

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2018



Company Number : 4345294

Registered Charity Number : 1122223

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018**

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**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

THE TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2018

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2018.

Reference and administrative details

Registered Company Number: 4345294

Registered Charity Number: 1122223

Registered Office 99. Acklam Road
Acklam
Middlesbrough
TS5 5HR

Senior Management Team

Chief Executive: Sandra Phillips

Operations Director: Paul Wales

Head of Finance: Anne Davies

Business Manager: Carol Heatley

Details of the Board of Trustees are set out below. The Trustees are also known as directors of ACTES TRUST for the purposes of company law.

Name	Role	Date Elected	Date Resigned
Cllr Charlie Rooney		13.07.2010	
Geoff Payne	Secretary	25.01.2007	
James Cooper		June 2009	
Sharon Stuttard	Chair from 05.01.10	17.11.2008	

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

THE TRUSTEES' REPORT*(continued)*

YEAR ENDED 31 MARCH 2018

Auditors	Baldwins Audit Services Ltd New Garth House Upper Garth Gardens Guisborough TS14 6HS
Bankers	National Westminster Bank PLC PO Box 352 Brampton Road Newcastle under Lyme ST5 0QX
Solicitors:	Dickinson Dees St Anns Wharf 112 Quayside Newcastle upon Tyne Tyne and Wear NE1 3DX
Investment Bankers:	Cazenove Capital 12 Moorgate London EC2R 6DA

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2018

In preparing this report the trustees have had due regard to guidance published by the charities commission on public benefit as required under the Charities Act 2011.

Introduction from the Chair

The financial year 2017/18 has been very challenging for the Charity. Like most organisations within our sector, the lack of funding opportunities has remained an issue. The board had hoped to have been able to make significant progress towards breaking even financially but despite our best efforts the Charity ended the year showing a loss. Over the course of the year bids to the value of £458,563 were submitted with funding of £132,611 secured. This is a reduction from 2016/17 where bids to the value of £680,060 were submitted with funding of £356,583 secured.

While the financial aspect of the business is disappointing, the Charity has continued to grow its reputation both regionally and nationally with several of our programmes winning awards and recognition for the services we provide. We have also continued to develop our portfolio of innovative solutions to support those furthest from the labour market. This has included a new focus on those who are lacking in IT capability to support the transition to Universal Credit and online job searches. In addition, during 2017/18, the Charity has completed delivery of its first life coaching programme designed to work specifically with offenders in custody to prevent reoffending on release. The programme was independently evaluated and was recognised as being very effective in engaging with those more difficult to reach within the prison environment. The charity is committed to continuing to develop and refine this programme to support a reduction in reoffending rates and to develop additional programmes to support those offenders completing their sentences in the community.

As part of a partnership bid, Actes was fortunate to win a contract to deliver the European Social Fund Youth Employment Initiative to support young people aged 16-29 to progress towards employment building on Actes' core skills base of working with those classed as hard to reach. This has been our first experience of delivering a contract with significant performance management paperwork and we have refined our systems and procedures going forward to allow Actes to take on more contracts of this nature.

To support the growth of the Charity in terms of decision making and allow staff to be fully responsive to the needs of our clients, the board took the decision to redesign the information network. During 2017/18, Actes implemented Microsoft Office 365 which allows the sharing of live documents and crucially allows the charity to be completely portable by enabling staff to work securely from any space which has access to Wi-Fi. This has increased the efficiency and effectiveness of our project delivery by staff having access to all records while meeting clients in the venue they find most comfortable. Following on from the implementation of Office 365, in the coming year the charity plans to develop a bespoke CRM system to allow easier reporting of targets and activity along with the ability to look at emerging trends.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2018

Introduction from the Chair_(continued)

Throughout 2017/18 we have seen an increase in the income levels at our conference and meeting facilities, the Acklam Green Centre and the Resource Centre. Unfortunately, an increase in costs has meant that the centres are still operating at a loss. A comprehensive review of the operating costs of the facilities will take place early in 2018/19 to establish where expenditure can be reduced. However, both centres are gaining a strong reputation for high quality service and catering and are regularly fully booked. Any financial surplus resulting from the operations at both centres will be used to further the Charities objectives.

On behalf of the board of trustees I would like to thank the staff team for their dedication and hard work to ensure our continued growth.

Sharon Stuttard

Chair of the Board

Structure, Governance and Management

Actes Trust is a company limited by guarantee governed by a Board of Trustees and its Memorandum and Articles of Association dated 24th December 2001 and amended 10th September 2010 and 17th September 2012. It is a registered charity with the Charity Commission. The Board of Trustees are appointed by its members.

