

ACE CENTRE ADVISORY TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2006

INDEX

| | |
|----------|-----------------------------------|
| Page 1-6 | Trustees' Report |
| 7 | Independent Auditors' Report |
| 8 | Statement of Financial Activities |
| 9 | Balance Sheet |
| 10-16 | Notes to the Financial Statements |

Registered Company Number 2961300

Registered Charity Number 1040868

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ACE CENTRE ADVISORY TRUST

Trustees' Report for the year ended 31 August 2006

1. The Trustees present their report and financial statements for the year ended 31 August 2006. This report has been prepared in accordance with the current statutory requirements, the Company's Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by charities and complies with applicable law.

2. **Governance**

The full name of the charity is The ACE Centre Advisory Trust and the charity registration number is 1040868. The charity is also a company limited by guarantee and not having a share capital, registered in England under company number 2961300. The governing document is the Memorandum and Articles of Association incorporated 23 August 1994 and amended by special resolution at a General Meeting of the company on 18 September 1996. There are no specific restrictions on the Charity's operations that impact on the workings of the ACE Centre.

The registered address of the Trust is 92 Windmill Road, Headington, Oxford, OX3 7DR. The Secretary to the Trustees is Mr. M.B. Donegan.

Bankers: National Westminster Bank plc, London Road, Headington, Oxford.

Auditor: Critchleys, Chartered Accountants, Greyfriars Court, Paradise Square Oxford.

Solicitors: Radcliffes, 5 Great College Street, Westminster, London SW1P 3SJ

3. **Council Members / Trustees** The Trustees who served during the year were: -

Mr. S.A. Andrews

Mr. B.A. Davies - Treasurer

Mrs. P. Fuller

Dr David Porter

Mrs. A.E. Stead (on sabbatical for the year Jan – Dec 2005)

Ms C.E. Simmonds - Chairperson since Jan 2004

Mrs. D. Biddlestone (OCC, retired December 2004)

Mr. C. Stevens (BECTa)

Mrs P. Wright

The Trust is required to have a representative from both Oxford County Council (OCC) and the British Educational and Communications Technology Agency (Becta).

4. **Appointment of new Trustees**

The skills mix of the Trustees is reviewed regularly. New Council Members are appointed by ordinary resolution at a general meeting of the Trust and are subject to confirmation by the members at the next annual general meeting. The Trust has been actively but unsuccessfully trying to find a Trustee with a legal background.

5. **Induction of new Trustees**

New members are invited to visit and observe the daily working of the Centre. An introductory package consisting of recent minutes of meetings, latest annual report and financial statements; a copy of the staff handbook; copies of the Trust's memorandum and articles of association, financial procedures and risk assessment table; and copies of the Charity Commission leaflet CC3 - The Essential Trustee: What you need to know are given to new Trustees.

6. **Organisation** The Trustees normally meet three times each year and the annual general meeting is usually held immediately prior to the December meeting. Issues arising between meetings that require the consideration of all Trustees are dealt with by correspondence.

ACE CENTRE ADVISORY TRUST

Trustees' Report for the year ended 31 August 2006

7. **Risk Assessment**

The Trustees carry out a regular risk assessment during the spring term of each year. This is for the purpose for planning for the future and assessing and managing any major risks likely to affect the operations of the Trust. At the most recent risk assessment most of the risks were found to be low, there were found to be five areas of medium risk and no high-risk areas. During this last year the fact that the Trust is dependent on a few major funders has been identified as an issue and it is a priority in the coming year to diversify the funding streams

8. **Objects** The objects of the Trust, which are laid down in the Memorandum of Association, are to advance, promote and encourage education and learning opportunities for people of all ages whose physical and communication difficulties are the primary cause of their disabilities and to provide a focus for the use of Assistive Technology as aids to communication and learning.

9. **Structure and Management**

The Trustees have overall responsibility for the ACE Centre Advisory Trust and keep a close eye on the financial stability of the Trust. The Trustees are responsible for appointing the Director of the Trust and the Fundraiser.

The day-to-day management of the Trust is the responsibility of the Director (Caroline Gray) who reports to the Trustees a minimum of three times a year at the Trustees' meetings. The Director of the Trust has two Deputies (Andrew Lysley and Mick Donegan) who share in the line management of the staff and meet regularly at development team meetings. These are also attended by other staff members as appropriate.

