

Registered number: 00604757
Charity number: 279567

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees	Christopher Mark Sanders (Resigned 2 January 2025) John Bryden (Resigned 6 August 2024) Sarah Burles David Ralph Martin Sandra Toni Moses (resigned 17 February 2025) Christine Anne Berry Paul Jackson Peter McPartland Lesley Margaret Thompson Ivor John Anthony Harrison (Appointed 6 August 2024)
Honorary President	Ann Barrett, Professor Emeritus UEA, OBE, FMed Sci, MD, FRCP, FRCR
Company registered number	00604757
Charity registered number	279567
Registered office	Stapleford Granary Bury Road Stapleford CB22 5BP
Acting General Secretary	Christine Anne Berry
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	The Royal Bank of Scotland plc 82-88 Hills Road Cambridge CB2 1LG
Stockbrokers	Cantab Asset Management Limited 50 Station Road Cambridge CB1 2JH

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Association for Cultural Exchange Limited (the Charity/the Group) for the year ended 31 December 2024. The trustees confirm that the Annual Report and financial statements for the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) second edition – October 2019 (effective 1 January 2019), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large charities under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and planning future activities.

In the second half of 2024, the trustees started a review of our aims, objectives and activities. This was to take account of internal changes within the Charity given the success of our post-pandemic recovery, and the external pressures created by the political and economic climate which impact on arts and culture. The reduction in state funding and cuts in education budgets has had a consequential negative effect on the arts across all disciplines and genres, on the quality of arts education in schools and on cultural activities more generally.

As demonstrated by this report, the Charity is self-funding, which avoids the need to seek state subsidy. However, the self-funding model is itself vulnerable to risks. The Charity is primarily dependent on the ability of our main trading subsidiary, ACE Cultural Tours Ltd (Tours) to provide gift-aided income. The volatility of the travel sector is a significant factor which affects the amount of surplus to be gift-aided from year to year. To reduce the reliance on Tours, the trustees have taken steps to build up the revenue-generating activities undertaken by the Charity itself and intend to develop a formal legacy/donor programme in due course.

CHARITABLE OBJECTIVES

The Association for Cultural Exchange fosters cultural understanding through education. It was established in 1958 "to advance the education of the people of the United Kingdom and elsewhere in the fields of general history, music, art, architecture and design, archaeology, literature, environmental studies and the theory of education."

We believe in the power of the arts to enrich lives and to open new ways of thinking. Our 'culturally curious' approach to all we do underpins our aim to better understand, respect and value one another. We do this in a number of ways to deliver public benefit.

DELIVERING PUBLIC BENEFIT

Most of our charitable activity takes place through our South Cambridgeshire Arts Centre home at Stapleford Granary. This RIBA award-winning converted 19th century farm complex has become a much-loved hub of the community. It is praised for its warm welcoming atmosphere, creative and high-quality cultural programming, and innovative educational work.

At Stapleford Granary, we facilitate lifelong cultural education through live concerts, exhibitions, Discovery Rooms, artist talks, family activities and Small Grains, which is our pioneering education project in collaboration with Stapleford Primary School.

Our cultural offering is wholly funded by the Charity. It is provided free-of-charge to the public, with the exception of concerts (ticket prices are significantly subsidised) and some of our children's activities (nominal participant cost). Pre-concert talks, artist talks, exhibition booklets, pop-up libraries and activity packs all enhance the visitor experience. We design exhibitions and programmes that are open-ended, allowing for multiple entry points and

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different outcomes, to meet our widening visitor demographic.

Key achievements in 2024

2024 was a very strong year for the Charity. We continued to expand our reach and our sector reputation. Importantly, we increased our understanding of how we fulfil our role as cultural educators to deliver public benefit. Our aim is to engage more people through art and culture – delivering and making accessible the highest quality music, art and cultural opportunities.

2024 in numbers

- Annual visitor footfall at Stapleford Granary increased by 10,000 to 70,000 for attending events, exhibitions and visiting our café
- 60 ticketed concerts & events attended by over 6,500 people
- 85% of all available tickets sold across the programme
- 1,620 Under 25s tickets sold
- 42 visits to the Granary by children from Stapleford Primary School participating in our Small Grains project
- 400 children attended 8 Crafty Thursdays and Messy Tuesdays
- 4,000+ visitors to our family events, including Discovery Days, Apple Days & Winter Fair
- 35 painters, sculptors & textile artists exhibited here
- 157 musicians from the UK and Europe performed in our concert hall

In addition to providing a quality cultural experience to our visitors, we give a platform for emerging musicians, artists and other creatives to introduce their work to a public audience.

“The show I had at Stapleford Granary [in 2023] was the beginning of so many great things. I’m now in collections at Pembroke and Queens colleges, and King’s College bought an entire series based on their May Ball. I’ve currently got a one man show in the City of London, I’ve got a group show in Zurich and I’m up to my eyeballs in commissions for the USA and a new one man show in Cambridge in September 2025. It’s all getting pretty exciting. None of it would be happening without you taking that chance on me. Can’t thank you enough”

Naomi Tomkys (Exhibiting artist)

Inspiring lifelong cultural curiosity

Our approach to cultural education is to present and maintain a light-touch, low-risk, free-choice learning environment. We aim to meet the visitor at their own point of knowledge and to offer opportunities to nudge learning to another level. Our innovative programming often makes links across art forms to embrace topics which are meaningful to our community. Visitors and audiences often remark on a sense of ‘discovery’ on visiting Stapleford Granary. We seek to cultivate a rich exploratory environment and a visitor-centred approach to education.

Our flagship live chamber-scale music programme in 2024 presented the finest artists of national and international renown. We featured established masters, emerging artists, much-loved repertoire and lesser-known voices. Artists who performed here during the year included: Gesualdo Six, Leon McCawley, Mithras Trio, Pixels Ensemble, Sean Shibe, Ensemble Augelletti, Elias Quartet (classical); John Spiers, Gwilym Bowen Rhys, Dallahan, The Jeremiahs, VRi, John Kirkpatrick, Nancy Kerr & James Fagan (folk); Jason Rebello, James Taylor Quartet, Ivo Neame, Misha Mullov-Abbado, Matt Ford (jazz). We also hosted semi-staged theatre from pianist Lucy Parham and Dame Harriet Walter featuring the life and music of Clara Schuman.

In 2024, poetry became an established part of our programming. We presented readings by Wendy Cope and poet laureate Simon Armitage to sold-out audiences. A much-admired ‘Larkin Weekend’ in September, produced by the Granary’s artistic directorship team and working closely with Hull History Archives, combined the

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words of one of Britain's beloved poets with music, theatre, readings and an exhibition of Larkin's own photography.

Our 2024 interactive hands-on Discovery Rooms were themed around World War II (February) and the Natural World (July & August). Both were featured on local BBC Radio.

World War II was co-presented with Fen Tigers Living History Group. Visitors were able to discover what life would have been like in the early years of the Second World War by packing an evacuee's suitcase, trying on a soldier's uniform and carrying his equipment, learning about food rationing and watching a British army drill demonstration.

The Natural World Discovery Room complemented the opening-up of our heritage orchard and adjoining chalk stream habitat. The exhibition included a striking life-size silver birch tree made from cardboard (a commission for artist Peter Baldry), displays about the local chalk landscape from prehistoric to recent times, tree planting, a 'twittering box' bird song installation and Chloe Chapman's *Curious Collection*; an exquisite display of hundreds of tiny glass vials containing natural finds, reminiscent of a Victorian cabinet of curiosities.