The Board of Trustees:

- Sets the policy of the charity;
- Is involved in determining the corporate strategy of ACTES, including setting key strategic objectives;
- Approves the financial strategy for the organisation and authorises major decisions about the use of finances;
- Approves the programme of delivery for ACTES activities;
- Sets the framework for human resources policy.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2018

Recruitment and Training of Trustees

Trustees are recruited in line with the terms laid down in the Articles of Association. Trustees serve for an initial term of 4 years after which they can be re-appointed for a further 2 years at any periodic board meeting. There is no limit to the number of 2 year terms that a trustee can serve.

Individuals wishing to be considered for the role of Trustee are required to submit an application to the Chair of the Board who will short-list suitable applicants on the basis of relevant skills and experience, prior to an election process.

Following their appointment Trustees are issued with a Trustee Handbook and are invited to an induction meeting to update them on the current strategic issues facing the organisation. On-going training needs are identified as part of an annual, formal appraisal process designed for Trustees.

Organisational Structure & Decision Making

Responsibility for the day to day management of ACTES and the implementation of Board decisions and policy is delegated to ACTES Chief Executive, with the support of ACTES Management Team and staff. The Board meets a minimum of 4 times per year.

Setting Pay and Remuneration

The Board are responsible for setting the remuneration of the Chief Executive Officer and the Deputy Chief Executive Officer. The Board take into account similar roles in comparative organisations in determining the salary levels and seek external advice. The Chief Executive officer is responsible for setting the remuneration level for all other staff again benchmarking against similar roles within comparative organisations. The board carried out a full salary review in 2017/18 in order to ensure that salary and benefits remain competitive.

Related Parties

None of the trustees receive remuneration or any other benefit from their work with the charity. Any connection between a trustee or a senior manager of the charity with an Actes service user or organisation that supplies goods or services to Actes must be disclosed to the board of trustees in the same way any other contractual relationship with a related party. In the current year no such related part transactions were reports.

The charity's wholly owned subsidiary, Ngage Client Solutions was established to operate contracts of a commercial nature, with the ability to gift aid any profits back to the charity. Ngage Client Solutions is currently dormant.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2018

Objectives & Activities

Actes was established for the promotion for the public benefit of urban and rural regeneration in areas of social and economic deprivation.

Actes exists to improve the lives of the communities it serves. It achieves this by providing tailored services to meet the needs of individuals, often with complex or multiple needs, and by the provision of high quality business and social spaces and lettable accommodation.

Actes aims to inspire individuals to realise their full potential through supportive engagement and innovative solutions to achieve change. It has adopted a person centred approach to service delivery involving coaching, information advice and guidance, accredited and non-accredited training and workshops. It has a solid asset base including business and community premises and a small housing portfolio with the capability to increase this in future years.

Actes is continuing to expand and is developing its services into supporting the reducing reoffending agenda and working with those clients who have chaotic lifestyles. Actes strength lies in working with the client to help them progress towards their aims and goals, be that education, training, employment or a more stable lifestyle. We operate a peer led service to further enhance the support offered to clients.

In delivering its objectives, Actes seeks to address a range of broad social issues through an extensive delivery programme which will enable individuals to contribute to society in a positive way. Established as a Charity in 2008, Actes currently operates mainly within the Tees Valley but is expanding its operations more widely.

Actes will meet these objectives by all or any of the following means:

- a) the relief of poverty;
- b) the relief of unemployment;
- c) the advancement of education, training or re-training, particularly among unemployed people, and assisting in the provision for unemployed people of work experience;
- d) the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:
 - I. to existing businesses; or
 - II. in setting up new businesses;
- e) the creation of training and employment opportunities by the provision of work-space, buildings and/or land;

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2018

Objectives & Activities (continued)

f) the provision of housing for those who are in conditions of need and the improvement of housing provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;

g) the maintenance, improvement or provision of public amenities;

h) the provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;

i) the protection or conservation of the environment;

j) the provision of public health facilities and childcare;

k) the promotion of public safety and the prevention of crime.

The progress towards achievement of the Charity's aims and objectives is monitored quarterly by the Board of Trustees and any corrective action required due to slippage against timescales is documented. The board review the organisation's position both financially and operationally at every meeting and all company policies are reviewed by the board on an annual cycle. The Articles of Association are reviewed yearly to ensure that recent legislation is incorporated where required

Achievements and Performance

Talent Match Programme

Now in its penultimate year, Talent Match Middlesbrough, a Big Lottery funded young person led project, has been highly successful in delivering targeted intensive support to young people in Middlesbrough. Over the length of the programme, five years, it aims to engage, inspire and support 500 young people aged 18-24 from the most deprived wards in Middlesbrough who have been unemployed for 12 months or more. By the end of the project 400 young people will have improved confidence, motivation, self-esteem and skills, and, 100 young people will be supported into employment or enterprise sustained for six months or more. The project is delivered over a calendar year Jan-Dec. During the 2017 delivery year Actes achieved the following;