The staff (of 15 full time and 3 part time by end of August 2006) is comprised of teachers, therapists (speech and language, occupational and physiotherapist), technical advisor, technician, an information officer, project workers and manager, a fundraiser, finance officer and an administrator. Staff are members of different teams - assessment, training, information, R&D, finance and resources, projects, marketing, loan library and Saturday group. There are interest groups of communication, technology control and education software and related issues.

The Trust is not dependent upon the services of unpaid volunteers, donations-in-kind or other intangible income, although it is keen to encourage volunteer involvement should that be offered. During the last year volunteers have helped at the Saturday Group for children who use AAC and their families and have helped with an event organised by the fundraiser.

10. **Policy** To achieve the objects of the Trust, the ACE Centre Advisory Trust undertakes the assessment of people with physical and communication difficulties; the training of carers, teachers, therapists and others concerned with communication impaired people in the use of their assistive technology; the provision of information about assistive technology to all who enquire and the furtherance of the field by involvement in research and development projects.

11. **Activities and Achievements during the year up to the end of August 2006** The main activities continue to be assessment, training, information provision, research and development and lobbying on behalf of those with communication difficulties.

Staffing During the summer term in 2006 the Centre lost six members of staff. This was related to the ending of the Communication Aids Project (CAP) and the cessation of core funding from the Department of Education and Skills.

ACE CENTRE ADVISORY TRUST

Trustees' Report for the year ended 31 August 2006

CAP project The Centre has been working closely with Becta (British educational communications and technology agency) on the Communication Aids Project, a significant project involving providing equipment, and setting up a network of contacts to carry out assessment and training. The project had been extended from the initial two years to 4 years; it ended in April 2006. It is supervised by the Department of Education and Skills. The ACE Centre Advisory Trust, in addition to offering quality assurance of assessments and contacts, is spending a considerable amount of time training under the CAP project to support those working with children with communication difficulties locally. Members of the staff are also working with local authorities to help them put in place structures that will enable pupils with complex physical and communication disabilities to be supported following CAP. The Centre runs a loan library of equipment to support local teams and assist in the assessments.

Objectives: To increase the number of multi-professional teams around the country able to support children with complex physical and communication disabilities.

Achievements:

22 Training days were carried out (usually a minimum of two staff).

4 Networking days were supported some of these were linked to CAP and took five members of staff at a time; others involved an individual meeting with an LEA team.

95 assessments carried out by the network of contacts were quality assured against criteria established under CAP.

50 assessments were shared as joint training/assessment exercises;

44 assessments were carried out by ACE Centre staff alone.

Each assessment requires six people days when planning, preparation, report writing, and setting up recommendations are included.

Objectives: to support the CAP process

Achievements: 90 days have been spent supporting CAP. These have ranged from days within the Centre where 12 people have met, to CAP Centres meetings and meetings related to CAP training and QA within the partnership where two or three people from the Centre have attended, to steering group meetings that only involve one person. A lot of time was spent sorting out those children who were not able to get equipment under CAP funding by the end of the project deadline.

Objectives: To support the CAP loan Library

Achievements: 96 children have had separate loans of equipment during the year. This involves setting up the equipment, loading software, sterilising the equipment, arranging for dispatch and collection, supporting over the phone (sometimes visiting to support), reviewing the use of the equipment and logging the equipment back into the Centre.

Information dissemination The Centre continues to maintain its links with and support multi-professional teams working on a day-to-day basis with young people with communication difficulties. To this end twice-yearly networking days have been established and monthly information days are held when staff are available to discuss and advise on a range of issues. The User's Group days, renamed Saturday Group, continue to be a success, one is held each term. The Centre's web site has expanded and is proving to be a popular and useful tool for a range of people. The Centre staff are carrying out and updating surveys of various types of technology and these are available on the web site. A new website in support of Teaching Assistants was developed and launched this year.

Objectives: Provide information for parents and professionals

Achievements: 80 information day appointments involving two members of staff at each

Objectives: to carry out/update surveys and input data onto the website

Achievements: One new survey, two others updated.

3300 visits to the ACE Centre website /month

Objectives: Hold Saturday group meetings to support children who use AAC and their families to encourage the establishment of local parent support networks

Achievements: 2 Saturday group meetings held. Attendance increased to 60 people

One local network established in Cornwall

ACE CENTRE ADVISORY TRUST

Trustees' Report for the year ended 31 August 2006

Research and development

Objectives: Develop accessibility solutions and approaches in key Assistive Technology research areas, alone and with partners.

