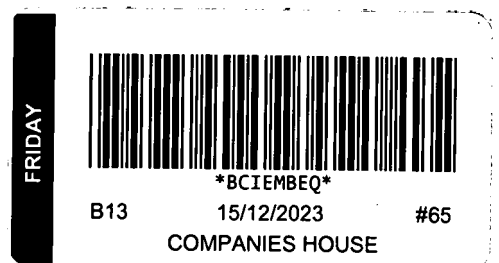


ACTES TRUST
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2023

Company Number : 4345294

Registered Charity Number : 1122223



**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023**

CONTENTS	PAGE
The Trustees' report	3
Independent auditor's report to the members	20
Statement of Financial Activities	25
Balance sheet	26
Statement of Cash Flows	27
Notes to the financial statements	28

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

THE TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2023

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2023.

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: Paul Wales

Deputy Chief Executive: Anne Davies

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
Charlie Rooney		13.07.2010	
Geoff Payne	Chair from 05.02.19	25.01.2007	
Sharon Stuttard		17.11.2008	
Helen Dudiack		04.02.2020	
Michael Barber		09.11.2021	

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

THE TRUSTEES' REPORT*(continued)*

YEAR ENDED 31 MARCH 2023

Auditors	Anderson Barrowcliff 3 Kingfisher Court Bowesfield Park Stockton-on-Tees TS18 3EX
Bankers	National Westminster Bank PLC PO Box 352 Brampton Road Newcastle under Lyme ST5 0QX
Solicitors:	Womble Bond Dickinson 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 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Introduction from the Chair

2022/23 has seen the organisation recover from the impact of Covid19 and with staffing levels continuously reviewed ensure Actes is efficient and effective in its delivery of its charitable community-based services and activities.

The ever-changing funding landscape remains challenging and extremely competitive with limited opportunities and the Charity ended the year showing a loss. Income has increased compared to previous years as the organisation starts to see the benefits of operations returning to pre-pandemic levels. However, this has been offset by the increase in costs across all areas of the business in particular utilities.

Throughout 2022/23 the Charity facilities continued to provide high quality rental space, supporting a local secondary school and NHS services (mental health), local businesses, sports, and community related activities. Room bookings and usage at both centres have increased compared with the last few years and pricing reviews are carried out annually resulting in an increase of income and the centres reputation continues to grow.

Currently the Charity still retains its properties which are let to tenants providing an income stream, but property management is not a core activity. During this year some progress had been made in looking to dispose of the housing stock, which was unsuccessful however, the intention is to progress with the sales to reinvest the sales proceeds into core activities.

While the financial aspect of the business is disappointing, the Charity has continued to grow its reputation and recognition for the services we provide, along with developing new and strengthening existing partnerships.

We have continued to provide our services to support those furthest from the labour market, those that have complex and multiple barriers, alongside our accredited and non-accredited training programmes. The organisation also continues to maintain its quality standards in Customer Service Excellence and Matrix accreditation.

Actes client support services continue to provide direct support to beneficiaries, and we deliver this through outreach, location-based provision, diverse communities, young people, and schools. This year has also seen the charity secure funding to deliver one to one support for ex-offenders to allow them to better understand how disclosure of their convictions should be handled. This is to enable them to progress within the area of employment.

The focus of the Charity remains, supporting clients in achieving their goals. In ensuring that beneficiaries are not disadvantaged the board authorised the use of the reserves to provide continued support.

Through support from an Intern provided by Teesside University we have increased our social media profile across the organisation to further promote our projects and to engage with beneficiaries. There has also been a more focused approach on promoting the facilities to increase capacity.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2023

During this year the trustees remain focused, approving the charities annual and three-year business plan along with approving a large capital investment in the replacement of its 3G sport pitch.

I would like to thank the board of trustees for their continued commitment, their time and support during the year and on behalf of them all I would like to thank the staff team for their dedication and hard work to ensure our continued growth and for their professionalism through continued challenging times, ensuring that the beneficiaries of the Charity continue to receive our support.

Geoff Payne - Chairman of the Board

Structure, Governance and Management

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

The Board of Trustees:

- Sets the policies 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 annual and strategic delivery plan for ACTES activities;

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 register reviewed quarterly.

One of the major risks for Actes is the reduction in funding opportunities at this time and the inability to fully cover overhead expenditure within grants. In managing this risk, Actes continually reviews its operating model to ensure expenditure is under control and within budgetary limits. In addition, Actes continually reviews its staffing structure to ensure it is not only fit for purpose but also efficient, effective and affordable. This will be an on-going process for the charity to ensure long term sustainability.

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.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2023

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 Deputy Chief Executive, Team Leaders and all other staff.

The Board meets a minimum of 4 times per year.

