

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2022**

**Company Number : 4345294**

**Registered Charity Number : 1122223**

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

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**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT**

**YEAR ENDED 31 MARCH 2022**

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 2022.

**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: Paul Wales  
Deputy Chief Executive: 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	09.11.2021
Helen Dudiack		04.02.2020	
Michael Barber		09.11.2021	

**ACTES TRUST  
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**THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

Auditors	Azets Audit Services Wynard Park House Wynard Avenue Wynard Stockton-on-Tees TS22 5TB
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<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

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**

2021/22 has seen the organisation emerge from the Covid19 restrictions and the new staffing arrangements across the Senior Management and Facilities Teams are now fully embedded.

The funding landscape continues to remain difficult with limited opportunities and despite the best efforts the Charity ended the year showing a loss. The loss has been reduced compared to previous years as the organisation starts to see the benefits of the staffing changes.

Throughout 2021/22 the Charity continued to provide high quality rental space mainly at the Acklam Green Centre, supporting a local secondary school and NHS services (mental health), local businesses and community related activities.

Currently the Charity still retains properties which are let to tenants providing an income stream, but property management is not a core activity. During this year progress has been made in looking to dispose of the housing stock and the intention is to 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, those that have complex and multiple barriers, alongside our accredited and non-accredited training programmes.

As Covid19 restrictions have lifted room bookings at both centres, have started to return however we have still to return to pre-Covid levels which has resulted in a loss of income, and we continue to mitigate losses where possible.

Actes client support services continue to provide direct support to beneficiaries, and we deliver this through outreach and location-based provision. Most of the staff have now returned to the office, but we still allow some flexible working from home when it is more productive to do so. This year has also seen the charities environment project reaching out to the diverse communities, young people, and schools on the subject of 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. This year we have increased our social media profile using this to further promote our services, projects and to engage with beneficiaries.

During this year we have had a trustee retire but before this happened the board has recruited and appointed a replacement. The new trustee brings an additional skill set to the charity and will complement the skills of the wider board.

I would like to thank the board of trustees for their commitment, 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 during some challenging times, ensuring that the beneficiaries of the Charity continue to receive support.

Geoff Payne - Chair of the Board

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

### **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 policies 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 annual and strategic delivery plan for ACTES activities;

### **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.

### **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 Deputy Chief Executive, Team Leaders and all other 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<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

### **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 previously owned the whole of the issued ordinary share capital of Ngage Client Solutions Limited. The subsidiary has been dormant during the year until it was dissolved on 10th 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 developing its services in supporting with reducing reoffending 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 operates mainly within the Tees Valley.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

**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 periodically. The Articles of Association are reviewed periodically to ensure that recent legislation is incorporated where required.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

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

**YEAR ENDED 31 MARCH 2022**

### **Achievements and Performance**

#### **One Planet Pioneers**

Funded by the National Lottery Community Fund the project aimed 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.

Delivery ended in April 2021 with Actes and the partnership achieving all required outputs and outcomes. In the final report submitted to the Lottery there was a number of highlights with the following one reflecting Actes' delivery: -

Highlight Four - the John Muir scheme, which is an inclusive, accessible environmental award scheme with a focus on fun, adventure, and exploration. 169 young people participated in this through volunteering as part of the project and successfully completed the scheme. In addition to the John Muir scheme 22 Young People gained their Level 1 Peer Mentoring course and 18 Young People completed their OCN Cycle Maintenance Level 1.

#### **Climate Action Middlesbrough**

The project is led by Middlesbrough Environment City (MEC) 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 wider community engagement including training. During this financial year we have achieved the following:

#### **Young person engagement and activities:**

- Polar Bear and Penguins' lesson, which outlined Climate Change on a global and local scale.
- Gardening and sustainable food event with Ubuntu Multicultural Centre.
- Recycling campaign as part of Great Big Green Week with Linx Youth Project, spreading awareness on recycling and why it is important.
- 9 young people from the local community set up a Climate Action Youth Forum.
- Worked with 3 local schools (2 primary and 1 secondary) to deliver a range of climate related lessons to varied age groups
- Delivery of the Eco-Champion Peer Mentor Course
- Social Media Campaigns - Including 18 Days of March (Global Recycling Day), Earth Day, Clean Air Day, Plastic Free July, Earth Overshoot Day, Great Big Green Week, World Animal Day, Spooky but Sustainable Halloween, COP26 Awareness

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT<sub>(continued)</sub>**

**YEAR ENDED 31 MARCH 2022**

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

#### Climate Action Forum

- Gained 18 Middlesbrough residents, organisation's, and business members to develop the Climate Action Forum. Recent meeting topics included issues around recycling, transport, engagement, consumption of energy, and boundaries such as poverty.