Our successful educational strategies for Discovery Rooms include layering interpretation, breaking things into multiple stations to support group engagement, posing challenges in labels, creating conversation starters and memorable experiences. Discovery Rooms also give us a valuable opportunity to monitor dwell times, visitor flow and levels of engagement with interactive displays, all of which informs our curatorial practice throughout the site. The originality of the Discovery Rooms attracted other arts professionals, drawn to see innovative and imaginative methods of engagement for all ages.

Our main site art exhibitions featured living British artists. In 2024, we mostly worked with guest curators but felt that this model lacked the opportunity to deepen the visitor experience. In 2024, we devised a new visual arts strategy (launching in 2025). This will focus on building creative and engaging public programmes around artists and exhibition themes. Our 2024 Cafe Wall exhibition space for local and emerging artists has proved to be successful and we will be expanding our reach in 2025 with a new Open Call and enhanced website presence.

Small Grains

Our pioneering Small Grains programme is a twinning between Stapleford Granary and Stapleford Primary School. We launched it as a pilot project in 2023 to instil in the children an interest in the arts and culture as part of everyday life. It entered its second year in 2024.

The programme is rare in its high levels of interaction. The school made 42 visits to Stapleford Granary over the year. It provided an exceptional opportunity to better understand the uniqueness of the cultural centre as a setting rich in new educational possibilities. It also provided meaningful information and data to contribute to the limited existing research exploring the value of repeated school visits.

The second year of Small Grains presented a new set of joint objectives from Stapleford Granary and the school. This enabled us to prolong and deepen the impact and legacy of the Small Grains programme and embed the importance of the arts in wider contexts. They are:

- Instilling in the children an interest in the arts and culture as a part of everyday life
- Creating resources for teachers and parents (how to talk about the arts, cross-referencing to other areas, what to take back to the classroom)
- Building staff confidence (greater interaction with teachers, offering bespoke training where applicable)
- Widening the perception of arts roles by introducing more 'behind the scenes' exposure to pupils and teachers

In June 2024, we published a report on the first 12 months of Small Grains (available on the Stapleford Granary website). There has been particular interest in the Small Grains programme and its potential to contribute to the

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national dialogue around the educational benefit of twinning of schools with an arts centre (see Fabian Society Report "State of the Arts" and "Arts for Us All," 2024) and school trusts as civic institutions (Confederation of School Trusts, 2024).

"We wanted to write to express our appreciation for the Small Grains programme. The collaboration that Kate Romano has developed and spear-headed between Stapleford Granary and our school has been a real pleasure to watch and hear about over the past year. Our headteacher and our Y6 teacher have found in Kate and her team a brilliant partner in helping to bring the arts alive for our primary school and our pupils....The impact it has across the full range of kids – including those that are often at a disadvantage or may otherwise struggle to engage in the traditional classroom curriculum – is a testament to the potential that cultural centres like the Granary have, but more specifically to the leadership, effort and investment Kate has made to make all aspects of the arts come off the page as they deserve."

Co-chair of Governors, Stapleford Community Primary School

Providing the complete 'arts centre' experience

During 2024, as part of our plan to increase revenue generated from the Charity's own resources, we invested heavily in our ancillary services. From the point of view of the visitor, concerts, exhibitions, cafe, bar and shopping are one complete 'arts centre' experience and we take care not to segregate business from education, despite different economic and educational priorities.

Thanks to a legacy donation, we were able to develop an underused part of Stapleford Granary into a conference/education room and additional performance space, with a dedicated Green Room for visiting performers. This work retained the heritage feel of the buildings and now offers a beautifully appointed, high spec facility. This will enable us to increase our daytime revenue from hires, networking and conferencing events, and maintain the main visitor spaces for cultural experiences in line with our charitable aims. We also invested in the foyer-bar area to create a multi-purpose relaxed space for art and socialising. This immediately started to pay dividends, with visitors drawn to the area throughout the day, and opening up new business and cultural offerings in the evenings (e.g. book signings, exhibition launches, wine-tasting evenings).

The creative studios in our stable block were fully let throughout the year. As well as providing income for the Charity, the artists in residence add to the visitor experience, for example through "Open Studios" and running courses.

Stapleford Granary Café is operated through our second trading subsidiary, Stapleford Granary Ltd. The café is two years old and is a warm, inclusive gateway to Stapleford Granary - a much valued social and meeting place for a wide visitor demographic. It also plays an essential marketing role by introducing our cultural programme to a large footfall in a non-invasive way. In 2024, the cafe was Highly Commended in the Cambridge Independent Hospitality Business of the Year Awards.

A further area of work in 2024 was to open our historic orchard and its adjacent rare chalk stream habitat. A fence, hand-made by an artisan craftsman from untreated coppiced chestnut, was installed along the stream and it provides a focal point for this beautiful natural asset. We opened the orchard - together with a pop-up extension of the café - in conjunction with our Natural World Discovery Room. Whilst providing another visitor experience, it demonstrated the connection between the arts and the chalk stream landscape on our doorstep. We intend to expand on this project during the coming year.

Future plans

2025 at Stapleford Granary will have a strong focus on 'doing what works'; stabilising operations and generating revenue from the new indoor and outdoor spaces we developed in 2024. We will find ways of embedding our charitable aims deeper into our work, particularly in the area of visual art, and through the Small Grains programme.

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Specific focal areas for 2025 include:

- Develop and streamline our Small Grains programme: make headway into expanding the Small Grains principles into the wider group of Anglian Learning Trust Schools.
- Develop a fundraising strategy to reduce our reliance on the revenue provided by ACE Cultural Tours
- Launch and evaluate our new visual arts strategy
- Continuing development of our conservation project to raise awareness of the importance of chalk stream habitats
- Finessing our evaluation methods: aligning them with charitable aims, sector benchmarks and project targets
- Ensuring that accessibility is embedded in all we do, including ease of orientation; we will invest in new way-finding signage around the site

Culturally curious travel – ACE Cultural Tours

ACE Cultural Tours provides expert-led, special interest study tours to all parts of the UK and throughout the world on a wide range of cultural activities. Although it trades as a commercial subsidiary of the Charity, its operations are culturally aligned with the charitable objectives. The tours are curated to ensure a high level of educational content combined with opportunities to explore destinations and venues that often are not publicly accessible.

As members of the Association of Independent Tour Operators (AITO) we subscribe to AITO's code of ethics for sustainable tourism. Our study tours respect the history and heritage of the places we visit and the fragility of many of the natural habitats. Where appropriate, grants and awards are made to organisations connected to the destinations visited by our tours.

Business levels for 2024 showed a full recovery from Covid, with record revenue and a strong profit performance. The 2024 tour portfolio encompassed 125 departures worldwide. 30 countries featured, including for the first time South Korea and Kazakhstan, though the legacy of COVID was also apparent in the intentionally extensive domestic programme (33% of tours were UK-focused). In terms of brand-new cultural content, 2024 tours included the painted mansions of India, the art of Caspar David Friedrich, the wild beauty of Ireland's Dingle peninsula and the music of the Early Romantics as played on historically accurate instruments. In a first step towards greater marketing and operational efficiency, Tours offered an increased number of multi-departure itineraries in 2024.