Setting Pay and Remuneration

The Board are responsible for setting the remuneration of the Chief Executive Officer and the Deputy Chief Executive Officer. The Board take into account similar roles in comparative organisations in determining the salary levels and seek external advice. The Chief Executive officer is responsible for setting the remuneration level for all other staff again benchmarking against similar roles within comparative organisations.

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 reported.

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 developing its services in supporting with reducing reoffending 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 operates mainly within the Tees Valley.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2023

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 periodically. The Articles of Association are reviewed periodically to ensure that recent legislation is incorporated where required.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 MARCH 2023

Achievements and Performance

Climate Action Middlesbrough

Climate Action Middlesbrough (CAM) aims to facilitate reductions in Middlesbrough's carbon footprint and encourage a change towards more sustainable lifestyles. Our aims and objectives

- To facilitate reductions in Middlesbrough's carbon footprint.
- To create a well-informed social movement supportive of tackling the climate crisis, through the combination of education, awareness-raising, increased involvement and connectedness and delivery of practical projects.
- To create a community – led movement for social change towards a sustainable environment.
- To enable communities to have a voice on addressing the changing climate.

The project is led by Middlesbrough Environment City (MEC) with a range of partners, Linx, Tees Valley Wildlife Trust, The Other Perspective (TOP) and Actes.

Actes leads on youth engagement as well as wider community engagement including training. Some highlights during this financial year:

Young person engagement and activities:

- Delivery of Actes CAM Peer Mentor Course to **30** young people
- Youth Forums held – one project was a Ukraine Shoe Box appeal made up of sustainable items.
- 'Help our Homes' booklet developed for schools.
- Food Waste assemblies delivered in schools.
- Delivered workshops to young people through the Holiday Activity Fund.
- Engaged with **820** young people engaged around CAM.
- **139** CAM questionnaires completed by young people and analyzed for awareness campaigns.
- Engaged with **7** Schools.

Wider Community Engagements

The Climate Action Forum continues to meet monthly increasing forum members by 14 this year. Meeting topics included subjects on Bee's and their impact on the environment, Sustainable Architecture as well issues around recycling, transport, engagement, and consumption of energy.

Engagement with the communities and community organisations spreading awareness of the recycling process and its importance as well as other climate action topics. Regular litter picking and education sessions across Middlesbrough resulting in recycling increase.

- Beneficiaries taking part in our project activities	612
- Volunteers that have taken part in your project	80
- Number of Community Organisations engaged with	30

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2023

Achievements and Performance (continued)

Unclaimed Benefit Take-up Campaign

The Unclaimed Benefit Campaign/HUB Service funded by Middlesbrough Council continues to support residents from across Middlesbrough. The partnership involving Citizen Advice Bureau (lead), Age UK, Cleveland Housing Advice Centre (CHAC), Welfare Right (MBC) and Actes delivers the evaluation of the programme.

The support service extended its remit and established in more dedicated community facilities across the town ensuring it reached more residents in need of support. Clients wanting support get appointments with specific dates and times as well as. Advisers provide support across a large spectrum of benefit areas, during this delivery period the main areas of support related to Personal Independent Payments (PIP), Universal Credit (UC), Pension Credits (PC), Attendance Allowance (AA) and Employment Support Allowance (ESA).

Between April 2022 to March 2023

- Advised **1,253** people of those 55% (female), 41% (male) and 4% (gender not specified).
- The estimated amounts of benefit that could have potentially been claimed during this period is **£5,214,790.10** – (amounts are calculated by multiplying the weekly values by 52 weeks).

Local economic development: the contribution made by benefits/welfare rights advice applying a multiplier developed by the New Economics Foundation, Ambrose and Stone conclude financial gains through advice and support should have a multiplier effect of 1.7 (viewed as a conservative estimate) applied, therefore the value to the local economy would be: **£8,865,143.10**.

Work IT Out

Actes continued to work with Hartlepool College of Further Education (HCFE) to delivery an Employability accredited programme which we package up as the 'Work IT Out' course, this was funded through their Adult Skills Budget. Actes works closely with Job Centre Plus taking referrals from Middlesbrough, Stockton, and East Cleveland.

Delivery numbers were greatly impacted this year due to a lack of referrals (Jobcentre plus) and the non-requirements for claimants to be proactive whilst claiming benefits. This was experienced by many delivery organisations. During the academic delivery for 2022 our provision was delivered to **48** eligible clients. Due to funding constraints and bringing a lot of provision back in house Hartlepool College FE did not offer a contract post August 2022.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2023

Achievements and Performance (continued)

Past, Present & Your Future

The course is aimed at ex-offenders to provide them with a better understanding of their offences, what they should disclose and how they should disclose offences. We will also work with clients to assist them moving forward into further training or employment.

