

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

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

TRUSTEES REPORT AND

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

THE ASSOCIATION FOR REAL CHANGE

TRUSTEES REPORT AND

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

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THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022

The Association for Real Change (ARC) is a charity and a company limited by guarantee. It is generally known in the sector by its acronym ARC. It is registered with the Charity Commission and the Office of the Scottish Charity Regulator.

Reference and Administrative Information

| | |
|---|---|
| Registered office & Shared Services: | ARC House 10a Marsden Street Chesterfield S40 1JY |
| Telephone number: | 01246 555043 |
| Website: | www.arcuk.org.uk |
| Email: | info@arcuk.org.uk |
| Bankers: | Lloyds Bank Plc Church Street Sheffield |
| Auditors: | BHP LLP Chartered Accountants 57-59 Saltergate Chesterfield Derbyshire S40 1UL |
| Insurance advisors: | Gallaghers |
| Registered Company no: | 01658354 |
| Registered Charity no: | 285575 (E&W) |
| Scottish Registered Charity no: | SCO 39129 |

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022

Directors and Trustees:

| | |
|-----------------|---|
| Agnes Lunny OBE | Positive Futures |
| Lynnette Linton | |
| Phil Morris | Havencare (South West) Ltd |
| Jane Other | William Blake House |
| Jenny Paterson | Breakthrough Dundee (Resigned 19/05/22) |
| Andrew Sleigh | |

Principal officers and member organisations represented in the year:

| | |
|--------------------|-----------------------------------|
| ARC UK Chair: | Phil Morris |
| ARC UK Vice Chair: | Jenny Paterson (Resigned 19/5/22) |
| Hon Treasurer: | Andrew Sleigh |

Senior management team:

| | |
|--------------------|---------------------------|
| Clive Parry | England Director |
| James Fletcher | Scotland Director |
| Leslie-Anne Newton | Northern Ireland Director |
| Martin Anderson | Finance Director |

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022

Governing document

ARC was incorporated as a company limited by guarantee in 1982 and is governed in accordance with its Articles of Association.

Principal aims and activities

The founding members who created the ARC wanted to give it as much freedom as possible through its overall charitable objectives to have a wide impact on the sector. Its two stated charitable objectives are to work for:

1. The education and training of all organisations, associations, individuals and / or groups of individuals concerned with the care of people with learning disabilities.
2. The study of and research into all matters affecting people with learning difficulties and to obtain and make records of and disseminate all useful results of such research.

The Memorandum of Association, our founding document sets out what we are here for and what we can do to meet our aims, including things such as:

- Have a membership of organisations and people who support our aims.
- Working with other groups with similar aims and talking to other providers, local and central government.
- Pressing for legislation to help further to our cause.
- And finally a wide clause allowing us to do “all such other lawful things as are incidental to the attainment of our charitable objectives”.

In this report we explore our activities in terms of delivering public benefit through the implementation of our strategic plan and link those to our charitable objectives. We are subject to three regulators, Companies House, the Charity Commission of England and Wales and the Office of the Scottish Charity Regulator as we work across the UK in all the four nation countries, adapted to meet the different situations in each country. Our governance and strategic offer is designed to reflect each nation country, as part of the UK wide membership and as the needs and aspirations of people with learning disabilities do not change across national boundaries this report reflects all our work across the whole of the UK.

Measurement of success

Continuing dialogue with our members and stakeholders, through communication surveys, improved evaluation and building up better knowledge on our databases, ARC has further developed its strategic aims across the UK, focusing on the specific needs of each nation country – setting out the significant changes that we want to see in each nation country as a result of our activities.

By articulating the outcomes, we want to see through a set of outcome indicators ARC is clear that it intends to see these changes for:

- Providers
- Practices and policies
- Individuals and communities

We are always aware of the constant tension between our intended population outcome – to improve quality of life for people with learning disabilities – and our performance outcome – supporting our members and stakeholders to help them achieve the best outcomes for the people they support.

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

We now measure the difference we will make by asking our members and stakeholders:

1. How much difference have we made?
2. And is anyone better off as a result?

We monitor our operational objectives by measuring:

- How much of something have we done?
- How often?
- How well?

Public benefit requirement

As a specialist infrastructure organisation ARC is clear about its role: we exist to support voluntary, community, social enterprise, statutory sector and independent sector provider organisations to achieve their aims to support people with learning disabilities to achieve the best outcomes and improve their wellbeing. We do this through a variety of ways and our activities demonstrate that there is a public benefit through an improvement in the quality of all kinds of services to support people with learning disabilities.

Strengthening infrastructure support for the learning disabilities sector is vital to ensuring that people with learning disabilities can achieve quality of life and the best outcomes.

