

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2017**

WEDNESDAY



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COMPANIES HOUSE

**Company Number : 4345294**

**Registered Charity Number : 1122223**

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2017**

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**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT**

**YEAR ENDED 31 MARCH 2017**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31<sup>st</sup> March 2017.

**Reference and administrative details**

Registered Company Number: 4345294  
Registered Charity Number: 1122223  
Registered Office 99. Acklam Road  
Acklam  
Middlesbrough  
TS5 5HR

**Senior Management Team**

Chief Executive: Sandra Phillips  
Operations Director: Paul Wales  
Head of Finance: Anne Davies  
Business Manager: Carol Heatley

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

Name	Role	Date Elected	Date Resigned
Cllr Charlie Rooney		13.07.2010	
Geoff Payne	Secretary	25.01.2007	
James Cooper		June 2009	
Sharon Stuttard	Chair from 05.01.10	17.11.2008	
Paul Peacock		23.11.2010	27.02.2017

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2017**

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

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2017**

### **Introduction from the Chair**

2016/17 has been an interesting and rewarding year for Actes. Whilst the funding landscape has remained challenging and Actes continues to operate at a loss, the charity has continued to develop new partnerships and strengthen existing ones. Our strategy to target fewer but larger grants and contracts remained in place and during the year £356,583 of funding was secured. This was less than we had hoped for but we believe firmly that Actes' continued growth depends on scalable impact. In 2016/17 the board decided to focus on the Charity's online presence in order to create a wider knowledge of the organisation and its successes. The marketing strategy has been refined further throughout the year and together with the three re-designed websites, Actes has developed a range of social media activity to attract a wider audience.

Sadly 2017 saw the end of one of our most successful partnership programmes, the Big Lottery funded Know Your Money – Keep the Change, known by all as KYM. In partnership with a number of social housing organisations, the KYM team supported a staggering 9464 young people over the lifetime of the project. As a result of this programme, young people accessing the programme were better off by nearly £2.5m.

After much consideration, the board of Trustees also reluctantly decided to draw to a close the internally funded work clubs. The board has funded the work clubs from its reserves for a number of years and whilst these clubs provided a support mechanism for a small number of clients, it was felt that the charity needed to concentrate on attracting and securing additional income to support the financial position. All clients were signposted to other organisations to allow them to continue their journey.

Actes continues to support a wide range of individuals who are furthest from the labour market and remains proactive in developing new and innovative solutions which are highly customised to specific client groups. Over the course of last year, Actes bid for, and was successful in securing funding from Ministry of Justice to pilot a life coaching programme within one of the reform prisons. While this has not been without its challenges, the early results suggest that the programme is well received and is helping inmates to plan for a more stable lifestyle on release.

Our conference and meeting facilities, the Acklam Green Centre and the Resource Centre are operating at close to breakeven. Both centres are gaining a strong reputation for high quality service and catering and are regularly fully booked. Any financial surplus resulting from the operations at both centres will be used to further the Charities objectives.

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

Sharon Stuttard

Chair of the Board

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2017**

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

### **Structure, Governance and Management**

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

The Board of Trustees:

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

### **Recruitment and Training of Trustees**

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

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

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

### **Organisational Structure & Decision Making**

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

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2017**

### **Setting Pay and Remuneration**

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

### **Related Parties**

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

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

### **Objectives & Activities**

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

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

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

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

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

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2017**

**Objectives & Activities (continued)**

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

a) the relief of poverty

b) the relief of unemployment;

c) the advancement of education, training or re-training, particularly among unemployed people, and assisting in the provision for unemployed people of work experience;

d) the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:

I. to existing businesses; or

II. in setting up new businesses;

e) the creation of training and employment opportunities by the provision of work-space, buildings and/or land;

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

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

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

i) the protection or conservation of the environment;

j) the provision of public health facilities and childcare;

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

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



# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2017**

### **Achievements and Performance**

#### Talent Match Programme

Actes, working in partnership with the Princes Trust on the delivery of the Big Lottery funded young person's Talent Match programme, has been successful in being awarded an extension for a further three years following a national review of the programme. Talent Match Middlesbrough has been recognised as performing extremely well and has been used as an example of best practice. In 2016/17 Actes Youth Advocates have signed up a total of 56 young people classed as either hidden NEET, homeless and/or have chaotic lifestyles against a target of 70. However against a target of 15 clients in sustainable employment, the charity has achieved 35. The introduction of a new national DWP programme targeting the same client group affected the achievement of the targets in this year.