Each of the following are **achievements**:

1. The Centre has been invited to be part of a virtual centre of excellence for eyegaze under the 6th European framework for Technology. The project is known as COGAIN and the ACE Centre's responsibility is to ensure that the views and needs of people with disabilities are taken into consideration and to involve such people in the evaluation of any developments that the project produces. This project is now in its second year and the ACE Centre's part in the project is considerable.
2. The Centre was engaged in a project called DECO where eye-gaze and switch use are being applied to the DASHER predictive program developed by the Inference Group at Cambridge University, this project was completed in January 2006.
3. The Centre is also involved in a project called GameOn which is looking at leisure software and evaluating it in terms of what control technology is required to operate it, in some instances developing appropriate interfaces and in producing a web accessible database for disabled users and their family members to use. A number of disabled users are working with the Centre on evaluating the software and writing reviews. The Centre is working with the Entertainment Software Charity who have kindly provided software for the project. The database is being developed by an external team under the guidance of the Centre's Information Officer.
4. The ACE Centre has been working as part of a European Union project called KPT (Keeping Pace with Technology) this has been establishing guidelines for developing a structure for accredited course in assistive technology.
5. One of the occupational therapists has been working with others at looking at the issues around mounting speech output devices onto wheelchairs and the risk assessment needed to accompany such activity. The finished document is now ready for distribution.
6. The Centre continues to work with the DARE Foundation on the RITE project aimed at improving conditions for young people with complex physical and communication needs moving from school to local FE colleges. The final report of the RITE project was launched at the Houses of Parliament in July.
7. The Centre has been working with people from ACT in Birmingham, Dundee University and Imperial College, London to develop a website where disabled users and software developers can have access to free AAC (alternative and augmentative communication) and AT (Assistive Technology) software and communicate to each other about required developments in the field using Open Source software. This project is called OATS and was completed at the end of August, it has gained funding to be supported for a further year.
8. Software engineers from the ACE Centre have been developing a Hotspots programme to give switch users easier access to mainstream software and up dating SAW (Switch Access to Windows) by making its interface easier to use. This work was completed during the year.
9. The ACE Centre has worked with one or two companies developing software for students with disabilities acting as consultants and advising on adaptations that can make the software more inclusive.
10. Members of staff from the Centre have disseminated their work at Communication Matters 2005, AATE 2005, and via EU websites and conferences, and articles in the national press.

In last year's annual report the following were stated as aims for this financial year:

1. Setting up and carrying out staff exchange programme with the two ACE Centres in order to establish an agreed code of practice (taking the best practice from each Centre). Identify staff training and professional development needs in order to be able to carry out the business plan. This was started and good progress made, restrictions on staff numbers might reduce the speed with which this occurs.
2. Negotiating a post-CAP '06 strategy with DfES. Dependent on the possible future of CAP launch a lobbying programme to raise awareness of the ACE Centres with MPs and Ministers. When CAP ended the ACE Centre wrote to all the MPs whose constituencies fall within our area and where children had had CAP equipment asking them to make enquiries about the future funding for communication aid equipment.

ACE CENTRE ADVISORY TRUST

Trustees' Report for the year ended 31 August 2006

3. Negotiating a post-CAP '06 strategy with DfES. Dependent on the possible future of CAP launch a lobbying programme to raise awareness of the ACE Centres with MPs and Ministers. When CAP ended the ACE Centre wrote to all the MPs whose constituencies fall within our area and where children had had CAP equipment asking them to make enquiries about the future funding for communication aid equipment.
4. Making applications to Trusts, corporate funders for core funding and and R&D projects. The ACE Centres both singularly and together have made successful applications to a range of statutory funders such as the DfES, the lottery etc and to a range of Trusts who are supportive of the Centre's area of work
5. Establishing a fund-raising strategy and shared database with ACE Centre The fundraisers have visited each other's Centres and there has been some joined up working.
6. Agreeing common charges for the two centres for service delivery. The two Centres are telling each other about their charges and they are largely similar although not identical
7. Completing the shared website, setting up a shared database with ACE Centre North. The information officers have worked together and there is now a shared front portal for the web sites. The information officer at the ACE Centre has been supporting his counterpart at ACE Centre North.
8. Establishing a joint marketing group and commissioning a new shared image (devise one identity with 2 strands). The ACE Centres have come up with a new shared logo and have worked together to produce a video/DVD funded by the DfES.
9. Devising a strategy and then holding meetings with prioritised LAs / Children's' Trusts to encourage ongoing support of the Centres. The Centres started marketing their services to local authorities when CAP came to an end, however, time had to be spent working out costs and developing materials and few authorities were signed up by the end of the Centre's financial year.

