, Ngage Client Solutions was established to operate contracts of a commercial nature, with the ability to gift aid any profits back to the charity. Ngage Client Solutions was dormant during the year and was dissolved on the 10<sup>th</sup> August 2021.

### **Objectives & Activities**

Actes was established for the promotion for the public benefit of urban and rural regeneration in areas of social and economic deprivation.

Actes exists to improve the lives of the communities it serves. It achieves this by providing tailored services to meet the needs of individuals, often with complex or multiple needs, and by the provision of high-quality business and social spaces and lettable accommodation.

Actes aims to inspire individuals to realise their full potential through supportive engagement and innovative solutions to achieve change. It has adopted a person-centred approach to service delivery involving coaching, information advice and guidance, accredited and non-accredited training and workshops. It has a solid asset base including business and community premises and a small housing portfolio with the capability to increase this in future years.

Actes is continuing to expand and is developing its services into supporting the reducing reoffending agenda and working with those clients who have chaotic lifestyles. Actes strength lies in working with the client to help them progress towards their aims and goals, be that education, training, employment, or a more stable lifestyle. We operate a peer led service to further enhance the support offered to clients.

In delivering its objectives, Actes seeks to address a range of broad social issues through an extensive delivery programme which will enable individuals to contribute to society in a positive way. Established as a Charity in 2008, Actes currently operates mainly within the Tees Valley but is expanding its operations more widely.

**ACTES TRUST  
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**THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

**Objectives & Activities (continued)**

Actes will meet these objectives by all or any of the following means:

- a) the relief of poverty;
- b) the relief of unemployment;
- c) the advancement of education, training or re-training, particularly among unemployed people, and assisting in the provision for unemployed people of work experience;
- d) the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:
  - I. to existing businesses; or
  - II. in setting up new businesses;
- e) the creation of training and employment opportunities by the provision of work-space, buildings and/or land;
- f) the provision of housing for those who are in conditions of need and the improvement of housing provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- g) the maintenance, improvement or provision of public amenities;
- h) the provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- i) the protection or conservation of the environment;
- j) the provision of public health facilities and childcare;
- k) the promotion of public safety and the prevention of crime.

The progress towards achievement of the Charity's aims and objectives is monitored quarterly by the Board of Trustees and any corrective action required due to slippage against timescales is documented. The board review the organisation's position both financially and operationally at every meeting and all company policies are reviewed by the board on an annual cycle. The Articles of Association are reviewed yearly to ensure that recent legislation is incorporated where required

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Achievements and Performance**

#### One Planet Pioneers

The project aims to empower disadvantaged young people, 14-21 years old, through engagement in environmental action in the broadest sense, using volunteering, training and apprenticeships to develop young people as environmental advocates and leaders. Using the One Planet framework and utilising existing partnerships.

During 2020/21 the programme extended its engagement to local schools, colleges and youth club. This has resulted in training more young people in peer mentoring and exceeding the overall programme target of 20.

Actes delivery on this OPP programme also:

- Developed a legacy programme with the Youth Panel which towards the end of the programme will implement a plant trail (with information) across the town.
- Maintained contact with the OPP Youth Panel virtually but due to Covid restrictions with the team and the youth panel organising weekly litter pick in open space littered areas around Middlesbrough.
- Developed a 18th of March leading up to Global Recycling Day posting information on social media, facts, and helpful advice on recycling.
- Continued to take part in Community Action Days such as the Great British Spring Clean event in areas of Middlesbrough as well as carrying out litter picks
- The One Planet Pioneers project over the five years has engaged with over **1,500** young people with over **300** of these young people being long term volunteers and **22** of these have moved onto Training, Employment or Volunteering

Actes delivery on the programme is scheduled to end in April 2021 and look forward to the development of the legacy programme.

#### Climate Action Middlesbrough

Actes alongside Middlesbrough Environment City and Tees Valley Wildlife Trust invested significant time in developing a partnership application to the Lottery Climate Action Fund.

The application was successful and, in the autumn of 2020, the programme started. Climate Action Middlesbrough is led by Middlesbrough Environment City with a range of partners, Linx, Tees Valley Wildlife Trust, The Other Perspective (TOP) and Actes.

Actes leads on youth engagement (working with Linx) and some of the wider training and community engagement, working directly with MEC and TOP.

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

## THE TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 MARCH 2021

### Achievements and Performance (continued)

#### Greenshoots

Again, working with Middlesbrough Environment City, we were successful in securing funding to deliver a Greenshoots programme.

The project builds on well-established local partnerships to connect some of Middlesbrough's most under-represented and disadvantaged groups with nature, increasing understanding, developing practical skills, and creating cohesive communities.

The project aims to support BAME communities, refugee and asylum seekers and young people from disadvantaged communities to experience nature and take positive action to conserve and enhance it.