Funding for delivery was secured through ESF Community Grants as a pilot programme. The programme achieved the following against the targets:

- Deliver programme to 16 eligible clients – **22** achieved.
- Progress into employment - **2** achieved.
- Progress into education/training - **4** achieved.

New Directions Programme

This programme is a Tees Valley wide Youth Employment Initiative (YEI). It is a partnership project involving New College Durham (lead), Thirteen Group, Beyond Housing and Actes, funded by European Social Fund and match funded through Tees Valley Combined Authority.

Actes delivery is concentrated in the challenging areas of the Tees Valley (Middlesbrough & Stockton) and is focused on working with short and long-term unemployed people aged 15-29.

Actes currently utilises social media platforms Facebook, Instagram, LinkedIn and Twitter to promote the programme and to raise Actes' online presence and this is done through the creation and promotion of opportunities (through networking with other organisations) as well as the creation of easy-to-digest employability-related social media content.

Presently, Actes has over 1,000 followers on Facebook and posts out content on a regular basis and our content reaches around 8,000 – 10,000 local Facebook users per month, however, due to the programme coming to an end in July, we started to reduce the number of posts on this platform earlier this year as we turned our focus towards project closure.

Since the start of YEI delivery phase 2 in January 2019, the programme has gained 1129 referrals, and Facebook has by far and away been the most prominent referral route, accounting for 451 of the 1129 total referrals. As a comparison, Job Centre referrals account for 237 of the 1129. In addition, most of our Facebook referrals were gained from the start of the pandemic onwards, due to Actes looking for alternative referral sources due to JCP temporarily closing at the start of lockdown.

During 2022/2023, Actes achieved:

- Referrals: **157**
- Sign Ups: **60**
- Interventions: **30**
- Outcomes: **15**

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2023

Achievements and Performance (continued)

Firm Foundations - Middlesbrough

The Big Lottery Help through Crisis programme draws on the strengths and personal experiences of people facing hardship so that they can overcome immediate difficulties and be ready for opportunities and challenges ahead.

This programme continued to impress the Lottery with its approach, delivery model and results and Actes worked in partnership with Middlesbrough and Stockton Mind and were successful in securing additional funding for a further two years delivery of Firm Foundations in Middlesbrough. Phase 2 of the Firm Foundations started in April 2022.

The project receives referrals from a range of sources including Social Services, Access Team, Stronger Families, Public Health, My Sisters Place, Impact, and the Social Prescribing Service. Self-referrals are also received directly from clients or via the admin team. Below is an extract from a report produced by MIND that gives a snapshot of work carried out by the team.

The team have made **1903** contacts, including **307** face-to-face appointments with clients. **672** hours have been spent with clients and **75** hours meeting with third parties or professionals to ensure that a whole collaborative approach to care has been followed.

The Firm Foundations team has managed to support clients, directly and indirectly who have been awarded PIP, apply for additional benefits, write off gas and electric bills and council tax refunds.

- £63,673 awarded in PIP claims.
- £35,852 in unclaimed benefits
- £600 written off from a gas and electric bill.
- £1,111 refund for council tax
- £800 water rates
- £4,340 wrote off debts.
- £2,461 written off for a council tax bill.

In total **£108,697** of additional gains for residents of Middlesbrough.

100% of clients who have completed initial and review outcome stars, improved in managing their money better.

95% of clients who have completed initial and review WEMWBS, improved in their wellbeing'.

The project has also been working with National Mind, contributing to a research project around 'poverty' and the different ways this affects people and impacts their day-to-day living.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT_(continued)

YEAR ENDED 31 MARCH 2023

Achievements and Performance (continued)

Peer Action Collective (PAC)

The Youth Endowment Fund – Peer Action Collective is a Peer Research Programme running nationwide across 9 regions in England and one in Wales. The aim of this project is for Peer Researchers to investigate youth violence in their communities; with the aim that this will then be used to and produce social action projects.

Actes are one of 12 delivery partners (each recruiting and hosting a peer researcher) from the North-East region and covers urban, rural, and coastal areas. The first part of the project has been engaging young people to gather their views and a series of social action projects will be delivered within communities by young people.

This year saw the project concluding with our work in the summer training young people as 'changemakers', who carried out an art based social action project (with a professional artist) based on racism as their social action project. The work was showcased at the Baltic (Newcastle) alongside all the other regional projects.

Actes exceeded all required targets on this programme, and we achieved the following:

- Engaged and work with 20 young people – **25** achieved.
- Train 15 young as 'changemakers' - **23** achieved.
- Delivery a Social Action Project - **1** project delivered.

Although the project is complete, we continue to use the picture to work with schools, colleges, and wider groups to raise the profile of the subject of racism.

Facilities

The facilities business unit comprises the Acklam Green Centre, the Resource Centre, and the rentable properties.

