



ACE IT

Helping people over 50 access
the digital world

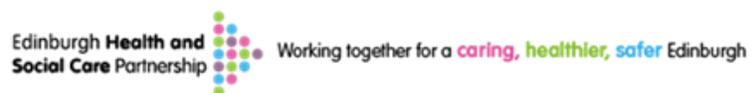
ACE IT SCOTLAND SCIO

TRUSTEES REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Scottish Charity No. SC036315

Supported by:



ACE IT SCOTLAND SCIO

1. Structure Governance and Management

1.1 The trustees of ACE IT Scotland SCIO present their report together with the financial statements of the charity for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution and applicable legal and accounting requirements.

1.2 Reference and Administrative Details

The trustees serving during the report period were as follows, except where stated:

Glenda M Watt OBE, Chairperson (Appointed June 2016)
Graham Golding (Appointed June 2018)
David Bell (Appointed December 2019)
Mike Reid, Treasurer (from August 2021) (Appointed December 2020)
Tony Wringe (Appointed March 2021)
Ciara Mitchell (Appointed March 2021)
Claire Stock (previously Brown) (Appointed March 2021)
Michael Mackie, Treasurer (Appointed September 2018, Resigned August 2021)

Address:

25 Nicolson Square
Edinburgh
EH8 9BX

Bankers

Bank of Scotland
PO Box 17235
Edinburgh EH11 1YH

Virgin Money

83 George Street
Edinburgh EH2 3ES

Payroll Provider

Haines Watts
3 Quality Street
Edinburgh EH4 5DP

Independent Examiner

Elizabeth Anne Adrain FCCA
6 Pitbauchlie Bank
Dunfermline
Fife KY11 8DP

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1.3 Constitution

The charity is a Scottish Charitable Incorporated Organisation (SCIO), regulated by a constitution and governed by a Board of Trustees. It is a registered charity, number SC036315.

All strategic decisions affecting the charity are undertaken by the Board, with advice from several subcommittees. The Board must have a minimum of three and maximum of nine trustees. During the period covered by the report there were a minimum of seven and maximum of eight trustees. The trustees of the charity meet as a Board on a regular basis, approximately every three months. Employees are invited to attend Board meetings as required. The day-to-day management of the charity is delegated to the manager.

1.4 Trustees

Prospective trustees are required to submit a curriculum vitae and a covering letter explaining the skills they can bring to the organisation. If they meet the criteria required, they will be interviewed by the Human Resources Subcommittee and two references sought. Successful candidates are then put forward for Board approval and stand for election by the members at the next Annual General Meeting.

New trustees are briefed by the chairperson and the manager on their legal obligations, a code of conduct, the content of governing documents, the functions of the Board and decision-making processes, the charity's activities, including its plans, and recent financial performance. During induction, trustees also meet employees, other trustees, and volunteers. Trustees must attend governance training provided by an independent organisation, such as EVOC (Edinburgh Voluntary Organisations' Council), and are also encouraged to participate in learning events suitable to their role within the activities of the charity during the year. Guidance and support are available for Trustees who also undertake a personal annual review and contribute to an annual review of the charity.

As charity members, all trustees have a good understanding of their role and an interest in the practical work of ACE IT Scotland SCIO. They give their time freely which is very much appreciated, and no member receives remuneration.

Members of the charity who are not trustees complete an application and are approved by the Board, before being enrolled on the register of members. All members are encouraged to contribute to the development of the charity's plans and to attend the AGM and other meetings.

1.5 Risk Management

Major risks to the charity are identified and managed on an ongoing basis. The Risk Subcommittee advise the Board in this regard. Both strategic and operational risks are considered and reviewed and updated at least annually. The trustees ensure appropriate mitigants are in place to reduce the chance of a risk arising and the potential damage resulting.

1.6 Objectives and Principal Activities

The objectives of the charity are to promote, maintain, improve and advance the education of older people to promote and advance their active involvement as citizens for the public benefit.

To enable the above the charity seeks to:

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- Promote the recognition of the 50+ age group, but particularly older people who are 65+, as a valuable resource, who can offer life experiences, maturity, skills and time.
- Develop the skills and self-confidence of older people to enable them to use those skills to benefit the community.
- Provide support to older people who contribute skills to the community during their later years.
- Advance human rights and promotion of equality and diversity of older people.

To meet these objectives, the core activities of the charity continue to be:

- The delivery of digital skills sessions in accordance with learners' needs, whether in the form of events, workshops, coaching programmes or one to one tuition at our premises or externally.
- The delivery of the 'Moose in the Hoose' project comprising weekly sessions to the residents of care homes in Edinburgh.

2. Business Review

2.1 Review of Activities

The principle of the charity's work is matching older learners with a trained volunteer who will deliver personalised coaching to improve the learner's digital inclusion. To do so effectively, the charity has redeveloped and consolidated its IT coaching services and volunteer network to provide new remote ways of working. ACE IT has worked with many local collaborators including NHS South East Older People's Mental Health Team; Edinburgh Health & Social Care Partnership; Milan Senior Welfare Organisation; LifeCare; Libertus Services; EVOG; Job Centre Plus and Edinburgh Remakery.