#### Trending – Clothing Bank

Funding through Talent Match Middlesbrough and Middlesbrough Council Financial Inclusion Group has allowed Actes to develop the Trending Clothing Bank which operates like a boutique shop. The aim of this project is to provide free, to both young people and those over the age of 19, good quality donated clothing for interviews and formal occasions. Clients are able to view the clothing online and 'bid' for the item in terms of their need. All clothing donated is washed and ironed on site and placed on hangers with tags. Whilst there are no targets associated with this Actes has helped 311 clients and given out 1244 items of clothing.

#### Ageing Better Middlesbrough

At the opposite end of the scale Actes have designed and are currently delivering a Big Lottery funded programme to support those over the age of 50 with the aim of preventing loneliness and isolation. Actes are working in partnership with Middlesbrough Mind and Volunteering Matters to recruit and train volunteers to become peer friendship mentors. Actes has struggled to reach the targets set on this programme largely due to the lack of beneficiaries being referred (55 against a target of 137) therefore the number of peer mentors required to support these individuals was 44 against an original target of 70.

#### Benefit Take-up Campaign

The Benefit Take-up Campaign is a partnership project across Middlesbrough involving Actes, Middlesbrough Council, CAB, Welfare Rights and Public Health to support and advise residents in claiming the correct benefits. The project funding was due to end in March 2017 however it has now been extended until March 2018. The target of unclaimed benefits to be accessed was set at £1m however the project over-achieved this target by more than 50% and enabled residents to access unclaimed benefits worth £2.1m.

#### KYM Project

The highly successful Big Lottery funded Know Your Money project came to an end in 2016/17. The funding for the project was due to end in May 2016 but due to careful budgeting and a contribution from one of the major partners in this project, the term was extended until January 2017. The programme over-achieved its targets in 2016/17 with 2056 young people engaged against a target of 1201.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2017**

### **Achievements and Performance (continued)**

#### New Directions Programme

Actes is working in partnership with New College Durham, Thirteen, North Star and Coast and Country to deliver the DWP funded Youth Employment Initiative across the Tees Valley. The programme is designed to support young people into education, training or employment. While Actes has over achieved in terms of referrals 220 against 204, the charity did not meet its target of 204 eligible sign ups by 65. Actes has made changes to the delivery model to ensure the targets for 2017/18 are met.

#### Refresh

As one of the new expansion areas for the Charity, Actes was successful in securing funding from the Ministry of Justice to pilot a life coaching and cycle maintenance programme within Holme House prison. Whilst the programme has been well received it has not been without its challenges which are specific to the environment. The initial start date was delayed by a number of months, with the course finally commencing in March 2017 and so as at the end of 2016/17 Actes is not in a position to comment on achievement of targets.

#### Facilities

The facilities business unit comprises the Acklam Green Centre, the Resource Centre and the rentable properties. Over the course of 2016/17 the two centres achieved an income of £282k which is an increase on the previous year of 22%. The rental properties brought in £47k which is 4% increase from 2015/16 due to some vacant properties being occupied.

### **Financial Review**

In the financial year ended 31<sup>st</sup> March 2017, total income was £1,109,894 (2016 £904,883).

Total expenditure for the financial year was £1,459,185 (2016 £1,441,194).

The principal funding sources of income to Actes during the year were; provision of recreational facilities, room hire and catering income of £282,000, investment and rental income of £129,000, client led services contract income of £120,000 and client led services grants of £568,000.

Although the charity is still operating at a loss the financial performance in 2016-17 has been significantly better than previous years. For the charity's facilities, adapting the 2nd floor suite in the Acklam Green Centre has allowed greater flexibility in meeting customer's needs and a more focused marketing strategy across both centres has seen an increase in room hire and catering bringing them closer to breakeven. Several new grant funded projects started during the year and the charity continues to use its assets to deliver its client led services which has enabled more overheads to be absorbed. The charity also continued to monitor costs and service contracts to ensure best value for money and to reduce the impact of overheads.