This is achieved by ARC doing such things as:

Working with provider organisation

- Helping develop Health & Social Care workforce by:
 - o Providing good quality, inspirational training
 - o Producing relevant, up to date training materials aimed at improving practice
 - o Offering bespoke consultancy for organisations to improve organisational learning and development
- Helping to share best practice and policy information distribution:
 - o Distributing information on current policy and practice developments in the four nation countries
 - o Producing briefing material on best practice
 - o Circulating regular newsletters promoting the sector, its work and outcomes
- Ensuring the voice and influence of the sector is heard by local policy makers by
 - o Responding to policy maker's consultations on what works and what doesn't work
 - o Working with policy makers to connect and liaise with providers and service users through networks and forums
 - o Membership of national Boards and policy making advice groups and forums including skills councils, government advisory groups and national networks
- Working with people with learning disabilities
 - o Best practice and research projects involving people with learning disabilities
 - o Developing advocacy skills and networks, including Scotland Charter for Involvement and facilitating involvement of long stay patients (Telling It Like It Is Group) at Muckamore Abbey Hospital.

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Who governs ARC?

The Board of ARC meets four times a year in addition to the AGM.

The Board members of ARC act as trustees and have the powers and obligations of company directors under the Companies Act 2006. The trustees are not entitled to or paid any remuneration, £546 was paid to trustees (or their organisations) for travelling expenses. ARC also purchased insurance to protect it from any loss which might arise from neglect or any default of its senior staff or trustees and to indemnify the trustees against the consequences of loss or default on their part. This insurance cost £1,157.

Organisational structure and key management remuneration

The directors consider the senior management team to comprise the key management personnel of the charity in charge of directing, controlling and operating the charity on a day to day basis.

The pay of the senior management team is reviewed annually and any increases are agreed by the board.

Membership of ARC

By becoming a member of ARC, provider organisations benefit from being involved in a diverse community, sharing ideas stemming from shared values, and benefitting from opportunities to collaborate, build relationships and network with like-minded people.

Having a shared voice and joining with like-minded organisations to influence government policy and developments via representation at local, regional and national levels is key to our work.

Being supported with guidance and information to keep up-to-date with news and abreast of key developments within the sector and access to training, consultancy and funding opportunities to help develop a competent, qualified workforce.

Other benefits include:

- Discounts on publications, training, events and conferences.
- Access to a wide range of qualifications with reduced rates for Registration and Certification.
- Participation in ARC projects and pilot training programmes.

The Association for Real Change exists to improve the quality of life for people who have a learning disability by supporting anyone who is involved in the planning or delivery of support or services. We know that our work may also benefit people who have other support needs and we are committed to sharing our learning and experience across all sectors that may benefit.

This is a time of unprecedented change in social care and we at ARC have adapted our organisation and our activities to ensure that we are well-positioned to support the sector in the face of its challenges. We developed a range of new partnerships, projects and activities, in response to members' needs. We continue to achieve above our own high expectations in the face of an uncertain and challenging operational environment, which include Covid, funding, recruitment, the cost of living amongst many others.

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Chair Report

This report tells you about the things that ARC UK achieved during the year from April 2021 to March 2022

Financial Results Summary (how well we managed our money)

ARC made an unrestricted surplus (ARC's money) of £30,803 for the year.

Two projects ended during the year, so the funds of £139,288 which were brought-forward from the previous year have now been spent.

Strategy & Objectives (our vision, the big plan for how we will get there and the things we said we would do)

ARC's vision is to support and to achieve real change for people with a learning disability, autism or other additional support needs.

We work with families and everyone involved in the provision of support for people and their families.

This includes the people who plan, provide, commission and regulate services and people who develop policies.

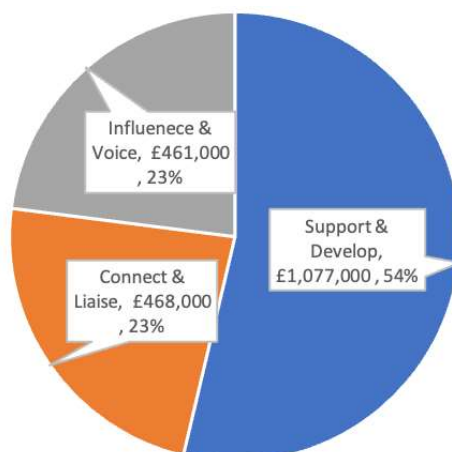
We believe that achieving our vision depends on everyone working together, sharing ideas and experiences and learning from each other. This is reflected in the way we think about the areas we work in.

Our work to deliver our vision falls into three areas:

1. **Support and Develop** – We improve practice by providing training that develops awareness of people's rights and entitlements.
2. **Connect and Liaise** – We change thinking by facilitating networks that make connections and share experiences between people and their families and professionals.
3. **Influence and Voice** – We challenge systems to improve people's lives. We do this by supporting people with lived experience to have their voices heard by the people who plan and deliver their services and support.

Below is a chart which shows how the money we spent was used across these three areas:

Funds spent on our objectives 2021-2022



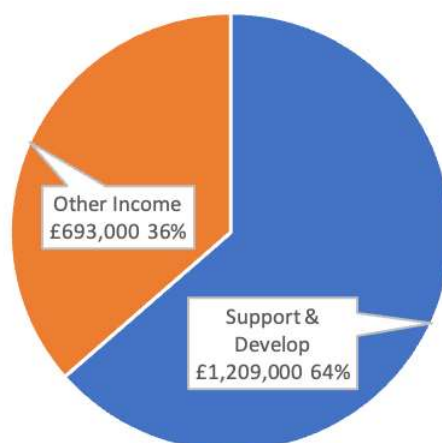
THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Below is a chart which shows how much income came through the **Support and Develop** area of our work:

Support and Develop income 2021-2022



During 2021-2022 64% of our income (money we received) was from supporting staff through accredited and non-accredited training (accredited training is training that has met an agreed standard). Some of this training is required (mandatory) and some of our training develops particular expertise (continued professional development).