Over the course of 2022/23 activity returned to pre-covid levels and there was an increase in prices across the sites. During this time the two centres achieved generated income from external sources of £352k and internal sources £9k. The centres also received a grant from the Department of Working Pensions Kickstart programme (£15k), which was used to support and create staff posts.

The rental properties brought in £45k which is in line with budgets and the previous year.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2023

Financial Review

In the financial year ended 31st March 2023, total income was £740,580 (2022 £740,792).

Total expenditure for the financial year was £939,860 (2022 £919,561).

The principal funding sources of income to Actes during the year were provision of recreational facilities, room hire and catering income of £351,469, investment and rental income of £107,630, client led services contract income of £1,650, client led services generated income £9,510, client led services grants of £252,495 and grants in relation to supporting and creating staff posts £14,922.

The financial year 2022/23 has been challenging overall, but although there were difficulties the charity also saw some positives. The facilities business unit, which has been greatly impacted by the restrictions in previous years due to Covid-19, performed well during the year with income up by 27%. This was also supported by the DWP Kickstart grants programme creating additional roles. Grant income has fallen again as some projects finished during the year and others started to have reduced activity. New funding streams continued to be difficult to access due to increased competitiveness as more charities were bidding for the same grants. The charity continued to strengthen partnerships and explore new ones to increase its chances of success. The main part of the UK Prosperity Fund, which replaces EU funding was delayed, but the smaller element "Multiply" was released in the later part of the year which Actes is now part of. Changes to the Skills Funding Agency funding resulted in the non-renewal of a long-term contract with a local college, but this allowed other provisions to be explored and expanded. Working alongside the local university the charity was successful in securing a part-funded intern with marketing qualifications to review and upgrade social media presence across all areas of the business. Investments continued to be volatile throughout the year, but income received was on target at 4%. Rental income remained static as all eight properties were fully occupied 100% for the year.

The operating deficit for the year was £199,280 which was a slight increase of 11% compared with 2021-22. There was a decrease in the market value of the multi charity investment of £121,405 as at the year end, which was slightly offset by a revaluation of the investment properties which resulted in a gain of £80,000 and the profit on disposal of a piece of unused land of £7,402. Therefore, total reserves have reduced by £233,283.

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

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 charity's objectives during times when the funding streams of the charity are not certain or when the income levels fall significantly.

At the 31st March 2023, total reserves held were £4,542,736 (2022 £4,776,019). Of this amount £1,714,046 (2022 £1,805,751) was restricted capital funds. The balance of unrestricted reserves £2,828,690 (2022 £2,970,268) comprise of designated funds of £574,717 (2022 £959,000), free reserves of £1,223,096 (2022 £945,963) which includes the revaluation reserve £388,450 (2022 £308,450), and £1,030,877 (2022 £1,065,305) relating to fixed assets.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT^(continued)

YEAR ENDED 31 MARCH 2023

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 board receive an update from the investment manager reviewing its performance on a quarterly basis and in addition to this if there is major market change.

During 2022-23 the charity did not make any withdrawals from the investment to assist with cashflow. After taking this into account the performance of the investments in 2022-23 has seen a decrease in funds market value of 8% giving a year-end position of £1.38m. The income received during the year was £61,000 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 and budgets continue to have a major impact on the way that the charity operates. The implementation of the Prosperity Fund which replaces European funding will be significantly less and has been further delayed which will impact on the charity's key delivery of services. As former public services are contracted out, they are commissioned in such a way that staff, TUPE obligations and delivery risks are transferred to potential suppliers. This is combined with the requirement for potential suppliers to demonstrate a strong track record in service areas and to meet high financial thresholds to pass contract eligibility criteria. This has presented barriers for market entry into new areas. 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 2023

Plans for the Future

Actes has agreed the following Strategic Objectives to be achieved by March 2026.

1. Actes will be a sustainable and thriving charitable company by delivering services within the Tees Valley area.
2. Actes will build its reputation, brand and relationships with new clients and customers to expand its range of services that adds value to its core deliverables.
3. Actes aims to be recognised for providing high quality, best value services and facilities to meet its stakeholder needs.
4. To be an employer of choice evidenced by a commitment to continuous staff development, increased employee motivation, well-being and retention.
5. Actes will ensure its data processing, storage and technology keeps in line with current digital transformation to remain competitive within the sector.
6. Actes will reduce its carbon footprint to recognise and reduce the impact of climate change.

Achieving these objectives will be our key to long term sustainability and success. The Board however recognise that the effects of the changes in funding available due to Brexit and the reduced Prosperity Fund will most likely have an impact on these timescales. The annual business plan which sets out how these objectives will be achieved is reviewed mid and full term by the board.