The overall financial position remains strong with a mix of unrestricted reserves and capital assets. The operating deficit of £348,000 was off-set by the growth to the multi charity investment of £220,000 meaning total reserves only decreased by £128,000 in the financial year.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2017**

### **Reserves Policy**

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

At 31<sup>st</sup> March 2017, total reserves held were £7,021,019 (2016 £7,149,837). Of this amount £2,816,920 (2016 £2,874,652) was restricted capital funds. The balance of unrestricted reserves £4,204,099 (2016 £4,275,185) comprise of designated funds of £1,029,000 (2016 £2,120,000), free reserves of £1,903,862 (2016 £1,487,472) and £604,094 (2016 £667,713) relating to fixed assets.

### **Investments**

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

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

The performance of the investments in 2016-17 has seen an increase in fund growth of 12.79% from £1.7m to £1.9m and income received of £82,000 which has been used to further the charity's overall objectives.

### **Key Risk and Uncertainties**

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

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2017**

### **Internal Controls and Risk Management**

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

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

### **Plans for the Future**

Actes has agreed the following Strategic Objectives to be achieved by March 2020. These objectives are also the keys to success.

1. Actes will be delivering services within and beyond the Tees Valley.
2. Actes will be a sustainable and thriving charitable company that invests in the communities it serves by securing funds to meet its business objectives.
3. Actes aims to be recognised for providing high quality, best value services and facilities to meet its stakeholder needs.
4. Actes will build its reputation and relationships with new clients and customers to expand its range of services.
5. To be an employer of choice evidenced by a commitment to continuous staff development, increased employee motivation and retention.
6. To develop and promote the Actes brand so that it is recognised as synonymous with our core values.

Crucial to its growth in the next three years will be its ability to identify and collaborate with like-minded organisations. In recent years Actes has successfully reduced its dependency on a single market, but to continue to grow it will have to expand the reach of its operations potentially beyond Tees Valley, and also break into new supply chains; for example by developing new services or delivering existing services in new locations. One of the key areas of development for the Charity over the next year is to tailor our existing services to meet the needs of veterans of the armed forces. While veterans form part of the wider client group the Charity recognises that additional specific support is often required.

The opportunity afforded to the charity is therefore to establish its brand and service offer with potential buyers throughout the region both as a direct supplier and recognised lead in service delivery. Actes has already embarked upon this journey by delivering in a number of new areas but will need to continue to build upon its business strengths which include;

- a reputation for high quality delivery, innovation and flexibility,
- experienced, committed and technically qualified staff,
- board and stakeholder engagement in shaping its services to realise its strategic objectives.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2017**

### **Plans for the Future (continued)**

In order to achieve this growth, Actes has developed its business model to encompass three key areas of activity which it has classified into independent Business Units. These Units are:

1. Facilities; which comprises the Acklam Green Centre, Resource Centre, and 10 lettable houses in West Middlesbrough.
2. Client Led Services; which consolidates the delivery of engagement, employability, welfare and debt advice services to young people and adults. Funded through a mix of grant support and fee income, services in this Unit will change over time in response to client needs.
3. Management and Administration; essentially core organisational costs, this Unit includes recruitment, staff development, salaries and staff expenses, and all costs in relation to head office.

Structuring the business in this way enables similar activities to be grouped together to enable efficiencies to be driven through the charity by the adoption of common and consistent practices. Our ambitions for these Units are that by March 2020;

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

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

In order to support the growth of the Charity in terms of decision making and allow staff to be fully responsive to the needs of our clients, the board has taken the decision to redesign the information network. Over the next year Actes will be implementing Microsoft Office 365 which will allow the sharing of live documents and be completely portable allowing staff to work securely from any space which has access to wifi. This will enable staff to be more efficient in terms of having access to all records while meeting clients in the venue they find most comfortable. Following on from the implementation of Office 365, the charity plans to develop a bespoke CRM system to allow easier reporting of targets and activity along with the ability to look at emerging trends.