Herbal workshops - engaged with community members to run Herbal Workshop's to make herbal tea bags for the bath. Individuals learned about the different types of locally grown herbs, their uses, and why growing your own can add to being more sustainable.

Engaged with the community to educate and spread awareness on the recycling process and its importance. Held weekly litter picking and education sessions in Gresham, which has resulted in a more than 1000% increase.

Beneficiaries taking part in our project activities - 400  
Volunteers that have taken part in your project - 85

#### Greenshoots

Working with Middlesbrough Environment City, Linx (Youth Project) and The Other Perspective (TOP) a successful Greenshoots programme was delivered. 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.

This project is now complete, and can highlight some of the successes:

- The two main parts of the Green Shoots programme related to the work on environmental improvements to local green space and the development and training of the people involved.
- The view of all those involved was that for both environmental and personal development there had been significant success. In respect of environmental work, participants spoke of the improvements to and creation of habitats for local wildlife; improved access to green space and recognition of species, especially water voles, that had previously been considered as rats.
- The project was also seen to have changed people's perceptions of the green space in the central areas of Middlesbrough. The changes to the sites have been appreciated and the amount of work completed was praised by local people, local Councillors, and the Mayor of Middlesbrough.
- The Green Shoots project has also led to changes for people – the volunteers, the Kickstart trainees, and the public. Volunteers contributed many hours of work and enabled change to the local environment. This not only allowed much physical work to be completed but also encouraged a breakdown in barriers between people and for different perceptions of the locality to emerge. Specifically, this related to raising awareness of the diversity of the area but also raising awareness of the diverse communities in the human population and breaking down barriers between them.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

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

#### **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.

Following Covid19 the support service extended its remit and established in more dedicated community facilities across the town ensuring it reached more residents in need of support. Clients wanting support get appointments with specific dates and times as well as:

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

Between April 2021 to March 2022

- Advised 1065 people in relation to benefits.

The estimated amount of benefits that could potentially be claimed annually during this period is £5,156,759.

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: £8,766,490

#### **Work IT Out**

Actes continued 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.

Delivery numbers have been greatly impacted due to the courses source of referrals (Jobcentre plus) operational working arrangements and the non-requirements for claimants to be proactive whilst claiming benefits. In addition, due to the availability of accredited courses we had to change and reduce the course delivery. We continued to promote and look for new referrals.

Although delivery of this course remains challenging Actes continued to develop and promote other provision.



# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT<sub>(continued)</sub>**

**YEAR ENDED 31 MARCH 2022**

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

#### **Past, Present & Your Future**

The course is aimed at ex-offenders to provide them with a better understanding of their offences, what they should disclose and how they should disclose offences. We will also work with clients to assist them moving forward into further training or employment.

This year we were successful in securing funding through ESF community Grants to pilot this programme. Although funding was secured delays in the contract meant that delivery did not start within this financial year.

#### **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, Beyond Housing and Actes, funded by European Social Fund and match funded through Tees Valley Combined Authority.

Actes delivery is concentrated in the challenging areas of the Tees Valley (Middlesbrough & Stockton) and is focused on working with short and long-term unemployed people aged 15-29.

Actes currently utilises social media platforms Facebook and Instagram to promote the programme and to raise Actes' online presence and this is done through the creation and promotion of opportunities (through networking with other organisations) as well as the creation of easy-to-digest employability-related social media content.

Presently, Actes has 906 followers on Facebook and posts out content on a regular basis and our content reaches around 8,000 – 10,000 local Facebook users per month. Our drive to use social media to bring in referrals was brought on by the pandemic due to the closure of JCP, and since the start of the pandemic, we have managed to gain 340 referrals onto the New Directions programme via Facebook. At present, Facebook is our biggest source of referrals.