At a time of significant challenges, due to the impact of several Covid-19 lockdowns on project work, this has surprisingly been a productive year. The charity has adapted and grown to ensure that ACE IT remains at the frontline of fighting digital exclusion amongst many of Edinburgh's older citizens.

In-person services were offered remotely from April to August and face to face coaching sessions resumed from September 2021. However, remote services returned during the winter Covid-19 lockdown from December 2021 to January 2022.

The charity continued its popular 'Moose in the Hoose' weekly activities sessions within four Edinburgh care homes. Although the closure of Drumbrae in October 2021 reduced this offering to three care homes, the charity has since identified three new care homes where it can provide 'Moose' in the future.

2.2 Service Delivery

Following feedback from learners and volunteers, the charity improved the quality of its services from 1 October 2021 by successfully relocating to a larger office at 25 Nicolson Square. The new office provides an accessible, ideal base for hosting day-to-day services, one-off events and a flexible area to enable future expansion. This welcome arrangement has removed the reliance to hire expensive, external spaces and led to a further improvement in the quality of our sessions. Learners have been overwhelmingly positive in their feedback of this 'all under one roof' approach, as you can see below.

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Alastair who attended our online safety workshop stated, "I was so impressed with the lecture on 'Online Safety' that I had no hesitation in enrolling for one-to-one coaching. On exiting, I congratulated one of your colleagues on the speed and timing of delivery. It was one of the best presentations I have ever attended."

Arlene, an ACE IT learner who attends one-to-one sessions, said about the help she received: "I would say to anyone, no matter what their skill level, that using ACE IT to become more IT proficient is an excellent way forward. I am grateful for the help and friendly advice which I received from my volunteer tutor."

Due to additional funding (detailed in section 3.4), the charity has created and maintained five innovative ways of working with an additional record breaking 431 learners during the year, as outlined below.

- **Laptop gifting in partnership with Edinburgh Remakery** has supported 41 learners to access free refurbished devices and follow-up coaching. We were particularly pleased to have assisted people facing financial hardship and living with homelessness.
- **Tech Library lending tablet devices.** This service was developed in 2020 in response to the first Covid-19 lockdowns and extended to reach a further 41 learners in 2021.
- **YouTube online video resource** covers digital skills topics such as staying safe online, online banking and how to avoid scams. The charity was delighted that an additional 150 learners reached out to benefit from this service during the year.
- **Digital skills Help sheets and How-to guides** provided information to support 50 people with online resources and digital device usage.
- **New monthly ACE IT Newsletters** in electronic and paper format were issued to 150 people, including to residents and staff in care homes.

2.3 Communication

A Communication and Engagement Subcommittee and the Communications Coordinator inform others of the charity's purposes and its latest activities.

Feedback is collected from learners through questionnaires and case studies to illustrate the use of public funds and the learners' journey and achievements. This has highlighted the value and positive impact the charity's team has had on learners who have gained digital skills and improved access to online services through attendance at personalised coaching sessions.

To reach wider audiences and understand the needs in the community, we participate in service provider forums and community groups facilitated by EVOC and the City of Edinburgh Council. We also contribute to discussions with the Edinburgh Wellbeing Pact to facilitate collaborative working and new partnership arrangements.

The ACE IT website, social media channels and monthly newsletter provide a strong online presence. This was enabled by extensive work to establish warm media contacts and increase awareness amongst local politicians on the charity's purpose and activities.

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A meaningful level of communication with care home residents and staff who attend our 'Moose in the Hoose' project is supported through regular distribution of the Moose newsletter.

2.4 Fundraising

A Fundraising Subcommittee meets regularly to renew its database of potential sources of both restricted and unrestricted funds, submit proposals to funders and prepare reports on how the funding was used. This activity has seen the charity bolstered by new restricted and unrestricted funding as detailed further in section 3.4.

During the year the charity has gratefully received continued funding from Edinburgh Integration Joint Board for Edinburgh Health & Social Care Partnership (EIJB). The charity has also been grateful to receive unrestricted funds through donations made by learners and members of the public.

Edinburgh Integration Joint Board for Edinburgh Health & Social Care Partnership (EIJB) was initially awarded on a 3-year basis from April 2019 to March 2022. In February 2022, the charity received confirmation of an extension of this funding for an additional year to 31 March 2023. The charity is extremely grateful for this future investment in its work.

2.5 People and Governance

The charity appointed a new Administration Coordinator in December 2021 to oversee the personalised one-to-one digital skills coaching sessions. The Coordinator maximises the impact and output of this flagship service, resulting in the highest number of learning sessions per week in the history of the charity. Now up to 20 learners enjoy their lessons each week.

By the 31 March 2022 the charity had six part-time employees constituting 3.5 Full Time Equivalent (FTEs), 25 volunteers and seven trustees. Our partnership with Edinburgh Remakery also bolstered the service, providing a strong base to support project work, run the charity and plan future developments. The charity is hugely grateful to its volunteers and local partners for their ongoing support and dedication.

An HR Subcommittee oversees the recruitment, remuneration, management, learning and development for employees, volunteers, and trustees. A year-round learning and development programme was established to provide opportunities for all of the team to enhance their skills and understanding of learners' needs.

The programme includes external training events provided by EVOC, SCVO and other covering a wide range of topics, such as understanding learners' needs, better service development, writing cases studies and fundraising strategies.