# **ACTES TRUST COMPANY LIMITED BY GUARANTEE**

## **THE TRUSTEES' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2017**

### **Trustees' Responsibilities**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**THE TRUSTEES' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2017**

**Statement of disclosure of information to auditors**

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

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

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

Registered office:

99 Acklam Road  
Middlesbrough  
TS5 5HR

Signed by order of the trustees



Geoff Payne  
Company Secretary

Approved by the trustees on 1<sup>st</sup> August 2017

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

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

**YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of ACTES TRUST for the year ended 31<sup>st</sup> March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the statement of Trustees' Responsibilities 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

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

**YEAR ENDED 31 MARCH 2017**

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2017, 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual 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 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

*Baldwin*

*Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)*  
*For and on behalf of Baldwins Audit Services Ltd, Statutory Auditor*  
11<sup>th</sup> September 2017

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

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

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

	Note	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total 2017 £	Total 2016 £
<b>Income from:</b>						
<b>Donations and legacies</b>						
Donations		95	-	-	95	72
<b>Income from Charitable activities</b>						
Grants received	2a	-	568,313	-	568,313	379,854
<b>Income from other trading activities</b>						
Activities for generating funds	2b	403,259	-	-	403,259	363,734
Rental income		46,728	-	-	46,728	44,746
<b>Income from Investments</b>						
Interest receivable and similar income		82,445	-	-	82,445	84,927
<b>Other income</b>						
Other Income	20	9,054	-	-	9,054	31,550
<b>Total income</b>		<b>541,581</b>	<b>568,313</b>	<b>-</b>	<b>1,109,894</b>	<b>904,883</b>
<b>Expenditure:</b>						
<b>Expenditure on Raising funds</b>	3	394,893	1,858	-	396,751	372,396
<b>Expenditure on Investment Management</b>	3	20,617	-	-	20,617	29,101
<b>Expenditure on Charitable Activities</b>	3	417,630	566,455	57,732	1,041,817	960,110
<b>Other expenditure</b>	21	-	-	-	-	79,587
<b>Total expenditure</b>		<b>833,140</b>	<b>568,313</b>	<b>57,732</b>	<b>1,459,185</b>	<b>1,441,194</b>
<b>Net gains/(losses) on investments</b>	13	220,473	-	-	220,473	(114,433)
<b>Net income/(expenditure)</b>		<b>(71,086)</b>	<b>-</b>	<b>(57,732)</b>	<b>(128,818)</b>	<b>(650,744)</b>
<b>Transfer between funds</b>	13,14,15	-	-	-	-	-
<b>Net movement in funds</b>		<b>(71,086)</b>	<b>-</b>	<b>(57,732)</b>	<b>(128,818)</b>	<b>(650,744)</b>
<b>Reconciliation of funds:</b>						
Balance at 1 <sup>st</sup> April 2016		4,275,185	-	2,874,652	7,149,837	7,800,581
Balance at 31 <sup>st</sup> March 2017		<b>4,204,099</b>	<b>-</b>	<b>2,816,920</b>	<b>7,021,019</b>	<b>7,149,837</b>

The notes on pages 21 to 30 form part of these accounts.

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

AS AT 31 MARCH 2017

	Note	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible assets	7	3,421,014	3,542,365
Investment in subsidiary		1	1
Property Investment	8	790,000	790,000
Investment - Schrodgers	8	1,943,693	1,723,220
<b>Total Fixed Assets</b>		<b>6,154,708</b>	<b>6,055,586</b>
<b>Current Assets</b>			
Debtors	9	217,209	97,388
Cash Investment	8	-	391,843
Cash at bank and in hand		837,514	812,040
<b>Total Current Assetss</b>		<b>1,054,723</b>	<b>1,301,271</b>
<b>Liabilities</b>			
Creditors falling due within one year	10	(188,412)	(207,020)
<b>Net current assets</b>		<b>866,311</b>	<b>1,094,251</b>
<b>Net Assets</b>		<b>7,021,019</b>	<b>7,149,837</b>
<b>The funds of the charity:</b>			
<b>Unrestricted income funds</b>			
General Funds	13	2,507,956	1,708,515
Designated Funds	13	1,029,000	2,120,000
Revaluation Reserve	13	667,143	446,670
<b>Total Unrestricted Funds</b>		<b>4,204,099</b>	<b>4,275,185</b>
<b>Restricted Income Funds</b>	14	-	-
<b>Restricted Capital Funds</b>	15	2,816,920	2,874,652
<b>Total charity funds</b>		<b>7,021,019</b>	<b>7,149,837</b>