During the year 2021/22:

- We delivered 190 courses, to 2,293 learners and 868 qualifications across 230 organisations.
- We translated 67 documents into Easy Read supporting more people to have accessible information on important information.
- We carried out 5933 Disclosure checks (to see if a person has a criminal record) to help employers fill jobs which support people.

Here is some feedback we received this year:

"I realise how important my work is now and how it affects people's lives. I think about things more now before I do them."

"Although I've been doing this job for a number of years, I welcomed this training which reminded me of the things I may have taken for granted and helped me put myself in the position of the people I support, seeing things from their perspective."

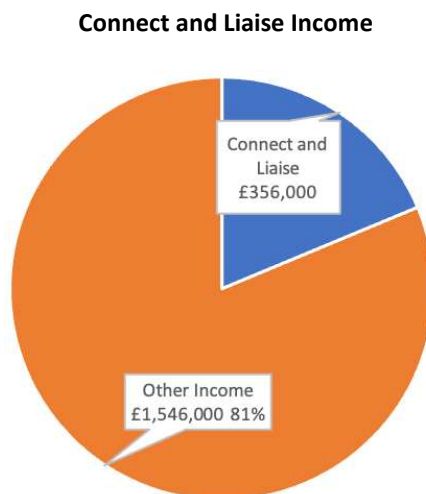
"This training was incredible - it will change the way we work and support."

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Below is a chart which shows how much income came through the **Connect and Liaise** area of our work:



During 2021-2022 19% of our income was received by connecting different types of people, such as social care staff, commissioners of services, regulators of services/workforce and government policy leads. We do this in different ways to encourage their working together, for example by facilitating meetings, conferences and events.

In 2021-22 we facilitated a total of 1,300 meetings, connecting with:

- 12,045 people working in Services
- 1,461 people who work in Local Authority
- 312 people who work in Government / Policy Makers
- 1,548 Supported People
- 370 Family Carers

Here is some feedback we received this year:

"The Charter helps me understand things better and what you're entitled to. Gives me a voice and stand up for things I believe in." (National Involvement Network member)

"I would like to say that I find the meetings really informative and appreciate the support and information you, ARC members and the other attendees provide."

"Fantastic work folks. Your activities are always great fun and are widely enjoyed by our patients and the staff team. We always look forward to taking part in the TILII adventures, they certainly cheer everybody up during tough Covid times."

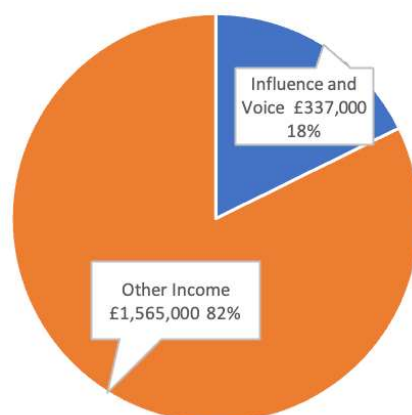
THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Below is a chart which shows how much income came through the **Influence and Voice** area of our work:

Influence and Voice income 2021-2022



During 2021-2022, 18% of our income was received as a result of our influencing work. We do this in lots of different ways, including providing written responses to government consultations, facilitating self-advocates (experts by experience) and liaising with policy makers and helping them understand the things that need to change.

We think it is better to use words and not numbers for the **Influence and Voice** area of our work. Here is a short description of some of the work we did in 2021-22:

Scottish Transitions Forum: Working with the Scottish Government, our group of young disabled people the "Divergent Influencers" and parents and carers we began trials of a practical framework to improve the coordination and provision of support for young disabled people who are in transition to adult life. With our support, ten local authority areas began to roll out 'Principles into Practice,' which is designed to change systems and cultures towards delivering the things that matter most to young disabled people and their families.

Supporting Offenders with Learning Disabilities (SOLD) Network: Working with SOLD members, we have developed a proposal that will enable Police Scotland to identify if an arrested person has learning or communication difficulties and to request additional support. We continue to provide training and guidance to professionals in the justice system to help make sure the accused with communication support needs are not dis-advantaged in the justice process.

Following a written submission from ARC England and the National Care Forum, both organisations have been invited to join a Care Quality Commission Expert Advisory Group. This group will help the regulator to develop a new Local Authority Assurance model. Our submission identified flawed thinking in the current approach and membership of the Expert Advisory Group will give us a chance to influence this positively for providers and the people they support.

ARC Northern Ireland and our Telling It Like It Is (TILII) members with lived experience responded to 12 public consultations in 2021-22. We also worked closely with the Department of Health on a number of important policy areas. These included sharing our experiences to influence a Review of Regional Resettlement and a Review of Advocacy; participating in a newly established Autism Forum and Social Care Fair Work Forum; and supporting the roll out of the Health & Social Care Staff Recognition Payment to the learning disability workforce.

