

Trustees' Annual Report 2020 - 2021

Registered Charity Number: 1178166

Trustees

Gary Lewis, Chair

Dr Tom Harrison, Secretary

Professor James Arthur

Professor Kay Livingston

Dr Val Corry

Geoff Smith

Linda Sanders

Daniel Wright

Our Aims

The Association for Character Education's mission is to enable individual and societal flourishing through the development of good character. People's decisions, behaviours and actions flow from their character, so we believe that enabling children to develop strong character is integral to enhancing their life and future prospects. Developing strong moral values, civic virtues and habits of service allows children and young people to become successful individuals with a strong sense of civic duty.

We deliver on our mission through facilitating and empowering a strong Character Education-based Community of Practice. This Community of Practice is currently made up of a network of 220 schools and organisations striving to embed character and virtue into the heart of everything they do. Our aspiration going forward is significantly expand this network, particularly in Scotland.

Unlike other subject areas which are taught as a part of curriculum, character needs to be 'taught' 'caught' and 'sought.' This can only be achieved if character and values are woven into all parts of school life. ACE's focus is to provide extensive support to its network to enable its members to adopt this

transformative approach to education. The feedback that we have captured from the schools and organisations we work with, evidences that our unique approach to capacity building and upskilling schools not only works, but creates lasting change. This change extends to a range of indicators which determine the success of a school. All schools that place character and values at the heart of what they do experience improved behaviour, increases in staff and student wellbeing, lower staff turnover and improved academic attainment.

ACE recognises that all schools and character education-based organisations are at a different stage on their journey of embedding character and values into their provision. ACE understands that the support they require cannot just come centrally from ACE its self. This is why the principle of harnessing the extensive expertise that exists within its community, is so pivotal to our approach. Schools relish the opportunity to learn from other schools.

Governance and Management

The Association for Character Education (ACE) is governed by a voluntary board of trustees, the names of whom are listed above. Following the transfer of Character Scotland (CS) assets to ACE, former CS trustees Professor Kay Livingstone and Dr Val Corry joined the ACE trustee board for a limited period. This period was initially until July 2021, but has been extended to March 2022. Appointing these two former CS trustees to the role of ACE trustees was to help oversee the transition of funds and projects to ACE from CS, as outlined in the Letter of Transfer, which stated the terms and conditions of the transfer of assets for both organisations. The transfer of assets was completed by December 2020.

The management of ACE operations is led by Tom Haigh, CEO, on a free-lance basis. The contract between ACE and Tom Haigh is renewed on an annual basis by the Trustees.

Activities over the academic year- Sept 2020 - Aug 2021

ACE membership has increased significantly over the previous 12 months to 221 members. This has helped expand operations and increase self-generated income from membership fees, Kitemark assessments and CPD (professional development delivered “live” and on line). The organisation is focused on growing a network of 1000 schools and organisations and to support them in adopting a whole-school/organisation approach to developing character.

Kitemarks

Kitemarks are a cornerstone to the ACE offer to its members. They provide;

- i) A valuable recognition for outstanding practice
- ii) Are a valuable self-reflection tool for schools and organisations
- iii) Help ACE identify where best practice exists that can then be shared wider through the annual conference, CPD and beyond.
- iv) To engage with other expert teachers and leaders in school who can then be recruited to support other schools and the wider work of ACE (including supporting Kitemark assessments.)

This year 28 kitemarks have been awarded and 6 new Kitemark Assessors have been trained. Having assessors from within the network helps increase capacity so more kitemarks can be undertaken. It also offers a valuable CPD experience for headteachers and other leaders. Resources from all kitemark schools are being requested so they can be shared on the ACE website. This will be available by the end of Sept 2021.

CPD

This is the first full year that ACE has delivered its CPD programme. 12 CPD packages have been sold to individual schools and MATs. Some of the packages have been delivered to up to 7 schools across a single MAT. Our offer has evolved to include supporting schools with the development of a whole-school plan. This has broadened our offer and expanded revenue in this area.

