

**Company Registration Number 01658354**  
**Registered Charity Number (E&W) 285575**  
**Registered Charity Number (Scotland) SCO 39129**

**THE ASSOCIATION FOR REAL CHANGE**  
**(A Company limited by guarantee)**

**TRUSTEES REPORT AND**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2021**

**WEDNESDAY**



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**THE ASSOCIATION FOR REAL CHANGE**

**TRUSTEES REPORT AND**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2021**

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# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021***

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The Association for Real Change (ARC) is a charity and a company limited by guarantee. It is generally known in the sector by its acronym ARC. It is registered with the Charity Commission and the Office of the Scottish Charity Regulator.

#### **Reference and Administrative Information**

<b>Registered office &amp; Shared Services:</b>	ARC House 10a Marsden Street Chesterfield S40 1JY
<b>Telephone number:</b>	01246 555043
<b>Website:</b>	<a href="http://www.arcuk.org.uk">www.arcuk.org.uk</a>
<b>Email:</b>	<a href="mailto:info@arcuk.org.uk">info@arcuk.org.uk</a>
<b>Bankers:</b>	Lloyds Bank Plc Church Street Sheffield
<b>Auditors:</b>	BHP LLP Chartered Accountants 57-59 Saltergate Chesterfield Derbyshire S40 1UL
<b>Insurance advisors:</b>	Gallaghers
<b>Registered Company no:</b>	01658354
<b>Registered Charity no:</b>	285575 (E&W)
<b>Scottish Registered Charity no:</b>	SCO 39129

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

***FOR THE YEAR ENDED 31 MARCH 2021***

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### **Directors and Trustees:**

Agnes Lunny OBE	Positive Futures
Lynnette Linton	(Appointed December 2020)
Phil Morris	Havencare (South West) Ltd
Jane Other	William Blake House
Jenny Paterson	Breakthrough Dundee
Andrew Sleigh	(Appointed June 2020)
Lynn Longland	(Resigned September 2020)

### **Principal officers and member organisations represented in the year:**

ARC UK Chair:	Phil Morris
Hon Treasurer:	Andrew Sleigh

### **Senior management team:**

Clive Parry	England Director (Appointed November 2020)
Lisa Lenton	England Director (Resigned August 2020)
James Fletcher	Scotland Director
Leslie-Anne Newton	Northern Ireland Director
Martin Anderson	Finance Director

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

***FOR THE YEAR ENDED 31 MARCH 2021***

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### **Governing document**

ARC was incorporated as a company limited by guarantee in 1982 and is governed in accordance with its Articles of Association.

### **Principal aims and activities**

The founding members who created the ARC wanted to give it as much freedom as possible through its overall charitable objectives to have a wide impact on the sector. Its two stated charitable objectives are to work for:

1. The education and training of all organisations, associations, individuals and / or groups of individuals concerned with the care of people with learning disabilities.
2. The study of and research into all matters affecting people with learning difficulties and to obtain and make records of and disseminate all useful results of such research.

The Memorandum of Association, our founding document sets out what we are here for and what we can do to meet our aims, including things such as:

- Have a membership of organisations and people who support our aims.
- Working with other groups with similar aims and talking to other providers, local and central government.
- Pressing for legislation to help further to our cause.
- And finally a wide clause allowing us to do "all such other lawful things as are incidental to the attainment of our charitable objectives".

In this report we explore our activities in terms of delivering public benefit through the implementation of our strategic plan and link those to our charitable objectives. We are subject to three regulators, Companies House, the Charity Commission of England and Wales and the Office of the Scottish Charity Regulator as we work across the UK in all the four nation countries, adapted to meet the different situations in each country. Our governance and strategic offer is designed to reflect each nation country, as part of the UK wide membership and as the needs and aspirations of people with learning disabilities do not change across national boundaries this report reflects all our work across the whole of the UK.

### **Measurement of success**

Continuing dialogue with our members and stakeholders, through communication surveys, improved evaluation and building up better knowledge on our Customer Databases ARC has further developed its strategic aims across the UK, focusing on the specific needs of each nation country – setting out the significant changes that we want to see in each nation country as a result of our activities.

By articulating the outcomes, we want to see through a set of outcome indicators ARC is clear that it intends to see these changes for:

- Providers
- Practices and policies
- Individuals and communities

We are always aware of the constant tension between our intended population outcome – to improve quality of life for people with learning disabilities – and our performance outcome – supporting our members and stakeholders to help them achieve the best outcomes for the people they support.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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We now measure the difference we will make by asking our members and stakeholders:

1. How much difference have we made?
2. And is anyone better off as a result?

We monitor our operational objectives by measuring:

- How much of something have we done?
- How often?
- How well?

#### **Public benefit requirement**

As a specialist infrastructure organisation ARC is clear about its role: we exist to support voluntary, community, social enterprise, statutory sector and independent sector provider organisations to achieve their aims to support people with learning disabilities to achieve the best outcomes and improve their wellbeing. We do this through a variety of ways and our activities demonstrate that there is a public benefit through an improvement in the quality of all kinds of services to support people with learning disabilities.

