

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

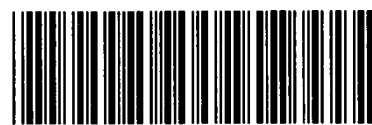
**THE ASSOCIATION FOR REAL CHANGE**  
(A Company limited by guarantee)

**TRUSTEES REPORT AND**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

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**THE ASSOCIATION FOR REAL CHANGE**

**TRUSTEES REPORT AND**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

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# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2020***

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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 2020

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#### Directors and Trustees:

Kate Allen	Autism at Kingwood (Resigned October 2019 )
John Crawford	Yarrow Housing (Resigned December 2019)
Graeme Fitzsimmons	Individual (Resigned September 2018)
Peter Jung	National Autistic Society – UK Chair (Resigned October 2019)
Lynne Longland	Autism at Kingwood (appointed October 2019)
Agnes Lunny OBE	Positive Futures
Phil Morris	Havencare (South West) Ltd
Jane Other	William Blake House
Jenny Paterson	Breakthrough Dundee
Andrew Sleigh	Community Integrated Care (Appointed June 2020)
Gary Thompson	Individual (Resigned October 2019 )

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

ARC UK Chair:	Graeme Fitzsimmons (Resigned September 2018) Phil Morris (Appointed October 2019)
Hon Treasurer:	Phil Morris (Hon Treasurer appointment November 2018 – Resigned October 2019 ) Andrew Sleigh (Appointed June 2020)

#### Senior management team:

Chris Bennett	Managing Director (Resigned October 2019 )
Lisa Lenton	England Director (Resigned September 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 2020***

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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 2020 - 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 2020 - 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 but £4,843 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 £1,023.

#### **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.

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

The past year has proved busy, exciting and challenging, not least with COVID-19 hitting the UK in March and ARC has lent its support to the sector during this time of great need. Moving into 2020-21, like many fellow Charities, we will need to demonstrate agility and flexibility to be sustainable. This will include reviewing our

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED***

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IT infrastructure, redesigning our offer, whilst ensuring our workforce and beneficiaries feel safe and supported. This is a challenge we will embrace whilst continuing to review our purpose and plan our next exciting Strategy.

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 we enter the final year of our current strategy, we 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.

In Northern Ireland, ARC represented the sector in a statutory led review of learning disability services which incorporated a systems dynamic modelling approach to plan for the future needs of the population.

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. This includes personal relationships and sexuality and supporting people with a learning disability through loss and bereavement.

ARC Scotland Training has continued grow, providing accredited and specialist learning and development opportunities to the health and social care sector. This year we engaged a group of people with learning disabilities as consultants to develop and deliver 'Being Involved' training. This is aimed at professionals who want to work in a genuinely inclusive way by learning from the experts about the importance of involvement to people lives and the different ways people can be involved in their services and communities.

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

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

In England, ARC secured the Chair role of the Care Provider Alliance, bringing together the ten main national associations, which represent independent and voluntary adult social care providers in England, equating to more than half of the service providers within the sector.

ARC Scotland continues to lead and facilitate local and national networks and forums that bring together hundreds of supported people, carers and professionals, academics and representatives from Scottish Government and other national bodies to improve knowledge, policy and practice in collaborative ways. Of particular note this year was working with many stakeholders to develop 'Principles into Practice.' This is a framework to improve the coordination of planning and support for young disabled people between the ages of 14 and 25.

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



# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED***

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

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

In Scotland, the National Involvement Network now engage with Local Involvement Networks in 7 local authority areas with a total membership of over 600 people with additional needs. ARC Scotland actively participates in many national policy development forums, including those concerning disabled children and young people, health and social care, people with learning disabilities and autism. ARC Scotland was also invited by the Economic and Social Research Council (ESRC) to join a panel to select applicants to become the 'UK Centre for evidence implementation in social care'.