- Talent Match Sign up (Target 55) – Achieved 56 – Performance 102%
- Numbers into employment (Target 24) – Achieved 40 – Performance 166%
- 6-month sustainable employment (Target 16) – Achieved 17 – Performance 106%
- Quarterly Returns – 100% compliance

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2018

Achievements and Performance (continued)

Trending – Clothing Bank

Trending is a new concept clothing bank which provides good quality free clothing to people living in Middlesbrough. Actes secured funding from the charity's reserves and from other funders to enable the project to operate throughout 2017/18. The clothing bank aims to reduce the stigma attached to receiving clothing donations by ensuring that individuals can access the services in such a way that it does not impact on their dignity. The project supplies formal, casual clothing and work wear to individuals so that they can be better equipped for employment, education and training. It also provides casual clothing for those without disposable income. The service operates from a shop one day a week and a mobile service, 'Trending on Wheels' extends the reach to Community Hubs across the town. During 2017/18 the project supported 214 clients issuing over 1590 items of clothing to those who need the support.

One Planet Pioneers

This partnership project aims to empower disadvantaged young people, 14-21 years old, through engagement in environmental action in the broadest sense, using volunteering, training and apprenticeships to develop young people as environmental advocates and leaders. The 5-year programme has a target for Actes to train 20 young people as per mentors currently the programme which is into its second year we have already trained 9 and are working with a new cohort of young people through the OPP youth panel.

Benefit Take-up Campaign

The Unclaimed Benefit Campaign/HUB Service funded by Middlesbrough Council continues to support residents from across Middlesbrough. The partnership involving Citizen Advice Bureau (lead), Age UK, Cleveland Housing Advice Centre (CHAC), Welfare Right (MBC) and Actes continues to exceed targets set. Actes delivers the Walking Taker and Evaluation/Triage Services within the programme. During 2017-18 a total of eight campaigns were run and unlocked over £2.2m in unclaimed benefits for residents of Middlesbrough.

New Directions Programme

Actes is working in partnership with New College Durham, Thirteen, North Star and Coast and Country to deliver the DWP funded Youth Employment Initiative across the Tees Valley. The programme is designed to support young people into education, training or employment and is funded by the European Social Fund and match funding. During 2017/18 the New Directions programme achieved;

- Sign up 359 participants to the programme
- Supported 304 interventions with participant
- 216 receiving an offer of a job or training
- 196 moving into a job or training

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2018

Achievements and Performance (continued)

Refresh

As one of the new expansion areas for the Charity, Actes was successful in securing funding from the Ministry of Justice to pilot a life coaching and cycle maintenance programme within Holme House prison. The programme was well received by both the offenders in custody and the prison staff with the life coaching element being particularly popular. The project was formally evaluated by Teesside University and recognised for its achievements.

Market Yourself

Actes worked in partnership with Hartlepool College to deliver the level one employability course which provides learners with skills to market themselves to potential employers. This popular course has now run for several years and has come to a natural end in March 2018 as newer programmes take over.

Defining Futures

This is the successor to Market Yourself and is accredited at Level 2 with NOCN through One Awards. The targets for this project are to get 80 people to complete the course with 50% into a positive outcome either employment or training. This project ended on 31st March 2018 and Actes had over 160 referrals with 90 completing the course resulting in 35 clients moving into employment and 17 clients moving into further training.

Actes exceeded all the targets set and achieved a 58% positive outcome rate.

Help Through Crisis (Middlesbrough and Stockton)

The Big Lottery Help through Crisis programme draws on the strengths and personal experiences of people facing hardship so that they can overcome immediate difficulties and be ready for opportunities and challenges ahead. Actes is now delivering on the grant award programmes in Middlesbrough and Stockton. Both projects have recently had very positive feedback from The Big Lottery.

In the period between 1st July to 31st June 2018 Actes achieved;

- Help Through Crisis for Middlesbrough – All KPI's for the project were exceeded
- Help Through Crisis Stockton - Actes worked with and supported 44 clients (against a target of 45) for year 2 and 24 of the people we supported progressed – 2 into employment, 9 into volunteering and 13 into further training. This approach continues to pay off with currently 55% of these moving to a positive destination such as employment, training or volunteering.

Facilities

The facilities business unit comprises the Acklam Green Centre, the Resource Centre and the rentable properties. Over the course of 2017/18 the two centres achieved an income of £288k which is an increase on the previous year of 2%. The rental properties brought in £52k which is 10% increase from 2016/17 due to some vacant properties being occupied.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 MARCH 2018

Financial Review

In the financial year ended 31st March 2018, total income was £984,270 (2017 £1,109,894).

Total expenditure for the financial year was £1,443,102 (2017 £1,459,185).

The principal funding sources of income to Actes during the year were; provision of recreational facilities, room hire and catering income of £288,000, investment and rental income of £136,000, client led services contract income of £55,000 and client led services grants of £467,000.