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

Approved by the trustees and authorised for issue on 1st August 2017



Sharon Stutterd



Geoff Payne

Company Number – 4345294

The notes on pages 21 to 30 form part of these accounts

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
STATEMENT OF CASH FLOWS  
YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities;</b>			
<b>Net cash provided by (used in) operating activities</b>	<b>22</b>	<b>(495,542)</b>	<b>(481,793)</b>
<b>Cash flows from investing activities:</b>			
Dividends, Interest and rents from investments		129,173	129,673
Purchase of property, plant and equipment		0	(7,766)
<b>Net cash provided by (used in) investing activities</b>		<b>129,173</b>	<b>121,907</b>
<b>Increase (decrease) in cash and cash equivalents in the year</b>		<b>(366,369)</b>	<b>(359,886)</b>
Cash and cash equivalents at the beginning of the year		1,203,883	1,563,769
<b>Total cash and cash equivalents at the end of the year</b>	<b>23</b>	<b>837,514</b>	<b>1,203,883</b>

The notes on pages 21 to 30 form part of these accounts.

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

**Income recognition**

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

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

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

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

**Expenditure recognition**

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

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

**Fixed assets**

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

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES (*continued*)**

**Depreciation**

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

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

**Investments**

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

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

**Financial instruments**

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

**Taxation**

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

**Going Concern**

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

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2017**

**1. ACCOUNTING POLICIES (*continued*)**

**Fund Accounting**

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

**Pension Contributions**

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

**Transfer between Funds**

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

**Irrecoverable VAT**

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

**Judgements and key sources of estimation uncertainty**

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

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

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

**ACTES TRUST  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2017**

<b>2a GRANTS RECEIVABLE</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Big Lottery Grant - Improving Financial Confidence	118,012	135,380
Big Lottery Grant - Communities Living Sustainably	537	27,022
Big Lottery Grant - Talent Match	80,290	64,920
Big Lottery Grant - Fulfilling Lives:Ageing Better	97,915	37,913
Big Lottery Grant - Our Bright Future	36,243	340
Big Lottery Grant- Help Through Crisis	22,788	-
Big Lottery Grant - Awards for All	8,400	-
European Social Fund - Youth Employment Initiative	114,930	-
Middlesbrough Council	36,373	57,413
Ministry of Justice - Prison Reform	22,990	-
DWP Grant	-	27,851
Other Grants	29,835	29,015
	<b>568,313</b>	<b>379,854</b>

The grants received were the only restricted Income received in 2017 and 2016

<b>2b ACTIVITIES FOR GENERATING FUNDS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Facilities - Room Hire	138,982	108,065
Facilities - Office Rental	48,782	43,854
Facilities - Café & Catering	60,977	42,275
Facilities - Sports Pitch Hire	32,269	34,265
Facilities - Other Income	1,791	3,424
Client Led Services - Market Yourself	72,450	96,450
Client Led Services - Benefit Take Up Campaign	19,409	25,077
Client Led Services - Headstart	23,847	-
Client Led Services - Help2work	4,752	8,074
Client Led Services - Job Club	-	2,250
	<b>403,259</b>	<b>363,734</b>



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

**YEAR ENDED 31 MARCH 2017**

<b>3 RESOURCES EXPENDED</b>	<b>Generating Funds</b>	<b>Investment Management</b>	<b>Charitable Activities</b>	<b>Other Expenditure</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>	<b>£</b>
Direct costs - Other	96,735	10,710	105,727	-	213,172	193,596
Direct costs - Staffing	212,742	4,208	349,986	-	566,936	506,821
Administration costs	85,750	5,699	71,709	-	163,158	153,058
Staffing and related costs	1,524	-	348,451	-	349,975	333,699
Audit and related costs	-	-	9,000	-	9,000	9,000
Depreciation	-	-	121,351	-	121,351	125,901
Grants to organisations	11	-	-	-	-	15,613
Irrecoverable VAT	-	-	35,593	-	35,593	23,920
Acklam Green Roof	-	-	-	-	-	79,587
<b>Total 2017</b>	<b>396,751</b>	<b>20,617</b>	<b>1,041,817</b>	<b>0</b>	<b>1,459,185</b>	<b>1,441,194</b>
<b>Total 2016</b>	<b>372,396</b>	<b>29,101</b>	<b>960,111</b>	<b>79,587</b>	<b>1,441,194</b>	

