

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

COMPANY LIMITED BY GUARANTEE REGISTERED NUMBER:
ENGLISH CHARITY REGISTERED NUMBER:

09978106
1178166

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

<u>Contents</u>	<u>Page</u>
Report of the Trustees	1 – 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Statement of Financial Position	11
Notes to the Financial Statements	12 - 18

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

The trustees, who are also directors for the purposes of company law present their report and the financial statements for the year ended 31 January 2023.

These financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply 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)" (as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES AND ACTIVITIES

There are 3 enablers that allow ACE to deliver on its mission to support schools to embed meaningful character education across its network of schools. These are;

1. Harnessing the extensive expertise that already exists within our 300 schools to support and guide others on their journey.
2. Our close partnership with the world-leading research centre; Jubilee Centre for Character and Virtues at the University of Birmingham, ensures our approach is informed by the latest research in character education.
3. The practical and theoretical character-based expertise that exist within our leadership and delivery team

ACHIEVEMENTS AND PERFORMANCE

ACE's Mission

The Association for Character Education provides support to a growing network of schools and organisations to embed character education, to enable individual and societal flourishing.

Personnel

Tom Haigh remains the charity's CEO and is supported by Andrew Pettit in the delivery of the organisation's operations.

Honor Wilson-Fletcher, CEO of the British Exploring Society, joined to the Board of Trustees in October 2022.

Summary of the charity's main activities

For the accounting period February 2022 – January 2023, the membership grew from 265 to 329. And has since increased to **450**, which is the current number of members at present. This growth has allowed ACE to reach more schools with its broad offer, which is focused on enabling whole-school character education. As a result, more children and young people are able to receive an education which better enables them to flourish, through the development character and virtues.

Below is an outline of activities ACE has undertaken over the previous 12months to deliver on its purpose and mission.

Quotes from schools who have received support from ACE are also shared throughout the report, to demonstrate some of the feedback the organisation has received. ACE is currently interviewing 40 schools within the network to obtain a greater degree of qualitative and quantitative data, so it can better understand the impact it is having.

CPD

- Eighteen CPD sessions were delivered to schools over the last 12months, with an additional three bookings confirmed. This is approximately the same as last year, when 19 CPD sessions were delivered. These sessions are critical in ensuring schools adopt an approach to character education that is underpinned by relevant theory and pedagogy.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

- Additional schools are being reached with CPD through the joint training ACE provides in partnership with Commando Jo's. Commando Jo's is an organisation that delivers character education within schools (their programme was developed in partnership with Sophie Murfin CEO Wise Owls Trust- a Character MAT and Regional Character Hub partner). ACE is receiving £15k from Commando Jo's for jointly delivering a series of residential CPD programmes and signing up a number of their schools.
- New CPD content has been created recently that further utilises resources from Quality Mark schools in order to share best practice. This is combined with research from the Jubilee Centre to ensure the training is shaped by both "what works" and high-quality research. This has been delivered in three schools so far.

Nadine Fielding, Headteacher, Morpeth First School.

"We joined ACE in early 2021, and the free training resources for staff were fundamental in establishing a baseline of understanding and vocabulary for practitioners and our Character Champion. The easy to access virtual CPD made it easy for staff to access during lockdown, and build their knowledge.

Gary Lewis delivered a full staff training day, which was inspirational, and engaged all staff fully in the process. Our Quality Mark and Quality Mark Plus assessments, which took place in July 2021 and May 2023, were incredibly supportive, and provided us with some insightful feedback into what was working well and areas where we could improve further on our journey as a school of character.

Sadie Rodway, our Character Champion, and I have attended the annual conference for the last two years, delivering a workshop to other delegates at the most recent event. The conference is a brilliant opportunity to share good practice and learn from the successes of other schools, as well as listen to the expertise of keynote speakers, and network with like-minded professionals.

Our role as a Regional Hub school enables us to inspire and support other schools both locally, and further afield. We welcome visitors from a variety of different settings, and we learn from each other. All of our staff have one of their performance management targets each year based on character education, and the support from ACE has enabled us to provide the team with up to date and relevant CPD on a regular basis.

Being an assessor for the Quality Mark has enabled me to further my knowledge and understanding of character education in both a primary and secondary context. Working alongside the other assessors has improved my confidence to make judgements, and identify key strengths and areas for development in other schools, as well as within my own."