The financial year 2017/18 has been very challenging. Several grant funded projects ended and the lack of funding opportunities to replace them has increased. One of the employability courses which was in decline has meant a reduction to income generated and the market value of the investment dropped by 2.9% at the year end. New partnerships are being developed to increase the chances of success with the limited funding opportunities, a new employability course has been developed to meet DWP's new requirements which will be implemented in 18-19 and the charity also continues to monitor costs and service contracts to ensure best value for money and to reduce the impact of overheads.

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

Although the operating deficit was £459,000 the total reserves decreased by £513,000. This was due to a decrease to the market value of the multi charity investment of £54,000.

Reserves Policy

Due to the changes in income streams and the higher levels of risk that the charity now faces ACTES have set the minimum level of reserves to £600,000. This is significantly less than the current level of unrestricted reserves which will reduce over the next 3 to 5 years as ACTES continues to work towards sustainability. Reserves will be used to continue the furtherance of the charities objectives during times when the funding streams of the charity are not certain or when the income levels fall significantly.

At 31st March 2018, total reserves held were £6,507,397 (2017 £7,021,019). Of this amount £2,759,188 (2017 £2,816,920) was restricted capital funds. The balance of unrestricted reserves £3,748,209 (2017 £4,204,099) comprise of designated funds of £1,029,000 (2017 £1,029,000), revaluation reserve £612,353 (2017 £667,143) free reserves of £1,656,268 (2017 £1,903,862) and £450,588 (2017 £604,094) relating to fixed assets.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT*(continued)*

YEAR ENDED 31 MARCH 2018

Investments

The charity's investment policy requires the board to consider whether any reserves held are freely available to invest in areas that will create a return to assist with the furtherance of the charity's objectives. The board considers the suitability and diversification of any potential investments to ensure that the failure of one investment or institution does not have a major impact on the charity. The market value of the investment in shares is reflected in the charity's annual accounts with any movement recorded in the revaluation reserve. The board seeks professional advice when considering selecting or disposing of investments where they do not have the expertise to do so themselves. Any one investment should not represent more than 20% of the overall value of the Investment Funds, or 50% in the case of collective funds. A balanced approach between income and capital is adopted.

The charity's investment objectives are to maintain the capital value of the investment fund at least in line with inflation, with a profile of no higher than a medium risk. The term of the investment is viewed by the board as being on a medium to long term basis, but if required the investment will be easily accessible to pay for the annual expenses of managing the charity if needed. The board requires that the funds will not have any direct exposure to tobacco related investments.

The performance of the investments in 2017-18 has seen a decrease in fund market value of 2.9% from £1.94m to £1.88m and income received of £77,000 which has been used to further the charity's overall objectives.

Key Risk and Uncertainties

The board recognise that the charity operates in an area which has a degree of uncertainty. Nationally, welfare reform and the contraction of public services have had a major impact on the way that the charity operates. For example local authority cutbacks have reduced centre occupancy rates and consequently their profitability. Grant funding is also in decline, and as public services are contracted out they are commissioned in such a way that staff, TUPE obligations and delivery risks are also transferred to potential suppliers. This is combined with the requirement for organisations to demonstrate a track record in particular service areas and to meet high financial thresholds to pass contract eligibility criteria. This creates barriers for market entry into new delivery areas, and for the charity sector generally which is not known for maintaining high levels of reserves. Actes approach to overcoming this is to become a member of strategic partnerships or consortiums to pool experience and resources, and by doing so, be able to access larger and higher value contracts.

Internal Controls and Risk Management

Systems and procedures have been established to identify, monitor and manage the risks that ACTES faces. Strategic decisions taken by the Trustees include full consideration of risk based on a risk assessment matrix. As a recently formed charity, ACTES has established a risk register which will be kept under review by the Trustees.

The most significant risks currently faced by ACTES relate to the move toward a change in the source of funds away from the NDC programme. In response to this ACTES has undertaken an organisational restructuring to ensure the size and shape of the organisation is both affordable and fit for purpose as the organisation evolves. This will be an on-going process until the new funding streams are sufficient to ensure ACTES's long term sustainability.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2018

Plans for the Future

Actes has agreed the following Strategic Objectives to be achieved by March 2021. Achieving these objectives will be the key to long term sustainability and success.

1. Actes will be delivering services within and beyond the Tees Valley.
2. Actes will be a sustainable and thriving charitable company.
3. Actes will build its reputation, brand and relationships with new clients and customers to expand its range of services.
4. Actes aims to be recognised for providing high quality, best value services and facilities to meet its stakeholder needs.
5. To be an employer of choice evidenced by a commitment to continuous staff development, increased employee motivation, well-being and retention.