Tour quality continued to be excellent. This was demonstrated by the overall satisfaction and likelihood-to-recommend metrics. These were well in excess of 90% over the year. Tours once again received a British Travel Award and also retained, for a third year, the Feefo 'Platinum Trusted Service' Award in 2024, based on unfiltered feedback from customers. The high-quality tour experience was the driving factor for a repeat traveller ratio of 80%+ in 2024.

While being greatly appreciative of its loyal customer base, Tours commenced a long-term strategy in 2024 to attract brand-new travellers to satisfy their cultural curiosity.

REFLECTIONS ON 2024

2024 marked a year of transition within the Charity. We are moving from being founder-led to a Charity with an independent board of trustees supporting executive teams in each of the Charity's constituent parts.

This report and the accompanying financial statements show all parts of the Group performing strongly in 2024. Following the cessation of activity during the pandemic, the build-back strategy for Tours has resulted in a record financial performance over the year. However, as also indicated above, the challenges facing the travel sector

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have led the trustees to take steps to reduce the financial reliance on Tours by investing in resources at Stapleford Granary that will generate increased revenue.

The strong performance in 2024 provided a platform for a review of our strategy as we approach the Charity's 70th anniversary in 2028. The review will continue into 2025 following some key personnel changes at both trustee and executive team levels.

On 31 December 2024, our chair retired having served two full terms on the trustee board. Mark Sanders skilfully steered the Group through the challenges of the 2020-2022 pandemic and oversaw the re-establishment of the Group's activities during 2023. The trustees are hugely grateful for the energy and dedication Mark has demonstrated during his stewardship.

Trustee John Bryden retired from the board at the AGM in 2024, having also served two terms. John has had a much longer association with the Charity. As an inspiring tour director for Tours, he led numerous music-related tours over many years, frequently also performing recitals as an acclaimed pianist and organist.

Our Group head of finance, Ruth Hawkins, retired from her role after 12 years' service. Ruth's wisdom and expertise has been a safe hand on the financial tiller. We send Ruth and her family all best wishes for a happy retirement.

The success of 2024 is largely thanks to the outstanding work of all our staff to whom the trustees are extremely grateful.

The excellence and expertise of our Tours' team is deservedly recognised by the awards received once again in 2024. The willingness of the team always to go the extra mile for our travellers is demonstrated daily by the feedback and plaudits they receive.

The Stapleford Granary team is led by Kate Romano, our CEO and co-artistic director. She is supported by a small team who delivered a range of events and activities – created with imagination and flair and an unfailing eye for ensuring the very best cultural experience for every visitor. From the warm welcome of our café staff to the dedication of our volunteer force, all members of the of the Stapleford Granary team have contributed to the success of the year.

LOOKING FORWARD TO 2025

During 2025 the trustees will continue the strategic planning exercise in anticipation of further transitional change. The overall focus is to manage that change while continuing to deliver the highest quality cultural experiences across all parts of the Group.

Planned trustee retirements at the 2025 AGM have already led to the start of a recruitment process for new trustees, underway at the date of this report.

Succession-planning for the trustee board has been the catalyst to review our governance and regulatory procedures to support the continuing and prospective trustees as they are appointed. In addition, the work of the new finance and investment committee, created in 2023, has streamlined and strengthened the financial oversight responsibilities of the trustees.

The senior teams within the executives are undertaking professional development programmes and personal mentoring to assist them in assuming greater responsibility for the day-to-day operations.

Notwithstanding the internal transformation in the overall management of the Group, the Charity's driving aim continues to be the cultural education of our beneficiaries. Whether participating in one of the many activities at Stapleford Granary or travelling with ACE Cultural Tours, our aim is always to deliver a rich and fulfilling cultural experience.

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INVESTMENT POWERS AND POLICY

Under the Memorandum and Articles of Association, the Charity has the freedom to invest in a wide variety of assets. The finance and investment sub-committee has formal delegated authority from the trustee board. Its remit includes the management of the Charity's investment portfolio and the arrangements with the Charity's external investment managers.

TRADING SUBSIDIARIES

The Charity has two wholly owned trading subsidiaries (which, together with the Charity, comprise the Group). The trading subsidiaries contribute both to the objectives of the Charity and raise funds.

ACE Cultural Tours Ltd (Tours)

Tours is the main trading subsidiary of the Charity. Tours' alignment with the charitable objectives of the Charity means that Tours both covers a wide range of cultural and educational topics that support those objectives and gift-aids its surpluses to fund the charitable activities of its parent Charity.

In accordance with the Charity SORP, the income of Tours is categorised as 'other trading activities' and the expenditure as 'raising funds' for the Charity.

Stapleford Granary Ltd

The Charity's second wholly owned trading subsidiary is Stapleford Granary Limited. It was established in 2022 to operate the on-site café and other commercial functions, which similar to Tours, support the delivery of the Charity's objectives. 2024 was only the company's second full year of trading. It is expected, in time, to generate profits that will be gift-aided to the Charity.

FINANCIAL REVIEW

The consolidated statement of financial activities for the Charity and its subsidiaries for the 12 months to 31 December 2024 shows the total income increased to £7,498,913 (2023: £6,372,365).

The Charity continues to hold investments with a market value of £2,117,264 (2023: £2,088,769).

Total income of ACE Cultural Tours Limited for the 12 months to 31 December 2024 rose to £6,880,013 (2023: £5,650,826). The profit for the year before tax was £444,015 (2023: £129,169), of which £440,000 is to be Gift Aided to the Charity in the first 6 months of 2025 (2024: £NIL). In order to strengthen the reserves of its subsidiary and facilitate its continued growth, the Charity has subsequently decided to further increase the share capital of Tours by £330,000 later in 2025. This is in recognition of the ongoing valuable contribution ACE Cultural Tours to supporting the Charity's Activities (return on investment) and recognising its subsidiary as a culturally aligned trading activity.

In the course of 2020 and 2021 the Charity provided loans totalling £1m on commercial terms to ACE Cultural Tours to provide working capital during the Covid period. During 2024, ACE Cultural Tours repaid capital of £250,000 to the Charity (2023 £500,000) leaving an outstanding balance of £250,000 at 31 December 2024. The final balance of this loan was repaid in January 2025.

Total income of Stapleford Granary Limited for the 12 months to 31 December 2024 rose to £361,379 (2023: £281,671). The net liabilities of the company were £20,458 (2023: £15,442). This developing business continues to grow and is considered an integral part of the Charity, encouraging footfall to the site and raising awareness of the Charity. It is therefore considered to be a valuable part of the Charity's activities.

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The agreement of a new letting agreement from January 2025 resulted in a further transfer of a portion of the Charity's Fixed Asset portfolio to Investment Property at the year end.

The net assets of the Group as shown in the balance sheet as at 31 December 2024 were £7,499,554 (2023: £7,236,018), an increase of £263,536.

Funds

The unrestricted funds are designated to a Property Fund, Subsidiary Support Fund and the funds held by each subsidiary. The remaining balance is the Charity's free reserves.

Property Fund

The Property Fund represents the net book value of the Charity's freehold property, which comprises a distinguished range of former farm buildings at Stapleford Granary. The buildings have been converted to create a centre for the arts, to provide office and workshop accommodation and spaces for meetings and education.