Quality Marks

- Following a request by the British Standards Industry for ACE to rename the Kitemark Awards, due to their trademarking of "Kitemark," ACE rebranded the award as the Quality Mark. This involved changing the logo, the framework documents, the website and all former Kitemark schools. This process was undertaken and the issue is now resolved.
- In October 2023 ACE launched a new version of the Quality Mark Framework for schools and organisations. The framework incorporated insights and learnings from former assessments as well as more recent research from the Jubilee Centre. It also more clearly distinguishes between Quality Mark and Quality Mark Plus.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

- Thirty Quality Mark assessments have been undertaken in the last 12 months, this compares to 33 in the previous 12 months.

Emma Breen, Character Lead, Salford City Academy

"The feedback from the Quality Mark Assessment was extremely helpful. They highlighted our areas of strength and good practise, as well as suggesting areas to grow and develop. They provided examples of good practise and ways in which we could improve these areas. They signposted us to the website as well as to certain schools. I felt the whole process was so supportive.

Since then, I have attended numerous webinars and conferences, and I am always inspired, taking away new ideas to continue the Character journey in my school. I have also emailed Tom and the team when I have required support or CPD. This has allowed me to not only grow Character in my school, which has gone from strength to strength, but to also support other schools within my local area. ACE have helped me grow and develop in my role and become a confident Character Education Lead. All of which has had a positive impact on our pupils, parents and pupils always comment on our personal development and character provision."

Events

- 256 people attended the ACE conference in November 2022. This was almost double attendance from the previous year. Thirty teachers and leaders from Quality Mark schools contributed to the event either delivering workshops or taking part in Q and A panels.
- In April 2022 ACE held its first Scottish conference with over 30 people attending. The conference was designed to continue the building of a network of Scottish Character Schools. This process has been supported by Balmalloch Primary being awarded the Quality Mark and the Headteacher Ruth McCarthy joining the ACE Trustee Board.
- ACE's second conference was held at Auchmuty High School in April 2023, with 33 people in attendance. The conference was supported by Regional Hub school, Northampton Academy, so Principal Chris Clyne could share best practice. Ruth McCarthy was also able to share how character education compliments various Scottish education frameworks.
- Plans to facilitate the visiting of Scottish teachers and leaders to Regional Hub schools in England is being planned for 2024.
- Two conferences are scheduled for this November (2023) at Reading School and George Salter Academy. Keynote speakers and workshops have all been confirmed.
- A three-part webinar-series was delivered in partnership with Regional Hub schools to explore Character Taught, Caught and Sought. Over 100 people attended at least one of these webinars. All webinars were recorded and shared with members.

One-one Consultations

- Once schools join ACE they are able to access a free one-one consultation with ACE to discuss the roll out of character within their school and any challenges they are having. This has proved immensely popular and has been instrumental in developing a pipeline of Quality Mark schools. Thirty-nine consultations were undertaken during this accounting period.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

Paul Reynolds, Headteacher, Ross High School, Tranent, Scotland

"I would like to thank you for your inspirational visit. The feedback from staff has been incredible and I am convinced that your introduction to the year has been a significant part of the positive start.

One teacher commented that they have been in schools for over 20 years and have never enjoyed listening to someone more. What you said seemed to genuinely resonate with him. You know it did with me too. One other member of staff also commented that after listening to you they felt empowered. An incredibly powerful statement."

Regional Character Hubs

- It became apparent from reading Quality Mark applications that many schools were choosing to visit existing Quality Mark schools to gain ideas and inspiration. So, ACE decided build on this with the creation of the Regional Character Hubs initiative which was launched in April 2022.
- This initiative involves leading Character Schools supporting other schools on their journey to embed character. Schools like to learn from other schools.
- A residential for Regional Hub schools was held in June 2023. The schools shared best practice and how they are collectively supporting other schools with embedding character.

Toby Grimmett, Character Lead, The King John School

"Our experience of the quality mark has been hugely rewarding and transformative. With the support from ACE, our focus on character education has created a cohesive identity for the school, a sense of belonging for staff and students and a commitment to the development of excellent moral virtues among all its members. The consultation with Tom Haigh was incredibly useful in gaining insight and guidance regarding our specific situation. Furthermore, the wealth of information on the website and the regular webinars have been really useful in developing character education resources, as was the conference where we were able to get first hand wisdom from a plethora of experts. Following the accreditation visit, we are clear on our next steps and look forward to furthering our journey into character education."