In England, the 'Us Too' project, funded by Comic Relief, is working with women and girls with a Learning Disability/Autism and support staff to raise awareness of domestic abuse and sexual violence. This project focuses on what a good/bad relationship looks like to help women understand boundaries and help keep them safe.

In Northern Ireland, the Telling It Like It Is (TILII) members, of which there are over 60, co-produced and participated in a UK wide peer research project, exploring how their peers have influenced safeguarding policy.

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

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

At this time of change, ARC engaged in a structural review, resulting in the removal of a Managing Directors' post. Directors who collectively form the Strategic Leadership Team now report to the UK Board of Trustees.

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 2020-21 and exploring with stakeholders their views of what ARC's future priorities should be.

The COVID-19 pandemic represented and continues to represent the biggest threat to the Organisation's financial stability. Following the Government's decision to lockdown in March 2020, ARC's Strategic Leadership Team collaborated on a weekly basis, to evaluate the Financial Impact on a short term and a longer term basis. *This rapid and co-ordinated response, by means of many mitigating actions, including continual review of the way our operations are carried out, the organisation has reduced Financial impact to a minimum and with positive cash and reserves, remains in a strong position to support members and deliver its charitable purpose.*

Reserves forecast for the year ended March 21 are in line with the original budget and the organisation has become more resilient to any further challenges to business continuity and better placed to sustained financial stability.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED***

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#### **People who have supported us in 2019/2020**

We thank all those individuals, organisations, Charities, Local Authorities and Health Authorities that have continued to share our values and support our work in 2019/20. 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 2019/20. These include:

Aberdeen Council  
Belfast Health and Social Care Trust  
Big Lottery  
Department of Health Northern Ireland  
Esmée Fairbairn  
Health & Social Care Board  
Scottish Government  
Skills for Care (England)  
South Eastern Health and Social Care Trust  
Western Health and Social Care Trust  
Comic Relief  
Disability Research on Independent Living and Learning  
People First Scotland

#### **Financial Health**

After seeing an increase in funds of £89,650 in the previous year (of which £4,982 was a reduction in unrestricted funds and £94,632 increase in restricted funds) ARC experienced an increase in funds of £139,216 (of which £120,423 was an increase in unrestricted funds and a £18,793 increase in restricted funds) on a total income up from £1.830m to £1.989m

#### **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 2019/2020 the target for the reserves was calculated at £262k and by March 2020 ARC's total unrestricted reserves stood at £345k.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED***

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#### **Risk Management**

The board of ARC works hard to ensure it has proper arrangements for the systematic assessment and periodic review of the risks facing the organisation, with appropriate measures being taken to prioritise, manage and minimise the risks identified. It also has a system for keeping all of ARC's operational policies under review. In the year, the board has improved its reporting procedures using a traffic light approach to identify risks in our financial reporting and in our efforts to ensure good governance.

#### **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.

#### **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.

# THE ASSOCIATION FOR REAL CHANGE

## REPORT OF THE TRUSTEES

### ***FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED***

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At the time the financial statements were approved:

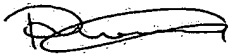
- As far as the trustees are aware, there was no relevant audit information of which the auditors were unaware and
- The trustees have taken all the steps necessary as trustees to make themselves aware of any relevant audit information and to establish that the auditors were aware of that information.

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.

#### **Appointment of auditors**

A resolution for the re-tendering of the Audit service for the coming year will be proposed at the forthcoming annual general meeting.

By order of the board, 1 October 2020



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

# 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 2020 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 2020, 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.