Crucial to its growth in the next three years will be Actes' ability to identify and collaborate with like-minded organisations. In recent years Actes has successfully reduced its dependency on a single market, but to continue to grow it will have to expand the reach of its operations potentially beyond Tees Valley, and also break into new supply chains; for example, by developing new services or delivering existing services in new locations. One of the key areas of development for the Charity over the next year is to continue to revise and refine our existing services to meet the needs of offenders and to explore developing our services to support young offenders. In addition, we will continue to develop new accredited training programmes at level two and above in response to employer requirements and to offer progression routes to our clients. We will continue to establish and grow the Actes brand throughout 2018/19 with aim of becoming a trusted commentator within our area of expertise.

Building upon its strengths Actes has established its business model to encompass three key areas of activity which it has classified into independent Business Units. These Units are:

1. Facilities; which comprises the Acklam Green Centre, Resource Centre, and 10 lettable houses in West Middlesbrough.
2. Client Led Services; which consolidates the delivery of engagement, employability, welfare and debt advice services to young people and adults. Funded through a mix of grant support and fee income, services in this Unit will change over time in response to client needs but currently include delivery of Refresh, Defining Futures, New Directions, Help Through Crisis, Firm Foundations, One Planet Pioneers, Talent Match, and Market Yourself.
3. Management and Administration; this Unit includes all governance and management systems, core organisational functions, and all activities in relation to 99 Acklam Road.

Structuring the business in this way enables similar activities to be grouped together to enable efficiencies to be driven through the charity by the adoption of common and consistent practices. Our ambitions for these Units are that by March 2021;

1. Each facility will be sustainable independently and collectively, returning operational surpluses to be reinvested into our charitable objectives delivered through our client led services.
2. Client led services will continue to develop in response to client needs and deliver to high standards in appropriate settings.
3. Our management and administration costs will be streamlined and fully recoverable through the preceding Business Units.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT*(continued)*

YEAR ENDED 31 MARCH 2018

Plans for the Future (continued)

Collectively, these ambitions underpin the strategic objectives for the business, and in achieving these will enable our strategic objectives to be met. The methods we will employ to achieve and measure these objectives will be described in further detail in the annual Business Plan.

Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 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 inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

THE TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 MARCH 2018

Statement of disclosure of information to auditors

We, the directors of the company who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

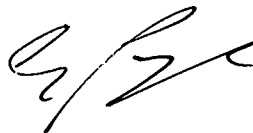
- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared having taken advantage of the small companies exemption in the companies act 2006.

Registered office:

99 Acklam Road
Middlesbrough
TS5 5HR

Signed by order of the trustees



Geoff Payne
Company Secretary

Approved by the trustees on 11th September 2018

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ACTES TRUST**

YEAR ENDED 31 MARCH 2018

Opinion

We have audited the financial statements of ACTES Trust (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ACTES TRUST *(continued)***

YEAR ENDED 31 MARCH 2018

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 auditor's 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.

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 strategic report and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST MARCH 2018

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

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

Auditor's responsibilities for the audit of the financial statements

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

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31ST MARCH 2018

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Graham Fitzgerald BA FCA DChA

Senior Statutory Auditor

For and on behalf of Baldwins Audit Services, New Garth House, Upper Garth Gardens, Guisborough, TS14 6HS

Date

Baldwins Audit Service is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST MARCH 2018

	Note	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total 2018 £	Total 2017 £
Income from:						
Donations and legacies						
Donations		501	-	-	501	95
Income from Charitable activities						
Grants received	2a	-	467,479	-	467,479	568,313
Income from other trading activities						
Activities for generating funds	2b	348,527	-	-	348,527	403,259
Rental income		52,300	-	-	52,300	46,728
Income from Investments						
Interest receivable and similar income		83,750	-	-	83,750	82,445
Other income						
Other Income	20	31,713	-	-	31,713	9,054
Total income		516,791	467,479	-	984,270	1,109,894
Expenditure:						
Expenditure on Raising funds	3	387,475	1,319	-	388,794	396,751
Expenditure on Investment Management	3	25,858	-	-	25,858	20,617
Expenditure on Charitable Activities	3	504,558	466,160	57,732	1,028,450	1,041,817
Total expenditure		917,891	467,479	57,732	1,443,102	1,459,185
Net gains/(losses) on investments	12	(54,790)	-	-	(54,790)	220,473
Net income/(expenditure)		(455,890)	-	(57,732)	(513,622)	(128,818)
Net movement in funds		(455,890)	-	(57,732)	(513,622)	(128,818)
Reconciliation of funds:						
Balance at 1 st April 2017		4,204,099	-	2,816,920	7,021,019	7,149,837
Balance at 31 st March 2018		3,748,209	-	2,759,188	6,507,397	7,021,019

The notes on pages 24 to 34 form part of these accounts.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