Our Instagram account is still in its infancy so doesn't quite have the reach of Facebook; however, the aim is for Instagram to become the hub of our career advice, employability skills and labour market intelligence and to be used as a tool to link in with local organisations, training providers, schools and community projects.

During 2021/2022, Actes achieved:

- Referrals: 163
- Sign Ups: 54
- Interventions: 38
- Outcomes: 21



**ACTES TRUST  
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**THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

**Achievements and Performance (continued)**

**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.

In Stockton, the HTC is led by Stockton Citizen Advice Bureau and included Bridges and Billingham Foodbank. Our delivery provided 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. In this financial year the project ended with many of its targets being met and within the evaluations carried out it was pointed out that Actes had operated above local and national averages moving people into work, training, or volunteering.

In its final year the Firm Foundations programme (HTC programme in Middlesbrough) delivered and exceeded its KPI's, and the programme continued to work closely with the Council and helped distribute fuel vouchers and food support where needed.

An evaluation of the Firm Foundation project was carried out by Teesside University which highlights the project strengths and impact.

This programme continued to impress the Lottery with its approach, delivery model and results and Actes worked in partnership with Middlesbrough and Stockton Mind and were successful in securing additional funding for a further two years delivery of Firm Foundations in Middlesbrough.

**Peer Action Collective (PAC)**

The Youth Endowment Fund – Peer Action Collective is a Peer Research Programme running nationwide across 9 regions in England and one in Wales. The aim of this project is for Peer Researchers to investigate youth violence in their communities; with the aim that this will then be used to and produce social action projects.

Actes are one of 12 delivery partners (each recruiting and hosting a peer researcher) from the North-East region and covers urban, rural, and coastal areas. The first part of the project has been engaging young people to gather their views and a series of social action projects will be delivered within communities by young people.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

**Achievements and Performance (continued)**

**Money and Me**

The money and me pilot programme ran from October 2021 until March 2022. The project aimed to support people in respect of mental health and money and provide them with tools and strategies to help them understand and manage their mental health and money more effectively. Structured over 8 sessions topics included My relationship with Money, First Steps, Therapeutic Spending and Assertiveness together with opportunities for more personalised sessions.

During the pilot, Actes received 18 referrals and supported 14 clients with Money Management skills and tools/strategies for improving mental health. Of those who provided feedback the programme was rated 8 out of 10 or higher and clients stated that they would recommend it to friends/family. A case study was also completed to support the evaluation of the project.

A development and evaluation event with National Mind and partners took place in London in April 2022 which Actes attended to support the review and future development of the Money and Me project.

**Facilities**

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

Over the course of 2021/22 activity increased against the previous as lockdowns reduced. During this time the two centres achieved generated income from external sources of £278k and internal sources £23k. The centres also received grants from the Department of Working Pensions Kickstart programme (£20k), HMRC's job retention scheme (£4k) and Middlesbrough Councils Routes to Work Scheme (£1.3k) all of which were used to support and create staff posts.

The rental properties brought in £45k which is in line with budgets and the previous year.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT<sup>(continued)</sup>**

**YEAR ENDED 31 MARCH 2022**

### **Financial Review**

In the financial year ended 31<sup>st</sup> March 2022, total income was £740,792 (2021 £655,408).

Total expenditure for the financial year was £919,560 (2021 £928,253).

The principal funding sources of income to Actes during the year were provision of recreational facilities, room hire and catering income of £278,000, investment and rental income of £106,000, client led services contract income of £28,000, client led services generated income £15,000, client led services grants of £287,000 and grants in relation to supporting and creating staff posts £ 25,000.

The financial year 2021/22 has continued to be challenging although we have seen a vast improvement as the restrictions for the Covid-19 pandemic were lifted. Funding opportunities have remained sparse, but new partnerships and programmes continue to be developed to increase the chances of success along with positioning in preparation for future UK funding post Brexit. Operationally activities for generating funds and contracts income continued to be impacted by government restrictions although this decreased over the course of the year until they were fully operational in February. By the year end they were at 90% of pre-covid levels. Grants received were not impacted as funders continued to allow remote and online delivery throughout the year in line with government restrictions. Additional grants were received through the government furlough scheme and other government bodies to allow the support and creation of staff posts. New partnerships were developed which resulted in access to different funds. Investments continued to be volatile throughout the year, but income received was on target at 4%. 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 most of the year retuning full in February 2022 and negotiations continued with suppliers with contracts on hold across all business units where possible until then. This combination allowed significant overhead savings to be made.

