

# The Pace Centre Limited

Financial Statements

For the Year Ended

31 December 2021



THE PACE CENTRE LIMITED  
(a company limited by guarantee)

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# THE PACE CENTRE LIMITED

## Company Information

Charity registration number 1011133

Company registration number 2707807

Trustees

Mr Julian Lovelock (Chairman)  
Mr Ian Cairns  
Mr Andrew Coxall  
Mr Dennis Craggs  
Mr Ian Harper  
Mr David Irvine  
Mr Clive John (Honorary Treasurer)  
Mr Stephen Painter  
Ms Satyabhama Pudaruth  
Mrs Helen Shepherd  
Ms Kay Taylor  
Mr Paul Trueman

Chief Executive Mr Ian Sansbury

Principal and Registered Office Bradbury Campus  
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Aylesbury  
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HP22 5TE

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# THE PACE CENTRE LIMITED

## Trustees' Annual Report

for the year ended 31 December 2021

The trustees have pleasure in presenting their annual report and audited financial statements for the year ended 31 December 2021 for The Pace Centre Limited, also known as Pace. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

### Trustees of the Charity

The Company is managed by a Board of Trustees who are also Directors of the Company. The Board shall review the term of each trustee on a regular basis and refresh the Board as may be required.

A list of trustees who have served during the year are:

Trustees	Mr Julian Lovelock (Chairman)	Mr Stephen Painter
	Mr Ian Cairns	Mr Adrian Pikett (resigned 28 April 2021)
	Mr Andrew Coxall (appointed 19 April 2021)	Ms Satyabhama Pudaruth
	Mr Dennis Craggs	Mrs Helen Shepherd (appointed 19 April 2021)
	Mr Ian Harper	Ms Kay Taylor
	Mr David Irvine	Mr Paul Trueman (appointed 19 April 2021)
	Mr Clive John (Honorary Treasurer)	

Julian Lovelock and Clive John have let it be known that they will be resigning in July 2022 and the Trustees are delighted that Helen Shepherd will be taking over as Chair, Stephen Painter as Deputy Chair and Ian Cairns as Honorary Treasurer.

The trustees have set up a number of sub committees as follows:

- Finance and Operations committee: Clive John (Chair), Dennis Craggs, Ian Cairns, Satyabhama Pudaruth
- Education committee: Helen Shepherd (Chair), Ian Harper, David Irvine, Andrew Coxall
- Child and family committee: Julian Lovelock (Chair), Paul Trueman, Stephen Painter, Kay Taylor.

### Our Aims and Objectives

**Our Purpose:** Pace is a specialist charity that is committed to ensuring that children with neurodisabilities have the opportunity to reach their fullest potential in life. Fundamental to our approach is a belief in every child's ability to learn and make progress, whatever the physical or sensory challenges they face. Pace delivers life-changing educational and clinical support to babies, toddlers, children and young people with complex neurodisabilities and practical support and advice to their families. We strive to continually advance best practice in our field.

**Our Vision:** The Pace vision is that every child in the UK with a neurodisability, and their family, can access educational and clinical support aligned with the Pace approach. To that end, we work very intentionally to share our expertise, to train other providers and practitioners and to campaign for better provision.

## **Our Aims and Objectives (continued)**

### **Our Guiding Principles:**

- Our children's current and future needs are at the core of everything we do. We have a positive belief in every child's ability to learn and strive continuously to ensure that they receive an "education for life" which enables them to be as active and independent as possible and to achieve their potential for a fulfilled life
- Pace is a family centred charity. We use our collective knowledge and skills to achieve a comprehensive understanding of the child and their family's unique challenges and goals in order to educate, empower and support. We always work in close partnership with our families
- We are committed to achieving and advancing best practice in our field through active engagement with other partners and aim to set the standard required in transdisciplinary skill sets, teamwork and approach to best meet the needs of children with neurodisabilities and related developmental challenges. We aim to demonstrate the impact of our approach through data collection and research
- The dedication of our staff and community of supporters is a strength of the organisation. We value and respect the contribution that *every* member of our community brings to the work of Pace
- We always seek what is best for our children and families whilst providing value for money to those who fund our work.

Pace has become a leading specialist centre for children with neurodisabilities with a growing reputation both nationally and internationally. Our innovative combination of different educational and therapeutic approaches is genuinely unique and is highly effective in meeting the total learning needs of the developing child. We are committed to continuing research in our field and to the dissemination of our practice to others.