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Here is some feedback we received this year:

*“ARC Scotland’s Principles into Practice Trial Programme will provide a mechanism to create and deliver collective solutions, and to drive good practice, thereby helping to ensure that all young people receive appropriate support and are offered choices at points of transition, in order to reach their full potential.”
Maree Todd MSP, Minister for Children and Young People (Scottish Government)*

“This is such a great initiative and one that is very much needed across the Learning Disability services. The data and information will be key to help us in shaping services and understanding the population more. Delighted to see this and I’ll be engaging with all the data and outcomes!”

“I shared your letter with our Trustees, and they have all reverted with their appreciation for your work and their support for your letter in particular. Thank you for representing us.”

Financial Sustainability

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

The COVID-19 pandemic represented and continues to represent the biggest threat to the charity’s financial stability. We have been resilient to this so far, changing many of our ways of working, including delivering training online. We need continued vigilance and to monitor the results and forecasts carefully.

ARC’s work continues to grow and meet the demands of the sector - positively championing an agenda of change. We look forward to continuing relationships in 2022-23 and exploring with stakeholders their views of what ARC’s future priorities should be.

People who have supported us in 2021/2022

We thank all those individuals, organisations, Charities, Local Authorities and Health Authorities that have continued to share our values and support our work in 2021/22. We value all our relationships and networks, as it is the collective voice that speaks the loudest. We appreciate all support and collaboration to date and this will be an essential factor in putting all people with a learning disability at the centre of decisions and in the heart of their communities in 2021/22. These include:

Aberdeen Council
The Community Fund Awards for All, National Lottery Northern Ireland
Belfast Health and Social Care Trust
Big Lottery
Comic Relief
Department of Health Northern Ireland
Esmee Fairbairn
People First Scotland
Scottish Government
Skills for Care (England)
South Eastern Health and Social Care Trust
Western Health and Social Care Trust

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Financial Health

After seeing an increase in funds of £135,492 in the previous year (of which £150,037 was an increase in unrestricted funds and £15,545 was a decrease in restricted funds) ARC experienced an decrease in funds of £102,707 (of which £30,803 was an increase in unrestricted funds and a £133,510 reduction in restricted funds) on a total income down from £2.116m to £1.904m

Income from fundraising and projects

ARC is not easy to fundraise for since we do not normally provide direct service to people with learning disabilities and many trusts look at our membership and realise that they already support many of them. We are therefore especially grateful to those agencies who do support us. Some of the supporters have wished to remain anonymous, but we do thank all of those who have supported us.

Investment Policy

Investment decisions are taken by the Board. ARC's current investment policy is to hold monies in interest bearing accounts with banks for periods ranging from one to six months to maximise interest and accessibility. ARC has no permanent endowment and provides for capital expenditure from within budget. We have reviewed this policy in the light of recent financial uncertainty and spread the money wider in to the COIF Charities Deposit Funds as a means of further reducing risk whilst still looking for a respectable return.

Reserves

The trustees have agreed a policy with regard to achieving an unrestricted reserves level equivalent to the costs of three months' operations in order to enable an orderly shutdown of operations should it become necessary. The board of ARC has agreed the means by which these figures should be calculated and will review them each year when the budget for the coming year is set, taking account of redundancy liabilities, lease contracts and foreseeable operational costs to sustain an orderly closure. For the year 2021/2022 the target for the reserves was calculated at £296k and by March 2022 ARC's total unrestricted reserves stood at £526k. It is the strategy of the Trustees, to invest reserves above the policy calculation, to further develop the Charity's purposes, aims and objectives.

Risk Management

The trustees and the strategic leadership team of the charity believe that a sound risk management is integral to both good management and good governance practice.

Risk management should form an integral part of the charity's decision making and be incorporated within strategic and operational planning. Risk assessment will be conducted on all new activities and projects to ensure they are in line with the charity's objectives and mission.

Any risks or opportunities arising will be identified, analysed and reported at an appropriate level.

A risk register covering ket strategic risks will be maintained and updated quarterly and more frequently where risks are known to be volatile. The charity will regularly review and monitor the effectiveness of its risk management framework and update it as appropriate. Reports will be made to the Board of Trustees each quarter of continuing and emerging high concern risks and those where priority action is needed to effect better control.

Trustee Recruitment

There is a systematic, open and fair procedure for the recruitment and co-option of Trustees. Recruitment takes place through open advertisement within our membership base and stakeholders, or individuals may be approached for co-option. Suitability for the role is established at interviews, and voting takes place prior to their appointment to ensure a good fit with the Board and organisation.

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Induction and training of trustees

Most of ARC's trustees are senior staff from within member organisations with significant experience of providing services. Prior to agreeing to stand for the board of ARC they are sent an outline of what becoming a trustee of ARC involves, the various criteria they must meet, and upon their election they are sent an information pack for new trustees. This contains details of the structure of and post holders within ARC as well as copies of the Charity Commission publications on the roles of trustee. Direct support for new trustees, is provided on request, by the Chair and Strategic Leadership Team.

Trustees' responsibility statement

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

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

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP 2019 (FRS102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

At the time the financial statements were approved:

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

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

THE ASSOCIATION FOR REAL CHANGE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

Appointment of auditors

A resolution for the re-appointment BHP LLP Chartered Accountants, as auditors for the coming year will be proposed at the forthcoming annual general meeting.