Subsidiary Support Fund

This fund represents the carrying value of the long-term loan made to its subsidiary ACE Cultural Tours Limited and hence funds which were not freely available to the Charity. The loan ensured the long-term security and facilitated the return to pre-pandemic levels of the subsidiary's activities. This loan has been fully repaid since the year end.

Restricted funds

This fund contains the legacy from the estate of Beryl Wallis. This legacy is to be used in the area of classical music.

During the year £100,000 of this legacy was assigned for the refurbishment of a previously unused area of Stapleford Granary, to create space for use as an additional performance area, conferencing and education. It also provided a dedicated Green Room for visiting performers. In recognition of this generous contribution the refurbished area has been named the Beryl Wallis Suite.

Further special projects are being considered for the balance of this fund.

General Funds

The general fund represents the amount of unrestricted funds available to the Charity.

Reserves policy

The policy of the Charity is to maintain reserves to provide for spending on the Charity's direct services, for strategic objectives, to provide some protection from unforeseen events and for capital accumulation. The trustees have reviewed the Charity's reserves policy and have resolved to retain as designated funds amounts representing those assets set aside for specific purposes with the balance as an unrestricted general reserve.

The Charity does not receive significant external funding and only by accumulation will it be possible to provide sufficient reserves to ensure the long-term success and expansion of the Charity's direct services and strategic objectives.

The trustees aim to maintain free reserves at a level and with such liquidity as to enable support to be provided to all elements of the Group for a minimum of 12 months. The trustees forecast this to be in the region at least £1,000,000. They consider that it is desirable to hold £2,000,000 to provide significant resilience against most risks.

The Charity previously designated a Capital Fund, representing investments held to generate income and capital growth to support the long-term sustainability of the Charity. In line with the increased reserves policy above, these funds have been un-designated and the Trustees acknowledge these funds may need to be drawn upon in

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the future. They hope any surplus funds in future years may allow them to re-establish a Capital Fund.

At the year end the Charity had total funds of £7,499,554 including restricted funds of £106,389. Of the £7,393,165 unrestricted funds, the trustees have designated the Property Fund at £4,084,929 and the subsidiary support fund at £250,000

After taking account of the subsidiaries' retained earnings and capital of £990,802, the Group and Charity's free reserves as of 31 December 2024 are £2,067,434 (2023: £2,067,922) which is in line with the upper target of £2,000,000.

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a company limited by guarantee. It is governed by the revised Memorandum and Articles of Association which were adopted on 29 January 2013. It is registered as an educational charity with the Charity Commission, number 279567.

Method of appointment or election of trustees

As set out in the Articles of Association, the chair of the board of trustees is elected from and by the directors (trustees). New trustees may be nominated by members of the existing board. In appointing new trustees, the board has regard to the range of skills required by the Charity.

One new trustee was elected to the board at the AGM in 2024 following a formal recruitment process.

Policies adopted for the induction and training of trustees

Prospective trustees are selected on the basis on their experience of working on a charitable or business board and in respect of the specific skills they will bring to the Charity's governance and leadership. Impending trustee vacancies are advertised and there is a recruitment procedure after which prospective trustees are formally appointed at the Charity's AGM.

Prospective trustees are directed specifically to all Charity Commission Guidances relevant to new trustees and are given copies of the Charity's governing documents. The induction process is tailored to a new trustee's existing knowledge and expertise.

For the whole trustee board, trustees are provided with updates on changes to charity law/Charity Commission Guidances to keep abreast of regulatory changes and best practice. Other training is provided as and when appropriate.

Pay policies for senior staff

The Charity considers its key management personnel comprise the trustees and the CEO (and co-Artistic Director) of Stapleford Granary.

The key management personnel of the Group comprise those of the Charity and the directors/senior executives of the subsidiaries ACE Cultural Tours Limited and Stapleford Granary Limited. They manage and control the Group's daily operations.

All trustees give their time for governance freely. Three trustees, who independently act as tour directors for Tours, received remuneration from Tours in the year in respect of tour directors' fees. Details of the directors' expenses and related party transactions are disclosed in the notes to the accounts.

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The pay of the subsidiary directors is reviewed annually by the trustees. Salaries are periodically benchmarked to ensure that the remuneration set is fair and in line with that generally paid for similar roles.

In March 2023, following the retirement of Paul Barnes as general secretary of the Charity, Christine Berry was appointed part-time on an interim basis of 12 months, to the general secretary role. This interim appointment was extended for a further 12 months at the AGM in 2024. Her role is not remunerated, and she continues to be a member of the trustee board.

Organisational structure and decision making

The Association for Cultural Exchange is governed by the trustees, whose names are given on page 1. The board of trustees, which can have up to 10 members plus the general secretary, governs the Charity. The board typically meets four to six times a year. The general secretary is appointed by the trustees to manage the day-to-day operations of the Charity in conjunction with other members of the senior team.

Risk Management

Following the comprehensive risk analysis undertaken in 2023, the trustees reviewed the risk register in 2024. They are satisfied that appropriate measures are in place to mitigate those risks as far as possible.

At Stapleford Granary, the health and safety of staff, performance artists and the general public on site is a key risk issue. Emergency procedures, including public evacuation of the buildings, are tested and further strengthened as circumstances require. We have acquired a defibrillator on site and additional equipment to assist individuals with a disability to vacate the buildings in case of emergency. Staff are regularly updated with first aid training and in the use of equipment.

A significant financial risk is represented by the inherent volatility of the travel sector and any negative impact of the ability of ACE Cultural Tours to deliver surpluses by way of gift-aid to the Charity. These risks range from geo-political issues and conflicts, operational disruption and environmental concerns to exchange rate fluctuations and rising travel costs which affect individuals' decisions to travel.

A further element of managing financial risk for the Group is the setting of a reserves policy which now forms part of the delegated remit of the finance and investment committee.

The increased risk of cybersecurity breaches has led to a review of internal controls and preventative measures to reduce the risk of a breach and mitigate the risk of fraud.

Information on fund raising practices

The Charity does not currently rely on fund raising as a major source of income and nor does it employ or engage professional fund raisers. We do, from time to time, engage with interested parties who may wish to support our work in the form of donations or legacies.

As noted above, the Charity does not receive funding from any trusts and foundations, nor does it receive any public subsidy. This may change in future years. Should the Charity embark on an active fund raising programme, it is committed to avoiding any intrusive fund raising approached and would never apply undue pressure to donate.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of The Association for Cultural Exchange Limited 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Parent Charity and the Group and of the incoming resources and application of resources are included in the income and expenditure of the Group for that period. 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 judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it inappropriate to presume that the Group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Charity and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Parent Charity and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are trustees at the time when this Report is approved has confirmed that:

- so far as they are aware, there is no relevant audit information of which the Group's auditors are unaware, and
- all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report, and to establish that the Group's auditors are aware of that information, have been taken.