Formalising links with ACE Centre Contact teams and their LAs (approx 20 between the Centres) and each Centre to target 10 more LEAs and 10 more Children's Trusts. This was started working with Children's Trusts proved to be more difficult, it being dependent on what their priorities are.

12. **Administration of the Centre** During the year the ACE Centre Advisory Trust has worked closely with the ACE Centre North. Pressure of work with meeting the final demands on CAP and reductions of staff from both Centres since has made it more difficult to observe each others' practices, but the Information Officer at the ACE Centre has helped the ACE Centre North with its website and a speech and language therapist from Oxford has helped deliver an accredited module on AAC in Oldham. There has been joint work on certain projects and applying for some funding opportunities
13. **Financial Position** The balance sheet shows that the Trust has total assets of £1,245,370 (2005 - £1,404,975) The income and expenditure account shows a net deficit for the year of £159,605 (2005 - deficit of £24,215). The Trustees continue to be grateful to a number of donors for their support, in particular the Gatsby Charitable Foundation for their generous grant.
14. **Reserves and Distribution Policies** As income from the two present principal funding authorities cannot be guaranteed the Trustees believe that it is essential to maintain a reserve to meet potential redundancy costs of the staff of the Centre. The Trustees have agreed to honour the terms of the Oxfordshire Local Education Authority redundancy scheme. At present this equates to a commitment of approximately £250,000. In addition the Trustees believe it prudent to maintain a reserve of £275,000 equating to approximately 4 months expenditure, making a total reserve of £525,000. The present free reserves are £552,278 and it is the Trustees' policy to distribute future income in accordance with the object of the Trust, wherever possible.

ACE CENTRE ADVISORY TRUST

Trustees' Report for the year ended 31 August 2006

15. **Financial Responsibilities** The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and 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 company and of the surplus or deficit of the company for that period. In preparing those financial statements the Trustees are required to;

- Select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each Trustee has taken all steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

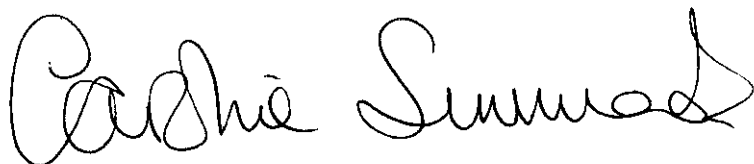
16. **Future Plans**

For the year 2006 – 2007 this includes:

1. Ensuring a more secure financial basis for the ACE Centre
2. Trying to widen the network of local authorities with whom the ACE Centre works
3. Continuing to provide multi-professional assessments for those with communication disabilities
4. Offering training in the appropriate use of assistive technology for communication and learning
5. Providing an information service on assistive technology for communication and learning
6. Developing accessibility solutions and approaches in key Assistive Technology research areas, alone and with partners.

This report was approved and authorised for issue by the Board on 11 December 2006 and signed on their behalf by:

Caroline Simmonds
Chairperson

 11.12.06

ACE CENTRE ADVISORY TRUST
INDEPENDENT AUDITORS' REPORT

To the Members of the ACE Centre Advisory Trust

We have audited the financial statements of ACE Centre Advisory Trust for the year ended 31 August 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.


Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 August 2006 and of its incoming resources and application of resources in the period then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information in the Trustees' Report is consistent with the financial statements.