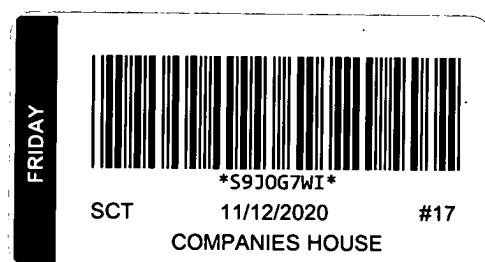
Working with Scottish Schools

The transfer of assets from Character Scotland has given ACE the opportunity to deliver two projects in Scotland. The first was the Inspiring Purpose programme with 85 schools. The second was the delivery of *Scottish School of Character and Values* training programme. This saw 38 leaders and teachers from 12 Scottish schools attend 4 virtual CPD training sessions. This has laid a solid foundation for the development of a Scottish network of schools of character. £20,000 has also been secured from the Jubilee Centre for Character and Virtue in order to help enable this, including a conference to be held in March 2022.

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ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE REGISTERED NUMBER: 09978106
ENGLISH CHARITY REGISTERED NUMBER: 1178166

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020



CUNNINGHAM GRANT
CHARTERED ACCOUNTANTS

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

REFERENCE AND ADMINISTRATION DETAILS

TRUSTEES

James Arthur
Thomas Harrison
Gary Lewis
Linda Sanders
Geoffrey Smith

SECRETARY

Thomas Harrison

COMPANY REGISTERED NUMBER

09978106

CHARITY REGISTERED NUMBER

1178166

REGISTERED OFFICE

175 Holly Lane
Erdington
Birmingham
England
B24 9LA

BANKERS

CAF (Charities Aid Foundation)
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

INDEPENDENT EXAMINER

Barry Grant CA
Cunningham Grant
Chartered Accountants
Unit G6
The Granary Business Centre
Cupar
Fife
KY15 5YQ

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2020

The directors present their report and the financial statements for the year ended 31 January 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company is constituted as a company limited by guarantee and was incorporated on 30 January 2016. The company was established under a Memorandum of Association, which has established the objectives and powers of the company and is governed by its Articles of Association. In the event of the company being wound up, members would be required to contribute an amount not exceeding £10.

The company became a registered charity on 30 April 2018.

The charity is managed by a board of trustees who meet at least twice a year. This board agree the accounts and make all decisions about the management of the charity. The charity currently has no paid staff.

The directors who served during the year were as follows:

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Thomas Harrison
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Linda Sanders
Geoffrey Smith

One third of the directors shall retire from office at the Annual General Meeting. The directors to retire by rotation shall be those who have been longest in office since their last appointment.

OBJECTIVES AND ACTIVITIES

The charity's objectives are specifically restricted to the following:

To advance education for the public benefit by developing explicit activities and strategies that cultivate important character qualities in children and young people to contribute to individual and societal flourishing.

ACHIEVEMENTS AND PERFORMANCE

The charity awarded 5 *School of Character* Kitemark awards. The Kitemark is awarded to schools who can demonstrate a whole-school approach that it is intentional, planned and integrated through all areas of the school.

A further 5 Schools of Character kitemark assessments are booked, and due to take place before the end of Dec 2020.

ACE has developed an International Schools of Character framework that provides the same level of robustness as the standard kitemark but allows for schools to be assessed overseas. The first assessment will take place in November 2020 with a school in Saudi Arabia.

Charities and organisations in the ACE network feedback that there was a demand for a Kitemark that can support their sector. In response ACE has run a pilot, which has been completed with 5 organisations who will be awarded either the *Charity of Character* Kitemark or the *Company of Character* Kitemark. As with the School Kitemark, these two new kitemarks have their own rigorous framework and assessment process.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

The ACE annual conference will be held in November 2020, bringing together some of the country's leading figures in character education and connecting the ACE network.

Following feedback from ACE members, two training programmes for teachers and leaders have been designed and are now being delivered in schools. These include; 'How to lead a school of character' and 'How to manage behaviour and attitudes through character.' After its launch this September it has been booked to be delivered in 5 schools so far.

In order to support schools on their journey to becoming a School of Character, ACE delivered two free training webinars to 100 teachers and senior leaders on how to take an integrated approach to character education, so it informs everything from assemblies, tutor time, curriculum, extra-curricular activities, training, parent engagement and recruitment.

FUTURE DEVELOPMENTS

Following the dissolution of Character Education Scotland Ltd (CES), it has been agreed that approximately £50,000 of funds will be transferred to ACE. This will fund the delivery of the Inspiring Purpose programme, a highly successful initiative that develops character in pupils through the creation of posters that explore the link between character and creating a sustainable future. These funds will also allow the delivery of a package of support to 10 Scottish schools to support them to become a School of Character.

£20,000 has been secured from the Northwood to support the delivery of the above programme.

No other major future developments are planned. The charity will continue to focus on its core activities: Schools of Character Kitemark, newsletters, resources and annual conference.