Monthly guest speaker sessions are offered to the team, also. For example, Hourglass and the Scottish Government have respectively provided valuable information on safer ageing and abuse towards older people and the Scottish Government's digital strategy and its plans.

2.6 The Future

The charity aims to contribute to a society where everyone enjoys the benefits of digital empowerment and the inequality created by a technological generation gap is minimised. To achieve this, a strategy to 2026 was created and approved with valuable contributions from trustees, employees, volunteers, and learners. The strategy is supported by an annual operational plan. Both documents focus on sustaining

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and enhancing the charity's governance and core services, while seeking new opportunities to expand its range of activities into other parts of Edinburgh and beyond.

A 'Core-More-Explore' methodology was adopted to realise our strategic vision and its three elements. The first is to deliver and improve the existing services for learners. The second is to offer more services to more potential learners, and the third is to explore potential transformational opportunities outside the charity's existing focus and territory. Five areas of operational activity will be key to fulfilling our ambitions.

- **Knowing learners:** have a better understanding of existing and potential learners needs and how to reach and communicate with them
- **Service development:** have a better understanding of the gaps in service delivery, engage with the latest IT and adult learning knowledge and our learners to enhance existing services, and develop new ones
- **Fundraising:** broaden and strengthen the charity's knowledge of and relationship with funders to increase income
- **People Management:** strengthen and support the employee, volunteer, trustee and membership base to deal with current and future needs
- **PR, Communication and Engagement:** further raising the profile of ACE IT, what the charity does, and the difference it makes.

During September and October 2022, notification was received that our dedicated work on funding applications were successful and that we have already secured funds to implement the 2026 Strategy to 31 March 2025. This includes a further two-year extension of Edinburgh Integration Joint Board funding.

3. Financial Review

3.1 Financial Position

Results for the year ended 31 March 2022 are given in the Statement of Financial Activities on page 11. The assets and liabilities are detailed on the Balance Sheet on page 13.

The Statement of Financial Activities shows:

- A net deficit of £6,387 (2021 surplus £24,905)

The deficit is due to timing differences between when grant money was received and when it was/will be spent, specifically:

- The Bank of Scotland Reach grant – the income was recognised in 2020-2021, but most associated costs were incurred in 2021-22, and
- The Community Mental Health & Wellbeing Fund grant is included as income in the 2021-2022, but the associated costs will be incurred in 2022-23.

The combined impact of these resulted in a deficit of £7,433 i.e. had income and costs been aligned, a surplus of £1,046 would have been reported.

- Total reserves of £53,275 (unrestricted funds £33,265, and restricted funds £20,010)

The level of unrestricted reserves complies with our reserves policy (see 3.2 below), representing 3.4 months of core running costs.

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These results have been delivered through the on-going operation of our financial controls policy, particularly in relation to cost control.

The trustees are always grateful for all the support we receive from funders. It is important to note that although EIJB are our main funder, this grant only covered 74% of costs in 2021-22 and that the difference was funded through a combination of smaller grants, unrestricted awards and donations. More details are included in paragraph 3.4 below.

3.2 Reserves Policy

With a sizeable portion of its funding coming from grants, the trustees are aware of the need to accumulate unrestricted funds to help reduce risk and overcome situations arising from any potential anticipated or unanticipated difficulty, including the contingency of dissolution. The charity aims to maintain unrestricted funds at a level equivalent to at least three months' core running costs.

3.3 Plans for the Future

As described in section 2.6, the charity has a defined strategy for growing the services offered up to 2026. Delivery of this strategy, in particular the "more" aspect, requires additional funding to deliver the additional services and potentially expand outside of Edinburgh to meet demand.

The Fundraising Subcommittee has identified several potential funding routes and, where appropriate, made grant applications. This hard work has generated excellent results:

- The National Lottery Community Fund has offered the charity significant three-year grant funding, although each year is dependent on having "matched" funding; this funding runs from the beginning of October 2022; and
- Queensberry House Trust has also awarded us a grant for one year, again starting from October 2022.

In addition, EIJB have recently confirmed that they will continue to support the charity until the end of March 2025.

These awards provide us with a great deal of financial stability, in particular for the next 12 months, and allow us to confidently plan for the growth of our activities. However, these awards do not remove the need to continue to raise additional funds, including donations, for the following purposes:

- As referenced in 3.2 our reserves policy requires us to maintain unrestricted funds at a minimum of a level equivalent to 3 months of core running costs, therefore, as costs increase, so must our level of unrestricted funds;
- The new funding from The National Lottery Community Fund and Queensberry House Trust is primarily to fund additional service delivery, including increasing hours for existing staff and employing new staff, not to cover our core costs;
- The 3-year grants are not "index linked" and we will need to fund cost increases that result from the current financial climate i.e. we will need to ensure that we financially support our staff as best we can, and we also expect to see significant increases in non-staff costs (albeit the main non-staff costs are fixed until the end of March 2023).

As a result, we are not complacent about our funding needs and will continue to seek additional funding to ensure we can achieve financial stability.