The £1,441,194 from 2016 comprises Unrestricted funds £1,003,608, Restricted Funds £379,854 and Capital funds £57,732

Grants to Organisations – This includes grants provided up to a maximum of £1000 per applicant for community based projects.

**4 NET OUTGOING RESOURCES FOR THE YEAR**

Net outgoing resources for the year is stated after charging/crediting:	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Directors'/Trustees' emoluments	-	-
Depreciation of owned fixed assets	121,351	125,901
Unrealised Gain/(Loss) on Investments	220,473	-114,433
Auditor's remuneration		
- as auditor	7,000	7,000
- other services	2,000	2,000

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

**YEAR ENDED 31 MARCH 2017**

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

The average monthly head count was 48 staff (2016: 46) and the average number of full time equivalent employees and workers (including casual and part-time) during the year were as follows:

	2017	2016
Number of administrative staff	32	28
Number of management staff	6	7
	<u>38</u>	<u>35</u>

The aggregate payroll costs of the above were:

	2017	2016
	£	£
Wages and salaries	829,370	764,688
Social Security costs	61,983	57,534
Employers Pension Contributions	4,701	2,486
	<u>896,054</u>	<u>824,708</u>

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

The charity trustees were not paid or received any other benefits during the year (2016:£nil) neither were they reimbursed any expenses during the year (2016:£nil)

The key management personnel comprise the trustees, the Chief Executive, Operations Director, Head of Finance, and Business Manager of Actes Trust. The total employee benefits of the key management personnel of the Trust were £200,412 (2016: £201,188)

**6 TAXATION**

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

**7 TANGIBLE FIXED ASSETS**

	Freehold Property £	Equipment £	Total £
<b>COST</b>			
At 1 April 2016	5,098,448	117,302	5,215,750
Additions	0	0	0
Disposal	0	0	0
<b>At 31 March 2017</b>	<u>5,098,448</u>	<u>117,302</u>	<u>5,215,750</u>
<b>DEPRECIATION</b>			
At 1 April 2016	1,568,033	105,352	1,673,385
Charge for the year	115,655	5,696	121,351
On Disposal	0	0	0
<b>At 31 March 2017</b>	<u>1,683,688</u>	<u>111,048</u>	<u>1,794,736</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>3,414,760</u>	<u>6,254</u>	<u>3,421,014</u>
At 31 March 2016	<u>3,530,415</u>	<u>11,950</u>	<u>3,542,365</u>

# ACTES TRUST COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 MARCH 2017**

<b>8 INVESTMENTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Multi-Asset - Schroders	1,943,693	1,723,220
Cash Management - Schroders	-	391,843
Investment - Properties	790,000	790,000
	<u>2,733,693</u>	<u>2,905,063</u>

The Multi-Asset investment is held primarily to provide an investment return for the charity. It is stated at Fair Value as at the Balance Sheet date. There has been an increase of £220,473 which has been allocated to the revaluation reserve. Cash Management is cash held in deposit accounts with Schroders. The remainder has now been transferred to cash at bank. Investment Properties are shown at the Fair Value as at the last Independent valuation which was carried out in 2015.

<b>9 DEBTORS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Debtors - Charitable activities	79,199	71,873
Prepayments and accrued income	138,010	25,515
	<u>217,209</u>	<u>97,388</u>

<b>10 CREDITORS: Amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Creditors – suppliers	22,400	16,099
Other taxation and social security	27,627	27,376
Other creditors	5,615	3,797
Accruals and deferred income	132,770	159,748
	<u>188,412</u>	<u>207,020</u>

Deferred Income includes the following grants - awarded by Big Lottery Funds - Talent Match Fund £4,291 and Our Bright Future £1000. Awarded by Virgin Money £24,159. Awarded by Ministry Of Justice £56,820

<b>11 GRANTS TO ORGANISATIONS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Social/Regeneration</b> - Uchoose grants	-	15,613

Grants to assist the community with social & regeneration projects within West Middlesbrough.