Oxford

19/1/2007


Critchleys
Chartered Accountants
Registered Auditors

ACE CENTRE ADVISORY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2006

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2006 £ | Total Funds 2005 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | | | | | |
| Becta general | | 96,773 | - | 96,773 | 167,582 |
| Becta CAP project | | 180,250 | - | 180,250 | 310,500 |
| Gatsby general | | 335,000 | - | 335,000 | 294,167 |
| Gatsby RITE project | | - | 1,334 | 1,334 | - |
| DfES equipment | | - | 75,342 | 75,342 | 6,155 |
| DfES CYPF project | | - | 20,000 | 20,000 | - |
| Donations | | 68,752 | 25,720 | 94,472 | 97,887 |
| Other project income | | 1,254 | 53,023 | 54,277 | 104,052 |
| Activities for generating funds | | | | | |
| Internet auctions | | 6,009 | - | 6,009 | 5,148 |
| Investment income | | 27,369 | - | 27,369 | 33,119 |
| Incoming resources from charitable activities | | | | | |
| Assessment fees | | 9,400 | - | 9,400 | 2,093 |
| Training fees | | 25,559 | - | 25,559 | 4,308 |
| Sale of software and publications | | 15,656 | - | 15,656 | 16,898 |
| Total incoming resources | | 766,022 | 175,419 | 941,441 | 1,041,909 |
| Resources expended | | | | | |
| Cost of generating funds | 3 | 52,346 | - | 52,346 | 39,838 |
| Charitable activities | 4 | 811,405 | 228,492 | 1,039,897 | 1,021,156 |
| Governance costs | 6 | 8,803 | - | 8,803 | 5,130 |
| Total resources expended | | 872,554 | 228,492 | 1,101,046 | 1,066,124 |
| Net outgoing resources before transfers | 7 | (106,532) | (53,073) | (159,605) | (24,215) |
| Transfers between funds | 11 | (53,967) | 53,967 | - | - |
| Balance brought forward at 1 September 2005 | | <u>789,253</u> | <u>615,722</u> | <u>1,404,975</u> | <u>1,429,190</u> |
| Balance carried forward at 31 August 2006 | | 628,754 | 616,616 | 1,245,370 | 1,404,975 |

None of the Trust's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 2006 or 2005 other than the deficit for the year.

ACE CENTRE ADVISORY TRUST
BALANCE SHEET AS AT 31 AUGUST 2006

| | Notes | £ | 2006 | £ | £ | 2005 | £ |
|---|-------|-----------------|------------------|---|-----------------|------------------|---|
| FIXED ASSETS | | | | | | | |
| Tangible assets | 8 | | 704,295 | | | 680,284 | |
| CURRENT ASSETS | | | | | | | |
| Debtors | 9 | 81,753 | | | 97,548 | | |
| Cash at bank and in hand | | <u>496,876</u> | | | <u>697,057</u> | | |
| | | 578,629 | | | 794,605 | | |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 10 | <u>(37,554)</u> | | | <u>(69,914)</u> | | |
| NET CURRENT ASSETS | | | <u>541,075</u> | | | <u>724,691</u> | |
| NET ASSETS | | | <u>1,245,370</u> | | | <u>1,404,975</u> | |
| FINANCED BY: | | | | | | | |
| Unrestricted funds | 11 | | 628,754 | | | 789,253 | |
| Restricted funds | 11 | | <u>616,616</u> | | | <u>615,722</u> | |
| TOTAL RESERVES | | | <u>1,245,370</u> | | | <u>1,404,975</u> | |

The notes on pages 10 to 16 form part of the financial statements.

The financial statements were approved and authorised for issue by the Council Members/Trustees on 11 December 2006.

BA Davis
 Trustee

ACE CENTRE ADVISORY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a) **Basis of accounting**

These financial statements have been prepared under the historical cost convention and in compliance with all applicable accounting standards and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005.

b) **Income**

Income represents the level of donations received, grants receivable, the results of fund-raising activities, insurance receipts relating to equipment loaned from the loan library and assessment/training fees.

Also included in income are receipts from the sale of computer software.

Income is stated net of valued added tax.

Grants received that relate specifically to a future accounting period are carried forward as deferred income.

Grants received that relate specifically to the building project are included within a separate restricted fund and will be transferred to the income and expenditure account to match the depreciation charge of the buildings and other assets.

Gifts in kind are recognised as income in the accounts based on the best estimate of market value of the asset/s at the date of the gift.

c) **Expenditure**

All expenditure is recognised on an accruals basis. Costs of generating funds are those costs incurred in attracting voluntary income. Charitable activities include costs in furtherance of the charity's objects and support costs relating to those activities. Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Direct charitable activity costs represent staff time charged to projects within that activity and any other direct operational costs relating to that activity.