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3.4 Financial Contributions

The trustees are always grateful for the generosity of funders and to individuals and organisations who make donations to the charity. The charity's principal source of funding is a grant from the EIJB. The charity also received significant grants and donations from:

- Bank of Scotland Foundation – Reach
- Misses Robinson Charitable Trust
- The Souter Charitable Trust
- Community Based Adult Fund
- Community Mental Health and Wellbeing Fund

3.5 Trustees' Responsibilities in relation to the Financial Statements

The trustees are responsible for preparation of the Annual Report including the financial statements for each financial year, in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice;
- 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; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the constitution. They are also responsible for safeguarding the assets of the charity 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 charity and the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

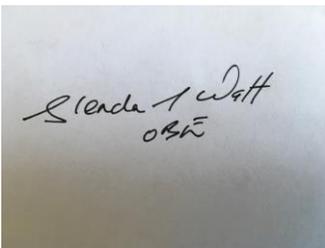
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3.6 Statement of Disclosure of Information to the Independent Examiner

As far as the members and trustees are aware:

- There is no relevant information of which the charity's independent examiner is unaware; and
- The members and trustees have taken all the steps they ought to have taken to make themselves aware of any relevant information, and to establish that the independent examiner is aware of the information.

Approved by trustees and signed on their behalf by:

A photograph of a handwritten signature in black ink on a light-colored surface. The signature reads "Glenda M Watt" in a cursive script, with "OBE" written in block letters underneath.

GLENDAM WATT OBE
Chairperson

Date: 21 November 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ACE IT SCOTLAND SCIO FOR THE YEAR ENDED 31 March 2022

I report on the financial statements of the charity for the year ended 31 March 2022 which are set out on pages 12 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



ELIZABETH ANNE ADRAIN FCCA

Date: 21 November 2022

Address: 6 Pitbauchlie Bank, Dunfermline, Fife KY11 8DP

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STATEMENT OF FINANCIAL ACTIVITIES for the year to 31 March 2022

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Donations and legacies | 2 | 10,705 | 75,004 | 85,709 | 109,783 |
| Charitable activities | 2 | 504 | - | 504 | 345 |
| Investments | 2 | 39 | - | 39 | 58 |
| TOTAL INCOME | | 11,248 | 75,004 | 86,252 | 110,186 |
| EXPENDITURE ON: | | | | | |
| Charitable Activities | 4,15 | 6,161 | 86,478 | 92,639 | 85,281 |
| TOTAL EXPENDITURE | | 6,161 | 86,478 | 92,639 | 85,281 |
| NET (DEFICIT)/ SURPLUS IN THE YEAR BEFORE TRANSFERS | | | | | |
| | | 5,087 | (11,474) | (6,387) | 24,905 |
| Gross transfers between funds | 8 | - | - | - | - |
| NET MOVEMENT IN FUNDS | | 5,087 | (11,474) | (6,387) | 24,905 |
| Fund balances brought forward | | 28,178 | 31,484 | 59,662 | 34,757 |
| TOTAL FUNDS CARRIED FORWARD | | 33,265 | 20,010 | 53,275 | 59,662 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

Scottish Charity No SC036315
The notes on pages 15 - 23 form part of these financial statements¹

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STATEMENT OF FINANCIAL ACTIVITIES for the PRIOR YEAR to 31 March 2021

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|--------------------------------------|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME FROM: | | | | | |
| Donations and legacies | 2 | 10,611 | 99,172 | 109,783 | 72,956 |
| Charitable activities | 2 | 345 | - | 345 | 701 |
| Investments | 2 | 58 | - | 58 | 98 |
| TOTAL INCOME | | 11,014 | 99,172 | 110,186 | 73,755 |
| EXPENDITURE ON: | | | | | |
| Charitable Activities | 4,15 | 5,246 | 80,035 | 85,281 | 72,513 |
| TOTAL EXPENDITURE | | 5,246 | 80,035 | 85,281 | 72,513 |
| NET SURPLUS BEFORE TRANSFERS | | | | | |
| | | 5,768 | 19,137 | 24,905 | 1,242 |
| Gross transfers between funds | 8 | 93 | (93) | - | - |
| NET MOVEMENT IN FUNDS | | 5,861 | 19,044 | 24,905 | 1,242 |
| Total funds brought forward | | 22,317 | 12,440 | 34,757 | 33,515 |
| TOTAL FUNDS CARRIED FORWARD | | 28,178 | 31,484 | 59,662 | 34,757 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

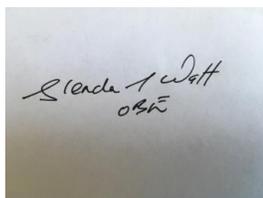
All income and expenditure derive from continuing activities.

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BALANCE SHEET AT 31 March 2022

| FIXED ASSETS | Notes | 2022 £ | 2021 £ |
|---|-------|---------------|---------------|
| Tangible assets | 5 | - | - |
| CURRENT ASSETS | | | |
| Debtors | 6 | 291 | 267 |
| Cash in bank and in hand | | 57,713 | 64,243 |
| | | <u>58,004</u> | <u>64,510</u> |
| Creditors: amount falling due within one year | 7 | 4,729 | 4,848 |
| NET CURRENT ASSETS | | <u>53,275</u> | <u>59,662</u> |
| | | | |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>53,275</u> | <u>59,662</u> |
| | | | |
| FUNDS | | | |
| Restricted funds | 8 | 20,010 | 31,484 |
| Unrestricted funds | 8 | 33,265 | 28,178 |
| | | <u>53,275</u> | <u>59,662</u> |

These financial statements were approved by the Trustees on 21 November 2022



Chairperson – Glenda M Watt OBE

Date: 21 November 2022

Scottish Charity No SC036315
The notes on pages 15 - 23 form part of these financial statements

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared in accordance with:

- The charity's constitution;
- The Charities and Trustee Investment (Scotland) Act 2005;
- The Charities Accounts (Scotland) Regulations 2006 (as amended);
- 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).