Approved by order of the members of the Board of trustees and signed on their behalf by:

Christine Berry

Christine Anne Berry
Trustee

Date: 20 May 2025

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED

OPINION

We have audited the financial statements of The Association for Cultural Exchange Limited (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 Group's and of the parent charitable company's affairs as at 31 December 2024 and of the Group's 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

OPINION 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.
- 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 our 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, ATOL (Air Travel Organiser's Licence) and taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the charity's financial statements but which may be fundamental to the charity's ability to operate or avoid material penalties;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED (CONTINUED)

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Hewett (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 20 May 2025

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:					
Donations and legacies	4	7,805	-	7,805	209,675
Charitable activities	5	101,593	-	101,593	95,117
Trading activities	6	7,241,692	-	7,241,692	5,932,497
Investments	7	147,823	-	147,823	135,076
TOTAL INCOME		7,498,913	-	7,498,913	6,372,365
EXPENDITURE ON:					
Raising funds:	8,9				
Trading activities		6,774,250	-	6,774,250	5,732,707
Investment management		22,079	-	22,079	20,524
Charitable activities		582,644	-	582,644	578,057
TOTAL EXPENDITURE		7,378,973	-	7,378,973	6,331,288
NET INCOME BEFORE NET GAINS ON INVESTMENTS		119,940	-	119,940	41,077
Net gains on investments		143,596	-	143,596	120,742
NET INCOME BEFORE TAXATION		263,536	-	263,536	161,819
Taxation		-	-	-	(21,993)
NET INCOME AFTER TAXATION		263,536	-	263,536	139,826
Transfers between funds	23	100,000	(100,000)	-	-
NET MOVEMENT IN FUNDS		363,536	(100,000)	263,536	139,826
RECONCILIATION OF FUNDS:					
Total funds brought forward		7,029,629	206,389	7,236,018	7,096,192
Net movement in funds		363,536	(100,000)	263,536	139,826
TOTAL FUNDS CARRIED FORWARD		7,393,165	106,389	7,499,554	7,236,018

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 50 form part of these financial statements.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00604757

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	15	3,340,273	3,396,373
Investments	17	2,117,264	2,088,769
Investment property	16	791,000	553,000
		<u>6,248,537</u>	<u>6,038,142</u>
CURRENT ASSETS			
Stocks	18	4,378	4,593
Debtors	19	548,573	499,768
Cash at bank and in hand		2,170,101	2,294,711
		<u>2,723,052</u>	<u>2,799,072</u>
Creditors: amounts falling due within one year	20	(1,464,903)	(1,583,278)
NET CURRENT ASSETS		<u>1,258,149</u>	<u>1,215,794</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,506,686</u>	<u>7,253,936</u>
Creditors: amounts falling due after more than one year	21	(7,132)	(17,918)
TOTAL NET ASSETS		<u><u>7,499,554</u></u>	<u><u>7,236,018</u></u>
CHARITY FUNDS			
Restricted funds	23	106,389	206,389
Unrestricted funds	23	7,393,165	7,029,629
TOTAL FUNDS		<u><u>7,499,554</u></u>	<u><u>7,236,018</u></u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00604757

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Christine Berry

Christine Anne Berry
Trustee

Date: 20 May 2025

The notes on pages 23 to 50 form part of these financial statements.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00604757

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	15	3,293,929	3,356,904
Investments	17	2,827,265	2,656,014
Investment property	16	791,000	553,000
		6,912,194	6,565,918
CURRENT ASSETS			
Debtors	19	308,988	660,158
Cash at bank and in hand		121,441	165,141
		430,429	825,299
Creditors: amounts falling due within one year	20	(123,869)	(139,756)
NET CURRENT ASSETS		306,560	685,543
TOTAL NET ASSETS		7,218,754	7,251,461
CHARITY FUNDS			
Restricted funds	23	106,389	206,389
Unrestricted funds	23	7,112,365	7,045,072
TOTAL FUNDS		7,218,754	7,251,461

The Charity's net movement in funds for the year was £(32,707) (2023 - £14,948).

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00604757

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Christine Berry

Christine Anne Berry
Trustee

Date: 20 May 2025

The notes on pages 23 to 50 form part of these financial statements.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	25	(108,145)	98,038
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		147,823	135,076
Proceeds from the sale of tangible fixed assets		-	250
Purchase of tangible fixed assets		(169,103)	(20,369)
Net proceeds from investments		816,398	-
Purchase of investments		(800,797)	10,605
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		(5,679)	125,562
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowing		(10,786)	(8,862)
NET CASH USED IN FINANCING ACTIVITIES		(10,786)	(8,862)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(124,610)	214,738
Cash and cash equivalents at the beginning of the year		2,294,711	2,079,973
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26	2,170,101	2,294,711

The notes on pages 23 to 50 form part of these financial statements

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Charity is a private company limited by guarantee and incorporated in England and Wales. The members of the Charity are the trustees named on page 1 together with one nominated representative of the family of the founder. If the Charity is wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Association for Cultural Exchange Limited meets the definition of a public benefit entity under FRS 102 and the Group is a public benefit group. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities or Statement of Cash Flows in these financial statements.

The accounts are presented in sterling £, rounded to the nearest £1.

2.2 GOING CONCERN

The operations of the Group have continued to improve favourably during 2024, especially that of the Charity's travel subsidiary, Ace Cultural Tours, which has had a record year. This has resulted in a further £250,000 of the outstanding loan being repaid during 2024 and the final instalment being paid immediately post year end in January 2025, clearing all outstanding balances.

The Charity continues to provide a small amount of financial support for Stapleford Granary Limited. These activities are ancillary to the objectives of the Charity. They have been instrumental in attracting increased footfall to the site, thereby developing engagement with the charitable activities on offer.

Having reviewed budgets and forecasts for 2025-2027, the Trustees are confident that the Group will have sufficient resources to support its public benefit activities and to meet its liabilities as they fall due in the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 INCOME

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Performance and event income from ticket sales is recognised on the date of the performance. Income received in respect of events taking place in subsequent years is deferred and included within creditors as accruals and deferred income.

Income from the sale of food, beverages and merchandise is recognised at the point of sale.

Tours income is recognised on the date of departure of the relevant tour. Income received in respect of tours taking place in subsequent years is deferred and included within creditors as accruals and deferred income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited. Dividends are recognised once we have been notified by investment advisers that a dividend has been received into the investment portfolio.

Donation income is recognised when received or before receipt if it becomes reasonably certain that the donation will be received and the value of the income can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Group is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Group, or the Group is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Other income is recognised when it is received provided that any goods or services that the Group is contracted to supply in respect of such income have been provided.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Trading costs are those incurred by the Group's trading subsidiaries including the provision of cultural tours and the costs of running a café. Costs of generating funds comprise fees paid to investment managers and an element of staff time which is involved in managing investments.

Charitable activities are costs incurred on the Group's educational operations, performances, and events, including support costs and costs relating to the governance of the Charity apportioned to charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Group and include central costs. Governance costs are those incurred in connection with administration of the Group and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Irrecoverable VAT is included as an expense within support costs.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. ACCOUNTING POLICIES (CONTINUED)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	- Not depreciated
Freehold property	- 1% straight line on the buildings element
Plant and machinery	- Straight line over 10-15 years
Fixtures and fittings	- Straight line over 10 years
Office equipment	- Straight line over 3 or 5 years
Musical instruments	- Straight line over 25 years

2.7 INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investment property is carried at fair value determined annually by the trustees. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities. Where a property previously held within tangible fixed assets is let to a third party, it is transferred to investment property and revalued.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 DEBTORS

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

2.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of six months or less from the date of acquisition or opening of the deposit or similar account.

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.10 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 FINANCIAL INSTRUMENTS

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

The Group uses forward exchange contracts to reduce exposure to foreign exchange risks and as such consider these to be 'hedges'. Gains and losses on instruments used for hedging are recognised at fair value at the end of the year with changes in fair value recognised in the Consolidated Statement of Financial Activity.