Support costs include all costs not directly related to a specific activity or project of the charity. Support costs are allocated to the charitable activities based on percentages of staff time allocated to each activity.

ACE CENTRE ADVISORY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

d) Depreciation

Depreciation has been provided on the following classes of fixed assets at rates calculated so as to write off the cost or valuation less residual value over the estimated useful life. The charge for depreciation has been apportioned where an asset has been purchased during the year.

| | |
|--------------------------------|--------------------------------------|
| Fixtures and fittings | Straight line basis of 20% per annum |
| Computer hardware and software | Straight line basis at 30% per annum |
| Office equipment | Straight line basis at 30% per annum |
| Construction costs | Straight line basis at 4% per annum |

Construction costs of the new building occupied by the Centre will be written off over twenty five years, being the period in which the Trust will have the benefit of the use of the building.

Assets costing less than £200 are not capitalised and are included in expenditure.

e) Fund Accounting

Unrestricted funds are those funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are those funds over which the trustees do not have full discretion concerning their use.

f) Pensions

Some of the Trust's employees belong to the Teachers Pension Scheme. The scheme requires employee and employer contributions. Contributions are charged to the statement of financial activities in the year in which they are made.

Certain other members of staff belong to a local government pension scheme. The scheme requires employee and employer contribution. Contributions are charged to the statement of financial activities in the year in which they are made.

One employee belongs to the NHS pension scheme. Contributions are charged to the statement of financial activities when paid.

ACE CENTRE ADVISORY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006 (CONTINUED)

| 2 | STAFF COSTS | 2006 £ | 2005 £ |
|---|-----------------------|----------------|----------------|
| | Wages and salaries | 644,806 | 614,706 |
| | Redundancy costs | 24,670 | - |
| | Social security costs | 51,918 | 48,901 |
| | Pension contributions | <u>80,546</u> | <u>70,022</u> |
| | | <u>801,940</u> | <u>733,629</u> |

The average number of employees during the year was made up as follows:

| | No. | No. |
|-----------------------|-----------|-----------|
| Charitable activities | 23 | 22 |
| Support costs | <u>2</u> | <u>2</u> |
| | <u>25</u> | <u>24</u> |

No employee received more than £60,000 in the year.

No member of the Council received any remuneration or expenses from the Trust.

| 3 | COSTS OF GENERATING FUNDS | Total 2006 £ | Total 2005 £ |
|---|---------------------------|--------------------|--------------------|
| | Salaries | 32,639 | 30,314 |
| | Support costs (Note 5) | 6,156 | - |
| | Other fundraising costs | <u>13,551</u> | <u>9,524</u> |
| | | <u>52,346</u> | <u>39,838</u> |

| 4 | CHARITABLE ACTIVITIES | Direct costs £ | (Note 5) Support costs £ | 2006 Total £ | 2005 Total £ |
|---|------------------------------------|----------------------|-----------------------------------|--------------------|--------------------|
| | CAP Project | 235,395 | 32,373 | 267,768 | 370,541 |
| | Research and Development | 412,176 | 57,831 | 470,007 | 376,109 |
| | Sales of software and publications | 15,354 | 1,496 | 16,850 | 43,423 |
| | Information and Dissemination | 66,677 | 9,662 | 76,339 | 52,248 |
| | Assessments and Training | <u>187,292</u> | <u>21,641</u> | <u>208,933</u> | <u>178,835</u> |
| | | <u>916,894</u> | <u>123,003</u> | <u>1,039,897</u> | <u>1,021,156</u> |

ACE CENTRE ADVISORY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006 (CONTINUED)**

5 SUPPORT COSTS

| | Fundraising £ | CAP £ | R&D £ | Sales £ | Info & Dissem £ | Assess & Training £ | Total £ |
|----------------|------------------|---------------|---------------|--------------|-----------------------|---------------------------|----------------|
| Admin expenses | 2,857 | 15,023 | 26,837 | 694 | 4,483 | 10,043 | 59,937 |
| Depreciation | 2,201 | 11,575 | 20,678 | 535 | 3,455 | 7,738 | 46,182 |
| Premises costs | <u>1,098</u> | <u>5,775</u> | <u>10,316</u> | <u>267</u> | <u>1,724</u> | <u>3,860</u> | <u>23,040</u> |
| | <u>6,156</u> | <u>32,373</u> | <u>57,831</u> | <u>1,496</u> | <u>9,662</u> | <u>21,641</u> | <u>129,159</u> |

Support costs are allocated on the basis of staff costs.