INVESTMENT POLICY

The charity currently does not have an investment policy and holds all its funds in a CAF Bank account where any spend or movement of funds needs to be authorised.

FINANCIAL REVIEW

At year end the charity had a balance of £18,223 (2019 - £18,239) in unrestricted funds. The main income this year was from membership applications, Kitemark schools and attendees to the annual conference. The main outgoings were outsourced services and purchases made to prepare for and run the conference.

The budget for 2019-20 enabled ACE to meet the operational commitments with limited space for development beyond funded activities. It is hoped that the success of the conference and the continued membership and kitemark applications will help to continue and develop the aims of Association for Character Education.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020

RESERVE POLICY

The directors have not set out a reserves policy at this time. They do however monitor the level of reserves held throughout the year. The need for a reserves policy is kept under review to

RISK MANAGEMENT

The directors have assessed the risks to which the company is exposed, particularly those related to operations and finances of the company; and are satisfied that systems are in place to monitor exposure to these. Regular discussions to continuously develop our approach to risk management will result in a risk management register being developed which will be kept under

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Association For Character Education Limited for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on *17TH Nov 2020* and has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of trustees



Tom Harrison
DIRECTOR

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF ASSOCIATION FOR
CHARACTER EDUCATION LIMITED

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 January 2020 which are set out on pages 6 to 12.

This report is made to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees, as a body, for my examination, for this report, or for the opinions I have formed.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- the accounting records were not kept in accordance with section 386 of the Companies Act; or
- the accounts do not accord with such records; or
- the accounts do not comply with the relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102)

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

B. Grant

Barry Grant CA
Cunningham Grant
Chartered Accountants

17/11/2020

Unit G6
The Granary Business Centre
Coal Road
Cupar
Fife
KY15 5YQ

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2020

		Unrestricted Funds	
		2020	2019
	Notes	£	£
<u>INCOME FROM:</u>			
Charitable activities	[2]	14,637	20,250
<u>TOTAL INCOME</u>		<u>14,637</u>	<u>20,250</u>
<u>EXPENDITURE ON:</u>			
Charitable activities	[3]	14,653	18,495
<u>TOTAL EXPENDITURE</u>		<u>14,653</u>	<u>18,495</u>
<u>NET (EXPENDITURE)/INCOME FOR THE YEAR</u>		(16)	1,755
<u>RECONCILIATION OF FUNDS</u>			
<u>TOTAL FUNDS BROUGHT FORWARD</u>	[11]	<u>18,239</u>	<u>16,484</u>
<u>TOTAL FUNDS CARRIED FORWARD</u>	[11]	<u>18,223</u>	<u>18,239</u>

All incoming resources and resources expended derive from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages [8] to [12] form part of these financial statements.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

BALANCE SHEET
AS AT 31 JANUARY 2020

	Notes	2020 £	2019 £
<u>CURRENT ASSETS</u>			
Debtors	[8]	3,550	2,400
Bank and cash		21,138	17,459
		<u>24,688</u>	<u>19,859</u>
<u>CREDITORS</u> - amounts due within one year	[9]	6,465	1,620
<u>NET CURRENT ASSETS</u>		<u>18,223</u>	<u>18,239</u>
<u>FUNDS OF THE CHARITY</u>			
Unrestricted Funds	[11]	18,223	18,239
		<u>18,223</u>	<u>18,239</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board of directors on 17th Nov 2020 and signed on its behalf.



Tom Harrison
DIRECTOR

Company Registration No: 09978106

The notes on pages [8] to [12] form part of these financial statements.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

[1] ACCOUNTING POLICIES

General information

Association for Character Education Limited is a private company limited by guarantee, incorporated in England and Wales. The address of the registered office is 175 Holly Lane, Erdington, Birmingham, England, B24 9LA.

Basis of preparation of accounts and statement of compliance

These financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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 the Republic of Ireland (FRS 102)" - (Charities SORP (FRS 102) (effective 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Association For Character Education Limited meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared under the historical cost convention.

Going Concern

These accounts are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

The principal risk facing the charitable company is its ability to generate sufficient income to cover expenditure incurred in fulfilling the objectives of the charitable company. The trustees have reviewed the cash position of the charitable company and at the date of signing the accounts and are satisfied that the charitable company will be able to meet all of its financial commitments as they fall due.