ACE IT Scotland SCIO constitutes a public entity under FRS 102.

The financial statements are prepared:

- In sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.
- Under the historic cost convention with items recognised at either cost or at transaction value, unless otherwise stated in the accounting policy note.

Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has or can acquire adequate resources to continue in operational existence for the foreseeable future. The trustees have taken steps to mitigate the operational impact of Covid-19. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The trustees have considered a period of 12 months from the date of approval of the financial statements.

Charitable funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund.

Funds received for a specific purpose are treated as restricted funds until such times as the restriction is lifted. When this occurs, the relevant funds are transferred from restricted funds to unrestricted funds. Deficit balances on any restricted fund will be met by transfer of unrestricted funds.

Income

Income, including grants, is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that the income will be received.

Cash donations are recognised on receipt, other donations are recognised once the charity has been notified of the donation, unless performance conditions require the deferral of the amount. Income Tax recoverable in relation to donations received under Gift Aid are recognised at the time of receipt.

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES (cont'd)

Expenditure

Expenditure is recognised when a liability is incurred. A detailed breakdown of expenditure is detailed in Note 15.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources. Direct costs are those relating to a particular activity and are allocated directly to that activity. Indirect costs are those which cannot be allocated directly to a particular activity and are apportioned among activities based on a reasonable assessment of their usage of and contribution to such costs.

As a result of Covid-19 and the continued need for remote working in periods of the year, certain indirect costs continued to be incurred and have been allocated to activities based on the previous year's usage in the absence of otherwise meaningful assessment criteria.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful lives on a straight-line basis as follows:

| | Period | Principal annual rate |
|------------------|------------------|------------------------------|
| IT equipment | Year of purchase | 100% |
| Office furniture | 5 years | 20% |

Cash at bank and in hand

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments initially recognised at transaction value and subsequently measured at their settlement value. Financial assets classified as receivable within year are not amortised.

Operating leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the lease.

Retirement Benefits

Employees are entitled to join a money purchase scheme operated by NEST (National Employment Payment Trust). Payments to the pension scheme are charged as an expense as they fall due.

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

2. DEFICIT/SURPLUS IS STATED AFTER CHARGING

| | 2022 £ | 2021 £ | |
|---|-------------------|-----------------|----------------|
| Depreciation of tangible fixed assets and after crediting: | - | - | |
| | | | |
| | 2022 | | |
| | Unrestricted £ | Restricted £ | Total £ |
| Donations and Legacies 2022 | | | |
| Lessons/outreach donations | 1,335 | - | 1,335 |
| Other donations | 9,370 | - | 9,370 |
| Legacies | - | - | - |
| Grants | - | 75,004 | 75,004 |
| | <u>10,705</u> | <u>75,004</u> | <u>85,709</u> |
| | | | |
| | 2021 | | |
| | Unrestricted £ | Restricted £ | Total £ |
| Donations and Legacies 2021 | | | |
| Lessons/outreach donations | 1,340 | - | 1,340 |
| Other donations | 9,271 | - | 9,271 |
| Legacies | - | - | - |
| Grants | - | 99,172 | 99,172 |
| | <u>10,611</u> | <u>99,172</u> | <u>109,783</u> |

Details of grants received can be found in Note 8.

Charitable Activities

| | 2022 £ | 2021 £ |
|--------------------|------------|------------|
| Fundraising | - | - |
| Events | - | - |
| Workshop hosting | 250 | - |
| Royalties (Note 3) | 254 | 345 |
| | <u>504</u> | <u>345</u> |
| | | |
| Investments | | |
| Bank interest | <u>39</u> | <u>58</u> |

3. LOST SONGS OF ST KILDA

The Lost Songs of St Kilda is a collection of music from the Scottish archipelago of St Kilda recorded by Trevor Morrison. These recordings were gifted to the charity as a thank you and at that time the value of these songs was uncertain. On 8 September 2016, a licence agreement was signed with DECCA, a division of Universal Music Operations Ltd, allowing them to utilise these recordings. A CD was then produced and launched. The term of the licence is 15 years, with an option to renew for a further 15 years. If DECCA opt to renew the licence, a minimum of £1,500 will be due to the charity.