Strengthening infrastructure support for the learning disabilities sector is vital to ensuring that people with learning disabilities can achieve quality of life and the best outcomes.

This is achieved by ARC doing such things as:

#### **Working with provider organisation**

- Helping develop Health & Social Care workforce by:
  - o Providing good quality, inspirational training
  - o Producing relevant, up to date training materials aimed at improving practice
  - o Offering bespoke consultancy for organisations to improve organisational learning and development
- Helping to share best practice and policy information distribution:
  - o Distributing information on current policy and practice developments in the four nation countries
  - o Producing briefing material on best practice
  - o Circulating regular newsletters promoting the sector, its work and outcomes
- Ensuring the voice and influence of the sector is heard by local policy makers by
  - o Responding to policy maker's consultations on what works and what doesn't work
  - o Working with policy makers to connect and liaise with providers and service users through networks and forums
  - o Membership of national Boards and policy making advice groups and forums including skills councils, government advisory groups and national networks
- Working with people with learning disabilities
  - o Best practice and research projects involving people with learning disabilities
  - o Developing advocacy skills and networks, including Scotland Charter for Involvement and facilitating involvement of long stay patients (Telling It Like It Is Group) at Muckamore Abbey Hospital.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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#### **Who governs ARC?**

The Board of ARC meets four times a year in addition to the AGM. There is a sub-committee which meet four times a year.

The Board members of ARC act as trustees and have the powers and obligations of company directors under the Companies Act 2006. The trustees are not entitled to or paid any remuneration, nothing was paid to trustees (or their organisations) for travelling expenses. ARC also purchased insurance to protect it from any loss which might arise from neglect or any default of its senior staff or trustees and to indemnify the trustees against the consequences of loss or default on their part. This insurance cost £1,079.

#### **Organisational structure and key management remuneration**

The directors consider the senior management team to comprise the key management personnel of the charity in charge of directing, controlling and operating the charity on a day to day basis.

The pay of the senior management team is reviewed annually and any increases are agreed by the board.

#### **Membership of ARC**

By becoming a member of ARC, provider organisations benefit from being involved in a diverse community, sharing ideas stemming from shared values, and benefitting from opportunities to collaborate, build relationships and network with like-minded people.

Having a shared voice and joining with like-minded organisations to influence government policy and developments via representation at local, regional and national levels is key to our work.

Being supported with guidance and information to keep up-to-date with news and abreast of key developments within the sector and access to training, consultancy and funding opportunities to help develop a competent, qualified workforce.

Other benefits include:

- Discounts on publications, training, events and conferences.
- Access to a wide range of qualifications with reduced rates for Registration and Certification.
- Participation in ARC projects and pilot training programmes.

The Association for Real Change exists to improve the quality of life for people who have a learning disability by supporting anyone who is involved in the planning or delivery of support or services. We know that our work may also benefit people who have other support needs and we are committed to sharing our learning and experience across all sectors that may benefit.

This is a time of unprecedented change in social care and we at ARC have adapted our organisation and our activities to ensure that we are well-positioned to support the sector in the face of its challenges. We developed a range of new partnerships, projects and activities, in response to members' needs. We continue to achieve above our own high expectations in the face of an uncertain and challenging operational environment.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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#### **Plans for the future**

The Association for Real Change works both locally and nationally across the UK, benefitting people with learning disabilities, their supporters, and their communities by helping to change thinking and change experiences. The vehicle for changes may be ARC's "offer", but the driver of the changes will be people with learning disabilities. As ARC continues to act as a vehicle to deliver lasting change, over the next 12 months we will consider a fresh strategy and how we meaningfully measure the changes people want and the impact of our incredible charity.

ARC has spent 2020-2021 demonstrating responsiveness to member and beneficiary needs, alongside the operational agility and flexibility to be sustainable.

ARC UK continues to facilitate real change that puts people with learning disabilities at the centre of decision-making, and in the heart of their communities. As the world continues to wrestle the worldwide pandemic and plans COVID-recovery, we continue to report and celebrate many achievements in the last year under our 4 strategic pillars:

#### **1. Support and develop**

We will support and develop the continual improvement of practice to help individuals and organisations to reach their potential.

At the start of the pandemic, **ARC Northern Ireland** (ARC NI) suspended all face-to-face training and reconfigured their offer to be live online teaching. Remote delivery proved very successful with ARC NI supporting 632 social care workers with their learning and development. With the suspension of usual face to face work with 55 people with learning disabilities who are part of the "Telling It Like It Is" project (TILII), ARC NI undertook over a combined 2000 calls and home visits in line with Public Health guidance. ARC NI listens to the needs of service providers and quickly understood their significant challenge in securing Personal Protective Equipment (PPE) during the height of the pandemic. Our work ensured organisations received over 400,000 items of PPE.