#### Unclaimed Benefit Take-up Campaign

The Unclaimed Benefit Campaign/HUB Service funded by Middlesbrough Council continues to support residents from across Middlesbrough. The partnership involving Citizen Advice Bureau (lead), Age UK, Cleveland Housing Advice Centre (CHAC), Welfare Right (MBC) and Actes continues to exceed targets set. Actes delivers the Evaluation/Triage Services within the programme.

The support service has continued to provide vital support to residents across Middlesbrough working remotely during the pandemic. The service has made two additions to further help clients access the service:

- More flexible appointment times especially for clients with working arrangements.
- A dedicated email address that allows request for support via email.

Between April 2020 to March 2021

- **962** people accessed the service with **740** benefits identified.

The estimated amount of benefits that could potentially be claimed annually during this period is **£2,721,263**.

Local Economic Development: The contribution made by benefits/welfare rights advice applying a multiplier developed by the New Economics Foundation, Ambrose and Stone conclude financial gains through advice and support should have a multiplier effect of 1.7 (viewed as a conservative estimate) applied, therefore the value to the local economy would be: **£4,626,148**.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Achievements and Performance (continued)**

#### Work IT Out

Actes continues to work with Hartlepool College of Further Education (HCFE) to delivery both IT and Employability accredited programme which we package up as the 'Work IT Out' course, this is through their Adult Skills Budget. Actes works closely with Job Centre Plus taking referrals from Middlesbrough, Stockton and East Cleveland.

Due to the pandemic the delivery of this course was extremely challenging despite taking steps to reduce class capacity within the classroom and ensuring all Covid19 safety measures were in place. From April 2020 to March 2021 all referrals to this provision were voluntary as DWP skills conditionality (requirements that claimants must do to be in receipt of benefits) was halted and has only started to be re-introduced in August 2021 on a limited scale.

However, since the end of lockdown one (July 2020) Actes continued to deliver the 'Work IT Out' course on a face-to-face basis with clients, following all government procedures and safety guidelines. This mainly due to learners for this course, not having any IT experience or equipment (due to expense or ability) to enable them to learn online, like many other organisations were advertising.

During this challenging time Actes still managed to work with **53** learners, and through our tracking process **20** have gone into employment/training, volunteering, or further education.

Although delivery of this course was challenging Actes used some of the quiet time to develop a range of wider learning that we can promote to other organisations or build into other bid and grant applications. The courses developed were:

- Past, Present and Future – Course for ex-offenders to advise and understand disclosing their offence
- Ready4Work Course – CV course
- Wellbeing & Mental Resilience (Information & Guidance)
- Conflict Management – Developed for HM Prison Service after request by HMP Frankland (can be accredited)
- Peer Mentoring Course - updated for One Planet Pioneers including Environmental Conservation (accredited)
- Community Award – Adult version of peer mentoring
- Diversity & Inclusion course
- TAB to Work – Employability course for ex-forces



# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT***(continued)*

**YEAR ENDED 31 MARCH 2021**

### **Achievements and Performance (continued)**

#### New Directions Programme

This programme is a Tees Valley Wide Youth Employment Initiative (YEI). It is a partnership project involving New College Durham (Lead), Thirteen Group, Coast and Country Housing and Actes, funded by European Social Fund and match funding through Tees Valley Combined Authority.

Actes delivery concentrates in the challenging areas (Middlesbrough & Stockton), working with short and long-term unemployed people aged 15-29. Covid19 really impacted this programme as referrals from Job Centre Plus was limited. However, we decided to tackle the problem by concentrating promotion of the project and our service via Facebook this provided successful engaging with new clients and provided a steady stream of clients to support.

During 2020/21 Actes achieved:

- Worked with **161** eligible clients
- **136** support interventions carried out
- **99** received either a job or training offer

#### Help Through Crisis (Middlesbrough & Stockton)

The Big Lottery Help through Crisis programme draws on the strengths and personal experiences of people facing hardship so that they can overcome immediate difficulties and be ready for opportunities and challenges ahead. Actes is now delivering on the grant award programmes in Middlesbrough and Stockton. Both projects have recently had feedback from the Lottery who is really pleased with progress. During 2020/21 the programmes entered years 4 & 5 (final year).

The Firm Foundations programme continued to meet its KPI's and during the pandemic support by individuals for the project was in high demand. The programme working closely with the Council and helped distribute fuel vouchers and food support where needed.

This programme has impressed the Lottery with its approach, delivery model and results and early discussions have been held with the lottery to extend the current provision and develop a further proposal. Work on the proposal started but would not be complete until July 2021.

Also, an evaluation of the Firm Foundation project has been carried out by Teesside University which highlights the project strengths and impact.

In Stockton, the HTC is led by Stockton Citizen Advice Bureau and includes Bridges and Billingham Foodbank. Our delivery will look to provide tailored support, advice, and advocacy to enable people to address difficulties and be in a better position to improve circumstances and plan for their future.

During Covid19 restriction the project has been in low demand especially the support service we deliver. However, we have been on hand to support the project in other ways as directed.