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.



dominic staniforth (Oct 1, 2020 11:10 GMT+1)

Mr Adrian Staniforth (Senior Statutory Auditor)

Date: 1 October 2020

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 2020

	<u>Note</u>	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
<b>Income</b>					
<b>Charitable activities:</b>					
Membership subscriptions		82,785	-	82,785	80,078
Grants	(5)	-	971,925	971,925	898,190
Training & conferences		600,544	-	600,544	540,887
Services to members		330,248	-	330,248	308,326
<b>Other trading activities:</b>					
Publications		-	-	-	41
Donations & Gifts		282	-	282	-
Investment income		3,262	-	3,262	2,929
Total income		<u>1,017,121</u>	<u>971,925</u>	<u>1,989,046</u>	<u>1,830,451</u>
<b>Expenditure</b>					
<b>Charitable activities</b>					
Special projects	(5)	-	953,132	953,132	803,558
Training and conferences		437,226	-	437,226	382,038
Services to members		459,472	-	459,472	555,205
Total expenditure	(3)	<u>896,698</u>	<u>953,132</u>	<u>1,849,830</u>	<u>1,740,801</u>
Net incoming/(outgoing) resources for the year		120,423	18,793	139,216	89,650
Balances brought forward at 1 April 2019		<u>224,864</u>	<u>135,040</u>	<u>359,904</u>	<u>270,254</u>
Balances carried forward at 31 March 2020	(10)	<u>345,287</u>	<u>153,833</u>	<u>499,120</u>	<u>359,904</u>



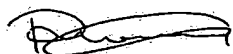
# THE ASSOCIATION FOR REAL CHANGE

## BALANCE SHEET

**FOR THE YEAR ENDED 31 MARCH 2020**

	<u>Note</u>	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	(7)	13,585	5,884
<b>Current assets</b>			
Trade debtors		105,162	139,303
Prepayments and accrued income		8,955	7,701
Cash at bank and in hand		812,147	691,527
		<u>926,264</u>	<u>838,531</u>
<b>Creditors: amounts falling due within one year</b>			
Taxation and social security costs		15,998	16,328
Trade Creditors		92,231	80,194
Other creditors		23,188	41,091
Accruals		19,815	20,401
Deferred income	(8)	289,497	326,497
		<u>440,729</u>	<u>484,511</u>
<b>Net current assets</b>		<u>485,535</u>	<u>354,020</u>
<b>Total assets less current liabilities</b>		<u>499,120</u>	<u>359,904</u>
<b>Funds</b>			
Restricted funds	(5)	153,833	135,040
Unrestricted funds	(10)	345,287	224,864
<b>Total funds</b>	(10)	<u>499,120</u>	<u>359,904</u>

Approved by the board on 1 October 2020 and signed on their behalf by:



Phil Morris – Chair

The notes on pages 15 to 23 form part of these financial statements.

Company Registration Number 01658354

# THE ASSOCIATION FOR REAL CHANGE

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

	<u>Note</u>	2020 £	2019 £
Cash used in operating activities	(9)	<u>130,393</u>	<u>157,234</u>
<b>Cash flows from investing activities</b>			
Interest received		3,262	2,929
Purchase of tangible fixed assets		<u>(13,035)</u>	<u>(7,463)</u>
<b>Cash provided by (used in) investing activities</b>		<u>(9,773)</u>	<u>(4,534)</u>
Increase in cash and cash equivalents in the year		120,620	152,700
Cash and cash equivalents at the beginning of the year		<u>691,527</u>	<u>538,827</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>812,147</u>	<u>691,527</u>

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1. Accounting Policies

##### a) Basis of accounting

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 in October 2019) - (Charities SORP (FRS 102)), 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 2020 - 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 2020 - 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	2020	2019
	£	£
Depreciation	5,334	5,764
Auditors remuneration	8,084	7,870
Operating leases	41,750	40,245
Income from unrestricted funds totalled £1,017,121 (2019: £926,716), and from restricted funds totalled £971,925 (2019: £932,161)		

#### 3. Total expenditure

	2020	2019
	£	£
Direct costs	1,774,999	1,655,678
Support costs	74,831	85,123
Total expenditure	1,849,830	1,740,801

Expenditure of unrestricted funds totalled £896,698 (2019: £937,243), and of restricted funds totalled £953,132 (2019: £803,558)