**In England**, ARC has continued to support the development of the workforce by offering innovative training aimed at social care staff to help support the rights of people with a learning disability/autism. Following feedback received from our members, we developed a new 3-day Autism programme. To support our members in relation to Local Authority fee rate uplifts, we are developing a new programme that will provide them with high-quality training in relation to negotiation skills.

**ARC Scotland** Training has continued grow, providing accredited and specialist learning and development opportunities to over 700 candidates in the health and social care sector. Moving all learning to on-line formats due to Covid-19. We continue to develop inclusive learning products that are developed and delivered in partnership with people with additional needs. This includes 'Getting Transitions Right', 'Being Involved: Learn for the Experts' and 'Supporting Offenders with Learning Disabilities through the Criminal Justice System.'

#### **2. Connect and Liaise**

We will lead and facilitate conversations, networks and partnerships, which generate new ideas and solutions.

**In England**, ARC runs regular scheduled calls for our member CEOs, CFOs and HR Leads and in response to requests from members, we are supplementing these with themed networking calls such as in relation to CQC inspections, disaster and business continuity planning and the Digital Social Care programme / digital care planning)



# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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In Scotland, ARC's various networks have a membership of over 3,000 professionals and people with lived experience. Of particular note over this period was an escalation in our work to support over 600 social care managers in nine local authority areas to learn, work and support each other during the pandemic. Often this involved organising weekly meetings in each locality. Amid the challenges and distress, this has helped to strengthen local partnerships and bonds.

In Northern Ireland, ARC supported 48 learning disability providers with weekly meetings throughout the height of the pandemic to ensure they felt connected, shared concerns and lent peer support. This was invaluable for organisations as it resulted in their feeling of increased confidence during such unprecedented times. ARC NI worked closely with policy colleagues in the Department of Health, and they alongside colleagues from Department for Communities, Health and Social Care Board and the Regulation and Quality Improvement Authority attended the weekly meetings to ensure up to date information was shared and to enable them to understand the issues as they evolved. With funding support (from The National Lottery Community Fund, NI) ARC celebrated Learning Disability Week 2020 despite the obvious challenges. As a result, 55 pages of free resources and 11 videos were created. TILII TV had over 800 views and there were 20,000 impressions via social media.

### **3. Influence and Voice**

We will champion the voices of providers and people who use services in order to influence change.

In Scotland, ARC produced two high impact publications:

1. 'We're all in this together: The impact of Covid-19 on the future of social care', setting out findings of a major survey of over 600 social care staff on how learning from the Covid-19 pandemic can inform longer-term changes to how social care works.
2. 'A Practice Guide for Defence Solicitors in Scotland: Representing Clients with Communication Support Needs.' Written in partnership with the Law Society of Scotland and others, the Cabinet Secretary for Justice said, "This guidance is a crucial step for ensuring equal access to justice for all."

In January ARC began work in Partnership with the Scottish Government to trial 'Principles into Practice' in 10 local authority areas. The purpose is to improve transitions support for young people (14 to 25 years) and their parents and carers in participating areas and to test and bring the framework, and its associated resources, to completion to support its implementation more widely. The Minister for Children and Young People said this work "...will help to ensure that all young people receive appropriate support and are offered choices at points of transition, in order to reach their full potential."

In England, ARC lobbied the Department for Health and Social Care in relation to the JCVI vaccination prioritisation model (because this did not reflect the risk factors experienced by people with a learning disability) and in relation to implementing at-home lateral flow testing for staff in supported living settings and we delivered virtual visits which allowed senior departmental colleagues to meet our members, to hear first-hand from the CEOs of our members about the challenges they face and to meet staff and supported people to hear about how the pandemic has affected services for people with a learning disability. Whilst we did not hold back in relation to ensuring that DHSC colleagues understand the challenges services are facing on a daily basis, we also used the virtual visits to celebrate the creative ways providers and their staff have responded to these to ensure supported people have the best lives possible.

In Northern Ireland, ARC, supported by the Department of Health, commissioned an independent review which aimed:

1. To review and evaluate, from a providers' perspective, what has worked well and not so well during the Covid crisis, with a view to building on positive achievements and ways of working, so as to strengthen the capacity of the sector in the event of a second wave of Covid;

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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2. To identify how to enhance relationships and new ways of working that could deliver better outcomes for people with a learning disability and their families in Northern Ireland;
3. To examine the pivotal role of the community and voluntary sector in the ongoing delivery of services and in planning for, and responding to, HSC crises in NI.

The report shared with the Department of Health and the Health & Social Care Board highlighted the impact of long-term challenges such as underfunding, confirmed the pivotal role of partnership working and recommended the learning be used to inform the review of Adult Social Care. In addition, during 2020-21, TILII Translates, an Easy Read people-led translation service to ensure people with a learning disability have accessible information, secured commissioned work through Disability Action, the Department of Health, and the Northern Ireland Public Ombudsman Service.

#### **4. Financial Sustainability**

We will remain sustainable within a financially constrained sector and relevant to changes within the external environment.