By order of the board, 8th September 2022



Phil Morris
UK Chair, on behalf of the Board

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE

Opinion

We have audited the financial statements of The Association for Real Change (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance sheet, Cash Flow and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2022, and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE – CONTINUED

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 [strategic report and the]⁵ directors' report.

- We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE – CONTINUED

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with Trustees and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including safeguarding legislation, health and safety and data protection laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

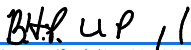
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF THE ASSOCIATION FOR REAL CHANGE – CONTINUED

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. This 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 is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Adrian Staniforth (Sep 26, 2022 08:54 GMT+1)

Adrian Staniforth (Senior Statutory Auditor)

Date:

For and on behalf of
BHP LLP, Chartered Accountants
57-59 Saltergate
Statutory Auditor
Chesterfield
Derbyshire
S40 1UL

Sep 26, 2022

THE ASSOCIATION FOR REAL CHANGE

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

| | <u>Note</u> | Unrestricted Funds £ | Restricted Funds £ | 2022 Total £ | 2021 Total £ |
|--|-------------|----------------------------|--------------------------|--------------------|--------------------|
| Income | | | | | |
| Charitable activities: | | | | | |
| Membership subscriptions | | 92,824 | - | 92,824 | 84,784 |
| Grants | (5) | - | 990,616 | 990,616 | 1,016,165 |
| Training & conferences | | 525,783 | - | 525,783 | 511,435 |
| Services to members | | 293,430 | - | 293,430 | 500,528 |
| Other trading activities: | | | | | |
| Donations & Gifts | | 85 | - | 85 | - |
| Investment income | | 900 | - | 900 | 3,293 |
| Total income | | <u>913,022</u> | <u>990,616</u> | <u>1,903,638</u> | <u>2,116,205</u> |
| Expenditure | | | | | |
| Charitable activities | | | | | |
| Special projects | (5) | - | 1,124,126 | 1,124,126 | 1,030,710 |
| Training and conferences | | 348,309 | - | 348,309 | 309,255 |
| Services to members | | 533,910 | - | 533,910 | 640,748 |
| Total expenditure | (3) | <u>882,219</u> | <u>1,124,126</u> | <u>2,006,345</u> | <u>1,980,713</u> |
| Net incoming/(outgoing) resources for the year | | 30,803 | (133,510) | (102,707) | 135,492 |
| Balances brought forward at 1 April 2021 | | <u>495,324</u> | <u>139,288</u> | <u>634,612</u> | <u>499,120</u> |
| Balances carried forward at 31 March 2022 | (10) | <u>526,127</u> | <u>5,778</u> | <u>531,905</u> | <u>634,612</u> |

THE ASSOCIATION FOR REAL CHANGE

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2022

| | <u>Note</u> | 2022 £ | 2021 £ |
|---|-------------|----------------|------------------|
| Fixed assets | | | |
| Tangible fixed assets | (7) | 12,025 | 14,423 |
| Current assets | | | |
| Trade debtors | | 95,543 | 124,229 |
| Prepayments and accrued income | | 5,943 | 2,370 |
| Cash at bank and in hand | | 869,848 | 978,942 |
| | | <u>971,334</u> | <u>1,105,541</u> |
| Creditors: amounts falling due within one year | | | |
| Taxation and social security costs | | 19,248 | 19,944 |
| Trade Creditors | | 99,949 | 75,037 |
| Other creditors | | 1,742 | 5,441 |
| Accruals | | 34,232 | 18,848 |
| Deferred income | (8) | 296,283 | 366,082 |
| | | <u>451,454</u> | <u>485,352</u> |
| Net current assets | | <u>519,880</u> | <u>620,189</u> |
| Total assets less current liabilities | | <u>531,905</u> | <u>634,612</u> |
| Funds | | | |
| Restricted funds | (5) | 5,778 | 139,288 |
| Unrestricted funds | (10) | 526,127 | 495,324 |
| Total funds | (10) | <u>531,905</u> | <u>634,612</u> |

Approved by the board on 8th September 2022 and signed on their behalf by:



Phil Morris – Chair

The notes on pages 19 to 28 form part of these financial statements.

Company Registration Number 01658354

THE ASSOCIATION FOR REAL CHANGE

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

| | <u>Note</u> | 2022 £ | 2021 £ |
|---|-------------|------------------|----------------|
| Cash used in operating activities | (9) | <u>(104,590)</u> | <u>172,421</u> |
| Cash flows from investing activities | | | |
| Interest received | | 900 | 3,293 |
| Purchase of tangible fixed assets | | <u>(5,404)</u> | <u>(8,919)</u> |
| Cash provided by (used in) investing activities | | <u>(4,504)</u> | <u>(5,626)</u> |
| Increase in cash and cash equivalents in the year | | (109,094) | 166,795 |
| Cash and cash equivalents at the beginning of the year | | <u>978,942</u> | <u>812,147</u> |
| Cash and cash equivalents at the end of the year | | <u>869,848</u> | <u>978,942</u> |

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

The Association for Real Change meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

b) Company status

The charity is a company limited by guarantee and has no share capital. The members of the company are the Trustees named on page 2. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

c) Income

Income from membership subscription is recognised over the period of the subscription.