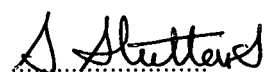
BALANCE SHEET

AS AT 31 MARCH 2018

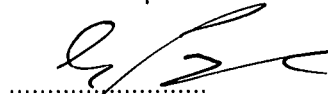
	Note	2018 £	2017 £
Fixed Assets			
Tangible assets	7	3,209,746	3,421,014
Investment in subsidiary	16	1	1
Property Investment	8	790,000	790,000
Investment - Schrodgers	8	1,888,903	1,943,693
Total Fixed Assets		5,888,650	6,154,708
Current Assets			
Debtors	9	221,239	217,209
Cash at bank and in hand		517,401	837,514
Total Current Assetss		738,640	1,054,723
Liabilities			
Creditors falling due within one year	10	(119,893)	(188,412)
Net current assets		618,747	866,311
Net Assets		6,507,397	7,021,019
The funds of the charity:			
Unrestricted income funds			
General Funds	12	2,106,856	2,507,956
Designated Funds	12	1,029,000	1,029,000
Revaluation Reserve	12	612,353	667,143
Total Unrestricted Funds		3,748,209	4,204,099
Restricted Income Funds	13	-	-
Restricted Capital Funds	14	2,759,188	2,816,920
Total charity funds		6,507,397	7,021,019

These financial statements have been prepared in accordance with the provisions applicable to small companies under part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on 11th September 2018



Sharon Stuttard



Geoff Payne

Company Number – 4345294

The notes on pages 24 to 34 form part of these accounts

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Cash flows from operating activities;			
Net cash provided by (used in) operating activities	21	(568,413)	(495,542)
Cash flows from investing activities:			
Dividends, Interest and rents from investments		136,050	129,173
Proceeds from Sale of Property		112,250	-
Net cash provided by (used in) investing activities		248,300	129,173
Increase (decrease) in cash and cash equivalents in the year		(320,113)	(366,369)
Cash and cash equivalents at the beginning of the year		837,514	1,203,883
Total cash and cash equivalents at the end of the year	22	517,401	837,514

The notes on pages 24 to 34 form part of these accounts.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General information and basis of preparation

Actes is a company limited by guarantee in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are the provision of recreational facilities, room hire and catering, rental of investment properties and client led services.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Fixed assets

All fixed assets are initially recorded at purchase cost plus the costs of any directly attributable expenditure.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	50 years straight line
Investment Property	-	No Depreciation
Football Pitches	-	25 years straight line
Equipment	-	4 years straight line

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Investments

The Multi Asset Investment is stated at market value at the balance sheet date. Market Value best represents a true and fair view of the value of these assets to the charity. The market value is obtained from Schroder's Wealth Management.

Investment properties are stated at market value at the balance sheet date. Market Value best represents a true and fair view of the value of these assets to the charity. The market value was obtained from Esurv Chartered Surveyors in 2015. In the opinion of the trustees there has been no significant change during the financial year. An independent valuation will be carried out every 5 years. The SOFA includes net gains and losses arising on revaluations and disposals throughout the year.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund Accounting

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The capital fund identifies the funds available for fixed assets. Restricted funds are those which can only be used in accordance with the wishes of the donor.

Pension Contributions

The charitable company operates a Personal Pension Scheme for the benefit of its own staff. Pension contributions to defined contribution schemes are written off to the statement of financial activities in the year to which they relate.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2018**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Transfer between Funds

The transfer between Capital funds and unrestricted funds represents movements in fixed assets.

Irrecoverable VAT

Irrecoverable VAT arising from partial exemption is shown as a separate item and included in resources expended in the year in which it arises.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have had a significant effect on amounts recognised in the financial statements:

The estimates and assumptions that could have a significant potential impact on the carrying values of assets and liabilities are as follows:

- (a) Useful economic lives of tangible fixed assets. These are set out in the depreciation policy note above and are the best estimate based on past experience and expected performance.
- (b) Valuation of investment properties. Independent professional valuations are obtained every five years and the Board considers whether this valuation is likely to have significantly changed in the intervening years.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

2a GRANTS RECEIVABLE	2018	2017
	£	£
Big Lottery Grant - Improving Financial Confidence	3,667	118,012
Big Lottery Grant - Communities Living Sustainably	-	537
Big Lottery Grant - Talent Match	78,620	80,290
Big Lottery Grant - Fulfilling Lives:Ageing Better	50,848	97,915
Big Lottery Grant - Our Bright Future	40,000	36,243
Big Lottery Grant- Help Through Crisis	33,362	22,788
Big Lottery Grant - Awards for All	-	8,400
European Social Fund - Youth Employment Initiative	174,299	114,930
Middlesbrough Council	8,182	36,373
Ministry of Justice - Prison Reform	56,821	22,990
Virgin Money	20,274	-
Other Grants	1,406	29,835
	467,479	568,313