Actes continues to explore grant and partnership opportunities and tender for funding to facilitate change. It has developed strong working relationships with a wide range of partners (including Charities) such as DWP, HMPPS, local authorities, Public Health, The National Lottery Community Fund, Universities and Colleges, and other charitable and voluntary organisations and will continue to explore new beneficial relationships.

At the end of 2022/23 Actes further extended its networks by being involved with LocalMotion bringing a range of voluntary sector providers together to build a social, economic, and environmental justice movement, by communities, for communities. Actes is also positioning itself with other strategic partners through key groups such as Middlesbrough's Childrens Trust, Middlesbrough's Young Persons Health and Wellbeing Board, Middlesbrough's Financial Inclusion Group and Catalyst Stockton.

Actes has a range of accredited and non-accredited programmes, focussed on specific needs, or required areas of support. We continue to concentrate on exploring access to DWP's and other government bodies various portals with the access funding available to be able to deliver these programmes.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT *(continued)*

YEAR ENDED 31 MARCH 2023

Plans for the Future (continued)

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

1. Client Led Services; which consolidates the delivery of coaching, information, advice and guidance, training, support and case management 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 social needs.
2. Facilities; which comprises the Acklam Green Centre, Resource Centre, and currently 8 lettable houses in the western corridor of Middlesbrough, funded through room and space hire, catering and events, long/short-term leases and rental income.
3. Management and Administration; this Unit includes all governance and management systems, core organisational functions, and all activities in relation to 99 Acklam Road. It is funded by income from the Facilities and Client Led Services business units and reserves.

Structuring the business in this way enables similar activities to be grouped together. This enables efficiencies to be introduced throughout the charity by the adoption of common and consistent practices.

Our ambitions for these Units are that by March 2026:

1. Client led services will continue to develop in response to social priorities, opportunities and client needs and deliver to a high standard in appropriate settings.
2. Our facilities, Acklam Green Centre and Resource Centre, will be sustainable independently and collectively, returning operational surpluses to be reinvested into our charitable objectives delivered through our client led services, and the disposal of the houses is complete.
3. Our management and administration costs will be streamlined and fully recoverable through the preceding business units.
4. Our staff are well trained and competent to deliver across all business units.

Collectively, these ambitions complement the strategic objectives for the business, and achieving these will enable our strategic objectives to be met. To measure our progress towards achieving these we have introduced a series of Key Performance Indicators (KPIs) across each Unit to demonstrate how progress is being made. The methods we will employ to achieve these objectives will be described in further detail in the annual Business Plan.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

THE TRUSTEES' REPORT*(continued)*

YEAR ENDED 31 MARCH 2023

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 2019 (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 2023

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
Chair of the Board of Trustees

Approved by the trustees on 28th November 2023

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Actes Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 MARCH 2023

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

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

FOR THE YEAR ENDED 31ST MARCH 2023

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charity, we have considered applicable laws and regulations which may be fundamental to the charity's ability to operate or to avoid a material penalty, and we considered the extent to which non-compliance might have a material effect on the financial statements. We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate manual journal entries to manipulate financial performance, management bias in significant accounting estimates and any significant one-off or unusual transactions.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

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

FOR THE YEAR ENDED 31ST MARCH 2023

Auditors' responsibilities for the audit of the financial statements (continued)

Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

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

FOR THE YEAR ENDED 31ST MARCH 2023

Use of our report

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

Andrew Dewing FCCA, ACA (Senior Statutory Auditor)
for and on behalf of Anderson Barrowcliff LLP
Statutory Auditors
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Date:13/12/2023.....

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

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

FOR THE YEAR ENDED 31ST MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total 2023 £	Total 2022 £
Income from:						
Donations and legacies						
Donations		-	-	-	-	5
Income from Charitable activities						
Grants received	2a	-	267,417	-	267,417	312,191
Contracts	2b	1,650	-	-	1,650	28,350
Income from other trading activities						
Activities for generating funds	2c	360,979	-	-	360,979	291,947
Rental income		45,000	-	-	45,000	45,000
Income from Investments						
Interest receivable and similar income		62,630	-	-	62,630	61,339
Other income						
Other Income		2,904	-	-	2,904	1,960
Total income		473,163	267,417	-	740,580	740,792
Expenditure:						
Expenditure on Raising funds	3	323,883	14,922	-	338,805	284,888
Expenditure on Investment Management	3	16,960	-	-	16,960	11,512
Expenditure on Charitable Activities	3	239,895	252,495	91,705	584,095	623,161
Total expenditure		580,738	267,417	91,705	939,860	919,561
Net gains/(losses) on investments	12	(121,405)	-	-	(121,405)	55,111
Net gains/(losses) on investment properties	12	80,000	-	-	80,000	-
Net income/(expenditure)		(148,980)	-	(91,705)	(240,685)	(123,658)
Other recognised gains/(losses):						
Net gains/(losses) on impairment of fixed assets	14	-	-	-	-	(695,258)
Net gains/(losses) on disposal of fixed assets	12	7,402	-	-	7,402	-
Net movement in funds		(141,578)	-	(91,705)	(233,283)	(818,916)
Reconciliation of funds:						
Balance at 1 st April 2022		2,970,268	-	1,805,751	4,776,019	5,594,935
Balance at 31 st March 2023		2,828,690	-	1,714,046	4,542,736	4,776,019