Potential Risks

The most significant risk facing ACE is not being able to secure external funding which is currently essential to subsidise the costs of running the charity. Steps being taken are;

- During the Autumn term 2023 ACE will be delivering an *Impact and Evaluation* project which involves surveying 40 schools in the membership will provide valuable data which can underpin future bid applications. It will also help the members' voice shape ACE's offer.
- Integrating a CRM and automated payment system. This will reduce admin costs related to these functions which are all undertaken manually at present.
- Continue to ensure the cost of its membership and services is reflective of its value and isn't "undersold."
- As membership continues to rise economies of scale will help ensure the proportion of expenditure being met by fees for membership, Quality Marks and CPD will grow.

Improving the ACE website

Creating greater synergy between ACE's website and the website of the Jubilee Centre for Character Virtues will be priority for this year.

- Funding has been provided by the Jubilee Centre to finance two web-based projects. The first is the development of the CRM and automated payment service, as outlined above. Secondly, to develop greater linkage between the ACE and Jubilee website.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

This will help ensure ACE members are accessing Jubilee frameworks, resources and research to shape their character programme. This will ensure their school's approach is grounded in character-based philosophy, theory and pedagogy providing it with greater depth and sustainability.

Anthony Beckett, Assistant Headteacher, Cardinal Wiseman Catholic School

"Since 2020, ACE has whole-heartedly supported Cardinal Wiseman Catholic School on our journey, where character and virtue are at the heart of all that we do.

The process of applying for the awards has given our school a rigorous and wholly supportive way to strengthen our character provision. The frameworks for both the Quality and Quality + awards gave us a template to work with and the constructive feedback helped us to consider our next steps. This, alongside the conferences, where inspirational guest speakers and the opportunity to network with staff from other schools, gave the SLT at Cardinal Wiseman Catholic School many great ideas that have been moulded for our school community such as our annual Speech Giving Day. It's been wonderful to see the impact on these in shaping our pupils to be the best version of themselves both inside and outside of school."

Funding

During the accounting period external funding was secured from 3 sources;

Northwood Charitable Trust: £20,000

Garfield Weston Foundation: £20,000

Entelechy: £9000

Entelechy has continued to provide ACE with a donation of £1k per month and will continue to do so on an ongoing basis. An additional £20,000 is confirmed from the Northwood Charitable Trust later this year. And the Jubilee Centre provided ACE with £22,400 to fund the improvements to the website (as outlined above) and the Regional Hubs Residential initiative in June 2023.

Further funding applications will be submitted in the new year once impact data has been collated from interviews with a sample of 40 schools within the network.

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

The total income for the year was £117,272 (2022: £112,874) and expenditure was £122,788 (2022: £96,268). The main income this year was from memberships, kitemarks and CPD training. The main outgoings were in respect of consultancy and outsourced services.

At year end the charity had a balance of £114,971 (2022: £120,487) in unrestricted funds.

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 ensure the charity's changing circumstances are taken into account.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

RISK POLICY

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 review by the trustees.

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 Directors who served during the year and up to the date of signature of the financial statements were:

Gary Lewis, Chairperson
Michael Fullard, Secretary (appointed 1 February 2023)
Prof Thomas Harrison
Linda Sanders
Geoffrey Smith
Prof James Arthur, OBE
Daniel Wright
Prof Kay Livingstone (resigned 15 March 2023)
Dr Val Corry (resigned 14 March 2023)
Ruth McCarthy
Honor Wilson-Fletcher (appointed 1 January 2023)

The company is managed by its Board of Directors, which meets on a regular basis to discuss the day to day running of the company.

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. Retiring Directors are eligible for re-election.

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.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

REFERENCE AND ADMINISTRATION INFORMATION

Trustees	Gary Lewis Michael Fullard Prof Thomas Harrison Linda Sanders Geoffrey Smith Prof James Arthur OBE Daniel Wright Prof Kay Livingstone Dr Val Corry Ruth McCarthy Honor Wilson-Fletcher	Chairperson Secretary (appointed 1 February 2023) (resigned 15 March 2023) (resigned 14 March 2023) (appointed 1 January 2023)
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 Coal Road Cupar Fife KY15 5YQ	

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JANUARY 2023**

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that are sufficient to show and explain the and explain the charity's transactions and 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 _____ and has been prepared in accordance with the provisions applicable companies entitled to the small companies exemption.

Signed on behalf of the board of trustees.