2.12 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.13 TAXATION

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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2. ACCOUNTING POLICIES (CONTINUED)

2.14 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.15 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of investment properties

Investment property has been valued based on rental yields of properties with similar characteristics. The value derived using this method has been compared with the valuations of similar properties to ensure it is reasonable and proportionate.

Impairment of investment in subsidiary

The carrying value of the subsidiary is currently based on the net assets of the subsidiary company taking into account forecasts and further profitability of the subsidiary. The investment in subsidiary companies is broken down in note 17.

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4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	7,805	-	7,805	3,286
Legacies	-	-	-	206,389
	<u>7,805</u>	<u>-</u>	<u>7,805</u>	<u>209,675</u>
TOTAL 2023	<u>3,286</u>	<u>206,389</u>	<u>209,675</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Performances and events	101,593	101,593	95,117
	<u>95,117</u>	<u>95,117</u>	
TOTAL 2023	<u>95,117</u>	<u>95,117</u>	

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6. INCOME FROM TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bar, café and conferences	361,679	361,679	281,671
Tours	6,880,013	6,880,013	5,650,826
	7,241,692	7,241,692	5,932,497
TOTAL 2023	5,932,497	5,932,497	

7. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	59,790	59,790	65,785
Investment income	44,072	44,072	46,220
Bank interest	43,961	43,961	23,071
	147,823	147,823	135,076
TOTAL 2023	135,076	135,076	

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8. EXPENDITURE ON RAISING FUNDS

TRADING EXPENSES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Tour expenses	5,174,561	5,174,561	4,323,723
Other trading expenses	423,503	423,503	434,353
Wages and salaries	1,014,881	1,014,881	845,139
National insurance	90,884	90,884	74,845
Pension costs	53,530	53,530	39,820
Depreciation	16,891	16,891	14,827
	6,774,250	6,774,250	5,732,707
TOTAL 2023	5,732,707	5,732,707	

9. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment management fees	13,302	13,302	13,344
Staff time spent managing investments	8,777	8,777	7,180
	22,079	22,079	20,524
TOTAL 2023	20,524	20,524	

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10. ANALYSIS OF GRANTS

	Grants to Institutions 2024 £	Grants to Individuals 2024 £	Total funds 2024 £	Total funds 2023 £
Education	500	-	500	14,595
TOTAL 2023	110	14,485	14,595	

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Performances and events	245,892	-	331,587	577,479	523,275
Education	-	500	4,665	5,165	54,782
	245,892	500	336,252	582,644	578,057
TOTAL 2023	190,201	14,595	373,261	578,057	

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11. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Performanc es and events 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	83,848	83,848	72,033
Event expenses	96,230	96,230	71,259
Printing, stationery, newsletters and promotion	49,922	49,922	29,939
Computer expenses	11,859	11,859	11,373
Bank charges	4,061	4,061	5,597
Currency (gain)/loss	(28)	(28)	-
	<u>245,892</u>	<u>245,892</u>	<u>190,201</u>
	<u>190,201</u>	<u>190,201</u>	
TOTAL 2023			

ANALYSIS OF SUPPORT COSTS

	Performanc es and events 2024 £	Education 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	83,108	4,665	87,773	138,099
Printing, stationery, newsletters and promotion	152	-	152	115
Audit and accountancy fees (governance)	16,775	-	16,775	16,718
Administration, finance and IT	153,927	-	153,927	131,649
Depreciation	68,565	-	68,565	80,659
Professional fees and costs (governance)	9,060	-	9,060	6,021
	<u>331,587</u>	<u>4,665</u>	<u>336,252</u>	<u>373,261</u>
	<u>333,074</u>	<u>40,187</u>	<u>373,261</u>	
TOTAL 2023				

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**NOTES TO THE FINANCIAL STATEMENTS
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12. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. The tax charge relates to the subsidiary, ACE Cultural Tours Limited.

13. AUDITORS' REMUNERATION

	2024	2023
	£	£
Auditor's remuneration - audit	20,425	19,440
Fees payable to the Charity's auditor in respect of:		
Auditor's remuneration - other services	7,685	7,290

The audit fee for the Charity was £11,350 (2023 - £10,800). Non-audit services for the Charity were £3,870 (2023 - £3,670) including tax of £2,800 (2023 - £2,650)

14. STAFF COSTS

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Wages and salaries	1,166,719	1,036,023	151,838	190,884
Social security costs	111,840	93,985	20,956	19,140
Contribution to defined contribution pension schemes	61,134	47,108	7,604	7,288
	1,339,693	1,177,116	180,398	217,312

The average number of persons employed by the Charity during the year was as follows:

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	No.	No.	No.	No.
Charitable activities	3	3	3	3
Trading	35	34	-	-
	38	37	3	3

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14. STAFF COSTS (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	2	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1

The Group considers its key management personnel comprise the trustees, the Stapleford Granary CEO, the General Secretary and the directors of the wholly owned subsidiaries, ACE Cultural Tours Limited and Stapleford Granary Limited.

During the year, three trustees (2023 - three) received fees and reimbursement of expenses in their capacity as four directors totalling £29,628 (2023 - £39,073).

The total employment benefits including employer's national insurance and pension contributions of the key management personnel for the Group was £298,742 (2023 - £240,408) and for the Charity was £93,300 (2023 - £70,9656).

Trustee board expenses paid on behalf of all trustees to cover meeting expenses totalled £1,473 (2023 - £1,215).

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15. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Plant and machinery £	Fixtures, fittings & instruments £	Total £
COST				
At 1 January 2024	3,343,172	258,099	575,465	4,176,736
Additions	96,903	-	72,200	169,103
Disposals	-	(499)	(53,695)	(54,194)
Transfers between classes	(153,800)	-	-	(153,800)
At 31 December 2024	3,286,275	257,600	593,970	4,137,845
DEPRECIATION				
At 1 January 2024	250,623	98,688	431,052	780,363
Charge for the year	29,866	17,987	37,604	85,457
On disposals	-	(58)	(52,890)	(52,948)
Transfers between classes	(15,300)	-	-	(15,300)
At 31 December 2024	265,189	116,617	415,766	797,572
NET BOOK VALUE				
At 31 December 2024	3,021,086	140,983	178,204	3,340,273
At 31 December 2023	3,092,549	159,411	144,413	3,396,373

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15. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Freehold property £	Plant and machinery £	Fixtures, fittings & instruments £	Total £
COST				
At 1 January 2024	3,343,172	258,099	298,589	3,899,860
Additions	96,903	-	48,435	145,338
Disposals	-	(499)	(21,276)	(21,775)
Transfers between classes	(153,800)	-	-	(153,800)
At 31 December 2024	3,286,275	257,600	325,748	3,869,623
DEPRECIATION				
At 1 January 2024	250,623	98,688	193,645	542,956
Charge for the year	29,866	17,987	20,714	68,567
On disposals	-	(58)	(20,471)	(20,529)
Transfers between classes	(15,300)	-	-	(15,300)
At 31 December 2024	265,189	116,617	193,888	575,694
NET BOOK VALUE				
At 31 December 2024	3,021,086	140,983	131,860	3,293,929
At 31 December 2023	3,092,549	159,411	104,944	3,356,904

Included in freehold property held by the group and charity is freehold land at an estimated cost of £400,000 (2023 - £400,000) which is not depreciated.