The notes on pages 28 to 39 form part of these accounts.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

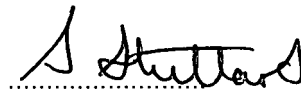
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets	7	2,094,923	2,221,056
Property Investment	8	730,000	650,000
Investment - Schroders	8	1,376,864	1,498,269
Total Fixed Assets		4,201,787	4,369,325
Current Assets			
Debtors	9	78,335	153,849
Cash at bank and in hand		397,617	347,181
Total Current Assets		475,952	501,030
Liabilities			
Creditors falling due within one year	10	(135,003)	(94,336)
Net current assets		340,949	406,694
Net Assets		4,542,736	4,776,019
The funds of the charity:			
Unrestricted income funds			
General Funds	12	1,865,523	1,702,818
Designated Funds	12	574,717	959,000
Revaluation Reserve	12	388,450	308,450
Total Unrestricted Funds		2,828,690	2,970,268
Restricted Income Funds	13	-	-
Restricted Capital Funds	14	1,714,046	1,805,751
Total charity funds		4,542,736	4,776,019

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

Approved by the trustees and authorised for issue on 28th November 2023


Geoff Payne


Sharon Stuttard

Company Number – 4345294

The notes on pages 28 to 39 form part of these accounts.

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities;			
Net cash provided by (used in) operating activities	18	(82,590)	(217,001)
Cash flows from investing activities:			
Dividends, Interest and rents from investments		107,630	106,339
Proceeds from the sale of property, plant and equipment		28,796	-
Purchase of property, plant and equipment		(3,400)	(11,600)
Proceeds from disposal of investments		-	50,000
Net cash provided by (used in) investing activities		133,026	144,739
Increase (decrease) in cash and cash equivalents in the year		50,436	(72,262)
Cash and cash equivalents at the beginning of the year		347,181	419,442
Total cash and cash equivalents at the end of the year	19	397,617	347,181

The notes on pages 28 to 39 form part of these accounts.

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General information and basis of preparation

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

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

Income recognition

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

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

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

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

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

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

Going Concern

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

Expenditure recognition

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

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

Fixed assets

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

Depreciation

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

Property	-	50 years straight line
Investment Property	-	No Depreciation
Football Pitches	-	25 years straight line
Equipment	-	4 years straight line
Vehicles	-	10 years straight line

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023**

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

Investments

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

Investment properties are stated at market value at the balance sheet date. Market Value best represents a true and fair view of the value of these assets to the charity. The eight properties are normally valued every 5 years and were previously valued in 2020. However due to a potential sale they were valued by Thomas Stevenson Chartered Surveyors during the year. The trustees review the investment property values by reference to the market and other information on an annual basis and taking that into account along with the surveyor's report in their opinion there has been a change in value during the financial year.

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.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of one year or less from the date of acquisition or opening of the deposit or similar account.

Taxation

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

Fund Accounting

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

**ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023**

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

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 2023

Income from charitable activities

2a GRANTS RECEIVABLE	2023	2022
	£	£
National Lottery Community - Climate Action Fund	74,752	67,109
National Lottery Community - Our Bright Future Fund	-	2,316
National Lottery Community - Help Through Crisis Fund	19,339	22,806
National Lottery Heritage - Green Recovery Challenge Fund	-	11,830
European Social Fund - Youth Employment Initiative	106,704	121,977
European Social Fund - Community Grant	9,351	1,081
Tees Valley Combined Authority - Youth Employment Initiative	20,903	41,876
Tees Valley Combined Authority - Multiply Fund	480	-
HMRC - Job Retention Scheme	-	4,809
DWP - Kickstart	14,922	20,049
Youth Endowment Fund	11,014	6,185
Teesside University	5,000	-
Middlesbrough Council	2,440	1,283
Other Grants	2,512	10,870
	267,417	312,191

The grants received were the only restricted Income received in 2023 and 2022.

2b CONTRACTS	2023	2022
	£	£
Client Led Services - Work IT Out	1,650	28,350
	1,650	28,350

This contract ended in July 2022.