The operating deficit for the year was £178,768 which is the lowest it has been since the end of the NDC and is an 34% reduction compared with 20-21. There was an increase in the market value of the multi charity investment of £55,111, but due to the revaluation of the centres which resulted in an impairment of £695,258 total reserves have reduced by £818,915.

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

### **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 2022, total reserves held were £4,776,019 (2021 £5,594,935). Of this amount £1,805,751 (2021 £2,585,922) was restricted capital funds. The balance of unrestricted reserves £2,970,268 (2021 £3,008,943 restated) comprise of designated funds of £959,000 (2021 £959,000), free reserves of £945,963 (2021 £974,376 restated) which includes the revaluation reserve £308,450 (2021 £308,450 restated), and £1,065,305 (2021 restated £1,075,567 restated) relating to fixed assets.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

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

**YEAR ENDED 31 MARCH 2022**

### **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 2021-22, £50,000 was withdrawn from the investment to assist with cashflow. After taking this into account the performance of the investments in 2021-22 has seen an increase in fund market value of 4% with the year-end value of £1.49m. The income received during the year was £61,000 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, Brexit, welfare reform, and the contraction of public services have had a major impact on the way that the charity operates. Brexit continues to present uncertainty in many ways including reduced public and private spending, contraction of statutory services, and the decline of EU funding. EU funding is due to be replaced by the prosperity fund and there are already indications that this budget will be considerably reduced. As former public services are contracted out, they are commissioned in such a way that staff, TUPE obligations and delivery risks are transferred to potential suppliers. This is combined with the requirement for potential suppliers to demonstrate a strong track record in service areas and to meet high financial thresholds to pass contract eligibility criteria. This has presented barriers for market entry into new areas. 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 although restrictions are no longer in place and the impact of Covid-19 has reduced it continues to affect the Charity's finances as they are not back to 100% pre-covid levels. 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 2022**

### **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 register reviewed quarterly.

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 2025.

1. Actes will be a sustainable and thriving charitable company by delivering services within the Tees Valley area.
2. Actes will build its reputation, brand and relationships with new clients and customers to expand its range of services that adds value to its core deliverables.
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 and the effects of the changes in funding available due to Brexit will most likely have an impact on these timescales. The annual business plan which sets out how these objectives will be achieved is reviewed mid and full term by the board.

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 continuing with strong partnerships can be demonstrated by our work with New College Durham in exploring the extension funding for New Directions (Youth Employment Initiative) which was successful.

At the end of 2021/22 Actes further extended its networks by being involved with Middlesbrough Youth Mutual bringing a range of voluntary sector providers together to explore joint working and funding opportunities and have also linked into Teesside Universities Community Hub Launch which should result in further support and partnerships.

Actes has range of accredited and non-accredited programmes, focussed on specific needs, or required areas of support. We plan to concentrate on exploring DWP's low level provision portal with the assistance of a local consultant and online bid writing platform.

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

**YEAR ENDED 31 MARCH 2022**

**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 social 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/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.

Structuring the business in this way enables similar activities to be grouped together. This enables efficiencies to be introduced throughout the charity by the adoption of common and consistent practices.

Our ambitions for these Units are that by March 2025:

1. Client led services will continue to develop in response to social priorities, opportunities and client needs and deliver to a high standard in appropriate settings.
2. Our facilities, 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, and the disposal of the houses is complete.
3. Our management and administration costs will be streamlined and fully recoverable through the preceding business units.
4. Our staff are well trained and competent to deliver across all business units.

Collectively, these ambitions complement the strategic objectives for the business, and achieving these will enable our strategic objectives to be met. To measure our progress towards achieving these we have introduced a series of Key Performance Indicators (KPIs) across each Unit to demonstrate how progress is being made. The methods we will employ to achieve these objectives will be described in further detail in the annual Business Plan.