The COVID-19 pandemic represented and continues to represent the biggest threat to the charity's financial stability. We have been resilient to this so far, changing many of our ways of working, including delivering training online. We need continued vigilance and to monitor the results and forecasts carefully.

ARC's work continues to grow and meet the demands of the sector - positively championing an agenda of change. We look forward to continuing relationships in 2021-22 and exploring with stakeholders their views of what ARC's future priorities should be.

#### **People who have supported us in 2020/2021**

We thank all those individuals, organisations, Charities, Local Authorities and Health Authorities that have continued to share our values and support our work in 2020/21. We value all our relationships and networks, as it is the collective voice that speaks the loudest. We appreciate all support and collaboration to date and this will be an essential factor in putting all people with a learning disability at the centre of decisions and in the heart of their communities in 2020/21. These include:

Aberdeen Council

The Community Fund Awards for All, National Lottery Northern Ireland

Belfast Health and Social Care Trust

Big Lottery

Comic Relief

Department of Health Northern Ireland

Esmee Fairbairn

People First Scotland

Scottish Government

Skills for Care (England)

South Eastern Health and Social Care Trust

Western Health and Social Care Trust

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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#### **Financial Health**

After seeing an increase in funds of £139,216 in the previous year (of which £120,423 was an increase in unrestricted funds and £18,793 was decrease in restricted funds) ARC experienced an increase in funds of £135,492 (of which £150,037 was an increase in unrestricted funds and a £14,545 reduction in restricted funds) on a total income up from £1.989m to £2.116m

#### **Income from fundraising and projects**

ARC is not easy to fundraise for since we do not normally provide direct service to people with learning disabilities and many trusts look at our membership and realise that they already support many of them. We are therefore especially grateful to those agencies who do support us. Some of the supporters have wished to remain anonymous, but we do thank all of those who have supported us.

#### **Investment Policy**

Investment decisions are taken by the sub-committee. ARC's current investment policy is to hold monies in interest bearing accounts with banks for periods ranging from one to six months to maximise interest and accessibility. ARC has no permanent endowment and provides for capital expenditure from within budget. We have reviewed this policy in the light of recent financial uncertainty and spread the money wider in to the COIF Charities Deposit Funds as a means of further reducing risk whilst still looking for a respectable return.

#### **Reserves**

The trustees have agreed a policy with regard to achieving an unrestricted reserves level equivalent to the costs of three months' operations in order to enable an orderly shutdown of operations should it become necessary. The board of ARC has agreed the means by which these figures should be calculated and will review them each year when the budget for the coming year is set, taking account of redundancy liabilities, lease contracts and foreseeable operational costs to sustain an orderly closure. For the year 2020/2021 the target for the reserves was calculated at £252k and by March 2021 ARC's total unrestricted reserves stood at £495k.

#### **Risk Management**

The trustees and the strategic leadership team of the charity believe that a sound risk management is integral to both good management and good governance practice.

Risk management should form an integral part of the charity's decision making and be incorporated within strategic and operational planning. Risk assessment will be conducted on all new activities and projects to ensure they are in line with the charity's objectives and mission.

Any risks or opportunities arising will be identified, analysed and reported at an appropriate level.

A risk register covering key strategic risks will be maintained and updated quarterly and more frequently where risks are known to be volatile. The charity will regularly review and monitor the effectiveness of its risk management framework and update it as appropriate. Reports will be made to the Board of Trustees each quarter of continuing and emerging high concern risks and those where priority action is needed to effect better control.

#### **Trustee Recruitment**

There is a systematic, open and fair procedure for the recruitment and co-option of Trustees. Recruitment takes place through open advertisement within our membership base and stakeholders, or individuals may be approached for co-option. Suitability for the role is established at interviews, and voting takes place prior to their appointment to ensure a good fit with the Board and organisation.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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#### **Induction and training of trustees**

All of ARC's trustees are senior staff from within member organisations with significant experience of providing services. Prior to agreeing to stand for the board of ARC they are sent an outline of what becoming a trustee of ARC involves, the various criteria they must meet, and upon their election they are sent an information pack for new trustees. This contains details of the structure of and post holders within ARC as well as copies of the Charity Commission publications on the roles of trustee. Direct support for new trustees, is provided on request, by the Chair and strategic Leadership Team.

#### **Trustees' responsibility statement**

The trustees (who are also directors of The Association for Real Change for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP 2015 (FRS102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

At the time the financial statements were approved:

- As far as the trustees are aware, there was no relevant audit information of which the auditors were unaware and
- The trustees have taken all the steps necessary as trustees to make themselves aware of any relevant audit information and to establish that the auditors were aware of that information.

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

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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#### **Appointment of auditors**

A resolution for the re-appointment BHP LLP Chartered Accountants, as auditors for the coming year will be proposed at the forthcoming annual general meeting.