The support costs are allocated to activities below:

	Training & conferences	Service to members	Total 2020
	£	£	£
Finance & IT	20,621	21,672	42,293
Secretarial	7,242	7,611	14,853
Management	8,623	9,062	17,685
	36,486	38,345	74,831

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2020 - 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 01/04/2019 £	C/forward 31/03/2020 £
Workforce Development Funding	326,725	326,725	-	-
Progress Scotland – Aberdeen	11,000	11,000	-	-
TILII Belfast Projects	29,376	29,376	-	-
TILII South Eastern Project	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 ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED

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

	Resources Incoming £	Resources Outgoing £	B/forward 01/04/2018 £	C/forward 31/03/2019 £
Workforce Development Funding	275,705	275,705	-	-
Progress Scotland – Aberdeen	10,667	10,667	-	-
NI – Tilii (Belfast)	34,542	34,542	-	-
NI – Tilii (South Eastern)	23,460	23,460	-	-
Big Lottery Fund	48,081	29,111	-	18,970
Scottish Government – BLF Matched	38,109	23,073	-	15,036
Get SMART	32,372	31,922	(450)	-
Charter	52,182	52,182	-	-
Department of Health NI	6,250	2,518	2,021	5,753
Self Directed Support	27,408	27,408	-	-
PHA Project	-	31	4,215	4,184
WRSAC	3,980	3,632	(348)	-
EIP	7,581	15,838	9,853	1,596
ILF	-	5,000	-	-
WDIF (Active Support)	12,113	17,305	-	(5,192)
Transitions	78,902	78,902	-	-
Transitions (Esmee Fairbairn)	59,862	-	-	59,862
Provider Forums	50,000	58,753	14,025	5,272
Transitions (Autism)	-	6,092	6,092	-
US Too	24,972	300	-	24,672
Tilii Western	10,500	7,875	-	2,625
Tilii Translates	2,262	-	-	2,262
SOLD	99,242	99,242	-	-
<b>Total – Charitable Activities</b>				
<b>Restricted funds</b>	<b>898,190</b>	<b>803,558</b>	<b>40,408</b>	<b>135,040</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.

#### Progress Scotland – 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 2020 - 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.

##### **LD Model (Facilitated by the Health & Social Care Board)**

A regional review of learning disability was undertaken in Northern Ireland. ARC NI was commissioned to enable our Telling It Like It Is (TILII) groups of adults with a learning disability, to act as a consultative group of experts by experience. TILII worked with a Systems Dynamic Modeller and a creative Arts based organisation, offering them their insight and views on developments identified through consultation with stakeholders. ARC NI also enabled the Health & Social Care Board to meet with learning disability providers on two occasions, to consult on developments and inform them of progress. The dissemination of the final review/Model has been delayed due to OVID-19.

##### **Charter**

To update and promote the Charter for Involvement.

##### **Department of Health NI – Office of Social Services (OSS)**

This recurring annual funding called Training Support Programme for the Voluntary & Community Sector, enables ARC NI to offer free QCF Level 3 accredited courses to social care staff.

##### **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.

##### **Public Health Agency (Funded by The PPI Grant)**

This project promotes and advances Personal & Public Involvement (PPI). TILII members were commissioned to support the awareness raising of the Hospital Passport across their peer group, hospital staff and carers. Activities include attending public events, interviewing delegates and producing a roving report showcasing the event. TILII also conducted research with over 100 peers, exploring their knowledge and views of the recently published Hospital Passport and delivered training to 15 staff who work within the Procurement and Logistics Service, increasing their understanding of how to better meet the needs of adults with a learning disability, including different communication techniques.

##### **WDIF 19/20 (Funded by Skills for Care)**

A project to support the development of aspiring and deputy managers within adult social care. Participants completed the Lead to Success accreditation and a programme aimed at developing project management skills, buddying and learning more about the sector from peers.