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16. INVESTMENT PROPERTY

GROUP AND CHARITY

	Freehold investment property £
VALUATION	
At 1 January 2024	553,000
Surplus on revaluation	99,500
Transfers from tangible fixed assets	138,500
	<u>791,000</u>
At 31 December 2024	<u><u>791,000</u></u>

Investment property is carried at fair value determined annually by the trustees. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

17. FIXED ASSET INVESTMENTS

GROUP	Listed investments £	Uninvested cash £	Total £
COST OR VALUATION			
At 1 January 2024	2,062,873	25,896	2,088,769
Additions	810,281	-	810,281
Disposals	(752,937)	-	(752,937)
Revaluations	(19,365)	-	(19,365)
Cash movement	-	(9,484)	(9,484)
	<u>2,100,852</u>	<u>16,412</u>	<u>2,117,264</u>
AT 31 DECEMBER 2024	<u><u>2,100,852</u></u>	<u><u>16,412</u></u>	<u><u>2,117,264</u></u>
NET BOOK VALUE			
AT 31 DECEMBER 2024	<u>2,100,852</u>	<u>16,412</u>	<u>2,117,264</u>
AT 31 DECEMBER 2023	<u>2,062,873</u>	<u>25,896</u>	<u>2,088,769</u>

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17. FIXED ASSET INVESTMENTS (CONTINUED)

CHARITY	Investments in subsidiary companies £	Listed investments £	Uninvested cash £	Total £
COST OR VALUATION				
At 1 January 2024	710,001	2,062,873	25,896	2,798,770
Additions	-	810,281	-	810,281
Disposals	-	(752,937)	-	(752,937)
Revaluations	-	(19,365)	-	(19,365)
Cash movement	-	-	(9,484)	(9,484)
AT 31 DECEMBER 2024	<u>710,001</u>	<u>2,100,852</u>	<u>16,412</u>	<u>2,827,265</u>
IMPAIRMENT				
At 1 January 2024	142,756	-	-	142,756
Reversal of impairments	(142,756)	-	-	(142,756)
AT 31 DECEMBER 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE				
AT 31 DECEMBER 2024	<u>710,001</u>	<u>2,100,852</u>	<u>16,412</u>	<u>2,827,265</u>
AT 31 DECEMBER 2023	<u>567,245</u>	<u>2,062,873</u>	<u>25,896</u>	<u>2,656,014</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. FIXED ASSET INVESTMENTS (CONTINUED)

Listed investments

Listed investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments however the subsidiary does use forward exchange contracts to reduce exposure to foreign exchange risks and as such consider these to be 'hedges'. Investments are held for their longer term yield and total return. Historic studies of quoted financial instruments have shown that short term volatility in any particular period will normally be corrected in the long-term.

Investment in subsidiaries

The impairment of the Charity's investment in its trading subsidiary, ACE Cultural Tours Ltd, has been reversed by £142,756. The amended carrying value is in excess of the book value of net assets in ACE Cultural Tours Ltd on 31 December 2024. Forecasts indicate that the financial position and performance will continue to grow in 2025 and beyond. Accordingly, the Trustees consider that a reversal of previous impairments is justified.

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17. FIXED ASSET INVESTMENTS (CONTINUED)

PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity incorporated in the UK:

Names	Company number	Registered office or principal place of business	Principal activity
ACE Cultural Tours Limited	07058084	Stapleford Granary, Bury Road, Stapleford, CB22 5BP	International cultural tours operator
Stapleford Granary Limited	13766501	Stapleford Granary, Bury Road, Stapleford, CB22 5BP	Operating a café

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes
Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets/ (liabilities) £
ACE Cultural Tours Limited	6,920,718	(6,476,703)	444,015	1,004,559
Stapleford Granary Limited	361,679	(366,695)	(5,016)	(20,458)

18. STOCKS

	Group 2024 £	Group 2023 £
Café consumables	4,378	4,593

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19. DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
DUE AFTER MORE THAN ONE YEAR				
Amounts owed by group undertakings	-	-	250,000	500,000
	-	-	250,000	500,000
DUE WITHIN ONE YEAR				
Trade debtors	3,527	4,541	2,266	791
Amounts owed by group undertakings	-	-	36,500	30,552
Other debtors	18,984	123,004	12,444	121,546
Prepayments and accrued income	526,062	372,223	7,778	7,269
	548,573	499,768	308,988	660,158

The balance due after more than one year represents the remaining portion of a £1,000,000 loan advanced to the Charity's trading subsidiary, ACE Cultural Tours Limited. During the year, £250,000 was repaid by the subsidiary (2023 - paid £500,000). The interest rate is 3% per annum. The loan and any unpaid interest are repayable in full on 30 June 2026. The loan is unsecured. Subsequent to the year end the loan was repaid in full.

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20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	10,000	10,000	-	-
Trade creditors	63,248	63,038	9,474	10,905
Amounts owed to group undertakings	-	-	52,495	68,278
Corporation tax	1,865	21,993	-	-
Other taxation and social security	69,749	43,811	19,951	17,587
Other creditors	20,902	20,117	-	-
Accruals and deferred income	1,299,139	1,424,319	41,949	42,986
	1,464,903	1,583,278	123,869	139,756

In July 2020, a £50,000 bounce back loan was obtained. Interest is charged at 2.5% per annum. For the first 12 months, interest was settled by the UK Government and no repayments of capital were due. Since July 2021 interest and capital repayments are due in equal monthly instalments over a 5-year period. The loan is due to be settled in full by July 2026. The ageing analysis of this loan is disclosed in note 21.

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Deferred income at 1 January 2024	1,301,252	1,044,269	4,187	543
Resources deferred during the year	1,180,284	1,301,252	8,400	4,187
Amounts released from previous periods	(1,301,252)	(1,044,269)	(4,187)	(543)
	1,180,284	1,301,252	8,400	4,187

The Group receives income in advance of future tours, which is carried forward and recognised on the dates the tours depart. Ticket sales in respect of future courses and events are also carried forward and recognised on the dates the events take place.

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21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2024 £	Group 2023 £
Bank loans	7,132	17,918

In July 2020, a £50,000 bounce back loan was obtained. Interest is charged at 2.5% per annum. For the first 12 months, interest was settled by the UK Government and no repayments of capital were due. Since July 2021 interest and capital repayments are due in equal montly instalments over a 5-year period. The loan is due to be settled in full by July 2026. The ageing analysis of this loan is disclosed below.