By order of the board



**Phil Morris**  
**UK Chair, on behalf of the Board**

Date: Sep 14, 2021

# **INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE**

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## **Opinion**

We have audited the financial statements of The Association for Real Change (the 'charitable company') for the year ended 31 March 2021 which comprises the Statement of Financial Activities, Balance Sheet, Cash Flow and the related notes including a summary of significant accounting policies. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees annual report other than the financial statements and our audit report thereon. 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.

## **INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE**

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In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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 the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

# INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE

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## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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 engagement partner 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 identified the laws and regulations applicable to the charity through discussions with management and trustees, and from our knowledge and experiences of the sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Charities Act 2011, Companies Act 2006, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management;
- 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.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.



## INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE

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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;
- reading the minutes of meetings of those charged with governance;
- 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 trustees' and other management.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's 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 charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
Adrian Staniforth (Sep 14, 2021 08:15 GMT+1)

**Adrian Staniforth (Senior Statutory Auditor)**

Date: Sep 14, 2021

For and on behalf of  
**BHP LLP, Chartered Accountants**  
Statutory Auditor

57-59 Saltergate  
Chesterfield  
Derbyshire  
S40 1UL

# THE ASSOCIATION FOR REAL CHANGE

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

	<u>Note</u>	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Income</b>					
<b>Charitable activities:</b>					
Membership subscriptions		84,784	-	84,784	82,785
Grants	(5)	-	1,016,165	1,016,165	971,925
Training & conferences		511,435	-	511,435	600,544
Services to members		500,528	-	500,528	330,248
<b>Other trading activities:</b>					
Donations & Gifts		-	-	-	282
Investment income		3,293	-	3,293	3,262
Total income		<u>1,100,040</u>	<u>1,016,165</u>	<u>2,116,205</u>	<u>1,989,046</u>
<b>Expenditure</b>					
<b>Charitable activities</b>					
Special projects	(5)	-	1,030,710	1,030,710	953,132
Training and conferences		309,255	-	309,255	437,226
Services to members		<u>640,748</u>	<u>-</u>	<u>640,748</u>	<u>459,472</u>
Total expenditure	(3)	<u>950,003</u>	<u>1,030,710</u>	<u>1,980,713</u>	<u>1,849,830</u>
Net incoming/(outgoing) resources for the year		150,037	(14,545)	135,492	139,216
Balances brought forward at 1 April 2020		<u>345,287</u>	<u>153,833</u>	<u>499,120</u>	<u>359,904</u>
Balances carried forward at 31 March 2021	(10)	<u>495,324</u>	<u>139,288</u>	<u>634,612</u>	<u>499,120</u>

# THE ASSOCIATION FOR REAL CHANGE

## BALANCE SHEET

**FOR THE YEAR ENDED 31 MARCH 2021**

	<u>Note</u>	<b>2021</b> £	<b>2020</b> £
<b>Fixed assets</b>			
Tangible fixed assets	(7)	<b>14,423</b>	13,585
<b>Current assets</b>			
Trade debtors		<b>124,229</b>	105,162
Prepayments and accrued income		<b>2,370</b>	8,955
Cash at bank and in hand		<b>978,942</b>	812,147
		<b>1,105,541</b>	926,264
<b>Creditors: amounts falling due within one year</b>			
Taxation and social security costs		<b>19,944</b>	15,998
Trade Creditors		<b>75,037</b>	92,231
Other creditors		<b>5,441</b>	23,188
Accruals		<b>18,848</b>	19,815
Deferred income	(8)	<b>366,082</b>	289,497
		<b>485,352</b>	440,729
<b>Net current assets</b>		<b>620,189</b>	485,535
<b>Total assets less current liabilities</b>		<b>634,612</b>	499,120
<b>Funds</b>			
Restricted funds	(5)	<b>139,288</b>	153,833
Unrestricted funds	(10)	<b>495,324</b>	345,287
<b>Total funds</b>	(10)	<b>634,612</b>	499,120

Approved by the board on Sep 14, 2021

and signed on their behalf by:



**Phil Morris – Chair**

The notes on pages 19 to 28 form part of these financial statements.

**Company Registration Number 01658354**

# THE ASSOCIATION FOR REAL CHANGE

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	<u>Note</u>	2021 £	2020 £
Cash used in operating activities	(9)	<u>172,421</u>	<u>130,393</u>
<b>Cash flows from investing activities</b>			
Interest received		3,293	3,262
Purchase of tangible fixed assets		<u>(8,919)</u>	<u>(13,035)</u>
<b>Cash provided by (used in) investing activities</b>		<u>(5,626)</u>	<u>(9,773)</u>
Increase in cash and cash equivalents in the year		166,795	120,620
Cash and cash equivalents at the beginning of the year		<u>812,147</u>	<u>691,527</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>978,942</u>	<u>812,147</u>

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. Accounting Policies

##### a) Basis of accounting

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) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Association for Real Change meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

##### b) Company status

The charity is a company limited by guarantee and has no share capital. The members of the company are the Trustees named on page 2. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

##### c) Income

Income from membership subscription is recognised over the period of the subscription.