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

4. GOVERNANCE COSTS

Charitable expenditure includes governance costs which are assessed as follows:

| | 2022 | 2021 |
|--------------------|--------------|--------------|
| | £ | £ |
| Employment costs | 7,555 | 8,164 |
| Meeting costs | 781 | - |
| Telephone | 7 | 13 |
| Printing & postage | 64 | 69 |
| Miscellaneous | 30 | - |
| | <u>8,437</u> | <u>8,246</u> |

5. TANGIBLE FIXED ASSETS

Computers and Equipment

| Cost: | 2022 | 2021 |
|---------------------|----------|---------------|
| | £ | £ |
| As at 1 April 2021 | 21,927 | 21,927 |
| Disposals | (21,927) | - |
| As at 31 March 2022 | <u>-</u> | <u>21,927</u> |

Depreciation:

| | | |
|---------------------|----------|----------|
| As at 1 April 2021 | 21,927 | 21,927 |
| Disposals | (21,927) | - |
| As at 31 March 2022 | <u>-</u> | <u>-</u> |

Net Book Value

| | | |
|---------------------|----------|----------|
| As at 31 March 2022 | <u>-</u> | <u>-</u> |
| As at 31 March 2021 | <u>-</u> | <u>-</u> |

Following a move to a new room within the City of Edinburgh Methodist Church, some equipment was destroyed and some donated to the Edinburgh Remakery, for refurbishment and donation to their clients. The remaining equipment was purchased in recent years for less than £500 and in accordance with our accounting policy not been capitalised. On that basis, all fixed assets have been treated as disposed of in the current year.

6. DEBTORS

| | 2022 | 2021 |
|--------------------------------|------------|------------|
| | £ | £ |
| Due within one year | | |
| Other debtors | - | - |
| Prepayments and accrued income | 291 | 267 |
| | <u>291</u> | <u>267</u> |

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

| 7. CREDITORS – amounts falling due within one year | 2022 | 2021 |
|--|--------------|--------------|
| | £ | £ |
| Sundry creditors | 3,440 | 2,884 |
| Accruals | 1,289 | 1,964 |
| | <u>4,729</u> | <u>4,848</u> |

8. FUNDS OF THE CHARITY

| | As at 31March 2021 | Incoming Resources | Resources Expended | Transfer of Funds | As at 31March 2022 |
|-------------------------------------|--------------------------|-----------------------|-----------------------|----------------------|--------------------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Edinburgh Integration Joint Board | 8,742 | 62,225 | (66,266) | - | 4,701 |
| Bank of Scotland Foundation - Reach | 22,742 | - | (16,864) | - | 5,878 |
| CABLF* | - | 3,348 | (3,348) | - | - |
| CMHWF** | - | 9,431 | - | - | 9,431 |
| | <u>31,484</u> | <u>75,004</u> | <u>(86,478)</u> | <u>-</u> | <u>20,010</u> |
| Unrestricted Funds | <u>28,178</u> | <u>11,248</u> | <u>(6,161)</u> | <u>-</u> | <u>33,265</u> |
| | <u>59,662</u> | <u>86,252</u> | <u>(92,639)</u> | <u>-</u> | <u>53,275</u> |

*Community Based Adult Learning Fund

**Community Mental Health & Wellbeing Fund

| Prior year | As at 31March 2020 | Incoming Resources | Resources Expended | Transfer of Funds | As at 31March 2021 |
|--|--------------------------|-----------------------|-----------------------|----------------------|--------------------------|
| | £ | £ | £ | £ | £ |
| Restricted Funds | | | | | |
| Edinburgh Integration Joint Board | 6,674 | 62,225 | (60,157) | - | 8,742 |
| Wellbeing Fund | - | 11,705 | (11,612) | (93) | - |
| LifeCare | - | 2,500 | (2,500) | - | - |
| National Lottery- Awards for All Scotland | 5,766 | - | (5,766) | - | - |
| Bank of Scotland Foundation- Reach | - | 22,742 | - | - | 22,742 |
| | <u>12,440</u> | <u>99,172</u> | <u>(80,035)</u> | <u>(93)</u> | <u>31,484</u> |
| Unrestricted Funds | <u>22,317</u> | <u>11,014</u> | <u>(5,246)</u> | <u>93</u> | <u>28,178</u> |
| | <u>34,757</u> | <u>110,186</u> | <u>(85,281)</u> | <u>-</u> | <u>59,662</u> |

Unrestricted funds for the year to 31 March 2022 include donations from the Misses Robinson Charitable Trust of £3,500 (2021 £3,500), the Souter Charitable Trust £3000 (2021 £2,700) and a Baillie Gifford Community Award of £nil (2021 £2000).

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

9. ANALYSIS OF FUND BALANCES

| | 2022 | | Total |
|-------------------------------|---------------|---------------|---------------|
| | Unrestricted | Restricted | |
| | £ | £ | £ |
| Bank and cash balances | 33,803 | 23,910 | 57,713 |
| Other net current liabilities | (538) | (3,900) | (4,438) |
| Fixed assets | - | - | - |
| | <u>33,265</u> | <u>20,010</u> | <u>53,275</u> |

Prior Year

| | 2021 | | Total |
|-------------------------------|---------------|---------------|---------------|
| | Unrestricted | Restricted | |
| | £ | £ | £ |
| Bank and cash balances | 28,607 | 35,636 | 64,243 |
| Other net current liabilities | (429) | (4,152) | (4,581) |
| Fixed assets | - | - | - |
| | <u>28,178</u> | <u>31,484</u> | <u>59,662</u> |

10. EMPLOYEES

| | 2022 | 2021 |
|-------------------------|---------------|---------------|
| | £ | £ |
| Employment Costs | | |
| Salaries | 69,492 | 56,020 |
| Social security costs | 98 | - |
| Pension costs | 1,141 | 908 |
| | <u>70,731</u> | <u>56,298</u> |

The average monthly number of employees during the year 5.6 4.3
All employees are employed on a part time basis.