<b>12 ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>	<b>Unrestricted</b>	<b>Capital</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	604,094	2,816,920	3,421,014
Investments - Properties	790,000	-	790,000
Investments - Other	1,943,694	-	1,943,694
Net Current Assets	866,311	-	866,311
	<u>4,204,099</u>	<u>2,816,920</u>	<u>7,021,019</u>

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

<b>13 UNRESTRICTED FUNDS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Balance brought forward	1,708,515	2,580,094
Net Resources Expended before Investment Revaluations	(291,559)	(478,579)
Transfers to/from Restricted Capital Funds	-	(333,000)
Transfer from Designated Fund	1,091,000	(60,000)
	<hr/>	<hr/>
Balance carried forward	2,507,956	1,708,515
<b>DESIGNATED FUNDS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Sports Pitches	140,000	100,000
Acklam Green Centre	573,000	1,280,000
Resource Centre	176,000	600,000
Houses	100,000	100,000
Vehicles	20,000	20,000
Redundancies	10,000	10,000
Disposals - Legal Fees	10,000	10,000
	<hr/>	<hr/>
	1,029,000	2,120,000
<b>REVALUATION RESERVE</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Balance brought forward	446,670	561,103
Unrealised Gain/(Loss) on Investments	220,473	(114,433)
Unrealised Gain/(Loss) on Investment Properties	0	0
	<hr/>	<hr/>
Balance carried forward	667,143	446,670
	<hr/>	<hr/>
<b>TOTAL OF UNRESTRICTED FUNDS</b>	<b>4,204,099</b>	<b>4,275,185</b>

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

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

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

<b>14 RESTRICTED FUNDS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Balance brought forward	-	-
Funds received in year	568,313	379,854
Expenditure in year	(568,313)	(379,854)
	<hr/>	<hr/>
Balance carried forward	-	-
	<hr/>	<hr/>
<b>15 CAPITAL FUNDS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Balance brought forward	2,874,652	2,599,384
Depreciation	(57,732)	(57,732)
Transfer from/to Unrestricted Funds	-	333,000
	<hr/>	<hr/>
Balance carried forward	2,816,920	2,874,652
	<hr/>	<hr/>

The transfer between Capital funds and unrestricted funds represents movements in fixed assets. The Board considers that the restrictions of these assets is still in place after further investigation. The balance carried forward represents the Acklam Green Centre and Sports Pitches

**16 COMPANY LIMITED BY GUARANTEE**

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

**17 SUBSIDIARY COMPANY**

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

**18 RELATED PARTY TRANSACTIONS**

There were no transactions with related parties during the year.

**19 CAPITAL COMMITMENTS**

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

**20 OTHER INCOME**

This includes a one off Lease Premium of £8,500.

**ACTES TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**21 OTHER EXPENDITURE**

This relates to expenditure for repairing the Acklam Green Centre Roof. This occurred due to storm damage (high winds) which revealed a catastrophic failure of the roofs brackets on its overhang. Therefore the overhang had to be removed and replaced with robust edging and it is not foreseen that it could happen again.

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

	2017 £	2016 £
<b>Net income/(expenditure for the reporting period (as per the statement of financial activities)</b>	<b>(128,818)</b>	<b>(650,744)</b>
<b>Adjustments for:</b>		
Depreciation charges	121,351	125,901
(Gains)/Losses on investments	(220,473)	114,433
Dividends, interest and rents from investments	(129,173)	(129,673)
Loss/(profit) on the sale of fixed assets	0	2,586
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(119,821)	30,032
Increase/(decrease) in creditors	(18,608)	25,672
<b>Net cash provided by (used in) operating activities</b>	<b>(495,542)</b>	<b>(481,793)</b>

**23 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £	2016 £
Cash in hand	837,514	812,040
Notice deposits (less than 3 months)	-	391,843
Overdraft facility repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<b>837,514</b>	<b>1,203,883</b>