The grants received were the only restricted Income received in 2018 and 2017

2b ACTIVITIES FOR GENERATING FUNDS	2018	2017
	£	£
Facilities - Room Hire	152,625	138,982
Facilities - Office Rental	34,420	48,782
Facilities - Café & Catering	66,625	60,977
Facilities - Sports Pitch Hire	32,141	32,269
Facilities - Other Income	2,349	1,791
Client Led Services - Market Yourself	33,250	72,450
Client Led Services - Benefit Take Up Campaign	22,157	19,409
Client Led Services - Headstart	-	23,847
Client Led Services - Help2work	-	4,752
Management & Admin - Other Income	4,960	-
	348,527	403,259

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS**

YEAR ENDED 31 MARCH 2018

3 RESOURCES EXPENDED	Generating Funds	Investment Management	Charitable Activities	Other Expenditure	Total 2018	Total 2017
	£	£	£		£	£
Direct costs - Other	87,796	10,300	125,341	-	223,437	213,172
Direct costs - Staffing	213,140	10,882	302,131	-	526,153	566,936
Administration costs	86,496	4,676	65,031	-	156,203	163,158
Staffing and related costs	1,362	-	372,803	-	374,165	349,975
Audit and related costs	-	-	9,000	-	9,000	9,000
Depreciation	-	-	117,107	-	117,107	121,351
Irrecoverable VAT	-	-	37,037	-	37,037	35,593
Total 2018	388,794	25,858	1,028,450	0	1,443,102	1,459,185
Total 2017	396,751	20,617	1,041,817	0	1,459,185	

The £1,459,185 from 2017 comprises Unrestricted funds £833,140, Restricted Funds £568,313 and Capital funds £57,732

4 NET OUTGOING RESOURCES FOR THE YEAR

Net outgoing resources for the year is stated after charging/crediting:	2018	2017
	£	£
Directors'/Trustees' emoluments	-	-
Depreciation of owned fixed assets	117,107	121,351
Unrealised Gain/(Loss) on Investments	(54,790)	220,473
Auditor's remuneration		
- as auditor	7,000	7,000
- other services	2,000	2,000

ACTES TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

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

The average monthly head count was 46 staff (2017: 48) and the average number of full time equivalent employees and workers (including casual and part-time) during the year were as follows:

	2018	2017
Number of administrative staff	30	32
Number of management staff	6	6
	<u>36</u>	<u>38</u>

The aggregate payroll costs of the above were:

	2018	2017
	£	£
Wages and salaries	818,906	829,370
Social Security costs	63,879	61,983
Employers Pension Contributions	4,805	4,701
	<u>887,590</u>	<u>896,054</u>

One employee received employee benefits during the reporting period in the band £70,000 - £80,000

The charity trustees were not paid or received any other benefits during the year (2017:£nil) neither were they reimbursed any expenses during the year (2017:£nil)

The key management personnel comprise the trustees, the Chief Executive, Operations Director, Head of Finance, and Business Manager of Actes Trust. The total employee benefits of the key management personnel of the Trust were £204,693 (2017: £200,412)

6 TAXATION

The Trust is exempt from Corporation Tax on its charitable activities and the Board believe that no liability has arisen during the year.

7 TANGIBLE FIXED ASSETS

	Freehold Property £	Equipment £	Total £
COST			
At 1 April 2017	5,098,448	117,302	5,215,750
Additions	0	0	0
Disposal	(193,000)	0	(193,000)
At 31 March 2018	<u>4,905,448</u>	<u>117,302</u>	<u>5,022,750</u>
DEPRECIATION			
At 1 April 2017	1,683,688	111,048	1,794,736
Charge for the year	112,795	4,312	117,107
On Disposal	(98,839)	0	(98,839)
At 31 March 2018	<u>1,697,644</u>	<u>115,360</u>	<u>1,813,004</u>
NET BOOK VALUE			
At 31 March 2018	<u>3,207,804</u>	<u>1,942</u>	<u>3,209,746</u>
At 31 March 2017	<u>3,414,760</u>	<u>6,254</u>	<u>3,421,014</u>

ACTES TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

8 INVESTMENTS

	2018	2017
	£	£
Multi-Asset - Schroders	1,888,903	1,943,693
Investment - Properties	790,000	790,000
	<u>2,678,903</u>	<u>2,733,693</u>

The Multi-Asset investment is held primarily to provide an investment return for the charity. It is stated at Fair Value as at the Balance Sheet date. There has been a decrease of £54,790 which has been allocated to the revaluation reserve. Investment Properties are shown at the Fair Value as at the last Independent valuation which was carried out in 2015. The original cost of these properties was £585,430.