**ACTES TRUST  
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**THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

**Achievements and Performance (continued)**

Money Management Course

Through a competitive tendering process Actes was successful in securing a small contract to deliver a short money management course to offenders in HM Prison Frankland. However due to the pandemic external providers were prevented from going into prisons to deliver the course direct so we converted the course in work booklets, sent them into the prison to be completed, these were returned and marked (following Covid19 protocols). This adaptable approach was well received by the prison and the learners were issued with certificates.

Facilities

The facilities business unit comprises the Acklam Green Centre, the Resource Centre, and the rentable properties.

Over the course of 2020/21 the two centres achieved an income of £125k. In addition to this £60k was received in grants through the job retention scheme which had to be accessed due to the impact of the Covid 19 pandemic through closure and inactivity.

However during these periods we took the opportunity to carry out repairs and maintenance work in readiness for increased demand as restrictions were lifted.

The rental properties brought in £44k which is in line with the previous year.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT***(continued)*

**YEAR ENDED 31 MARCH 2021**

### **Financial Review**

In the financial year ended 31<sup>st</sup> March 2021, total income was £655,408 (2020 £844,252).

Total expenditure for the financial year was £928,253 (2020 £1,196,882).

The principal funding sources of income to Actes during the year were provision of recreational facilities, room hire and catering income of £125,000, investment and rental income of £112,000, client led services contract income of £44,000, client led services generated income £25,000, client led services grants of £364,500 and HMRC Job Retention Scheme grants of £62,500.

The financial year 2020/21 has been even more challenging than previous years not only from the lack of funding opportunities but the impact on operations of the Covid-19 pandemic. Activities for generating funds and contracts income were impacted the most with more than a 50% reduction across both areas due to closure of facilities or reduced capacity in line with government restrictions and guidance. Grants received were not impacted from the pandemic as funders allowed remote and online delivery and additional grants were received as the government furlough scheme was used to allow staff to be retained and utilised in between lockdowns. Investments had seen a 10.8% loss as the start of the year and although they have fully recovered income received saw a 12% reduction compared with 19/20. Rental income remains static as all eight properties have been occupied 100% during the year. Most project and back-office staff worked from home during the year and negotiations with suppliers put contracts on hold across all business units. This combination allowed significant overhead savings to be made. Despite the challenges and reduction in income the operational deficit was 22.6% better than 19/20 and due to the gain on the investment reserves increased by 0.2%. New partnerships and programmes continue to be developed to increase the chances of success with the limited funding opportunities.

The overall financial position remains strong with a mix of unrestricted reserves and capital assets.

Although the operating deficit was £272,845 the total reserves increased by £11,464. There was an increase to the market value of the multi charity investment of £284,308 which was a result of the markets recovering from the impact of Covid 19.

### **Reserves Policy**

Due to the changes in income streams and the higher levels of risk that the charity now faces ACTES have set the minimum level of reserves to £600,000. This is significantly less than the current level of unrestricted reserves which will reduce over the next 3 to 5 years as ACTES continues to work towards sustainability. Reserves will be used to continue the furtherance of the charity's objectives during times when the funding streams of the charity are not certain or when the income levels fall significantly.

At the 31<sup>st</sup> March 2021, total reserves held were £5,468,395 (2020 £5,456,931). Of this amount £2,585,922 (2020 £2,643,724) was restricted capital funds. The balance of unrestricted reserves £2,882,403 (2020 £2,813,207) comprise of designated funds of £959,000 (2020 £1,009,000), revaluation reserve £701,608 (2020 £417,300), free reserves of £922,769 (2020 £815,717) and £299,026 (2020 £338,490) relating to fixed assets.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Investments**

The charity's investment policy requires the board to consider whether any reserves held are freely available to invest in areas that will create a return to assist with the furtherance of the charity's objectives. The board considers the suitability and diversification of any potential investments to ensure that the failure of one investment or institution does not have a major impact on the charity. The market value of the investment in shares is reflected in the charity's annual accounts with any movement recorded in the revaluation reserve. The board seeks professional advice when considering selecting or disposing of investments where they do not have the expertise to do so themselves. Any one investment should not represent more than 20% of the overall value of the Investment Funds, or 50% in the case of collective funds. A balanced approach between income and capital is adopted.

The charity's investment objectives are to maintain the capital value of the investment fund at least in line with inflation, with a profile of no higher than a medium risk. The term of the investment is viewed by the board as being on a medium to long term basis, but if required the investment will be easily accessible to pay for the annual expenses of managing the charity if needed. The board requires that the funds will not have any direct exposure to tobacco related investments.

During 2020-21, £250,000 was withdrawn from the investment to assist with cashflow. After taking this into account the performance of the investments in 2020-21 has seen an increase in fund market value of 19.5% with the year-end value of £1.49m. The income received during the year was £68,000 which has been used to further the charity's overall objectives.