Defined contribution scheme: A auto-enrolment pension scheme for employees is operated. The assets of the scheme are held separately from those of the charity in an independently administered fund (National Employment Saving Trust). The scheme had three members in the financial year.

No employees received in excess of £60,000 during the year.

11. TRUSTEES REMUNERATION AND EXPENSES

None of the trustees (or any person connected with them) received any remuneration or benefits during the year. Expenses incurred on behalf of the charity £24 (2021 £19) for telephone and postage were reimbursed during the year to the former Treasurer.

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

12. FINANCIAL COMMITMENTS

The charity had no capital commitments at 31 March 2022.

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under a non-cancellable operating lease, which fall due as follows:

| | 2022 | 2021 |
|---------------------------|--------|-------|
| | £ | £ |
| Land & Buildings, | | |
| Within one year | 13,200 | 7,800 |
| Within two and five years | - | - |

This lease expires on 31 March 2024, with an option to break the lease from 1 April 2023.

13. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2021 – none).

14. TAXATION

The company has recognised charitable status from HMRC. There is no tax charge in the accounts.

15. DETAILED INCOME AND EXPENDITURE ACCOUNT

A detailed income and expenditure account for years to 31 March 2021 and 2022 are included at pages 22 and 23 respectively.

Please note that the following abbreviations are used for Funders

- EIJB – The Edinburgh Integration Joint Board for Health & Social Care Partnership
- BOS Reach - Bank of Scotland Foundation Reach Grant
- CBALF - Community Based Adult Learning Fund
- CMHWF- Community Mental Health and Wellbeing Fund

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

15. INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR TO 31 MARCH 2022

| | Unrestricted Funds | | Restricted Funds | | | | | Total Funds 2022 | Total Funds 2021 |
|------------------------------|--------------------|--------------|------------------|---------------|-------------|-------------|---------------|------------------|------------------|
| | General Total | | EIJB | BOS - Reach | CBALF | CMHWF | Total | | |
| | £ | £ | £ | £ | £ | £ | £ | £ | |
| INCOME | | | | | | | | | |
| Grants: Core | 0 | 0 | 62225 | 0 | 0 | 0 | 62225 | 62225 | |
| Other | 0 | 0 | 0 | 0 | 3348 | 9431 | 12779 | 36947 | |
| Lessons | 1215 | 1215 | 0 | 0 | 0 | 0 | 1215 | 0 | |
| Telephone helpline | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 980 | |
| Outreach & events | 120 | 120 | 0 | 0 | 0 | 0 | 120 | 360 | |
| Other donations | 8670 | 8670 | 0 | 0 | 0 | 0 | 8670 | 9271 | |
| Gift Aid | 700 | 700 | 0 | 0 | 0 | 0 | 700 | 0 | |
| Fundraising | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sundry | 250 | 250 | 0 | 0 | 0 | 0 | 250 | 0 | |
| Royalties | 254 | 254 | 0 | 0 | 0 | 0 | 254 | 345 | |
| Interest received | 39 | 39 | 0 | 0 | 0 | 0 | 39 | 58 | |
| Total Income | 11248 | 11248 | 62225 | 0 | 3348 | 9431 | 75004 | 86252 | 110186 |
| EXPENDITURE | | | | | | | | | |
| Salaries & fees | 3836 | 3836 | 47553 | 15477 | 2626 | 0 | 65656 | 69492 | 56020 |
| Employers NIC | 0 | 0 | 0 | 0 | 98 | 0 | 98 | 98 | 0 |
| Pensions | 58 | 58 | 667 | 337 | 79 | 0 | 1083 | 1141 | 908 |
| Staff & volunteer training | 0 | 0 | 340 | 0 | 545 | 0 | 885 | 885 | 135 |
| Recruitment costs | 610 | 610 | 0 | 0 | 0 | 0 | 610 | 610 | 460 |
| Volunteer expenses | 0 | 0 | 372 | 0 | 0 | 0 | 372 | 372 | 387 |
| Travel expenses | 0 | 0 | 46 | 0 | 0 | 0 | 46 | 46 | 0 |
| Provisions | 0 | 0 | 112 | 0 | 0 | 0 | 112 | 112 | 0 |
| Rent | 1050 | 1050 | 9152 | 1050 | 0 | 0 | 10202 | 11252 | 7317 |
| Other property costs | 11 | 11 | 101 | 0 | 0 | 0 | 101 | 112 | 0 |
| Insurance | 49 | 49 | 440 | 0 | 0 | 0 | 440 | 489 | 436 |
| IT maintenance | 467 | 467 | 4362 | 0 | 0 | 0 | 4362 | 4829 | 5034 |
| Equipment/consumables | 0 | 0 | 1502 | 0 | 0 | 0 | 1502 | 1502 | 11365 |
| Promotions | 0 | 0 | 280 | 0 | 0 | 0 | 280 | 280 | 768 |
| Post, print etc | 93 | 93 | 372 | 0 | 0 | 0 | 372 | 465 | 963 |
| Telephone | 85 | 85 | 425 | 0 | 0 | 0 | 425 | 510 | 920 |
| Miscellaneous | 5 | 5 | 85 | 0 | 0 | 0 | 85 | 90 | 232 |
| Professional services | 95 | 95 | 457 | 0 | 0 | 0 | 457 | 552 | 336 |
| Independent examiner's fee | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bank interest & charges | -198 | -198 | 0 | 0 | 0 | 0 | 0 | -198 | 0 |
| Depreciation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditure | 6161 | 6161 | 66266 | 16864 | 3348 | 0 | 86478 | 92639 | 85281 |
| NET DEFICIT | 5087 | 5087 | -4041 | -16864 | 0 | 9431 | -11474 | -6387 | 24905 |
| Transfer of Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Funds brought forward | 28178 | 28178 | 8742 | 22742 | 0 | 0 | 31484 | 59662 | 34757 |
| FUNDS CARRIED FORWARD | 33265 | 33265 | 4701 | 5878 | 0 | 9431 | 20010 | 53275 | 59662 |