Gary Lewis
DIRECTOR


21/10/2023

**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 2023 which are set out on pages 10 to 18.

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).

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken so that I might state to the 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 trustees for my work or for doing this report.

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:

1. the accounting records were not kept in accordance with section 386 of the Companies Act; or
2. the accounts do not accord with such records; or
3. 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
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.


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

Date: 21/10/2023

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
<u>INCOME FROM:</u>					
Donations	[2]	49,000	-	49,000	60,000
Charitable activities	[3]	68,188	-	68,188	52,874
Investments	[4]	84	-	84	-
<u>TOTAL INCOME</u>		<u>117,272</u>	<u>-</u>	<u>117,272</u>	<u>112,874</u>
<u>EXPENDITURE ON:</u>					
Charitable activities	[5]	122,788	-	122,788	96,268
<u>TOTAL EXPENDITURE</u>		<u>122,788</u>	<u>-</u>	<u>122,788</u>	<u>96,268</u>
<u>NET INCOME FOR THE YEAR</u>		<u>(5,516)</u>	<u>-</u>	<u>(5,516)</u>	<u>16,606</u>
<u>RECONCILIATION OF FUNDS</u>					
<u>TOTAL FUNDS BROUGHT FORWARD</u>	[12]	<u>120,487</u>	<u>-</u>	<u>120,487</u>	<u>103,881</u>
<u>TOTAL FUNDS CARRIED FORWARD</u>	[12]	<u>114,971</u>	<u>-</u>	<u>114,971</u>	<u>120,487</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 [12] to [18] form part of these financial statements.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

BALANCE SHEET
AS AT 31 JANUARY 2023

	Notes	2023 £	2022 £
<u>CURRENT ASSETS</u>			
Debtors	[9]	10,480	5,325
Bank and cash		109,444	122,890
		<u>119,924</u>	<u>128,215</u>
<u>CREDITORS</u> - amounts due within one year	[10]	4,953	7,728
<u>NET CURRENT ASSETS</u>		<u>114,971</u>	<u>120,487</u>
<u>FUNDS OF THE CHARITY</u>			
Restricted Funds	[12]	-	-
Unrestricted Funds	[12]	114,971	120,487
		<u>114,971</u>	<u>120,487</u>

For the year ended 31 January 2023 the charitable company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The trustees acknowledge the following responsibilities:

- 1 the members have not required the charity to obtain an audit of its financial statements for the year in question under section 476;
- 2 the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The 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

and signed on their behalf.


Gary Lewis
DIRECTOR 21/10/2023

Company Registration No: 09978106

The notes on pages [12] to [18] 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 2023**

[1] ACCOUNTING POLICIES

General Information & Basis of Accounting

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.

The financial statements of the charitable company have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. There were no material departures from that standard.

The financial statements are presented in sterling which is the functional currency of the company and are rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102.

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 shown.

Going Concern

The Trustees are satisfied that the Trust has adequate unrestricted resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The Trustees have considered a period of 12 months from the date of approval of the financial statements.

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

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Unrestricted funds included designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are subject to specific conditions by donors as to how they may be used. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

[1] ACCOUNTING POLICIES (continued)

Incoming Resources

Income is recognised in the accounts when the charity is legally entitled to the funds, any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Revenue grants are credited to the income and expenditure account in the period to which they relate.

Capital grants are recognised in the Statement of Financial Activities as a restricted fund when they are receivable using the "performance model" in accordance with the SORP. The funds will be reduced over the useful economic life of the asset in line with its depreciation.

Expenditure

Expenditure, including grants in the form of support and gifts to individuals and charitable institutions, is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments which 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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

**ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

[1] ACCOUNTING POLICIES (continued)

Financial Instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Critical Accounting Estimates and Judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 only that period, or in the period, or in the period of the revision and future periods where the revision affects both current and future periods.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	£	£	£	£
[2] INCOMING FROM DONATIONS				
Entelechy Academy	9,000	-	9,000	-
Grants	40,000	-	40,000	60,000
	49,000	-	49,000	60,000

Grants received are as follows:

Northwood Charitable Trust	20,000	-	20,000	20,000
Garfield Weston Foundation	20,000	-	20,000	20,000
University of Birmingham	-	-	-	20,000
	40,000	-	40,000	60,000

For the year ended 31 January 2022

Unrestricted funds	60,000
Restricted funds	-
	60,000

[3] INCOMING FROM CHARITABLE ACTIVITIES

Memberships, kitemarks, CPD training	68,188	-	68,188	52,874
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For the year ended 31 January 2022