**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

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

**YEAR ENDED 31 MARCH 2022**

**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 2022**

**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 28<sup>th</sup> November 2022



**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**ACTES TRUST**  
**YEAR ENDED 31 MARCH 2022**

**Opinion**

We have audited the financial statements of ACTES Trust (the 'charitable company') 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 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 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 2022**

**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 2022**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 19, 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 2022**

**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 2022**

**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*

Graham Fitzgerald BA FCA DChA

Senior Statutory Auditor

For and on behalf of Azets Audit Services, Wynard Park House, Wynard Avenue, Stockton-on-Tees, TS22 5TB

Date *13/12/2022*

*Azets 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 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total 2022 £	As restated Total 2021 £
<b>Income from:</b>						
<b>Donations and legacies</b>						
Donations		5	-	-	5	13
<b>Income from Charitable activities</b>						
Grants received	2a	-	312,191	-	312,191	366,740
Contracts	2b	28,350	-	-	28,350	24,850
<b>Income from other trading activities</b>						
Activities for generating funds	2c	291,947	-	-	291,947	150,848
Rental income		45,000	-	-	45,000	44,097
<b>Income from Investments</b>						
Interest receivable and similar income		61,339	-	-	61,339	68,401
<b>Other income</b>						
Other Income		1,960	-	-	1,960	459
<b>Total income</b>		<b>428,601</b>	<b>312,191</b>	<b>-</b>	<b>740,792</b>	<b>655,408</b>
<b>Expenditure:</b>						
<b>Expenditure on Raising funds</b>	3	259,725	25,163	-	284,888	229,047
<b>Expenditure on Investment Management</b>	3	11,512	-	-	11,512	8,270
<b>Expenditure on Charitable Activities</b>	3	244,428	287,028	91,705	623,161	690,936
<b>Total expenditure</b>		<b>515,665</b>	<b>312,191</b>	<b>91,705</b>	<b>919,561</b>	<b>928,253</b>
<b>Net gains/(losses) on investments</b>	12	55,111	-	-	55,111	284,308
<b>Net gains/(losses) on impairment of fixed assets</b>	7	-	-	(695,258)	(695,258)	-
<b>Transfer between funds</b>	12,14	(6,722)	-	6,722	-	-
<b>Net income/(expenditure)</b>		<b>(38,675)</b>	<b>-</b>	<b>(780,241)</b>	<b>(818,916)</b>	<b>11,464</b>
<b>Net movement in funds</b>		<b>(38,675)</b>	<b>-</b>	<b>(780,241)</b>	<b>(818,916)</b>	<b>11,464</b>
<b>Reconciliation of funds:</b>						
Balance at 1 <sup>st</sup> April 2021		3,008,943	-	2,585,992	5,594,935	5,583,471
Balance at 31 <sup>st</sup> March 2022		<b>2,970,268</b>	<b>-</b>	<b>1,805,751</b>	<b>4,776,019</b>	<b>5,594,935</b>

The notes on pages 29 to 41 form part of these accounts.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

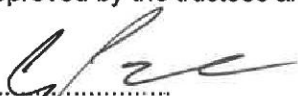
**BALANCE SHEET**

**AS AT 31 MARCH 2022**

			As restated
	Note	2022	2021
		£	£
<b>Fixed Assets</b>			
Tangible assets	7	2,221,056	3,011,558
Investment in subsidiary	16	-	1
Property Investment	8	650,000	650,000
Investment - Schroders	8	1,498,269	1,493,158
<b>Total Fixed Assets</b>		<b>4,369,325</b>	<b>5,154,717</b>
<b>Current Assets</b>			
Debtors	9	153,849	117,803
Cash at bank and in hand		347,181	419,442
<b>Total Current Assets</b>		<b>501,030</b>	<b>537,245</b>
<b>Liabilities</b>			
Creditors falling due within one year	10	(94,336)	(97,027)
<b>Net current assets</b>		<b>406,694</b>	<b>440,218</b>
<b>Net Assets</b>		<b>4,776,019</b>	<b>5,594,935</b>
<b>The funds of the charity:</b>			
<b>Unrestricted income funds</b>			
General Funds	12	1,702,818	1,741,493
Designated Funds	12	959,000	959,000
Revaluation Reserve	12	308,450	308,450
<b>Total Unrestricted Funds</b>		<b>2,970,268</b>	<b>3,008,943</b>
<b>Restricted Income Funds</b>	13	-	-
<b>Restricted Capital Funds</b>	14	1,805,751	2,585,992
<b>Total charity funds</b>		<b>4,776,019</b>	<b>5,594,935</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 28<sup>th</sup> November 2022