ACE IT SCOTLAND SCIO - NOTES TO THE FINANCIAL STATEMENTS

15. INCOME AND EXPENDITURE FOR THE YEAR TO 31 MARCH 2021

| | UNRESTRICTED FUNDS | | RESTRICTED FUNDS | | | | | Total Funds 2021 | Total Funds 2020 |
|------------------------------|--------------------|--------------|------------------|----------------|------------------|-------------|----------------|------------------|------------------|
| | General | Total | EIJB* | Wellbeing Fund | National Lottery | LifeCare | BOS - Reach ** | | |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| INCOME | | | | | | | | | |
| Grants: Core | 0 | 0 | 62225 | 0 | 0 | 0 | 0 | 62225 | 62225 |
| other | 0 | 0 | 0 | 11705 | 0 | 2500 | 22742 | 36947 | 400 |
| Lessons | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3648 |
| Telephone helpline | 980 | 980 | 0 | 0 | 0 | 0 | 0 | 980 | 0 |
| Outreach & events | 360 | 360 | 0 | 0 | 0 | 0 | 0 | 360 | 69 |
| Other donations | 9271 | 9271 | 0 | 0 | 0 | 0 | 0 | 9271 | 6614 |
| Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fundraising | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Royalties | 345 | 345 | 0 | 0 | 0 | 0 | 0 | 345 | 701 |
| Interest received | 58 | 58 | 0 | 0 | 0 | 0 | 0 | 58 | 98 |
| Total Income | 11014 | 11014 | 62225 | 11705 | 0 | 2500 | 22742 | 99172 | 110186 |
| EXPENDITURE | | | | | | | | | |
| Salaries & fees | 3179 | 3179 | 46068 | 2423 | 3131 | 1219 | 0 | 52841 | 47593 |
| Employers NIC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pensions | 81 | 81 | 679 | 64 | 48 | 36 | 0 | 827 | 908 |
| Staff & volunteer training | 0 | 0 | 0 | 0 | 0 | 135 | 0 | 135 | 165 |
| Recruitment costs | 0 | 0 | 460 | 0 | 0 | 0 | 0 | 460 | 575 |
| Volunteer expenses | 0 | 0 | 0 | 0 | 387 | 0 | 0 | 387 | 576 |
| Travel expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 551 |
| Provisions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 387 |
| Rent | 1170 | 1170 | 6147 | 0 | 0 | 0 | 0 | 6147 | 7317 |
| Other property costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 354 |
| Insurance | 44 | 44 | 392 | 0 | 0 | 0 | 0 | 392 | 646 |
| IT maintenance | 484 | 484 | 3772 | 0 | 0 | 778 | 0 | 4550 | 5415 |
| Equipment/consumables | 0 | 0 | 961 | 8322 | 1750 | 332 | 0 | 11365 | 2608 |
| Promotions | 0 | 0 | 287 | 31 | 450 | 0 | 0 | 768 | 557 |
| Post, print etc | 162 | 162 | 760 | 41 | 0 | 0 | 0 | 801 | 963 |
| Telephone | 60 | 60 | 327 | 533 | 0 | 0 | 0 | 860 | 442 |
| Miscellaneous | 34 | 34 | 0 | 198 | 0 | 0 | 0 | 198 | 213 |
| Professional services | 32 | 32 | 304 | 0 | 0 | 0 | 0 | 304 | 336 |
| Independent examiner's fee | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bank interest & charges | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditure | 5246 | 5246 | 60157 | 11612 | 5766 | 2500 | 0 | 80035 | 85281 |
| NET SURPLUS | 5768 | 5768 | 2068 | 93 | -5766 | 0 | 22742 | 19137 | 24905 |
| Transfer of Funds | 93 | 93 | 0 | -93 | 0 | 0 | 0 | -93 | 0 |
| Funds brought forward | 22317 | 22317 | 6674 | 0 | 5766 | 0 | 0 | 12440 | 34757 |
| FUNDS CARRIED FORWARD | 28178 | 28178 | 8742 | 0 | 0 | 0 | 22742 | 31484 | 59662 |

* Edinburgh Integration Joint Board

** Bank of Scotland Foundation Reach grant