Income from other trading activities

2c ACTIVITIES FOR GENERATING FUNDS	2023	2022
	£	£
Facilities - Room Hire	170,991	133,340
Facilities - Office Rental	57,540	51,206
Facilities - Café & Catering	71,846	44,009
Facilities - Sports Pitch Hire	51,092	48,757
Client Led Services - Benefit Take Up Campaign	9,510	14,635
	360,979	291,947

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

3 RESOURCES EXPENDED	Generating Funds	Investment Management	Charitable Activities	Governance Costs	Total 2023
	£	£	£	£	£
Direct costs - Other	68,856	14,070	25,528	-	108,454
Direct costs - Staffing	173,852	242	175,828	-	349,922
Administration costs	86,641	2,648	35,025	110	124,424
Staffing and related costs	9,456	-	200,219	3,763	213,438
Audit and related costs	-	-	-	7,650	7,650
Depreciation	-	-	108,139	-	108,139
Irrecoverable VAT	-	-	27,833	-	27,833
Total 2023	338,805	16,960	572,572	11,523	939,860

	Generating Funds	Investment Management	Charitable Activities	Governance Costs	Total 2022
	£	£	£	£	£
Direct costs - Other	54,323	7,284	38,511	-	100,118
Direct costs - Staffing	149,092	964	202,565	-	352,621
Administration costs	66,324	3,264	39,528	81	109,197
Staffing and related costs	15,148	-	202,445	3,732	221,325
Audit and related costs	-	-	-	8,500	8,500
Depreciation	-	-	106,844	-	106,844
Irrecoverable VAT	-	-	20,955	-	20,955
Total 2022	284,887	11,512	610,848	12,313	919,560

The £919,560 from 2022 comprises Unrestricted funds £515,665, Restricted Funds £312,191 and Capital funds £91,705.

4 NET OUTGOING RESOURCES FOR THE YEAR

Net outgoing resources for the year is stated after charging/crediting:	2023	2022
	£	£
Directors'/Trustees' emoluments	-	-
Depreciation of owned fixed assets	108,139	106,844
Unrealised Gain/(Loss) on Investments	(121,405)	55,111
Auditor's remuneration		
- as auditor	7,650	8,500

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

YEAR ENDED 31 MARCH 2023

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

The average monthly head count was 27 staff (2022: 29) and the average number of full time equivalent employees and workers (including casual and part-time) during the year were as follows:

	2023	2022
Number of administrative staff	20	21
Number of management staff	2	2
	<u>22</u>	<u>23</u>

The aggregate payroll costs of the above were:

	2023	2022
	£	£
Wages and salaries	511,637	518,344
Social Security costs	37,092	36,926
Employers Pension Contributions	11,789	13,044
	<u>560,518</u>	<u>568,314</u>

There were no employees who received employee benefits more than £60,000 during the reporting period (2022:None).

The charity trustees were not paid or received any other benefits during the year (2022:£nil), no board members were reimbursed for expenses during the year (2022:£nil).

The key management personnel of the charitable company comprise the senior team as listed on page 3. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charitable company was £118,798 (2022: £118,230).

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.

ACTES TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

7 TANGIBLE FIXED ASSETS	Freehold	Leasehold			
As restated	Property	Property	Equipment	Vehicles	Total
COST	£	£	£	£	£
At 1 April 2022	1,169,526	3,735,922	135,748	9,963	5,051,159
Additions	-	1,750	1,650	-	3,400
Disposal	(115,000)	-	(80,127)	-	(195,127)
At 31 March 2023	1,054,526	3,737,672	57,271	9,963	4,859,432
DEPRECIATION					
At 1 April 2022	776,798	1,930,172	122,884	249	2,830,103
Charge for the year	10,517	91,705	4,921	996	108,139
On Disposal	(93,606)	-	(80,127)	-	(173,733)
At 31 March 2023	693,709	2,021,877	47,678	1,245	2,764,509
NET BOOK VALUE					
At 31 March 2023	360,817	1,715,795	9,593	8,718	2,094,923
At 31 March 2022	392,728	1,805,750	12,864	9,714	2,221,056

The Acklam Green Centre values have been transferred from Freehold Property and added to the Sports Pitches which has now been renamed Leasehold Property to reflect the lease that is held with Middlesbrough Council.

At the balance sheet date, the charitable company had contracted with tenants for the following future minimum lease payments:

	2023	2022
	£	£
Within one year	30,000	30,000

8 INVESTMENTS	Multi Asset	Investment	
Market Value	Cazenove	Properties	Total
	£	£	£
At 1 April 2022	1,498,269	650,000	2,148,269
Additions	-	-	-
Disposals	-	-	-
Gains/Losses	(121,405)	80,000	(41,405)
At 31 March 2023	1,376,864	730,000	2,106,864

The Multi-Asset investment is held primarily to provide an investment return for the charity. It is stated at Fair Value as at the Balance Sheet date. There has been a loss in the year of £121,405. An independent valuation was carried out for the investment properties in October 2022 by Paul Stevenson Bsc (Hons) MRICS of Thomas Stevenson Chartered Surveyors. This showed an increase in market value of £80,000. The next formal valuation will be carried out in 2025. The original cost of these properties was £466,430.