Income from grants is recognised in the period in which the grant relates to.

Income from training course fees is recognised over the duration of the course. Fees are generally invoiced in full at the time of enrolment. Income is recognised as each stage of the course is completed by the candidate and an assessment of that stage has been carried out by our assessors. Fees for conferences are invoiced in advance and recognised as income in the period in which the conference takes place. Income from services to members is recognised in the period in which the related expenditure occurs.

Income from publications, donations and investment income are recognised when they are received.

d) Fund accounting

The unrestricted funds comprise general funds which are available for use by the charity for its general objectives. The restricted funds are subject to restrictive conditions made by the grant making body or donor. The aim and use of each restricted fund is set out in the notes to the financial statements.

e) Operating leases

The rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

1. Accounting Policies - continued

f) The recognition of liabilities

Resources expended are accounted for on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure.

g) Services to members

This expenditure includes network costs, the costs of the national offices, the costs of providing the Disclosure services and the costs of the annual conference.

h) Support costs

Support costs have been allocated to activities based on the ratio of the individual activity expenditure against the overall expenditure, as detailed in note 3.

i) Costs of generating funds

This expenditure is an allocation of time spent and other resources expended in connection with fundraising.

j) Pension scheme

The company contributes to a stakeholder pension scheme. The pension costs charged in the financial statements represent the contributions payable by the charity during the year, in accordance with FRS102.

k) Irrecoverable VAT

The company is not registered for VAT. Any irrecoverable VAT is charged against the expense to which the item relates.

l) Foreign currency translation

The company operates a Euro bank account. The balance at the year end is translated into Sterling at the rate prevailing at the balance sheet date. Any transactions throughout the period are translated at the rate at the time, and any exchange difference is taken to the Statement of Financial Activities to the relevant heading.

m) Tangible fixed assets

Assets costing more than £200 are capitalised and depreciated over their estimated useful life.

Depreciation is charged as follows -

| | |
|------------------|---------------------|
| Office equipment | 33.3% Straight Line |
|------------------|---------------------|

n) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

1. Accounting Policies - continued

o) Cash at bank and in hand

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

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

2. Incoming resources

| | | |
|--|---------------|--------|
| Net incoming resources are stated after charging | 2022 | 2021 |
| | £ | £ |
| Depreciation | 7,802 | 8,081 |
| Auditors remuneration | 9,402 | 8,508 |
| Operating leases | 44,139 | 42,404 |

Income from unrestricted funds totalled £913,022 (2021: £1,100,040), and from restricted funds totalled £990,616 (2021: £1,016,165)

3. Total expenditure

| | | |
|-------------------|------------------|-----------|
| | 2022 | 2021 |
| | £ | £ |
| Direct costs | 1,926,888 | 1,887,304 |
| Support costs | 79,457 | 93,409 |
| Total expenditure | 2,006,345 | 1,980,713 |

Expenditure of unrestricted funds totalled £882,219 (2021: £950,003), and of restricted funds totalled £1,124,126 (2021: £1,030,710)

The support costs are allocated to activities below:

| | Training & conferences | Service to members | Total 2022 |
|--------------|---------------------------|-----------------------|---------------|
| | £ | £ | £ |
| Finance & IT | 19,253 | 29,511 | 48,764 |
| Secretarial | 5,864 | 8,989 | 14,853 |
| Management | 6,254 | 9,586 | 15,840 |
| | 31,371 | 48,086 | 79,457 |

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

4. Tax

As a charity, The Association for Real Change is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

5. Restricted funds

| | Resources Incoming £ | Resources Outgoing £ | B/forward 01/04/2021 £ | C/forward 31/03/2022 £ |
|--------------------------------------|----------------------------|----------------------------|------------------------------|------------------------------|
| Workforce Development Funding | 413,815 | 413,815 | - | - |
| Provider forums – Aberdeen | 11,000 | 11,000 | - | - |
| TILII Belfast Projects | 22,047 | 22,047 | - | - |
| TILII South Eastern Project | 23,460 | 23,460 | - | - |
| Big Lottery Fund | - | 41,642 | 47,420 | 5,778 |
| Scottish Government – BLF Matched | 38,000 | 38,000 | - | - |
| Charter | 64,000 | 64,000 | - | - |
| LD Forum | 7,500 | 7,500 | - | - |
| Happy and Safe | 21,993 | 21,993 | - | - |
| GIRFEC | 139,760 | 139,760 | - | - |
| Transitions | 70,044 | 71,942 | 1,898 | - |
| Transitions (Esmee Fairbairn) | - | 65,396 | 65,396 | - |
| Provider Forums | 45,000 | 47,675 | 2,675 | - |
| US Too | 5,941 | 27,840 | 21,899 | - |
| TILII Fermanagh | 11,815 | 11,815 | - | - |
| TILII Translates | 17,000 | 17,000 | - | - |
| SOLD | 99,241 | 99,241 | - | - |
| Total – Charitable Activities | 990,616 | 1,124,126 | 139,288 | 5,778 |
| Restricted funds | 990,616 | 1,124,126 | 139,288 | 5,778 |