  
.....  
Geoff Payne

  
.....  
Sharon Stuttard

Company Number – 4345294

The notes on pages 29 to 41 form part of these accounts

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities;</b>			
<b>Net cash provided by (used in) operating activities</b>	<b>19</b>	<b>(217,001)</b>	<b>(156,832)</b>
<b>Cash flows from investing activities:</b>			
Dividends, Interest and rents from investments		106,339	112,498
Proceeds from Sale of Investment Property		-	-
Purchase of property, plant and equipment		(11,600)	(16,809)
Proceeds from disposal of investments		50,000	250,000
<b>Net cash provided by (used in) investing activities</b>		<b>144,739</b>	<b>345,689</b>
<b>Increase (decrease) in cash and cash equivalents in the year</b>		<b>(72,262)</b>	<b>188,857</b>
Cash and cash equivalents at the beginning of the year		419,442	230,584
<b>Total cash and cash equivalents at the end of the year</b>	<b>20</b>	<b>347,181</b>	<b>419,442</b>

The notes on pages 29 to 41 form part of these accounts.



**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**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 2022**

**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.

**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
Vehicles	-	10 years straight line

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**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. The trustees review the investment property values by reference to the market and other information on an annual basis and in their opinion 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 2022**

**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 2022**

<b>2a GRANTS RECEIVABLE</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
National Lottery Community - Climate Action Fund	67,109	24,658
National Lottery Community - Our Bright Future Fund	2,316	34,709
National Lottery Community- Help Through Crisis Fund	22,806	34,596
National Lottery Heritage - Green Recovery Challenge Fund	11,830	3,381
European Social Fund - Youth Employment Initiative	121,977	149,273
European Social Fund - Community Grant	1,081	-
Tees Valley Combined Authority - Youth Employment Initiative	41,876	48,074
HMRC - Job Retention Scheme	4,809	62,459
DWP - Kickstart	20,049	-
Ministry of Justice	-	6,000
Middlesbrough Council	1,283	2,575
Youth Endowment Fund	6,185	-
Other Grants	10,870	1,015
	<b>312,191</b>	<b>366,740</b>

The grants received were the only restricted Income received in 2022 and 2021

<b>2b CONTRACTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Client Led Services - Work IT Out	28,350	24,850
	<b>28,350</b>	<b>24,850</b>

<b>2c ACTIVITIES FOR GENERATING FUNDS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Facilities - Room Hire	133,340	39,983
Facilities - Office Rental	51,206	59,146
Facilities - Café & Catering	44,009	9,459
Facilities - Sports Pitch Hire	48,757	16,368
Client Led Services - Benefit Take Up Campaign	14,635	25,893
	<b>291,947</b>	<b>150,848</b>

**ACTES TRUST**  
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**YEAR ENDED 31 MARCH 2022**

<b>3 RESOURCES EXPENDED</b>	<b>Generating Funds</b>	<b>Investment Management</b>	<b>Charitable Activities</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Direct costs - Other	54,323	7,284	38,511	100,118
Direct costs - Staffing	149,092	964	202,565	352,621
Administration costs	66,324	3,264	39,609	109,197
Staffing and related costs	15,148	-	206,177	221,325
Audit and related costs	-	-	8,500	8,500
Depreciation	-	-	106,844	106,844
Irrecoverable VAT	-	-	20,955	20,955
<b>Total 2022</b>	<b>284,887</b>	<b>11,512</b>	<b>623,161</b>	<b>919,560</b>

	<b>Generating Funds</b>	<b>Investment Management</b>	<b>Charitable Activities</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</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>

The £928,253 from 2021 comprises Unrestricted funds £503,781, Restricted Funds £366,740 and Capital funds £57,732

**4 NET OUTGOING RESOURCES FOR THE YEAR**

Net outgoing resources for the year is stated after charging/crediting:	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Directors'/Trustees' emoluments	-	-
Depreciation of owned fixed assets	106,844	114,004
Unrealised Gain/(Loss) on Investments	55,111	284,308
Auditor's remuneration		
- as auditor	8,500	7,650

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 MARCH 2022**

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

The average monthly head count was 29 staff (2021: 29) and the average number of full time equivalent employees and workers (including casual and part-time) during the year were as follows:

	2022	2021
Number of administrative staff	21	20
Number of management staff	2	3
	<u>23</u>	<u>23</u>

The aggregate payroll costs of the above were:

	2022	2021
	£	£
Wages and salaries	518,344	553,646
Social Security costs	36,926	41,707
Employers Pension Contributions	13,044	12,728
	<u>568,314</u>	<u>608,082</u>

There were no employees who received employee benefits during the reporting period in the band £70,000 - £80,000 (2021:One)

The charity trustees were not paid or received any other benefits during the year (2021:£nil), no board members were reimbursed for expenses during the year (2021:£nil)

The key management personnel of the charitable company comprise the senior team as listed on page 3. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charitable company was £118,230 (2021: £193,427)

### **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.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2022**

<b>7 TANGIBLE FIXED ASSETS</b>	<b>Freehold Property</b>	<b>Sports Pitches</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>Total</b>
<b>As restated COST</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2021	4,056,141	849,307	134,111	0	5,039,559
Additions	0	0	1,637	9,963	11,600
Disposal	0	0	0	0	0
<b>At 31 March 2022</b>	<b>4,056,141</b>	<b>849,307</b>	<b>135,748</b>	<b>9,963</b>	<b>5,051,159</b>
<b>DEPRECIATION</b>					
At 1 April 2021	1,399,906	509,584	118,511	0	2,028,001
Charge for the year	68,250	33,972	4,373	249	106,844
Impairment	695,258	0	0	0	695,258
On Disposal	0	0	0	0	0
<b>At 31 March 2022</b>	<b>2,163,414</b>	<b>543,556</b>	<b>122,884</b>	<b>249</b>	<b>2,830,103</b>
<b>NET BOOK VALUE</b>					
At 31 March 2022	1,892,727	305,751	12,864	9,714	2,221,056
At 31 March 2021	2,656,235	339,723	15,600	0	3,011,558

A revaluation of the Acklam Green Centre within Freehold Property was carried out on the 5th April 2022 by an independent surveyor for commercial in confidence purposes. The valuation was based on location and usage to give an estimated amount for which the asset could be exchanged between a willing buyer and seller in an arms length transaction after proper marketing. This value was £695,258 less than the carrying amount at the year end therefore an impairment was recognised. This also highlighted that depreciation hadn't been recalculated after previous impairments. This was reviewed and a reduction was made to the opening balance for Freehold Property of £126,540.

<b>8 INVESTMENTS</b>	<b>Multi Asset Cazenove</b>	<b>Investment Properties</b>	<b>Total</b>
<b>Market Value</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2021	1,493,158	650,000	2,143,158
Additions			0
Disposals	50,000		50,000
Gains/Losses	55,111		55,111
<b>At 31 March 2022</b>	<b>1,498,269</b>	<b>650,000</b>	<b>2,248,269</b>

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 gain in the year of £54,111 and a £1000 adjustment from the prior year. A desktop valuation was carried out internally for the investment properties showing no change in overall value. They were valued independently in 2020 and the next formal valuation will be carried out in 2025. The original cost of these properties was £585,430.



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9 DEBTORS	2022	2021
	£	£
Debtors - Charitable activities	37,168	23,475
Prepayments and accrued income	116,681	94,328
	<u>153,849</u>	<u>117,803</u>

10 CREDITORS: Amounts falling due within one year	2022	2021
	£	£
Creditors – suppliers	18,962	19,755
Other taxation and social security	17,477	18,246
Other creditors	4,991	3,766
Accruals and deferred income	52,906	55,260
	<u>94,336</u>	<u>97,027</u>

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted	Capital	Total 2022
	£	£	£
Fixed Assets	415,305	1,805,751	2,221,056
Investments - Properties	650,000	-	650,000
Investments - Other	1,498,269	-	1,498,269
Net Current Assets	406,694	-	406,694
	<u>2,970,268</u>	<u>1,805,751</u>	<u>4,776,019</u>

As restated	Unrestricted	Capital	Total 2021
	£	£	£
Fixed Assets	425,567	2,585,992	3,011,558
Investments - Properties	650,000	-	650,000
Investments - Other	1,493,159	-	1,493,159
Net Current Assets	440,218	-	440,218
	<u>3,008,943</u>	<u>2,585,992</u>	<u>5,594,935</u>