### **What makes us different?**

- A strong focus on early assessment and targeted intensive intervention for babies and young children aged 0-3 years when their brain is most receptive to new learning due to its neuroplasticity
- A commitment to working in partnership with parents as equal partners in the education and development of their child
- A transdisciplinary and integrated educational approach which draws on best practice from occupational therapy, conductive education, speech and language therapy, physiotherapy and special education to provide a rich and individually tailored learning environment for our children
- Pace's innovative model, developed over 30 years, which allows for attention to detail, continual review and adaptation based on the changing needs of our children and their families
- The transdisciplinary skill set of our staff and the high level of expertise which they bring to our services for children with neurodisabilities
- Our commitment to sharing and disseminating knowledge and skills in the field of neurodisabilities with other professionals, practitioners and parents.

It is these facets of our practice that mark us out as an "Outstanding" provider, as we always have been by Ofsted. Our latest Ofsted inspection took place in November 2019, and that report can be accessed at <https://reports.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/ELS/131462>.

## **Our Aims and Objectives (continued)**

### **The needs we address:**

#### **1. Children's needs**

- We work with children and young people aged 0-18 who have learning and developmental difficulties as a result of a neurodisability particularly, but not limited to, sensory motor disorders such as cerebral palsy. Children who have a neurodisability such as cerebral palsy may find it more difficult to move, engage in play, communicate, eat, drink, dress, draw, write, use technology, access the school curriculum, socialise and develop independence. They may also have medical and orthopaedic needs as a result of their condition
- In addition to our work with sensory motor disorders, our therapy provision within Child & Family Services increasingly covers a wider range of neurodisabilities, including autistic spectrum disorder (ASD), attention deficit hyperactivity disorder (ADHD), social emotional and mental health challenges (SEMH), behavioural challenges, school refusal and motor coordination challenges (including difficulty with handwriting and in accessing PE)
- We ensure that we address all these needs as part of a holistic package of intervention, education and care
- We give great attention to the building blocks required for ongoing learning: sensory, perception, motor, communication and play. As a result, children who attend Pace make accelerated progress and become active learners. They learn what they can do for themselves and develop confidence and belief in their own abilities.

#### **2. Families' needs**

We know that parents of disabled children are anxious about what the future holds for them and their child. Like any parent, they want to do their very best for their child. Pace helps them by:

- Offering a warm, welcoming environment in which parents feel nurtured, supported and respected
- Providing "hands on" training (particularly in our Child and Family service) and ongoing information, guidance and advice about their child's needs so that parents feel empowered and informed in their parenting role
- Giving positive encouragement and hope for the future by providing very skilled therapeutic and educational intervention for their child at a time when they need it most
- Including them within our community of families from which they can find friendship and peer support
- Meeting families' needs is a particular focus of our Pace Digital developments, which are increasingly providing practical and high quality resources and access to peer support online.

### **Our Aims and Objectives (continued)**

#### **3. The need to train and share expertise with our own staff and others in the specialist area of neurodisabilities**

Pace is committed to building expertise in our specialism within our own staff team and in the workforce generally. We offer the following training and development opportunities to our own staff and external practitioners:

- **Student Placements:** Pace is pleased to have been able to offer undergraduate placements for students in Occupational Therapy and Conductive Education. We also regularly host students wishing to gain work experience as part of their sixth form or higher education courses
- **Training Courses:** With the availability of the Cazenove Training Suite, opened as part of the Weston Centre at our Bradbury Campus in 2016, Pace has been able to offer an increased level of training in cerebral palsy and related aspects to our own staff as induction training and ongoing professional development.

This rigour in our training provision has brought us to a place where we can increasingly offer training courses to other centres and practitioners, both locally through the Cazenove Training Suite and online through our digital services, which are described in more detail within the strategy section of this report.

#### **Our Impact:**

We take very seriously the need for us to measure, report and learn from the outcomes we achieve for our children, young people and families, as evidenced by the continuing focus on that work within our strategic priorities outlined below [in the section Strategic Progress](#). Our website details both the outcomes that we achieve for our children and also the journey we are on developing our impact reporting practice. We continue to focus on enhancing our outcome measurement and reporting frameworks, to enable us to better report our impact to stakeholders, to improve our own practice and as a means to demonstrate and disseminate our practice to others.