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

9 DEBTORS	2023	2022
	£	£
Trade Debtors	31,214	37,168
Prepayments and accrued income	47,121	116,681
	<u>78,335</u>	<u>153,849</u>
10 CREDITORS: Amounts falling due within one year	2023	2022
	£	£
Trade Creditors	27,056	18,962
Other taxation and social security	27,348	17,477
Other creditors	4,404	4,991
Accruals and deferred income	76,195	52,906
	<u>135,003</u>	<u>94,336</u>

Deferred Income includes the following grants - awarded by National Lottery Funds - Climate Action £6,014.

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted	Capital	Total 2023
	£	£	£
Fixed Assets	380,877	1,714,046	2,094,923
Investments - Properties	730,000	-	730,000
Investments - Other	1,376,864	-	1,376,864
Net Current Assets	340,949	-	340,949
	<u>2,828,690</u>	<u>1,714,046</u>	<u>4,542,736</u>
	Unrestricted	Capital	Total 2022
	£	£	£
Fixed Assets	415,305	1,805,751	2,221,056
Investments - Properties	650,000	-	650,000
Investments - Other	1,498,269	-	1,498,269
Net Current Assets	406,694	-	406,694
	<u>2,970,268</u>	<u>1,805,751</u>	<u>4,776,019</u>

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

12 UNRESTRICTED FUNDS	2023	2022
	£	£
Balance brought forward	1,702,818	1,741,493
Net Resources Expended before Investment Revaluations	(107,575)	(87,064)
Gain/(Loss) on investments	(121,405)	55,111
Gain/(Loss) on sale of fixed assets	7,402	-
Transfers to/from Restricted Capital Funds	-	(6,722)
Transfer from Designated Fund	384,283	-
	<hr/>	<hr/>
Balance carried forward	1,865,523	1,702,818
DESIGNATED FUNDS	2023	2022
	£	£
Sports Pitches	284,717	140,000
Acklam Green Centre	110,000	573,000
Resource Centre	35,000	86,000
Houses	100,000	120,000
Vehicles	-	10,000
Redundancies	10,000	20,000
Disposals - Legal Fees	35,000	10,000
	<hr/>	<hr/>
	574,717	959,000
REVALUATION RESERVE	2023	2022
	£	£
Balance brought forward	308,450	308,450
Unrealised Gain/(Loss) on Investment Properties	80,000	-
	<hr/>	<hr/>
Balance carried forward	388,450	308,450
	<hr/>	<hr/>
TOTAL OF UNRESTRICTED FUNDS	2,828,690	2,970,268

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.

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

13 RESTRICTED FUNDS	2023	2022
	£	£
Balance brought forward	-	-
Funds received in year	267,417	312,191
Expenditure in year	(267,417)	(312,191)
	<hr/>	<hr/>
Balance carried forward	-	-
	<hr/>	<hr/>
14 CAPITAL FUNDS	2023	2022
	£	£
Balance brought forward	1,805,751	2,585,992
Depreciation	(91,705)	(91,705)
Impairment	-	(695,258)
Transfer from/to Unrestricted Funds	-	6,722
	<hr/>	<hr/>
Balance carried forward	1,714,046	1,805,751
	<hr/>	<hr/>

After an annual review the Board considers that the restrictions of these assets is still in place. The balance carried forward represents the Acklam Green Centre and Sports Pitches. The impairment of £695,258 from 2022 was as a result of a re-valuation.

15 COMPANY LIMITED BY GUARANTEE

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

16 RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the year.

17 CAPITAL COMMITMENTS

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

ACTES TRUST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

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

	2023	2022
	£	£
Net income/(expenditure for the reporting period (as per the statement of financial activities)	(233,283)	(818,916)
Adjustments for:		
Depreciation charges	108,139	106,844
(Gains)/Losses on investments	41,405	(55,111)
(Gains)/Losses on revaluation of Fixed Assets	-	695,258
Dividends, interest and rents from investments	(107,630)	(106,339)
Loss/(profit) on the sale of fixed assets	(7,402)	-
(Increase)/decrease in debtors	75,514	-
Increase/(decrease) in creditors	40,667	-
Net cash provided by (used in) operating activities	(82,590)	(178,264)

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash in hand	227,617	262,181
Notice deposits (less than 3 months)	170,000	85,000
Total cash and cash equivalents	397,617	347,181

20 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2023, the total minimum lease payments under non-cancellable operating leases were as follows:

	2023	2022
	£	£
Amounts due within one year	6,700	6,520
Amounts due over one year	4,938	11,458