6 GOVERNANCE COSTS

| | 2006 £ | 2005 £ |
|---------------------|--------------|--------------|
| Audit & accountancy | 4,150 | 4,070 |
| Staff time | 1,615 | - |
| Insurance | 1,144 | 1,060 |
| Other costs | <u>1,894</u> | <u>-</u> |
| | <u>8,803</u> | <u>5,130</u> |

7 NET OUTGOING RESOURCES is stated after charging:

| | 2006 £ | 2005 £ |
|------------------------------|----------------|----------------|
| Auditors' remuneration | 4,150 | 4,070 |
| Depreciation on owned assets | <u>124,978</u> | <u>104,802</u> |

ACE CENTRE ADVISORY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006 (CONTINUED)

| 8 | TANGIBLE ASSETS | Short leasehold land and buildings £ | Hardware software and office equipment £ | Total £ |
|---|--------------------------|---|---|------------------|
| | Cost or valuation | | | |
| | At 1 September 2005 | 710,491 | 584,162 | 1,294,653 |
| | Additions | - | 149,165 | 149,165 |
| | Disposals | - | (19,984) | (19,984) |
| | At 31 August 2006 | <u>710,491</u> | <u>713,343</u> | <u>1,423,834</u> |
| | Depreciation | | | |
| | At 1 September 2005 | 184,728 | 429,641 | 614,369 |
| | Provided during the year | 28,420 | 96,558 | 124,978 |
| | Eliminated on disposals | - | (19,808) | (19,808) |
| | At 31 August 2006 | <u>213,148</u> | <u>506,391</u> | <u>719,539</u> |
| | Net book value | | | |
| | At 31 August 2006 | <u>497,343</u> | <u>206,952</u> | <u>704,295</u> |
| | At 31 August 2005 | <u>525,763</u> | <u>154,521</u> | <u>680,284</u> |

Fixed assets are used for direct charitable purposes.

| 9 | DEBTORS | 2006 £ | 2005 £ |
|----|--|---------------|---------------|
| | Grants receivable | 52,631 | 69,123 |
| | Trade debtors | 18,310 | 593 |
| | Prepayments and accrued income | 10,327 | 24,717 |
| | Other debtors | <u>485</u> | <u>3,115</u> |
| | | <u>81,753</u> | <u>97,548</u> |
| 10 | CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2006 £ | 2005 £ |
| | Trade creditors | 7,792 | 22,862 |
| | Other tax and social security | 17,105 | 17,087 |
| | Accruals | 4,753 | 4,215 |
| | Deferred income | <u>7,904</u> | <u>25,750</u> |
| | | <u>37,554</u> | <u>69,914</u> |

All deferred income will be released to income in the forthcoming year.

ACE CENTRE ADVISORY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006 (CONTINUED)

11a ANALYSIS OF MOVEMENT ON AND COMPOSITION OF THE FUNDS

Analysis of income and expenditure for the year:

note 11b

| | RESTRICTED FUNDS | | | | | | | | | | | | |
|-----------------------|------------------|----------------------|----------------------|--------------------|----------------------|--------------------|-----------------------|------------------------|----------------------|-------------------------|-------------------------|------------|-------------|
| | General £ | New Building £ | Loan Library £ | User Group £ | RITE Project £ | Look2 Talk £ | WWAAC Project £ | Other Projects £ | DECO project £ | Game on project £ | Other donations £ | Total £ | Total £ |
| Incoming resources | 766,022 | - | 75,342 | 1,000 | 1,334 | 8,000 | 10,392 | 62,631 | - | 16,720 | - | 175,419 | 941,441 |
| Resources expended | (872,554) | (28,420) | (23,647) | (1,997) | (5,071) | (14,142) | - | (109,744) | (12,756) | (32,005) | (710) | (228,492) | (1,101,046) |
| Movement for the year | (106,532) | (28,420) | 51,695 | (997) | (3,737) | (6,142) | 10,392 | (47,113) | (12,756) | (15,285) | (710) | (53,073) | (159,605) |
| Transfers | (53,967) | - | - | 997 | - | - | 3,839 | 27,468 | 663 | 21,000 | - | 53,967 | - |
| Balance on funds: | | | | | | | | | | | | | |
| At 31 August 2005 | 789,253 | 525,763 | 17,440 | - | 22,044 | - | (14,231) | 34,628 | 17,850 | 9,566 | 2,662 | 615,722 | 1,404,975 |
| At 31 August 2006 | 628,754 | 497,343 | 69,135 | - | 18,307 | (6,142) | - | 14,983 | 5,757 | 15,281 | 1,952 | 616,616 | 1,245,370 |