#### **Public Benefit**

In establishing the annual objectives and activities which will fulfil Pace's overall aims, the trustees have regard to the principles of public benefit at all times. It is central to the charity's ethos to assist children and young people on the basis of educational and medical suitability for the services offered and not to impose narrow geographical boundaries or unreasonable financial burdens on those that attend. Pace needs to fundraise on behalf of every child, whether they attend full or part time, as the costs for each child substantially exceed the combination of statutory (LEA) funding and parental contributions. In addition, there have always been children in attendance who are not in receipt of any LEA funding, either for part or the whole of their time at Pace. This is particularly true for children in our early years' service which is heavily subsidised by our charitable income.

## Our Values

Our work is informed by our values which are deeply held. We are

- **Child and Family Centred:** We always place the children, young people and families we support at the very heart of all that we do
- **Innovative:** We are creative problem-solvers, both in meeting the needs of our children, young people and families and organisationally
- **Specialist:** We are committed to achieving and continually advancing best practice in our field. We are intellectually curious and always seek to learn
- **Dedicated:** The dedication of our staff and volunteers is greater than one finds in many organisations. We believe that this is an important part of our success
- **Compassionate:** Our practice is always informed by a sense of intelligent compassion for the children and families we support and by deep respect for each other. Intelligent compassion is always informed by what is in the best long-term interests of the child and the family and Pace's long-term sustainability
- **Aspirational:** We aspire to the very best outcomes for our children, young people and families. We aspire to be the best we can be, both as individuals and as an organisation.

## Our Pace "Ingredients"

During the year we have worked hard to distil the ingredients of our practice that make Pace so distinct and impactful. These ingredients reflect the needs, abilities and opportunities that exist for every child with a complex neurodisability and they underpin every facet of our work. These ingredients are:

- Access to learning and curriculum
- Attention and regulation
- Communication
- Daily life skills
- Emotional wellbeing
- Movement
- Play
- Relationships
- Sensory processing and loss.



## Strategic Progress

The following section outlines the 2021 objectives that the trustees established and Pace's progress against them.

### Achievements and performance:

The trustees have been very pleased with the significant amount of progress towards Pace's strategic objectives, despite the COVID 19 pandemic and the significant disruption that it has caused. The trustees believe that continued progress against these strategic programmes are helping Pace to realise its long held vision "...that every child in the UK with a neurodisability, and their family, can access educational and clinical support aligned with the Pace approach".

Objectives for 2021	Activities and achievements
The objectives for 2021 reflected a great deal of continuity from the prior year, given the multi-year nature of our core strategic objectives.	
<b>Pace Digital</b>	
We will complete the National Lottery Community Fund funded enhancements to our Teletherapy practice during the Spring term of 2021.	We completed the delivery of our new teletherapy studio, which can facilitate both teletherapy sessions with children and families and the development of online video content, in March 2021. We delivered 375 teletherapy sessions during the winter lockdown, reaching 98 children (36 of which were new to us and many of those from outside our normal catchment area). We have also developed a number of instructional videos for families (including Zones of Regulation, Bi-Manual Therapy, Sensory Feeding and Safer Moving and Handling) and a digital 'service recipe' for teletherapy to assist other centres in designing and delivering their own provision.
We will begin development of the 'support & advice' web and social media component of Pace Digital. We will complete the CAST Definition design programme for that component in April 2021 and seek funding (potentially from both trust and major donor sources), with development planned to start in June 2021. This development will incorporate a new web portal, tight social media integration and the delivery of high quality support and advice content.	<p>The advice and support component of Pace Digital has taken a little longer than we had originally envisaged, given the process of developing the initial stock of family-centred resources, but was successfully launched in May 2022. As the platform was being developed it became a bigger project than originally envisaged. The new Pace website incorporates a growing library of practical resources for families and practitioners and articulates more clearly than ever before the Pace approach, based around our nine core 'ingredients'. The site visually prioritises the delivery of advice and support resources to families, which we believe will signal clearly a new and distinct focus on digital provision for Pace.</p> <p>We tendered the web build in October 2021 and, having short-listed three contenders, awarded the contract to Den Creative (<a href="https://www.dencreative.com">https://www.dencreative.com</a>), the agency that has helped to develop the new Pace brand. As part of the delivery, Den contributed a significant amount of invested time into the project through the team's charity days and we are very grateful for that generosity which has</p>