### **Key Risk and Uncertainties**

The board recognise that the charity operates in an area which has a degree of uncertainty. Nationally, welfare reform and the contraction of public services have had a major impact on the way that the charity operates. For example, local authority cutbacks have reduced centre occupancy rates and consequently their profitability. Grant funding is also in decline, and as public services are contracted-out they are commissioned in such a way that staff, TUPE obligations and delivery risks are also transferred to potential suppliers. This is combined with the requirement for organisations to demonstrate a track record in particular service areas and to meet high financial thresholds to pass contract eligibility criteria. This creates barriers for market entry into new delivery areas, and for the charity sector generally which is not known for maintaining high levels of reserves. Actes approach to overcoming this is to become a member of strategic partnerships or consortiums to pool experience and resources, and by doing so, be able to access larger and higher value contracts.

The Board recognise that the impact of Covid-19 continues to affect the Charity's financial projections although since the lifting of restrictions in March 2021 performance has been better than expected. The impact is mainly on the two centres. The board continue to review the position regularly and mitigating the expected loss where possible.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Internal Controls and Risk Management**

Systems and procedures have been established to identify, monitor and manage the risks that Actes faces. Strategic decisions taken by the Trustees include full consideration of risk based on a risk assessment matrix.

One of the major risks for Actes is the reduction in funding opportunities at this time and the inability to fully cover overhead expenditure within grants. In managing this risk, Actes continually reviews its operating model to ensure expenditure is under control and within budgetary limits. In addition, Actes continually reviews its staffing structure to ensure it is not only fit for purpose but also efficient, effective and affordable. This will be an on-going process for the charity to ensure long term sustainability.

### **Plans for the Future**

Actes has agreed the following Strategic Objectives to be achieved by March 2023.

1. Actes will be a sustainable and thriving charitable company by delivering services within and beyond the Tees Valley.
2. Actes will build its reputation, brand and relationships with new clients and customers to expand its range of services.
3. Actes aims to be recognised for providing high quality, best value services and facilities to meet its stakeholder needs.
4. To be an employer of choice evidenced by a commitment to continuous staff development, increased employee motivation, well-being and retention.

Achieving these objectives will be our key to long term sustainability and success. The Board however recognise that the continuing impact of Covid-19 will most likely mean that the Charity will not achieve all of these objectives by March 2023. These objectives will be reviewed at every board meeting alongside the government restrictions in place to manage the pandemic and the effect on our operational capacity.

Actes continues to explore grant and partnership opportunities and tender for funding to facilitate change. It has developed strong working relationships with a wide range of partners (including Charities) such as DWP, HMPPS, local authorities, Public Health, The National Lottery Community Fund, Universities and Colleges, and other charitable and voluntary organisations and will continue to explore new beneficial relationships. The results of developing strong partnerships can be demonstrated by our work with Middlesbrough Environment City which was successful in securing Lottery programme resulting in two successful Lottery applications.

At the end of 2020/21 Actes further extended its networks by joining Catalyst Council of Interest and more recently started to develop a working relationship with a consultant in the employability area which we activate will navigate Actes towards more opportunities within this area of work.

Actes has extended its range of accredited and non-accredited programmes, focussed on specific needs, or required areas of support. Despite continued challenging situation, the board remain committed to growing the Actes brand throughout the coming year.

**ACTES TRUST  
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**THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

**Plans for the Future (continued)**

Building upon its strengths Actes has established its business model to encompass three key areas of activity which it has classified into independent Business Units. These Units are:

1. Client Led Services; which consolidates the delivery of coaching, information, advice and guidance, training, support and case management services to young people and adults. Funded through a mix of grant support and fee income, services in this Unit will change over time in response to client needs.
2. Facilities; which comprises the Acklam Green Centre, Resource Centre, and currently 8 lettable houses in the western corridor of Middlesbrough, funded through room and space hire, catering and events, long and short-term leases and rental income
3. Management and Administration; this Unit includes all governance and management systems, core organisational functions, and all activities in relation to 99 Acklam Road. It is funded by income from the Facilities and Client Led Services business units and reserves.

Our ambitions for these Units are that by March 2023;

1. Client led services will continue to develop in response to opportunities and client needs and deliver to high standards in appropriate settings.
2. Each facility, i.e. The Acklam Green Centre and Resource Centre, will be sustainable independently and collectively, returning operational surpluses to be reinvested into our charitable objectives delivered through our client led services.
3. Our management and administration costs will be streamlined and fully recoverable through the preceding Business Units.

While our housing stock generates rental income for Actes, we have acknowledged that managing properties is not our core purpose and therefore the Charity will be looking to divest itself of the housing stock over the coming years in order to focus on supporting more clients. We will continue to maximise the income from the business and community centres in order to support the Charity towards sustainability

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2021**

### **Trustees' Responsibilities**

The trustees (who are also directors of the Trust 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 the year. 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 SORP 2019 (FRS102);
- make judgements 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 operation.