As a consequence the trustees believe that the charitable company is well placed to manage its financial risks and that the charitable company has adequate reserves to continue its operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the accounts.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

[1] ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charitable company; it is probable that the economic benefits associated with the transaction will flow to the charitable company and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations and grants, including capital grants, is included in incoming resources when there is evidence of entitlement, except when donors specify that the donations or grants must be used in future accounting periods, or conditions are imposed that have to be fulfilled before the charitable company is entitled to use such income.

Investment income is included when receivable.

Expenditure

Expenditure is included on an accruals basis as a liability is incurred. Expenditure is classified under headings of the statement of financial activities to which it is related. Expenditure on charitable activities includes all costs incurred in the delivery of the of the charity's activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the in the income and expenditure account.

Taxation

The company is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

[1] ACCOUNTING POLICIES (continued)

Disclosure Exemptions

The charity satisfies the criteria of being a qualifying entity as defined in SORP FRS 102 Update Bulletin 1. As such, advantage has been taken of the following disclosure exemptions: No cash flow statement has been presented for the charitable company.

Fund Accounting

Funds held by the company are either:
 Unrestricted funds which are available for use at the discretion of the trustees to further any of the charitable company's purposes, or

Restricted funds which are subject to restrictions on their use declared by the donor(s) or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects both current and future periods.

[2] INCOMING FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	
	2020	2019
	£	£
Grants	-	7,500
Memberships	14,637	12,750
	<u>14,637</u>	<u>20,250</u>
Grants received, included in the above, are as follows:		
Character Education Scotland Limited	<u>-</u>	<u>7,500</u>

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

	Unrestricted Funds	
	2020	2019
	£	£
[3] EXPENDITURE ON CHARITABLE ACTIVITIES		
Editorial costs	4,583	2,550
Insurance	-	56
Conference costs	2,618	500
Accountancy fees	810	810
Administration costs	4,675	7,926
Software	13	574
Bank charges	249	176
Travel	1,705	178
Unpaid memberships written off	-	5,725
	<u>14,653</u>	<u>18,495</u>

Support costs have not been separately identified as the directors consider there is only one charitable activity. Therefore support costs relate wholly to that activity.

[4] NET MOVEMENT OF FUNDS IN THE YEAR

This is stated after charging

Independent examiners fees	<u>810</u>	<u>810</u>
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[5] STAFF COSTS

No employee received remuneration amounting to more than £60,000 during either year.

[6] DIRECTORS' REMUNERATION

The directors are the key management personnel. No directors received remuneration. Tom Harrison, Gary Lewis and Geoff Smith were reimbursed (2020 - £212, £827, and £366) respectively for day to day running costs.

	2020	2019
	£	£
[8] DEBTORS		
Trade debtors	<u>3,550</u>	<u>2,400</u>

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

	2020	2019
	£	£
[9] CREDITORS - amounts due within one year		
Accruals	6,465	1,620

	Unrestricted Funds	
	2020	2019
	£	£
[10] ANALYSIS OF NET ASSETS		
Current assets	24,688	19,859
Current liabilities	(6,465)	(1,620)
As at 31 January 2020	18,223	18,239

	As at 31.01.19	Incoming resources	Outgoing resources	As at 31.01.20
	£	£	£	£
[11] MOVEMENT IN FUNDS				
Unrestricted Funds				
General fund	18,239	14,637	(14,653)	18,223

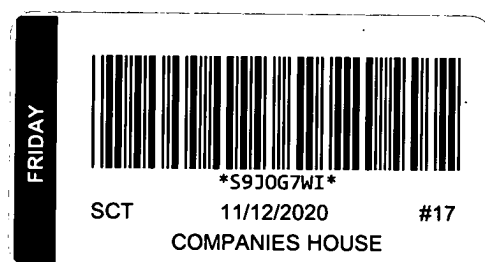
	As at 31.01.18	Incoming resources	Outgoing resources	As at 31.01.19
	£	£	£	£
Unrestricted Funds				
General fund	16,484	20,250	(18,495)	18,239

[12] LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee without share capital. Each member of the charity has undertaken to contribute an amount not exceeding £10 towards any deficit arising in the event of the charity being placed in liquidation.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE REGISTERED NUMBER: 09978106
ENGLISH CHARITY REGISTERED NUMBER: 1178166

UNAUDITED FINANCIAL STATEMENTS
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CHARTERED ACCOUNTANTS

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

REFERENCE AND ADMINISTRATION DETAILS

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COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (Continued)

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In order to support schools on their journey to becoming a School of Character, ACE delivered two free training webinars to 100 teachers and senior leaders on how to take an integrated approach to character education, so it informs everything from assemblies, tutor time, curriculum, extra-curricular activities, training, parent engagement and recruitment.