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

5. Restricted funds (Continued) – Prior year

| | Resources Incoming £ | Resources Outgoing £ | B/forward 01/04/2020 £ | C/forward 31/03/2021 £ |
|--------------------------------------|----------------------------|----------------------------|------------------------------|------------------------------|
| Workforce Development Funding | 299,930 | 299,930 | - | - |
| Provider forums – Aberdeen | 11,000 | 11,000 | - | - |
| NI – TILII (Belfast) | 22,047 | 22,047 | - | - |
| NI – TILII (South Eastern) | 23,460 | 23,460 | - | - |
| Big Lottery Fund | 50,318 | 33,567 | 30,669 | 47,420 |
| Scottish Government – BLF Matched | 38,000 | 38,000 | - | - |
| Learning Disability Week 2020 | 9,725 | 9,725 | - | - |
| Charter | 64,000 | 64,000 | - | - |
| Peer Training | 10,000 | 10,000 | - | - |
| GIRFEC | 112,696 | 129,872 | 17,176 | - |
| Transitions | 60,414 | 72,452 | 13,936 | 1,898 |
| Transitions (Esmee Fairbairn) | 59,862 | 54,301 | 59,835 | 65,396 |
| Provider Forums | 55,000 | 79,484 | 27,159 | 2,675 |
| US Too | 53,472 | 33,417 | 1,844 | 21,899 |
| US Too – Extension | 21,000 | 21,000 | - | - |
| TILII Fermanagh | 9,000 | 9,000 | - | - |
| TILII Translates | 17,000 | 20,414 | 3,214 | - |
| SOLD | 99,241 | 99,241 | - | - |
| Total – Charitable Activities | | | | |
| Restricted funds | 1,016,165 | 1,030,710 | 153,833 | 139,288 |

The restricted grants received were utilised for the purposes for which they were given, as outlined below.

Workforce Development Funding (Funded by Skills for Care)

This project enables provider organisations in England to claim monies for completing courses and gaining qualifications.

Provider forums – Aberdeen (Funded by Aberdeen Council)

Development and support of self advocacy groups within Aberdeenshire.

TILII Belfast Project (Telling It Like It Is) (Funded by Belfast HSCT)

ARC NI supports a self-advocacy group in the community and two further groups in Muckamore Abbey Hospital. TILII Belfast supports over 25 people with a learning disability to complete a range of activities, including delivering induction training to new staff, writing good news stories in their capacity as Roving Reporters, and delivering influencing presentations to support their messages being heard by a diverse range of stakeholders.

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021 - CONTINUED

5. Restricted funds (Continued)

TILII South Eastern Project (Telling it Like it is) (Funded by Southern Eastern HSC Trust)

ARC NI supports self-advocacy groups in Downpatrick, Lisburn and Bangor. TILII in the South Eastern area supports over 20 people with a learning disability to complete a range of activities, including delivering induction training to new staff, writing good news stories in their capacity as Roving Reporters, and delivering influencing presentations to support their messages being heard by a diverse range of stakeholders.

Local Involvement Networks (Funded by Big Lottery Fund and Scottish Government)

This project is to support the local implementation of the Charter for Involvement.

Charter (Funded by the Scottish Government)

To update and promote the Charter for Involvement.

Learning Disability Forum (Funded by Belfast Health and Social Care Trust)

The Learning Disability Forum has been set up by the Belfast Trust to ensure that people with a learning disability and their family carers have a voice in the development of Learning Disability services across the City

ARC NI supports 'Telling It Like It Is' (TILII) members to attend the Forum meetings. TILII also consult with their peers on issues raised at the Forum meetings and provide this feedback to encourage service user representation.

Happy and Safe Project (Commissioned by Belfast Health & Social Care Trust)

The Belfast Trust asked ARC NI to deliver a bespoke project in Muckamore Abbey Hospital. The Trust were keen to offer patients an independent space to talk about what made them feel happy and safe.

Engagement occurred with 34 patients and varied both in terms of number of sessions and communication tools used, including graphic facilitation; Talking Mats; interactive recordings; finger spelling and general conversation. It is also important to note that the primary voice to be heard within this project was that of the patient, however there were occasions where staff members and/or family contributed.

GIRFEC (Funded by the Scottish Government)

This project is for developing and trialing a national framework to improve the experiences of young disabled people who are making the transition to young adult life. This includes developing a digital application that will enable young people and their families to have access to the information they need, and will enable policy makers and commissioners to have access to the information they need to make better informed decisions.

Transitions (Funded by the Scottish Government and Esmee Fairbairn Foundation)

This project was to ensure that the Scottish Transitions forum influences practice and policy at a national level. Also to produce and launch the Principles of Good Transitions 3.

Provider Forums (Funded by the Scottish Government)

Help people with learning disability lead full and active lives and be at the heart of their local community, really shaping what happens.

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

5. Restricted funds Continued

Us Too (Funded by Comic Relief)

This project is to tackle ending violence (domestic abuse and sexual violence) against women with a learning disability. We will do this by holding awareness sessions, facilitated by a Peer Trainer (a woman with a learning disability who has lived experience), for other women with learning disabilities and the staff who support them to understand what domestic abuse and sexual violence is, identify when it is happening and know what to do about it. We will then work with local women's crisis centres and a national umbrella body to raise accessibility of their specialist services so that if a women presents with a learning disability, they are able to meet their support needs.