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.

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

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT***(continued)*

**YEAR ENDED 31 MARCH 2021**

**Statement of disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared having taken advantage of the small companies exemption in the companies act 2006.

Registered office:

99 Acklam Road  
Middlesbrough  
TS5 5HR

Signed by order of the trustees



Geoff Payne  
Chair of the Board of Trustees

Approved by the trustees on 9<sup>th</sup> November 2021



**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ACTES TRUST**

**YEAR ENDED 31 MARCH 2021**

**Opinion**

We have audited the financial statements of ACTES Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, The Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, 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 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.



**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ACTES TRUST *(continued)***

**YEAR ENDED 31 MARCH 2021**

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 matters 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 charitable company 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 from the requirement to prepare a strategic report.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ACTES TRUST *(continued)***

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 18, 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 related 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ACTES TRUST *(continued)***

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Auditor's responsibilities for the audit of the financial statements *(continued)***

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ACTES TRUST *(continued)***

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**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 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 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.

*Azets Audit Services*

*8/12/2021*

Graham Fitzgerald BA FCA DChA

Senior Statutory Auditor

For and on behalf of Azets Audit Services, New Garth House, Upper Garth Gardens, Guisborough, TS14

6HS

Date

*Baldwins Audit Service is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME & EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>						
<b>Donations and legacies</b>						
Donations		13	-	-	13	1,813
<b>Income from Charitable activities</b>						
Grants received	2a	-	366,740	-	366,740	305,396
Contracts	2b	24,850			24,850	71,050
<b>Income from other trading activities</b>						
Activities for generating funds	2c	150,848	-	-	150,848	343,884
Rental income		44,097	-	-	44,097	44,022
<b>Income from Investments</b>						
Interest receivable and similar income		68,401	-	-	68,401	77,645
<b>Other income</b>						
Other Income		459	-	-	459	442
<b>Total income</b>		<b>288,668</b>	<b>366,740</b>	<b>-</b>	<b>655,408</b>	<b>844,252</b>
<b>Expenditure:</b>						
<b>Expenditure on Raising funds</b>	3	168,550	60,497	-	229,047	379,774
<b>Expenditure on Investment Management</b>	3	8,270	-	-	8,270	17,330
<b>Expenditure on Charitable Activities</b>	3	326,961	306,243	57,732	690,936	799,778
<b>Total expenditure</b>		<b>503,781</b>	<b>366,740</b>	<b>57,732</b>	<b>928,253</b>	<b>1,196,882</b>
<b>Net gains/(losses) on investments</b>	12	284,308	-	-	284,308	(181,913)
<b>Net gains/(losses) on disposal</b>		-			-	(6,106)
<b>Net income/(expenditure)</b>		<b>69,196</b>	<b>-</b>	<b>(57,732)</b>	<b>11,464</b>	<b>(540,649)</b>
<b>Net movement in funds</b>		<b>69,196</b>	<b>-</b>	<b>(57,732)</b>	<b>11,464</b>	<b>(540,649)</b>
<b>Reconciliation of funds:</b>						
Balance at 1 <sup>st</sup> April 2020		2,813,207	-	2,643,724	5,456,931	5,997,580
Balance at 31 <sup>st</sup> March 2021		<b>2,882,403</b>	<b>-</b>	<b>2,585,992</b>	<b>5,468,395</b>	<b>5,456,931</b>

The notes on pages 28 to 38 form part of these accounts.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**


**BALANCE SHEET**

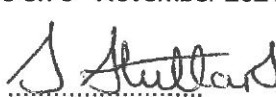
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible assets	7	2,885,018	2,982,214
Investment in subsidiary	16	1	1
Property Investment	8	650,000	650,000
Investment - Schroders	8	1,493,158	1,458,850
<b>Total Fixed Assets</b>		<b>5,028,177</b>	<b>5,091,065</b>
<b>Current Assets</b>			
Debtors	9	117,803	209,108
Cash at bank and in hand		419,442	230,584
<b>Total Current Assetss</b>		<b>537,245</b>	<b>439,692</b>
<b>Liabilities</b>			
Creditors falling due within one year	10	(97,027)	(73,826)
<b>Net current assets</b>		<b>440,218</b>	<b>365,866</b>
<b>Net Assets</b>		<b>5,468,395</b>	<b>5,456,931</b>
<b>The funds of the charity:</b>			
<b>Unrestricted income funds</b>			
General Funds	12	1,221,795	1,386,907
Designated Funds	12	959,000	1,009,000
Revaluation Reserve	12	701,608	417,300
<b>Total Unrestricted Funds</b>		<b>2,882,403</b>	<b>2,813,207</b>
<b>Restricted Income Funds</b>	13	-	-
<b>Restricted Capital Funds</b>	14	2,585,992	2,643,724
<b>Total charity funds</b>		<b>5,468,395</b>	<b>5,456,931</b>