Analysis of funds balances between the net assets:

| RESTRICTED FUNDS | | | | | | | | | | | | |
|--------------------|--------------|----------------------|----------------------|--------------------|----------------------|--------------------|-----------------------|------------------------|----------------------|-------------------------|-------------------------|------------|
| | General £ | New Building £ | Loan Library £ | User Group £ | RITE Project £ | Look2 Talk £ | WWAAC Project £ | Other Projects £ | DECO project £ | Game on project £ | Other donations £ | Total £ |
| Fixed assets | 76,476 | 497,343 | 69,135 | - | 32 | - | - | 40,584 | 5,757 | 13,016 | 1,952 | 627,819 |
| Net current assets | 552,278 | - | - | - | 18,275 | (6,142) | - | (25,601) | - | 2,265 | - | (11,203) |
| | | | | | | | | | | | | 541,075 |
| | 628,754 | 497,343 | 69,135 | - | 18,307 | (6,142) | - | 14,983 | 5,757 | 15,281 | 1,952 | 616,616 |
| | | | | | | | | | | | | 1,245,370 |

All the funds except the general reserve are restricted. Transfers represent deficits on restricted funds that are met from unrestricted funds.

ACE CENTRE ADVISORY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006 (CONTINUED)

| 11b | OTHER PROJECTS | Cogain £ | CYPF £ | OATS £ | KPT £ | Total £ |
|------------|-----------------------|---------------------|-------------------|-------------------|------------------|--------------------|
| | Incoming resources | 25,302 | 20,000 | 10,000 | 7,329 | 62,631 |
| | Resources expended | (83,913) | (15,017) | - | (10,814) | (109,744) |
| | Transfers | <u>27,468</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>27,468</u> |
| | | (31,143) | 4,983 | 10,000 | (3,485) | (19,645) |
| | Brought forward | <u>31,143</u> | <u>-</u> | <u>-</u> | <u>3,485</u> | <u>34,628</u> |
| | Carried forward | <u>-</u> | <u>4,983</u> | <u>10,000</u> | <u>-</u> | <u>14,983</u> |

12 NOTES ON RESTRICTED FUNDS

- a) The new building fund represents funds raised for the new headquarters of the charity.
- b) The loan library fund represents funds raised to maintain a library of electronic communication aids, computers and peripheral devices to enable disabled students to communicate.
- c) The user group fund represents funds raised to facilitate users of the library resources.
- d) The RITE Project is for Realising Independence through Education. The balance on the fund represents monies received that have not yet been expended.
- e) The literacy project represents funds raised in order to develop literature to aid learning for disabled students.
- f) The balance on the WWAAC project funds is overdrawn because all monies have now been expended and the trust is awaiting the final instalment of funding from the EU.
- g) The projects fund represents funds raised for projects to develop a remote assessment, training and support network and to develop a new communications symbols scheme.
- h) The Dasher Eye Control (DECO) Project is for research into eye control systems for computers and other systems.
- i) The game on project represents funds raised and expended to test the accessibility of games software for disabled children. The fund shows an overdrawn balance at the balance sheet date because the cost of equipment purchased has exceeded the donations received. It is expected this deficit will become a surplus once fundraising activity commences in 2004/05.
- j) Other donations represent monies received for specific purposes, mostly expended in the year.
- k) COGAIN is an EU virtual centre of excellence investigating eye control technology.
- l) CYPF Grant - This grant is for working with newly emerging Children's Trusts and finding models for teams of health and education professionals to work to support pupils with complex physical and communication disabilities. There will be meetings to attend, training to deliver and joint assessments to be carried out. The grant is for both the ACE Centre Advisory Trust and the ACE Centre North to encompass authorities in both the north and south of the country.
- m) OATS is developing an open source website where assistive technology can be stored and accessed and users and developers can exchange ideas.
- n) KPT (Keeping Pace with Technology) is an EU project looking at framework that could be applied across Europe for assistive technology education.