Objectives for 2021	Activities and achievements
<b>Pace Digital (continued)</b>	
	<p>been accounted for as a gift in kind, which has allowed us to deliver a much-enhanced platform. We have also collaborated with partner legal firms to develop resources around EHCP and SEND law advice for families, the first step in opening up Pace Digital to other carefully selected contributors.</p> <p>Pace Digital has also provided the catalyst for us to revamp our approach to data management, particularly as it relates to children and families. In order to manage data from the Pace Digital platform alongside that of our existing families, and to facilitate users moving seamlessly from digital to face-to-face, we are creating a new family database using Microsoft Dynamics. This will replace our existing database and a number of spreadsheet solutions and we plan that it will become the core of an expanding Pace-wide data solution. By 31 December 2021 Pace had spent £69,319 on the development of this project. This has not been recognised as an intangible asset because its key purpose is not to generate income and it will also require regular updating.</p> <p>The section on Brand Review and Development outlines our approach to marketing the Pace Digital platform and its integration with social media.</p>
<b>Early Intervention</b>	
<p>During 2021, we will substantially complete fundraising for the three-year evaluation programme for our early intervention provision. As we reach critical mass in terms of funding, we intend to eliminate parental fees for sessions for all children under the age of three, allowing us to reduce barriers to provision for families and ensuring that we have the best possible cohort for the evaluation.</p>	<p>To date we have raised over half of the costs of our three-year early intervention programme, including significant gifts from the Garfield Weston Foundation and the Julia and Hans Rausing Trust. We continue to build a strong fundraising pipeline and remain confident in completing the funding for this highly impactful area of our work.</p> <p>As a result, we have been able to extend free sessions to all children under the age of two – and we hope to extend that to children under the age of three very soon.</p> <p>In 2021, therapists had sessions with 43 children under 1, 16 under 2 and 13 under 3.</p> <p>During 2021, we have also successfully negotiated the delivery of a pre-assessment service to support the parents and carers of Buckinghamshire children under the age of 5 who are awaiting a diagnosis of ASD or ADHD. This programme is currently under development and will incorporate webinars and other practical resources that will be hosted on Pace Digital, telephone support and parent support groups, using the Circle of Security programme. The programme will be launched at the start of the summer term 2022. It represents the first health-commissioned grant funding of our early intervention practice.</p>

Objectives for 2021	Activities and achievements
<b>Early Intervention (continued)</b>	
<p>We will conduct a literature review, continue the development of our outcome framework and finalise plans for the academic and financial evaluations in 2022/23.</p>	<p>We have continued to develop the outcome framework for our early intervention work, and for Child &amp; Family more widely. This will be assisted with the support and advice of one of the world's leading experts in disability research.</p> <p>For all children accessing Child &amp; Family, of whatever age, we are using Goal Attainment Scaling (GAS) or the Canadian Occupational Performance Measure (COPM) (or both) to measure outcomes, depending on the primary concerns of the parents. The goals are reviewed at different periods depending on the expected duration of therapy provision. This framework is still in the early stages of use, and we are working to improve consistency in the way we use and review these measures.</p> <p>Data is collected and analysed to identify:</p> <ul style="list-style-type: none"> <li>• Average number of goals per child</li> <li>• Which of the nine Pace 'ingredients' are included in the goals set</li> </ul> <p><b>GAS</b></p> <ul style="list-style-type: none"> <li>• The number of goals that have achieved the desired outcome</li> <li>• The number of goals that have achieved less than the desired outcome</li> <li>• The number of goals that have achieved more than the desired outcome</li> </ul> <p><b>COPM</b></p> <ul style="list-style-type: none"> <li>• The average initial satisfaction score</li> <li>• The average initial performance score</li> <li>• The average post intervention satisfaction score</li> </ul> <p>Given the critical importance of family outcomes for our early intervention work, and through the specific expert advice of Peter Rosenbaum, we are developing a further outcome set for that programme. This will gather qualitative data about parental experience before and after intervention and will specifically include parental and family wellbeing. Data will be collected at six monthly intervals to draw out themes in parental experience.</p>