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

ARC NI supports a self-advocacy group in Fermanagh. TILII Fermanagh has over 20 people with a learning disability who are supported to complete a range of activities, including writing good news stories in their capacity as Roving Reporters, and delivering influencing presentations to support their messages being heard by a diverse range of stakeholders.

TILII Translates (Funded by the Belfast HSCT)

ARC NI supports Telling It Like It Is (TILII) to offer an Easy Read translation service. The Belfast HSCT Iso lend the support of Speech & Language Therapy to the project. Customers in 2020/21 include the Northern Ireland Public Ombudsman, the Department of Health and a Housing Association.

SOLD (Funded by the Scottish Government)

This project is to support and develop the Supporting Offenders with Learning Disabilities (SOLD) network, to form the National Criminal Justice Action Group as described in the 'Keys to Life' recommendation 46.

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

6. Staff Costs

| | 2022 | 2021 |
|----------------------|----------------|----------------|
| | £ | £ |
| Staff costs: | | |
| Wages & salaries | 806,681 | 769,325 |
| Pension costs | 37,650 | 37,154 |
| Social security cost | 77,015 | 71,946 |
| Totals | <u>921,346</u> | <u>878,425</u> |

The average number of employees on a FTE basis.

And the areas in which they work are as follows:

| | No. | No. |
|-----------------------------|-----------|-----------|
| Charitable activities | 17 | 16 |
| Support Services | 7 | 8 |
| Average number of employees | <u>24</u> | <u>24</u> |

The directors, who are Trustees of the Charity, were not entitled to, and did not receive any emoluments from the company during the year. Their travel expenses to meetings during the year amounted to £546 for 6 Trustees (2021:(6) £0).

Staff pension contributions unpaid at the year end were £209 (2021: £204).

There are no staff with emoluments in excess of £60,000 (2021: None).

The total amount of employee benefits received by key management personnel is £214,900 (2021: £201,648). The charity considers its key management personnel to be the staff who comprise of the Country Directors and the Finance Director

7 Tangible Fixed Assets

| | Office equipment |
|-------------------------------------|------------------|
| | £ |
| Cost | |
| Balance as at 1 April 2021 | 42,087 |
| Additions during the year | 5,404 |
| Disposals during the year | (2,967) |
| Balance at 31 March 2022 | <u>44,524</u> |
| Depreciation | |
| Balance as at 1 April 2021 | 27,664 |
| Disposals during year | (2,967) |
| Charge for the year | 7,802 |
| Balance as at 31 March 2021 | <u>32,499</u> |
| Net book value 31 March 2022 | <u>12,025</u> |
| Net book value 31 March 2021 | <u>14,423</u> |

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

8. Deferred income

| <u>Course and Conference fees</u> | 2022 | 2021 |
|--|-----------|-----------|
| | £ | £ |
| Received in advance at the beginning of the year | 366,082 | 289,497 |
| Total fees received in the year | 455,984 | 588,020 |
| Recognised as income in the year | (525,783) | (511,435) |
| | | |
| Received in advance at the end of the year | 296,283 | 366,082 |

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

| | 2022 | 2021 |
|--|------------------|----------------|
| | £ | £ |
| Net movement in funds | (102,707) | 135,492 |
| Depreciation charges | 7,802 | 8,081 |
| (Increase)/Decrease in debtors | 25,113 | (12,482) |
| Increase/(Decrease) in creditors | (33,898) | 44,623 |
| Investment income | (900) | (3,293) |
| | | |
| Net cash used in operating activities | (104,590) | 172,421 |

10 Analysis of net assets between funds

| | Unrestricted | Restricted | Total |
|-----------------------------|--------------|------------|-----------|
| | £ | £ | £ |
| Tangible fixed assets | 12,025 | - | 12,025 |
| Current assets | 965,556 | 5,778 | 971,334 |
| Creditors due within 1 year | (451,454) | - | (451,454) |
| | | | |
| Net assets | 526,127 | 5,778 | 531,905 |

Analysis of net assets between funds – prior year

| | Unrestricted | Restricted | Total |
|-----------------------------|--------------|------------|-----------|
| | £ | £ | £ |
| Tangible fixed assets | 14,423 | - | 14,423 |
| Current assets | 966,253 | 139,288 | 1,105,541 |
| Creditors due within 1 year | (485,352) | - | (485,352) |
| | | | |
| Net assets | 495,324 | 139,288 | 634,612 |

THE ASSOCIATION FOR REAL CHANGE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022 - CONTINUED

11. Financial commitments

At 31 March 2022 the company had future minimum lease payments under non-cancellable leases as follows:

| | 2022 | 2021 |
|----------------|--------|--------|
| | £ | £ |
| Under one year | 21,962 | 44,139 |
| 2 – 5 years | 11,829 | 31,259 |
| | <hr/> | <hr/> |
| | 33,791 | 75,398 |

12. Related party transactions

Any transactions with organisations that a trustee is associated with are transacted on commercial terms and at arms length.

Lynnette Linton, a trustee, was paid £82 for services provided to the NIN project in 2021.