FUTURE DEVELOPMENTS

Following the dissolution of Character Education Scotland Ltd (CES), it has been agreed that approximately £50,000 of funds will be transferred to ACE. This will fund the delivery of the Inspiring Purpose programme, a highly successful initiative that develops character in pupils through the creation of posters that explore the link between character and creating a sustainable future. These funds will also allow the delivery of a package of support to 10 Scottish schools to support them to become a School of Character.

£20,000 has been secured from the Northwood to support the delivery of the above programme.

No other major future developments are planned. The charity will continue to focus on its core activities: Schools of Character Kitemark, newsletters, resources and annual conference.

INVESTMENT POLICY

The charity currently does not have an investment policy and holds all its funds in a CAF Bank account where any spend or movement of funds needs to be authorised.

FINANCIAL REVIEW

At year end the charity had a balance of £18,223 (2019 - £18,239) in unrestricted funds. The main income this year was from membership applications, Kitemark schools and attendees to the annual conference. The main outgoings were outsourced services and purchases made to prepare for and run the conference.

The budget for 2019-20 enabled ACE to meet the operational commitments with limited space for development beyond funded activities. It is hoped that the success of the conference and the continued membership and kitemark applications will help to continue and develop the aims of Association for Character Education.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020

RESERVE POLICY

The directors have not set out a reserves policy at this time. They do however monitor the level of reserves held throughout the year. The need for a reserves policy is kept under review to

RISK MANAGEMENT

The directors have assessed the risks to which the company is exposed, particularly those related to operations and finances of the company; and are satisfied that systems are in place to monitor exposure to these. Regular discussions to continuously develop our approach to risk management will result in a risk management register being developed which will be kept under

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Association For Character Education Limited for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on *17th Nov 2020* and has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of trustees



Tom Harrison
DIRECTOR

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF ASSOCIATION FOR
CHARACTER EDUCATION LIMITED

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 January 2020 which are set out on pages 6 to 12.

This report is made to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees, as a body, for my examination, for this report, or for the opinions I have formed.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- the accounting records were not kept in accordance with section 386 of the Companies Act; or
- the accounts do not accord with such records; or
- the accounts do not comply with the relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102)

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

B. Grant

Barry Grant CA
Cunningham Grant
Chartered Accountants

17/11/2020

Unit G6
The Granary Business Centre
Coal Road
Cupar
Fife
KY15 5YQ

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2020

		Unrestricted Funds	
		2020	2019
	Notes	£	£
<u>INCOME FROM:</u>			
Charitable activities	[2]	14,637	20,250
<u>TOTAL INCOME</u>		<u>14,637</u>	<u>20,250</u>
<u>EXPENDITURE ON:</u>			
Charitable activities	[3]	14,653	18,495
<u>TOTAL EXPENDITURE</u>		<u>14,653</u>	<u>18,495</u>
<u>NET (EXPENDITURE)/INCOME FOR THE YEAR</u>		(16)	1,755
<u>RECONCILIATION OF FUNDS</u>			
<u>TOTAL FUNDS BROUGHT FORWARD</u>	[11]	<u>18,239</u>	<u>16,484</u>
<u>TOTAL FUNDS CARRIED FORWARD</u>	[11]	<u>18,223</u>	<u>18,239</u>

All incoming resources and resources expended derive from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages [8] to [12] form part of these financial statements.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

BALANCE SHEET
AS AT 31 JANUARY 2020

	Notes	2020 £	2019 £
<u>CURRENT ASSETS</u>			
Debtors	[8]	3,550	2,400
Bank and cash		21,138	17,459
		<u>24,688</u>	<u>19,859</u>
<u>CREDITORS</u> - amounts due within one year	[9]	6,465	1,620
<u>NET CURRENT ASSETS</u>		<u>18,223</u>	<u>18,239</u>
<u>FUNDS OF THE CHARITY</u>			
Unrestricted Funds	[11]	18,223	18,239
		<u>18,223</u>	<u>18,239</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board of directors on 17th Nov 2020 and signed on its behalf.



Tom Harrison
DIRECTOR

Company Registration No: 09978106

The notes on pages [8] to [12] form part of these financial statements.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

[1] ACCOUNTING POLICIES

General information

Association for Character Education Limited is a private company limited by guarantee, incorporated in England and Wales. The address of the registered office is 175 Holly Lane, Erdington, Birmingham, England, B24 9LA.