Included within the above are amounts falling due as follows:

	Group 2024 £	Group 2023 £
BETWEEN ONE AND TWO YEARS		
Bank loans	7,132	10,000
BETWEEN TWO AND FIVE YEARS		
Bank loans	-	7,918

22. GRANTS ACCRUED

	2024 £	2023 £
Grants accrued b/fwd	-	-
Grants committed	14,595	21,375
Grants paid	(14,595)	(21,375)

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**NOTES TO THE FINANCIAL STATEMENTS
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23. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Property fund	3,909,904	-	(68,565)	144,090	99,500	4,084,929
Subsidiary support fund	500,000	-	-	(250,000)	-	250,000
	<u>4,409,904</u>	<u>-</u>	<u>(68,565)</u>	<u>(105,910)</u>	<u>99,500</u>	<u>4,334,929</u>
GENERAL FUNDS						
General funds	2,067,922	216,516	(467,010)	205,910	44,096	2,067,434
Subsidiary funds	551,803	7,282,397	(6,843,398)	-	-	990,802
	<u>2,619,725</u>	<u>7,498,913</u>	<u>(7,310,408)</u>	<u>205,910</u>	<u>44,096</u>	<u>3,058,236</u>
TOTAL UNRESTRICTED FUNDS	<u>7,029,629</u>	<u>7,498,913</u>	<u>(7,378,973)</u>	<u>100,000</u>	<u>143,596</u>	<u>7,393,165</u>
RESTRICTED FUNDS						
Beryl Wallis Legacy	206,389	-	-	(100,000)	-	106,389
	<u>206,389</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>106,389</u>
TOTAL OF FUNDS	<u>7,236,018</u>	<u>7,498,913</u>	<u>(7,378,973)</u>	<u>-</u>	<u>143,596</u>	<u>7,499,554</u>

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23. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital fund	2,094,732	-	-	(2,094,732)	-	-
Property fund	3,870,132	-	(80,659)	4,331	116,100	3,909,904
Subsidiary support fund	1,000,000	-	-	(500,000)	-	500,000
	<u>6,964,864</u>	<u>-</u>	<u>(80,659)</u>	<u>(2,590,401)</u>	<u>116,100</u>	<u>4,409,904</u>
GENERAL FUNDS						
General funds	(295,597)	201,590	(433,114)	2,590,401	4,642	2,067,922
Subsidiary funds	426,925	5,964,386	(5,839,508)	-	-	551,803
	<u>131,328</u>	<u>6,165,976</u>	<u>(6,272,622)</u>	<u>2,590,401</u>	<u>4,642</u>	<u>2,619,725</u>
TOTAL UNRESTRICTED FUNDS	<u>7,096,192</u>	<u>6,165,976</u>	<u>(6,353,281)</u>	<u>-</u>	<u>120,742</u>	<u>7,029,629</u>
RESTRICTED FUNDS						
Beryl Wallis Legacy	-	206,389	-	-	-	206,389
TOTAL OF FUNDS	<u>7,096,192</u>	<u>6,372,365</u>	<u>(6,353,281)</u>	<u>-</u>	<u>120,742</u>	<u>7,236,018</u>

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NOTES TO THE FINANCIAL STATEMENTS
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23. STATEMENT OF FUNDS (CONTINUED)

DESIGNATED FUNDS

Capital Fund

The Charity previously aimed to strengthen the value of its Capital Fund in order to increase sustainably the value of grants awarded from investment income, to individuals or organisations for the purposes of promoting educational cultural exchange, whilst ensuring the long term security, success and expansion of the Charity's services and strategic objectives. Following a reserves policy review during the prior year these funds were transferred to General Funds.

Property Fund

This fund represents the net book value of the Charity's freehold and investment property, including plant. The transfer from General Funds represents the additions in the year.

Subsidiary Support Fund

This fund represents the carrying value of long term loan made to its subsidiary ACE Cultural Tours Limited which is not freely available to the Charity. The loan ensures the long term security and return to pre-pandemic levels of the subsidiary's activities. The transfer out represents the £250,000 repayment made during the year.

Subsidiary Funds

This fund represents the net assets held in the subsidiaries ACE Cultural Tours Limited and Stapleford Granary Limited.

RESTRICTED FUNDS

Beryl Wallis Legacy

This fund contains the legacy from the estate of Beryl Wallis. This legacy is to be used in the area of classical music. During the year £100,000 has been allocated to the refurbishment of an unused area at Stapleford Granary to create an additional performance space and a dedicated Green Room for visiting performers. This is shown as a transfer to the Property fund, as these costs have been capitalised.

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24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	3,340,273	-	3,340,273
Fixed asset investments	2,117,264	-	2,117,264
Investment property	791,000	-	791,000
Current assets	2,616,663	106,389	2,723,052
Creditors due within one year	(1,464,903)	-	(1,464,903)
Creditors due in more than one year	(7,132)	-	(7,132)
TOTAL	7,393,165	106,389	7,499,554

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	3,396,373	-	3,396,373
Fixed asset investments	2,088,769	-	2,088,769
Investment property	553,000	-	553,000
Current assets	2,592,683	206,389	2,799,072
Creditors due within one year	(1,583,278)	-	(1,583,278)
Creditors due in more than one year	(17,918)	-	(17,918)
TOTAL	7,029,629	206,389	7,236,018

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**NOTES TO THE FINANCIAL STATEMENTS
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25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £	Group 2023 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	263,536	139,826
ADJUSTMENTS FOR:		
Depreciation charges	85,457	95,486
(Gains)/losses on investments	(143,596)	(120,742)
Dividends, interests and rents from investments	(147,823)	(135,076)
(Profit)/loss on the sale of fixed assets	1,246	(63)
Decrease/Increase in stocks	215	(790)
Increase in debtors	(48,805)	(138,990)
Increase/(decrease) in creditors	(118,375)	258,387
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(108,145)	98,038

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2024 £	Group 2023 £
Cash in hand	2,170,101	2,294,711
TOTAL CASH AND CASH EQUIVALENTS	2,170,101	2,294,711

THE ASSOCIATION FOR CULTURAL EXCHANGE LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
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27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2024 £	Cash flows £	Changes in market value and exchange rate movements £	At 31 December 2024 £
Cash at bank and in hand	2,294,711	(124,610)	-	2,170,101
Debt due within 1 year	(10,000)	10,000	(10,000)	(10,000)
Debt due after 1 year	(17,918)	786	10,000	(7,132)
	<u>2,266,793</u>	<u>(113,824)</u>	<u>-</u>	<u>2,152,969</u>

28. PENSION COMMITMENTS

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £61,134 (2023 - £47,108). Contributions totalling £177 (2023 - £117) were payable to the fund at the balance sheet date and are included in creditors.

29. RELATED PARTY TRANSACTIONS

During the year, the Charity recharged its subsidiary, ACE Cultural Tours Limited, £30,000 (2023 - £30,000) in respect of rent, heat, light and power expenses. During the year, the Charity was charged by its subsidiary, ACE Cultural Tours Limited, £6,000 (2023 - £6,000) in respect of office support costs.

As a result of the Covid-19 pandemic, the Charity loaned £1,000,000 to ACE Cultural Tours Limited in 2022. During the year, £250,000 of this loan was repaid. The loan incurs interest at a rate of 3% per annum and £7,539 (2023 - £18,745) was charged during the year. The loan is due for repayment by 30 June 2026 but may be repaid by the subsidiary at any point prior to this date at the discretion of the subsidiary's directors.

As at 31 December 2024, £215,120 (2023 - £431,722) was due from ACE Cultural Tours Limited.

During the year, the Charity recharged its subsidiary, Stapleford Granary Limited, £10,000 (2023 - £10,000) in respect of rent. At the year-end, a balance of £36,500 (2023 - £30,552) was due from Stapleford Granary Limited. Stapleford Granary Limited paid loan interest amounting to £603 (2023 - £604) to the Charity. It also paid £14,500 for the hire of rooms for conferences (2023 - £14,500).

Three (2023 - three) trustees (John Bryden, Paul Jackson and Sarah Burles) received fees and expense reimbursements for services rendered in their capacity as tour directors and this is disclosed in note 14.