Income from grants is recognised in the period in which the grant relates to.

Income from training course fees is recognised over the duration of the course. Fees are generally invoiced in full at the time of enrolment. Income is recognised as each stage of the course is completed by the candidate and an assessment of that stage has been carried out by our assessors. Fees for conferences are invoiced in advance and recognised as income in the period in which the conference takes place. Income from services to members is recognised in the period in which the related expenditure occurs.

Income from publications, donations and investment income are recognised when they are received.

##### d) Fund accounting

The unrestricted funds comprise general funds which are available for use by the charity for its general objectives. The restricted funds are subject to restrictive conditions made by the grant making body or donor. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### e) Operating leases

The rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

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#### 1. Accounting Policies - continued

##### f) The recognition of liabilities

Resources expended are accounted for on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure.

##### g) Services to members

This expenditure includes network costs, the costs of the national offices, the costs of providing the Disclosure services and the costs of the annual conference.

##### h) Support costs

Support costs have been allocated to activities based on the ratio of the individual activity expenditure against the overall expenditure, as detailed in note 3.

##### i) Costs of generating funds

This expenditure is an allocation of time spent and other resources expended in connection with fundraising.

##### j) Pension scheme

The company contributes to a stakeholder pension scheme. The pension costs charged in the financial statements represent the contributions payable by the charity during the year, in accordance with FRS102.

##### k) Irrecoverable VAT

The company is not registered for VAT. Any irrecoverable VAT is charged against the expense to which the item relates.

##### l) Foreign currency translation

The company operates a Euro bank account. The balance at the year end is translated into Sterling at the rate prevailing at the balance sheet date. Any transactions throughout the period are translated at the rate at the time, and any exchange difference is taken to the Statement of Financial Activities to the relevant heading.

##### m) Tangible fixed assets

Assets costing more than £200 are capitalised and depreciated over their estimated useful life.

Depreciation is charged as follows -

Office equipment	33.3% Straight Line
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##### n) 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.

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

#### 1. Accounting Policies - continued

##### o) 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 three months or less from the date of acquisition or opening of the deposit or similar account.

##### p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### q) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### 2. Incoming resources

Net incoming resources are stated after charging	2021	2020
	£	£
Depreciation	8,081	5,334
Auditors remuneration	8,508	8,084
Operating leases	42,404	41,750

Income from unrestricted funds totalled £1,100,040 (2020: £1,017,121), and from restricted funds totalled £1,016,165 (2020: £971,925)

#### 3. Total expenditure

	2021	2020
	£	£
Direct costs	1,887,304	1,774,999
Support costs	93,409	74,831
Total expenditure	1,980,713	1,849,830

Expenditure of unrestricted funds totalled £950,003 (2020: £896,698), and of restricted funds totalled £1,030,710 (2020: £953,132)

The support costs are allocated to activities below:

	Training & conferences	Service to members	Total 2021
	£	£	£
Finance & IT	17,840	24,453	42,293
Secretarial	6,265	8,588	14,853
Management	15,297	20,966	36,263
	39,403	54,006	93,409

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

#### 4. Tax

As a charity, The Association for Real Change is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

#### 5. Restricted funds

	Resources Incoming £	Resources Outgoing £	B/forward 01/04/2020 £	C/forward 31/03/2021 £
Workforce Development Funding	299,930	299,930	-	-
Provider forums – Aberdeen	11,000	11,000	-	-
TILII Belfast Projects	22,047	22,047	-	-
TILII South Eastern Project	23,460	23,460	-	-
Big Lottery Fund	50,318	33,567	30,669	47,420
Scottish Government – BLF Matched	38,000	38,000	-	-
Learning Disability Week 2020	9,725	9,725	-	-
Charter	64,000	64,000	-	-
Peer training	10,000	10,000	-	-
GIRFEC	112,696	129,872	17,176	-
Transitions	60,414	72,452	13,936	1,898
Transitions (Esmee Fairbairn)	59,862	54,301	59,835	65,396
Provider Forums	55,000	79,484	27,159	2,675
US Too	53,472	33,417	1,844	21,899
US Too – Extension	21,000	21,000	-	-
TILII Fermanagh	9,000	9,000	-	-
TILII Translates	17,000	20,214	3,214	-
SOLD	99,241	99,241	-	-
<b>Total – Charitable Activities</b>				
<b>Restricted funds</b>	<b>1,016,165</b>	<b>1,030,710</b>	<b>153,833</b>	<b>139,288</b>



# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

#### 5. Restricted funds (Continued) – Prior year

	Resources Incoming £	Resources Outgoing £	B/forward 01/04/2019 £	C/forward 31/03/2020 £
Workforce Development Funding	326,725	326,725	-	-
Provider forums – Aberdeen	11,000	11,000	-	-
NI – TILII (Belfast)	29,376	29,376	-	-
NI – TILII (South Eastern)	23,460	23,460	-	-
Big Lottery Fund	48,249	36,730	18,970	30,669
Scottish Government – BLF Matched	38,000	53,036	15,036	-
LD Model	12,500	12,500	-	-
Charter	60,000	60,000	-	-
Department of Health NI	-	5,753	5,753	-
GIRFEC	49,950	32,774	-	17,176
PHA Project	4,500	8,684	4,184	-
WDIF 19/20	19,110	19,110	-	-
EIP	-	1,596	1,596	-
DRILL	14,850	14,850	-	-
WDIF (Active Support)	5,192	-	(5,192)	-
Transitions	65,000	51,063	-	13,937
Transitions (Esmee Fairbairn	59,862	59,889	59,862	59,835
Provider Forums	50,000	28,113	5,272	27,159
US Too	24,971	47,799	24,672	1,844
TILII Western	9,190	11,815	2,625	-
TILII Translates	20,569	19,617	2,262	3,214
SOLD	99,241	99,241	-	-
<b>Total – Charitable Activities</b>				
<b>Restricted funds</b>	<b>971,925</b>	<b>953,132</b>	<b>135,040</b>	<b>153,833</b>

The restricted grants received were utilised for the purposes for which they were given, as outlined below.

#### Workforce Development Funding (Funded by Skills for Care)

This project enables provider organisations in England to claim monies for completing courses and gaining qualifications.

#### Provider forums – Aberdeen (Funded by Aberdeen Council)

Development and support of self advocacy groups within Aberdeenshire.

#### TILII Belfast Project (Telling It Like It Is) (Funded by Belfast HSCT)

ARC NI supports a self-advocacy group in the community and two further groups in Muckamore Abbey Hospital. TILII Belfast supports over 25 people with a learning disability to complete a range of activities, including delivering induction training to new staff, writing good news stories in their capacity as Roving Reporters, and delivering influencing presentations to support their messages being heard by a diverse range of stakeholders.

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

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#### 5. Restricted funds (Continued)

##### **TILII South Eastern Project (Telling it Like it is) (Funded by Southern Eastern HSC Trust)**

ARC NI supports self-advocacy groups in Downpatrick, Lisburn and Bangor. TILII in the South Eastern area supports over 20 people with a learning disability to complete a range of activities, including delivering induction training to new staff, writing good news stories in their capacity as Roving Reporters, and delivering influencing presentations to support their messages being heard by a diverse range of stakeholders.

##### **Local Involvement Networks (Funded by Big Lottery Fund and Scottish Government)**

This project is to support the local implementation of the Charter for Involvement.

##### **Learning Disability Week 2020 'Friendship Festival' (Funded by National Lottery Awards for All)**

During lockdown this money helped ARC and Telling it Like it is (TILII) to develop a week long festival, focused on the importance of friendship during Learning Disability Week and a global pandemic. Films, activities and entertainment were created to keep people with a learning disability connected, having lots of fun while locked down and unable to see people.

<https://arcuk.org.uk/northernireland/learning-disability-week-2020/>

##### **Charter (Funded by the Scottish Government)**

To update and promote the Charter for Involvement.

##### **Peer Training 'Empowering people with a learning disability to keep Safe' (Funded by Belfast Health and Social Care Trust)**

The Belfast Trust asked ARC to support Telling It Like It Is (TILII) to develop training to deliver to people with a learning disability in day centres. The training was to inform people how to keep safe. During lockdown TILII were able to develop their resource however closure of services meant they were not able to meet with their peers.

##### **GIRFEC (Funded by the Scottish Government)**

This project is for developing and trialing a national framework to improve the experiences of young disabled people who are making the transition to young adult life. This includes developing a digital application that will enable young people and their families to have access to the information they need, and will enable policy makers and commissioners to have access to the information they need to make better informed decisions.

##### **Transitions (Funded by the Scottish Government and Esmee Fairbairn Foundation)**

This project was to ensure that the Scottish Transitions forum influences practice and policy at a national level. Also to produce and launch the Principles of Good Transitions 3.

##### **Provider Forums (Funded by the Scottish Government)**

Help people with learning disability lead full and active lives and be at the heart of their local community, really shaping what happens.

##### **Us Too (Funded by Comic Relief)**

This project is to tackle ending violence (domestic abuse and sexual violence) against women with a learning disability. We will do this by holding awareness sessions, facilitated by a Peer Trainer (a woman with a learning disability who has lived experience), for other women with learning disabilities and the staff who support them to understand what domestic abuse and sexual violence is, identify when it is happening and know what to do about it. We will then work with local women's crisis centres and a national umbrella body to raise accessibility of their specialist services so that if a woman presents with a learning disability, they are able to meet their support needs.

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### ***FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED***

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#### **5. Restricted funds Continued**

##### **TILII Fermanagh (Telling It Like It Is) (Funded by the Western Health & Social Care Trust)**

ARC NI supports a self-advocacy group in Fermanagh. TILII Fermanagh has over 20 people with a learning disability, who are supported to complete a range of activities, including writing good news stories in their capacity as Roving Reporters, and delivering influencing presentations to support their messages being heard by a diverse range of stakeholders.