These financial statements have been prepared in accordance with the provisions applicable to small companies under part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on 9<sup>th</sup> November 2021

  
Geoff Payne

  
Sharon Stuttard

Company Number – 4345294

The notes on pages 28 to 38 form part of these accounts

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities;</b>			
<b>Net cash provided by (used in) operating activities</b>	<b>19</b>	<b>(156,832)</b>	<b>(492,743)</b>
<b>Cash flows from investing activities:</b>			
Dividends, Interest and rents from investments		112,498	121,667
Proceeds from Sale of Investment Property		-	118,894
Purchase of property, plant and equipment		(16,809)	-
Proceeds from disposal of investments		250,000	250,000
<b>Net cash provided by (used in) investing activities</b>		<b>345,689</b>	<b>490,561</b>
<b>Increase (decrease) in cash and cash equivalents in the year</b>		<b>188,857</b>	<b>(2,182)</b>
Cash and cash equivalents at the beginning of the year		230,584	232,766
<b>Total cash and cash equivalents at the end of the year</b>	<b>20</b>	<b>419,442</b>	<b>230,584</b>

The notes on pages 28 to 38 form part of these accounts.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General information and basis of preparation**

Actes is a company limited by guarantee in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are the provision of recreational facilities, room hire and catering, rental of investment properties and client led services.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.



**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

**Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties currently exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. The trustees however recognise that the impact of Covid 19 over the next 12 months could change this and are monitoring the position of the charity more frequently to ensure any remedies available are put in place quickly.

**Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

**Fixed assets**

All fixed assets are initially recorded at purchase cost plus the costs of any directly attributable expenditure.

**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:

Freehold Property	-	50 years straight line
Investment Property	-	No Depreciation
Football Pitches	-	25 years straight line
Equipment	-	4 years straight line

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

**Investments**

The Multi Asset Investment is stated at market value at the balance sheet date. Market Value best represents a true and fair view of the value of these assets to the charity. The market value is obtained from Schroder's Wealth Management.

Investment properties are stated at market value at the balance sheet date. Market Value best represents a true and fair view of the value of these assets to the charity. The eight properties were valued by Esurv Chartered Surveyors in 2020. In the opinion of the trustees there has been no significant change during the financial year. An independent valuation will be carried out every 5 years.

The SOFA includes net gains and losses arising on revaluations and disposals throughout the year.

**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

**Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**Fund Accounting**

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The capital fund identifies the funds available for fixed assets. Restricted funds are those which can only be used in accordance with the wishes of the donor.

**Pension Contributions**

The charitable company operates a Personal Pension Scheme for the benefit of its own staff. Pension contributions to defined contribution schemes are written off to the statement of financial activities in the year to which they relate.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

**Transfer between Funds**

The transfer between Capital funds and unrestricted funds represents movements in fixed assets.

**Irrecoverable VAT**

Irrecoverable VAT arising from partial exemption is shown as a separate item and included in resources expended in the year in which it arises.

**Judgements and key sources of estimation uncertainty**

There are no judgements (apart from those involving estimates) that have had a significant effect on amounts recognised in the financial statements:

The estimates and assumptions that could have a significant potential impact on the carrying values of assets and liabilities are as follows:

- (a) Useful economic lives of tangible fixed assets. These are set out in the depreciation policy note above and are the best estimate based on past experience and expected performance.
- (b) Valuation of investment properties. Independent professional valuations are obtained every five years and the Board considers whether this valuation is likely to have significantly changed in the intervening years.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2021**

<b>2a GRANTS RECEIVABLE</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
National Lottery Community - Climate Action Fund	24,658	-
National Lottery Community - Our Bright Future Fund	34,709	47,492
National Lottery Community- Help Through Crisis Fund	34,596	32,580
National Lottery Community - Awards for All Fund	-	1,622
National Lottery Heritage - Green Recovery Challenge Fund	3,381	-
European Social Fund - Youth Employment Initiative	149,273	154,458
Tees Valley Combined Authority - Youth Employment Initiative	48,074	49,581
HMRC - Job Retention Scheme	62,459	-
Ministry of Justice	6,000	-
Middlesbrough Council	2,575	975
North Star Housing	-	8,480
Other Grants	1,015	10,208
	<b>366,740</b>	<b>305,396</b>

The grants received were the only restricted Income received in 2021 and 2020

<b>2b CONTRACTS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Client Led Services - Work IT Out	24,850	71,050
	<b>24,850</b>	<b>71,050</b>

<b>2c ACTIVITIES FOR GENERATING FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Facilities - Room Hire	39,983	149,648
Facilities - Office Rental	59,146	56,819
Facilities - Café & Catering	9,459	71,593
Facilities - Sports Pitch Hire	16,368	35,796
Facilities - Other Income	-	724
Client Led Services - Benefit Take Up Campaign	25,893	28,843
Management & Admin - Other Income	-	461
	<b>150,848</b>	<b>343,884</b>