Unrestricted funds	52,874
Restricted funds	-
	52,874

[4] INCOMING FROM INVESTMENTS

Interest receivable	84	-	84	-
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ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
[5] EXPENDITURE ON CHARITABLE ACTIVITIES				
Editorial costs	56,697	-	56,697	54,620
Conference costs	3,490	-	3,490	2,387
Administration costs	28,860	-	28,860	34,180
Travel	23,729	-	23,729	910
Independent examiners fees	956	-	956	958
Professional fees	-	-	-	360
CES Ltd - independent examiners fees	1,200	-	1,200	-
Insurance	146	-	146	199
Advertising	4,701	-	4,701	255
Printing, stationery and software	580	-	580	816
Donations paid	-	-	-	1,008
Bank charges	244	-	244	403
Sundries	2,185	-	2,185	172
	122,788	-	122,788	96,268
For the year ended 31 January 2022				
Unrestricted funds				96,268
Restricted funds				-
				96,268

[6] NET MOVEMENT OF FUNDS IN THE YEAR

This is stated after charging

Independent examiners fees	956	958
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[7] STAFF COSTS

Wages and salaries	-	-
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	Total Number 2023	Total Number 2022
The average number of employees during the year was as follows:	£	£
Administration	-	-

[8] TRUSTEES' REMUNERATION

No trustee or other person related to the charity has been paid any remuneration or received any other benefits from an employment with the charity or a related entity. Travel and accommodation expenses of £6,516 were paid to Gary Lewis during the period.

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

	2023	2022
	£	£
[9] DEBTORS		
Trade debtors	10,423	5,325
Other debtors	57	-
	<u>10,480</u>	<u>5,325</u>

[10] CREDITORS - amounts due within one year

Accruals	<u>4,953</u>	<u>7,728</u>
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	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	£	£	£	£
[11] ANALYSIS OF NET ASSETS				
Current assets	119,924	-	119,924	128,215
Current liabilities	(4,953)	-	(4,953)	(7,728)
As at 31 January 2023	<u>114,971</u>	<u>-</u>	<u>114,971</u>	<u>120,487</u>

	As at 31.01.22	Incoming resources	Outgoing resources	As at 31.01.23
	£	£	£	£
[12] MOVEMENT IN FUNDS				
Unrestricted Funds				
General fund	<u>120,487</u>	<u>117,272</u>	<u>(122,788)</u>	<u>114,971</u>

	As at 31.01.21	Incoming resources	Outgoing resources	As at 31.01.22
	£	£	£	£
Unrestricted Funds				
General fund	<u>103,881</u>	<u>112,874</u>	<u>(96,268)</u>	<u>120,487</u>

ASSOCIATION FOR CHARACTER EDUCATION LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

[13] RELATED PARTY TRANSACTIONS

Gary Lewis is ACE Chair of Trustees. It has been formally agreed by the board that Gary will undertake paid work for ACE on a consultancy basis, beyond his role as Chair (which is undertaken in a voluntary capacity). This work involves the delivery of CPD and Quality Mark Assessments. For the accounting period, Gary's fees were a maximum of £150 a day, significantly lower than the costs of externally sourcing the equivalent expertise. Fees paid to Gary Lewis in respect of this consultancy role during the year were £6,860.

[14] 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.

[15] COMPARATIVES FOR THE STATEMENTS OF FINANCIAL ACTIVITIES

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
<u>INCOME FROM:</u>			
Donations	60,000	-	60,000
Charitable activities	52,874	-	52,874
<u>TOTAL INCOME</u>	<u>112,874</u>	<u>-</u>	<u>112,874</u>
<u>EXPENDITURE ON:</u>			
Charitable activities	96,268	-	96,268
<u>TOTAL EXPENDITURE</u>	<u>96,268</u>	<u>-</u>	<u>96,268</u>
<u>NET INCOME FOR THE YEAR</u>	<u>16,606</u>	<u>-</u>	<u>16,606</u>
<u>RECONCILIATION OF FUNDS</u>			
<u>TOTAL FUNDS BROUGHT FORWARD</u>	<u>103,881</u>	<u>-</u>	<u>103,881</u>
<u>TOTAL FUNDS CARRIED FORWARD</u>	<u>120,487</u>	<u>-</u>	<u>120,487</u>