Objectives for 2021	Activities and achievements
<b>SMART School</b>	
<p>We will complete the prototype SMART classroom in our Wendover Road secondary school during the 2021 Easter holidays, together with the delivery of newly refurbished and Assistive Technology-rich bathrooms at both school sites during the summer holidays.</p>	<p>During the year, we have made significant progress towards Pace becoming a genuinely SMART School. In addition to the specific developments in our prototype SMART classroom, we have also been able to invest significantly in classroom IT across the school, including new smart screens, keyboards and webcams, Surface Pro devices and FrontRow speaker systems (which equalise sound across the room, providing a more balanced auditory experience for children with hearing impairment and/or sensitivity to noise). As a result, we have been able to bring improved access to IT and assistive technology (AT) to the whole school more rapidly than we had originally envisaged.</p> <p>The prototype SMART classroom was completed during the 2021 Easter break, delivering an environment that will enhance digital learning and independence for our oldest cohort of students as they prepare to transition to other settings. In addition to the school-wide investments outlined above, we have invested very intentionally in the hardware and infrastructure in the new SMART classroom, creating an environment that our students can access and control themselves, rather than relying on a member of staff to help them.</p> <p>That investment includes door, window and blind automation, hi-lo cupboards and surfaces within a new kitchen area, and accessible lighting and air heating and cooling. We have been evaluating the impact of this new facility, to inform the outcomes for our students and the delivery of further SMART classrooms across the school. A summarised version of this feedback can be viewed in this video (<a href="https://www.youtube.com/watch?v=bGuS36lqgFs">https://www.youtube.com/watch?v=bGuS36lqgFs</a>), which was compiled from the responses that we received from our young people in Rowan group.</p> <p>Our bathroom refurbishment programme was completed successfully in the summer of 2021, with the support of the Band Trust, the Wolfson Foundation and The William Harding's Charity. As a result, all the school bathrooms across both sites are now more functional and accessible, with upgraded hoists, changing beds and high-lo sinks. Independence and self-care learning is a fundamental part of our school curriculum, and these upgraded facilities are leading to better outcomes for our children and young people, and reduced time in the bathroom for both students and staff.</p>

Objectives for 2021	Activities and achievements
<b>SMART School (continued)</b>	
By the end of 2021, we will have completed year 2 of our SMART curriculum development and will also have made significant progress towards the documentation of the third and final year.	We are on track to complete the documentation of the final year of our three-year rolling curriculum, which includes the use of SMART resources and digital assistive technology, by the end of 2022. This will enable us to fully embed SMART School internally and provide us with a valuable resource that can be disseminated to other providers and practitioners.
The next step is to secure funding for the next phase of our SMART classroom roll-out (particularly the first SMART classroom within our Coventon Road primary school).	Our focus now is to continue the rollout of SMART classrooms across the school (particularly prioritising Maple Group in Primary and Oak in Secondary), to continue to upgrade IT hardware and to secure the funding for our AT Lead and AT Technician on a longer-term basis. We are continuing our conversations with potential funders to make that a reality.
<b>Impact</b>	
Within the school service, we will finalise plans for aggregation and reporting of student outcomes across all ten categories of Pace impact on children and young people. We will establish measures to fill identified gaps in current measurement approaches, particularly wider family and mental health outcomes, and establish benchmarking comparisons where possible.	<p>The School team has made huge progress in the development of their impact measurement systems. Over the course of 2021:</p> <ul style="list-style-type: none"> <li>• We have continued to embed goal attainment scaling (GAS) as our goal-setting methodology and established Evidence for Learning as our outcome data repository</li> <li>• We have established our curriculum framework covering our identified nine curriculum and outcome areas (which cover both the School and Child &amp; Family)</li> <li>• We have updated our detailed and summary theories of change for the School to reflect the nine curriculum areas</li> <li>• We have established a group of 24 alumni who are happy to take part in longer-term impact work, particularly the development of case studies about their experience of Pace and their lives after leaving. Of these, we have identified five alumni who are happy to act as Pace Ambassadors.</li> </ul> <p>The significant enhancements we have made in our outcome measurement methodologies enable us to measure outcomes in a standardised way and to aggregate them in ways that can be meaningfully reported externally. As these processes become more robust, our vision is still that the Pace approach to goal setting and outcome measurement can become the standard for special schools working with children with complex sensory motor disorders. By encouraging other settings to follow the Pace model and by gathering</p>