Basis of preparation of accounts and statement of compliance

These financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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 the Republic of Ireland (FRS 102)" - (Charities SORP (FRS 102) (effective 1 January 2019).

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Association For Character Education Limited meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared under the historical cost convention.

Going Concern

These accounts are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

The principal risk facing the charitable company is its ability to generate sufficient income to cover expenditure incurred in fulfilling the objectives of the charitable company. The trustees have reviewed the cash position of the charitable company and at the date of signing the accounts and are satisfied that the charitable company will be able to meet all of its financial commitments as they fall due.

As a consequence the trustees believe that the charitable company is well placed to manage its financial risks and that the charitable company has adequate reserves to continue its operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the accounts.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

[1] ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charitable company; it is probable that the economic benefits associated with the transaction will flow to the charitable company and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations and grants, including capital grants, is included in incoming resources when there is evidence of entitlement, except when donors specify that the donations or grants must be used in future accounting periods, or conditions are imposed that have to be fulfilled before the charitable company is entitled to use such income.

Investment income is included when receivable.

Expenditure

Expenditure is included on an accruals basis as a liability is incurred. Expenditure is classified under headings of the statement of financial activities to which it is related. Expenditure on charitable activities includes all costs incurred in the delivery of the of the charity's activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the in the income and expenditure account.

Taxation

The company is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

[1] ACCOUNTING POLICIES (continued)

Disclosure Exemptions

The charity satisfies the criteria of being a qualifying entity as defined in SORP FRS 102 Update Bulletin 1. As such, advantage has been taken of the following disclosure exemptions: No cash flow statement has been presented for the charitable company.

Fund Accounting

Funds held by the company are either:
 Unrestricted funds which are available for use at the discretion of the trustees to further any of the charitable company's purposes, or

Restricted funds which are subject to restrictions on their use declared by the donor(s) or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects both current and future periods.

[2] INCOMING FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	
	2020	2019
	£	£
Grants	-	7,500
Memberships	14,637	12,750
	<u>14,637</u>	<u>20,250</u>
Grants received, included in the above, are as follows:		
Character Education Scotland Limited	<u>-</u>	<u>7,500</u>

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

	Unrestricted Funds	
	2020	2019
	£	£
[3] EXPENDITURE ON CHARITABLE ACTIVITIES		
Editorial costs	4,583	2,550
Insurance	-	56
Conference costs	2,618	500
Accountancy fees	810	810
Administration costs	4,675	7,926
Software	13	574
Bank charges	249	176
Travel	1,705	178
Unpaid memberships written off	-	5,725
	<u>14,653</u>	<u>18,495</u>

Support costs have not been separately identified as the directors consider there is only one charitable activity. Therefore support costs relate wholly to that activity.

[4] NET MOVEMENT OF FUNDS IN THE YEAR

This is stated after charging

Independent examiners fees	<u>810</u>	<u>810</u>
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[5] STAFF COSTS

No employee received remuneration amounting to more than £60,000 during either year.

[6] DIRECTORS' REMUNERATION

The directors are the key management personnel. No directors received remuneration. Tom Harrison, Gary Lewis and Geoff Smith were reimbursed (2020 - £212, £827, and £366) respectively for day to day running costs.

	2020	2019
	£	£
[8] DEBTORS		
Trade debtors	<u>3,550</u>	<u>2,400</u>

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

	2020 £	2019 £
[9] CREDITORS - amounts due within one year		
Accruals	6,465	1,620

	Unrestricted Funds	
	2020 £	2019 £
[10] ANALYSIS OF NET ASSETS		
Current assets	24,688	19,859
Current liabilities	(6,465)	(1,620)
As at 31 January 2020	18,223	18,239

	As at 31.01.19 £	Incoming resources £	Outgoing resources £	As at 31.01.20 £
[11] MOVEMENT IN FUNDS				
Unrestricted Funds				
General fund	18,239	14,637	(14,653)	18,223

	As at 31.01.18 £	Incoming resources £	Outgoing resources £	As at 31.01.19 £
Unrestricted Funds				
General fund	16,484	20,250	(18,495)	18,239

[12] LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee without share capital. Each member of the charity has undertaken to contribute an amount not exceeding £10 towards any deficit arising in the event of the charity being placed in liquidation.