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		As restated
	2022	2021
	£	£
<b>12 UNRESTRICTED FUNDS</b>		
Balance brought forward	1,741,493	1,622,297
Net Resources Expended before Investment Revaluations	(87,064)	(215,112)
Gain on investments	55,111	284,308
Transfers to/from Restricted Capital Funds	(6,722)	-
Transfer from Designated Fund	0	50,000
	<u>1,702,818</u>	<u>1,741,493</u>
<b>DESIGNATED FUNDS</b>	<b>2022</b>	<b>2021</b>
	£	£
Sports Pitches	140,000	140,000
Acklam Green Centre	573,000	573,000
Resource Centre	86,000	86,000
Houses	120,000	120,000
Vehicles	10,000	10,000
Redundancies	20,000	20,000
Disposals - Legal Fees	10,000	10,000
	<u>959,000</u>	<u>959,000</u>
<b>REVALUATION RESERVE</b>	<b>2022</b>	<b>2021</b>
	£	£
Balance brought forward	308,450	308,450
Unrealised Gain/(Loss) on Investment Properties	-	-
	<u>308,450</u>	<u>308,450</u>
<b>TOTAL OF UNRESTRICTED FUNDS</b>	<u><u>2,970,268</u></u>	<u><u>3,008,943</u></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.

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<b>13 RESTRICTED FUNDS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Balance brought forward	-	-
Funds received in year	312,191	366,740
Expenditure in year	(312,191)	(366,740)
	<hr/>	<hr/>
Balance carried forward	-	-
	<hr/>	<hr/>
<b>14 CAPITAL FUNDS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Balance brought forward	2,585,992	2,643,724
Depreciation	(91,705)	(57,732)
Impairment	(695,258)	
Transfer from/to Unrestricted Funds	6,722	-
	<hr/>	<hr/>
Balance carried forward	1,805,751	2,585,992
	<hr/>	<hr/>

After an annual review the Board considers that the restrictions of these assets is still in place. Taking into account an impairment after revaluation and a transfer to unrestricted reserves of a prior year adjustment 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 previously owned the whole of the issued ordinary share capital of Ngage Client Solutions Limited. The subsidiary has been dormant during the year until it was dissolved on 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  
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**19 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022	2021
	£	£
<b>Net income/(expenditure for the reporting period (as per the statement of financial activities)</b>	<b>(818,916)</b>	<b>11,464</b>
<b>Adjustments for:</b>		
Depreciation charges	106,844	114,004
(Gains)/Losses on investments	(55,111)	(284,308)
(Gains)/Losses on revaluation of Fixed Assets	695,258	-
Dividends, interest and rents from investments	(106,339)	(112,498)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(36,046)	91,305
Increase/(decrease) in creditors	(2,691)	23,201
<b>Net cash provided by (used in) operating activities</b>	<b>(217,001)</b>	<b>(156,832)</b>

**20 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2022	2021
	£	£
Cash in hand	347,181	419,442
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<b>347,181</b>	<b>419,442</b>

**21 COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2022, the total minimum lease payments under non-cancellable operating leases were as follows:

	2022	2021
	£	£
Amounts due within one year	6,520	4,960
Amounts due in two to five years	11,458	9,921
	<b>17,978</b>	<b>14,881</b>

**ACTES TRUST  
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**22 PRIOR PERIOD ADJUSTMENT**

	1st April 2019	31st March 2020
	£	£
<b>Reconciliation of Unrestricted Funds</b>		
Funds as previously reported	3,296,124	2,813,207
Adjustments arising		
Freehold property depreciation		126,540
<b>Funds as restated</b>	<u>3,296,124</u>	<u>2,939,747</u>
<b>Reconciliation of net income/(expenditure) for the previous financial period</b>		2020 £
Net expenditure as previously reported		(540,649)
Adjustments arising		
Freehold property depreciation		126,540
<b>Net expenditure as restated</b>		<u>(414,109)</u>

**Notes to restatement**

Actes Trust has made an adjustment to depreciated freehold property over its remaining useful life where it had not previously done so in relation to an impairment prior to 1st April 2020. The opening fixed asset reserves and depreciation balances have been amended to reflect the reduction in depreciation that was overcharged. Gains on investments has been moved from the revaluation reserve to non allocated funds within the unrestricted reserves.