##### **TILII Translates (Funded by the Belfast HSCT)**

ARC NI supports Telling It Like It Is (TILII) to offer an Easy Read translation service. The Belfast HSCT also lend the support of Speech & Language Therapy to the project. Customers in 2020/21 include the Northern Ireland Public Ombudsman, the Department of Health and a Housing Association.

##### **SOLD (Funded by the Scottish Government)**

This project is to support and develop the Supporting Offenders with Learning Disabilities (SOLD) network, to form the National Criminal Justice Action Group as described in the 'Keys to Life' recommendation 46.

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

#### 6. Staff Costs

	2021 £	2020 £
Staff costs:		
Wages & salaries	769,325	654,583
Pension costs	37,154	32,523
Social security cost	71,946	60,452
Totals	878,425	747,558
The average number of employees on a FTE basis. And the areas in which they work are as follows:		
	No.	No.
Charitable activities	16	13
Support Services	8	8
Average number of employees	24	21

The directors, who are Trustees of the Charity, were not entitled to, and did not receive any emoluments from the company during the year. Their travel expenses to meetings during the year amounted to £0 for 6 Trustees (2020:(10) £4,843).

Staff pension contributions unpaid at the year end were £204 (2020: £242).

There are no staff with emoluments in excess of £60,000 (2020: None).

The total amount of employee benefits received by key management personnel is £201,648 (2020: £205,236). The charity considers its key management personnel to be the staff who comprise of the Country Directors and the Finance Director

#### 7 Tangible Fixed Assets

	Office equipment £
<b>Cost</b>	
Balance as at 1 April 2020	35,318
Additions during the year	8,919
Disposals during the year	(2,150)
<b>Balance at 31 March 2021</b>	<b>42,087</b>
<b>Depreciation</b>	
Balance as at 1 April 2020	21,733
Disposals during year	(2,150)
Charge for the year	8,081
<b>Balance as at 31 March 2021</b>	<b>27,664</b>
<b>Net book value 31 March 2021</b>	<b>14,423</b>
Net book value 31 March 2020	13,585

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

#### 8. Deferred income

<u>Course and Conference fees</u>	<b>2021</b>	<b>2020</b>
	£	£
Received in advance at the beginning of the year	<b>289,497</b>	326,497
Total fees received in the year	<b>588,020</b>	563,544
Statement of financial activities	<b>(511,435)</b>	(600,544)
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Received in advance at the end of the year	<b>366,082</b>	289,497
	<hr/>	<hr/>

#### 9. Reconciliation of net movement in funds To net cash flow from operating activities

	<b>2021</b>	<b>2020</b>
	£	£
Net movement in funds	<b>135,492</b>	139,216
Depreciation charges	<b>8,081</b>	5,334
(Increase)/Decrease in debtors	<b>(12,482)</b>	32,887
Increase/(Decrease) in creditors	<b>46,623</b>	(43,782)
Investment income	<b>(3,293)</b>	(3,262)
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<b>Net cash used in operating activities</b>	<b>172,421</b>	130,393
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#### 10 Analysis of net assets between funds

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	£	£	£
Tangible fixed assets	<b>14,423</b>	-	<b>14,423</b>
Current assets	<b>966,253</b>	<b>139,288</b>	<b>1,105,541</b>
Creditors due within 1 year	<b>(485,352)</b>	-	<b>(485,352)</b>
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<b>Net assets</b>	<b>495,324</b>	<b>139,288</b>	<b>634,612</b>
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#### 11. Financial commitments

At 31 March 2021 the company had future minimum lease payments under non-cancellable leases as follows:

	<b>2021</b>	<b>2020</b>
	£	£
Within one year	<b>44,139</b>	44,139
1 – 5 years	<b>31,259</b>	69,555
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	<b>75,398</b>	113,694
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# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

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#### 12. Related party transactions

The trustees of the company are associated with their employing organisations. By definition, these companies are all members of ARC.

These companies are invoiced for any training courses and other services as appropriate by ARC. All these transactions are on normal commercial terms and at arms length and all members (whether Trustees or not) are treated in the same way.

£212 was paid to Lynnette Linton for her services provided on the NIN project in 2020 before she became a Trustee.

#### 13. Covid Related Income

<u>Breakdown of Unrestricted Income</u>	2021 £
Membership Income	84,784
Total trading income received in the year	940,716
Investment Income	
<u>Covid funding</u>	3,293
Funding from CBC	10,000
Funding from Big Lottery	27,000
Funding from Esmee Fairbairn	29,931
Furlough Income	4,316
<b>Total Unrestricted Income received</b>	<b>1,100,040</b>

<u>Breakdown of Restricted Income</u>	
Grants Received	995,165
<u>Covid funding</u>	
Comic Relief	21,000
<b>Total Restricted Income</b>	<b>1,016,165</b>