9 DEBTORS

	2018	2017
	£	£
Debtors - Charitable activities	58,750	79,199
Prepayments and accrued income	162,489	138,010
	<u>221,239</u>	<u>217,209</u>

10 CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Creditors – suppliers	26,298	22,400
Other taxation and social security	30,758	27,627
Other creditors	9,674	5,615
Accruals and deferred income	53,163	132,770
	<u>119,893</u>	<u>188,412</u>

Deferred Income includes the following grants - awarded by Big Lottery Funds - Talent Match Fund £7,484, Help Through Crisis £2,167 and Our Bright Future £1,173.

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Capital	Total 2018
	£	£	£
Fixed Assets	450,558	2,759,188	3,209,746
Investments - Properties	790,000	-	790,000
Investments - Other	1,888,904	-	1,888,904
Net Current Assets	618,747	-	618,747
	<u>3,748,209</u>	<u>2,759,188</u>	<u>6,507,397</u>
	Unrestricted	Capital	Total 2017
	£	£	£
Fixed Assets	604,094	2,816,920	3,421,014
Investments - Properties	790,000	-	790,000
Investments - Other	1,943,694	-	1,943,694
Net Current Assets	866,311	-	866,311
	<u>4,204,099</u>	<u>2,816,920</u>	<u>7,021,019</u>

ACTES TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

12 UNRESTRICTED FUNDS	2018	2017
	£	£
Balance brought forward	2,507,956	1,708,515
Net Resources Expended before Investment Revaluations	(401,100)	(291,559)
Transfers to/from Restricted Capital Funds	-	-
Transfer from Designated Fund	0	1,091,000
	<hr/>	<hr/>
Balance carried forward	2,106,856	2,507,956
DESIGNATED FUNDS	2018	2017
	£	£
Sports Pitches	140,000	140,000
Acklam Green Centre	573,000	573,000
Resource Centre	176,000	176,000
Houses	100,000	100,000
Vehicles	20,000	20,000
Redundancies	10,000	10,000
Disposals - Legal Fees	10,000	10,000
	<hr/>	<hr/>
	1,029,000	1,029,000
REVALUATION RESERVE	2018	2017
	£	£
Balance brought forward	667,143	446,670
Unrealised Gain/(Loss) on Investments	(54,790)	220,473
Unrealised Gain/(Loss) on Investment Properties	0	0
	<hr/>	<hr/>
Balance carried forward	612,353	667,143
	<hr/>	<hr/>
TOTAL OF UNRESTRICTED FUNDS	3,748,209	4,204,099
	<hr/>	<hr/>

Designated funds comprise unrestricted funds that have been set aside by the trustees for a specific purpose. These funds have been set up to allow replacement of and/or major repairs to the charity's fixed assets. Where deemed necessary by the trustees the fund is increased each year as the assets depreciate. The designated funds also include one-off provisions for unexpected redundancies and legal fees. The expected timing of this expenditure is two to three years.

The revaluation reserve relates to the gains on investment based on the market value of the Multi Asset Charity Fund currently held with Schroders Wealth Management and the market value of the investment properties.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

13 RESTRICTED FUNDS	2018	2017
	£	£
Balance brought forward	-	-
Funds received in year	467,479	568,313
Expenditure in year	(467,479)	(568,313)
	<hr/>	<hr/>
Balance carried forward	-	-
	<hr/>	<hr/>
14 CAPITAL FUNDS	2018	2017
	£	£
Balance brought forward	2,816,920	2,874,652
Depreciation	(57,732)	(57,732)
Transfer from/to Unrestricted Funds	-	-
	<hr/>	<hr/>
Balance carried forward	2,759,188	2,816,920
	<hr/>	<hr/>

The Board considers that the restrictions of these assets is still in place after further investigation. The balance carried forward represents the Acklam Green Centre and Sports Pitches

15 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital.

16 SUBSIDIARY COMPANY

The charity owns the whole of the issued ordinary share capital of Ngage Client Solutions Limited. The subsidiary has been dormant throughout the year.

17 RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the year.

19 CAPITAL COMMITMENTS

The Trust had no contractual commitments to future capital expenditure at the year end.

20 OTHER INCOME

This includes a one off insurance claim of £13,500.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

21 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net income/(expenditure for the reporting period (as per the statement of financial activities)	(513,622)	(128,818)
Adjustments for:		
Depreciation charges	117,107	121,351
(Gains)/Losses on investments	54,790	(220,473)
Dividends, interest and rents from investments	(136,050)	(129,173)
Loss/(profit) on the sale of fixed assets	(18,089)	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(4,030)	(119,821)
Increase/(decrease) in creditors	(68,519)	(18,608)
Net cash provided by (used in) operating activities	(568,413)	(495,542)

22 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£	£
Cash in hand	517,401	837,514
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	517,401	837,514

23 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2018, the total minimum lease payments under non-cancellable operating leases were as follows:

	2018	2017
	£	£
Amounts due within one year	13,560	13,560
Amounts due in two to five years	21,120	34,680
	34,680	48,240