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2021**

<b>3 RESOURCES EXPENDED</b>	<b>Generating Funds £</b>	<b>Investment Management £</b>	<b>Charitable Activities £</b>	<b>Total 2021 £</b>
Direct costs - Other	30,808	4,861	33,055	68,724
Direct costs - Staffing	144,511	37	187,143	331,691
Administration costs	53,645	3,372	44,476	101,493
Staffing and related costs	82	-	281,214	281,296
Audit and related costs	-	-	7,650	7,650
Depreciation	-	-	114,004	114,004
Irrecoverable VAT	-	-	23,395	23,395
<b>Total 2021</b>	<b>229,046</b>	<b>8,270</b>	<b>690,937</b>	<b>928,253</b>

	<b>Generating Funds £</b>	<b>Investment Management £</b>	<b>Charitable Activities £</b>	<b>Total 2020 £</b>
Direct costs - Other	88,307	11,797	44,621	144,725
Direct costs - Staffing	213,399	1,993	226,555	441,947
Administration costs	76,564	3,540	63,786	143,890
Staffing and related costs	1,504	-	316,723	318,227
Audit and related costs	-	-	7,650	7,650
Depreciation	-	-	112,795	112,795
Irrecoverable VAT	-	-	27,648	27,648
<b>Total 2020</b>	<b>379,774</b>	<b>17,330</b>	<b>799,778</b>	<b>1,196,882</b>

The £1,196,882 from 2020 comprises Unrestricted funds £833,754, Restricted Funds £305,396 and Capital funds £57,732

**4 NET OUTGOING RESOURCES FOR THE YEAR**

Net outgoing resources for the year is stated after charging/crediting:	<b>2021 £</b>	<b>2020 £</b>
Directors'/Trustees' emoluments	-	-
Depreciation of owned fixed assets	114,004	112,795
Unrealised Gain/(Loss) on Investments	284,308	(181,913)
Auditor's remuneration		
- as auditor	5,950	5,950
- other services	1,700	1,700

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 MARCH 2021**

### **5 ANALYSIS OF STAFF NUMBER AND COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF MANAGEMENT PERSONNEL**

The average monthly head count was 35 staff (2019: 28) and the average number of full time equivalent employees and workers (including casual and part-time) during the year were as follows:

	2021	2020
Number of administrative staff	20	23
Number of management staff	3	4
	<u>23</u>	<u>27</u>

The aggregate payroll costs of the above were:

	2021	2020
	£	£
Wages and salaries	553,646	679,750
Social Security costs	41,707	51,257
Employers Pension Contributions	12,728	15,521
	<u>608,082</u>	<u>746,529</u>

One employee received employee benefits during the reporting period in the band £70,000 - £80,000 (2020: One)

The charity trustees were not paid or received any other benefits during the year (2020: £nil), no board members were reimbursed for expenses during the year (2020: £167)

The key management personnel comprise the trustees, the Chief Executive, Operations Director and Head of Finance of Actes Trust. The total employee benefits of the key management personnel of the Trust were £168,855 (2020: £178,885)

### **6 TAXATION**

The Trust is exempt from Corporation Tax on its charitable activities and the Board believe that no liability has arisen during the year.

### **7 TANGIBLE FIXED ASSETS**

	Freehold Property £	Equipment £	Total £
<b>COST</b>			
At 1 April 2020	4,905,448	117,302	5,022,750
Additions	0	0	0
Disposal	0	16,809	16,809
<b>At 31 March 2021</b>	<u>4,905,448</u>	<u>134,111</u>	<u>5,039,559</u>
<b>DEPRECIATION</b>			
At 1 April 2020	1,923,234	117,302	2,040,536
Charge for the year	112,795	1,209	114,004
On Disposal	0	0	0
<b>At 31 March 2021</b>	<u>2,036,029</u>	<u>118,511</u>	<u>2,154,540</u>
<b>NET BOOK VALUE</b>			
At 31 March 2021	<u>2,869,419</u>	<u>15,600</u>	<u>2,885,018</u>
At 31 March 2020	<u>2,982,214</u>	<u>0</u>	<u>2,982,214</u>

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2021

#### 8 INVESTMENTS

	2021	2020
	£	£
Multi-Asset - Schroders	1,493,158	1,458,850
Investment - Properties	650,000	650,000
	<u>2,143,158</u>	<u>2,108,850</u>

The Multi-Asset investment is held primarily to provide an investment return for the charity. It is stated at Fair Value as at the Balance Sheet date. There has been a increase of £284,308 which has been allocated to the revaluation reserve. The investment properties were valued in 2020 the next valuation will be carried out in 2025. The original cost of these properties was £585,430.