##### **EIP (Funded by Scottish Funding Council)**

To deliver 'Getting Transitions Right' to staff in all of Scotland's FE colleges and pilot in three universities.



# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED

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#### 5. Restricted funds Continued

##### **DRILL (Funded by Disability Research on Independent Living and Learning)**

ARC NI partnered with Queens University Belfast to deliver a one year UK-wide research project. The research explored different approaches to influencing adult safeguarding policy and its implementation at national and organisational levels in the future were reported.

##### **WDIF – Embedding Personalisation (Active Support) – (Funded by Skills for Care)**

The project is a pilot and will seek to change organisational culture and practice of a learning disability/autism provider across a number of their services. This will lead to staff working as 'enablers' rather than traditional 'carers' to promote greater independence, empowerment and personalisation for people who access support, using the model known as Active Support. This model looks for opportunities for staff to 'to with' rather than 'do for' when supporting people with a learning disability and/or autism. The project will also measure the impact of this during the life of the project.

##### **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.

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

ARC NI supports a self-advocacy group in Omagh and Fermanagh. TILII in the west was new in 2019/20 and currently supports over 20 people with a learning disability 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 is piloting a social enterprise model of offering easy read translation service. This pilot project has been kickstarted with funds from BHSCT, including the support of a SLT resource and other Trusts are watching how the social enterprise grows.

##### **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 2020 - CONTINUED

#### 6. Staff Costs

	2020	2019
	£	£
Staff costs:		
Wages & salaries	654,583	637,641
Pension costs	32,523	31,681
Social security cost	60,452	58,115
<b>Totals</b>	<b>747,558</b>	<b>727,437</b>
The average number of employees on a FTE basis.		
And the areas in which they work are as follows:		
	No.	No.
Charitable activities	13	14
Support Services	8	8
<b>Average number of employees</b>	<b>21</b>	<b>22</b>

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 £4,843 for 10 Trustees (2019:(10) £5,170).

Staff pension contributions unpaid at the year end were £242 (2019: £237).

There are no staff with emoluments in excess of £60,000 (2019: None).

The total amount of employee benefits received by key management personnel is £205,236 (2019: £204,081). The charity considers its key management personnel to be the staff who comprise of the Managing Director, Country Directors and the Finance Director

#### 7 Tangible Fixed Assets

	Office equipment £
<b>Cost</b>	
Balance as at 1 April 2019	31,666
Additions during the year	13,035
Disposals during the year	(9,383)
<b>Balance at 31 March 2020</b>	<b>35,318</b>
<b>Depreciation</b>	
Balance as at 1 April 2019	25,782
Disposals during year	(9,383)
Charge for the year	5,334
<b>Balance as at 31 March 2019</b>	<b>21,733</b>
<b>Net book value 31 March 2020</b>	<b>13,585</b>
<b>Net book value 31 March 2019</b>	<b>5,884</b>

# THE ASSOCIATION FOR REAL CHANGE

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2020 - CONTINUED

#### 8. Deferred income

<u>Course and Conference fees</u>	2020	2019
	£	£
Received in advance at the beginning of the year	326,497	349,348
Total fees received in the year	563,544	518,036
Statement of financial activities	(600,544)	(540,887)
Received in advance at the end of the year	289,497	326,497

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

	2020	2019
	£	£
Net movement in funds	139,216	89,650
Depreciation charges	5,334	5,763
(Increase)/Decrease in debtors	32,887	86,913
(Decrease)/Increase in creditors	(43,782)	(22,163)
Investment income	(3,262)	(2,929)
Net cash used in operating activities	130,393	157,234

#### 10 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets	13,585	-	13,585
Net current assets	331,702	153,833	485,535
Net assets	345,287	153,833	499,120

#### 11. Financial commitments

At 31 March 2020 the company had future minimum lease payments under non-cancellable leases as follows:

	2020	2019
	£	£
Within one year	44,139	26,539
Over 1 year	69,555	48,393
	113,694	74,932

#### 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.