#### 9 DEBTORS

	2021	2020
	£	£
Debtors - Charitable activities	23,475	63,107
Prepayments and accrued income	94,328	146,001
	<u>117,803</u>	<u>209,108</u>

#### 10 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Creditors – suppliers	19,755	10,023
Other taxation and social security	18,246	18,500
Other creditors	3,766	8,709
Accruals and deferred income	55,260	36,594
	<u>97,027</u>	<u>73,826</u>

Deferred Income includes the following grants - awarded by National Lottery Funds - Help Through Crisis £657, Our Bright Future £1,964, Climate Action £21,668 and Green Recovery £3,768

#### 11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Capital	Total 2021
	£	£	£
Fixed Assets	299,026	2,585,992	2,885,018
Investments - Properties	650,000	-	650,000
Investments - Other	1,493,159	-	1,493,159
Net Current Assets	440,218	-	440,218
	<u>2,882,403</u>	<u>2,585,992</u>	<u>5,468,395</u>

	Unrestricted	Capital	Total 2020
	£	£	£
Fixed Assets	338,490	2,643,724	2,982,214
Investments - Properties	650,000	-	650,000
Investments - Other	1,458,851	-	1,458,851
Net Current Assets	365,866	-	365,866
	<u>2,813,207</u>	<u>2,643,724</u>	<u>5,456,931</u>

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

<b>12 UNRESTRICTED FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance brought forward	1,386,907	1,667,911
Net Resources Expended before Investment Revaluations	(215,112)	(301,004)
Transfers to/from Restricted Capital Funds	-	-
Transfer from Designated Fund	50,000	20,000
Balance carried forward	<u>1,221,795</u>	<u>1,386,907</u>
<b>DESIGNATED FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Sports Pitches	140,000	140,000
Acklam Green Centre	573,000	573,000
Resource Centre	86,000	176,000
Houses	120,000	80,000
Vehicles	10,000	20,000
Redundancies	20,000	10,000
Disposals - Legal Fees	10,000	10,000
	<u>959,000</u>	<u>1,009,000</u>
<b>REVALUATION RESERVE</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance brought forward	417,300	599,213
Unrealised Gain/(Loss) on Investments	284,308	(176,913)
Unrealised Gain/(Loss) on Investment Properties	-	(5,000)
Balance carried forward	<u>701,608</u>	<u>417,300</u>
<b>TOTAL OF UNRESTRICTED FUNDS</b>	<u><b>2,882,403</b></u>	<u><b>2,813,207</b></u>

Designated funds comprise unrestricted funds that have been set aside by the trustees for a specific purpose. These funds have been set up to allow replacement of and/or major repairs to the charity's fixed assets. Where deemed necessary by the trustees the fund is increased each year as the assets depreciate. The designated funds also include one-off provisions for unexpected redundancies and legal fees. The expected timing of this expenditure is two to three years.

The revaluation reserve relates to the gains on investment based on the market value of the Multi Asset Charity Fund currently held with Schroders Wealth Management and the market value of the investment properties.



**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

<b>13 RESTRICTED FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance brought forward	-	-
Funds received in year	366,740	305,396
Expenditure in year	(366,740)	(305,396)
	<hr/>	<hr/>
Balance carried forward	-	-
	<hr/>	<hr/>
<b>14 CAPITAL FUNDS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance brought forward	2,643,724	2,701,456
Depreciation	(57,732)	(57,732)
Transfer from/to Unrestricted Funds	-	-
	<hr/>	<hr/>
Balance carried forward	2,585,992	2,643,724
	<hr/>	<hr/>

The Board considers that the restrictions of these assets is still in place after further investigation. The balance carried forward represents the Acklam Green Centre and Sports Pitches

**15 COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee and does not have a share capital.

**16 SUBSIDIARY COMPANY**

The charity owns the whole of the issued ordinary share capital of Ngage Client Solutions Limited. The subsidiary has been dormant throughout the year and was dissolved 10th August 2021.

**17 RELATED PARTY TRANSACTIONS**

There were no transactions with related parties during the year.

**18 CAPITAL COMMITMENTS**

The Trust had no contractual commitments to future capital expenditure at the year end.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

**19 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
<b>Net income/(expenditure for the reporting period (as per the statement of financial activities)</b>	<b>11,464</b>	<b>(540,649)</b>
<b>Adjustments for:</b>		
Depreciation charges	114,004	112,795
(Gains)/Losses on investments	(284,308)	181,913
Dividends, interest and rents from investments	(112,498)	(121,667)
Loss/(profit) on the sale of fixed assets	-	6,106
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	91,305	(88,681)
Increase/(decrease) in creditors	23,201	(42,560)
<b>Net cash provided by (used in) operating activities</b>	<b>(156,832)</b>	<b>(492,743)</b>

**20 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash in hand	419,442	230,584
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<b>419,442</b>	<b>230,584</b>

**21 COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2021, the total minimum lease payments under non-cancellable operating leases were as follows:

	2021 £	2020 £
Amounts due within one year	4,960	4,960
Amounts due in two to five years	9,921	14,881
	<b>14,881</b>	<b>19,841</b>