Objectives for 2021	Activities and achievements
<b>Impact (continued)</b>	
	<p>comparative data, we believe we can reach a point where different providers can compare outcomes and genuinely establish what works (and what doesn't) for these children and young people.</p> <p>We continue to focus on wider family wellbeing and mental health outcomes. We have had good initial discussions with ProBono Economics on the area of mental health outcomes and repeated our family survey during the summer term in order to capture the wider outcomes that we deliver for parents, carers and other family members.</p>
<b>Brand Review and Development</b>	
<p>Over recent years, we have increasingly recognised that Pace's brand is in need of a major review. The strategy laid out in this report requires Pace to articulate itself to our many stakeholders, internal and external, in a fresh and more self-confident way. Although we are not seeking a change to the name 'Pace', which continues to serve us well, 2021 will see a significant upgrade of our visual identity and brand narrative as we seek to grow our national profile and impact.</p>	<p>The launch of Pace Digital in March 2022 was accompanied by the unveiling of our new brand, visual identity and tone of voice, which will be more appropriate to our increasingly national and digital audience.</p> <p>The launch and promotion of this latest phase of Pace Digital is key to achieving our goal of reaching more families, nationally and internationally. Towards the end of 2020, we engaged an agency to help optimise our free Google Ads activity (under the charity Google Grants programme). They have, over the last year, identified search behaviour that will influence the choice and weighting of content that we publish on the advice and support hub and that will help to drive traffic into the site. We have extended that contract for a further year to ensure successful launch of Pace Digital.</p> <p>We have also secured the services of an SEO agency, as a corporate donor, who are donating time to ensure that we have the right keywords and that we optimise our site for the strongest possible organic search results. The impact of this will be in 2022. We will also be seeding content into relevant social media audiences, where we have already established a presence and dialogue with the community. We will evaluate the use of paid social promotion, particularly with practitioner audiences on Twitter and LinkedIn. The resource content will also be of interest and use to our existing Pace families, who will be encouraged to share with their networks (as we know that 'digital word of mouth' is an important form of advocacy for our work).</p>

Objectives for 2021	Activities and achievements
<b>Unrestricted reserves</b>	
<p>We will place a continued emphasis on improving Pace's unrestricted reserves. The trustees have set a break-even budget for the year, which (given the quantum of restricted depreciation each year) will, if achieved, result in a meaningful unrestricted surplus and improvement in unrestricted reserves. We will seek to secure 2-3 further significant core/unrestricted trust relationships, focused particularly on the transformational vision and strategy that we have laid out for Pace. The trustees have set a target for unrestricted reserves of at least £400k by end 2021 and £500k by end 2022.</p>	<p>2021 has been another very successful year financially. We are delighted that so many of our supporters (trusts, corporates, community organisations and individuals alike) identify with our ambitious vision and strategy and are supporting us so wholeheartedly in their delivery. We were delighted in the year to confirm three very significant long-term funding relationships, which will each generate very meaningful annual support towards our core operating costs.</p> <p>These accounts report an overall surplus for 2021 of £162,216 including an unrestricted surplus of £423,179. Our unrestricted reserve at 31 December 2021 is £710,104 (or 2.5 months of core operating expenses), substantially exceeding our target for the end of 2021. Our 2022 budget is for another at least break-even year overall. We are very hopeful of reaching our target level of reserves of 4 months of expenditure of approximately £1.1m within the coming 2-3 years.</p>

## Objectives for 2022

Our objectives for 2022 reflect a great deal of continuity from the prior year, given the multi-year nature of our core strategic objectives.

### 1. Pace Digital

- We will launch the new Pace website (including our new Advice & Support Hub) and our new brand identity
- We will complete the first phase of our new Dynamics Database, to manage data relating to children and families
- We will plan, and ideally start to deliver, the third phase of Pace Digital, our online training provision.

### 2. SMART Programme

- We will develop, prioritise, fund and begin delivery of the second phase of our SMART Programme, including the further roll out of SMART classrooms within Pace School, the development of our AT delivery for children under 5 in our early intervention programme and the development of our internal and external IT and AT training for practitioners and families.

### 3. Child & Family

- We will continue to fund and deliver our early intervention programme, expanding the number of babies and toddlers we can see free of charge and continuing to embed our outcome measurement framework
- We will plan and launch our new Neurodevelopmental Pathway Pre-Diagnostic Service, commissioned by Bucks NHS Healthcare Trust
- We will plan and launch our school-based Primary Mainstream pilot programme.

### 4. Impact

- We will continue to develop and embed our granular child and family-centred outcome measures and reporting systems
- We will develop and deliver our impact reporting to external stakeholders through the new Pace website, establishing appropriate ways to aggregate and translate granular outcome measures into organisational outcomes for major funders and commissioners
- We will repeat our family survey.

### 5. Unrestricted Reserves

- We will continue to build our unrestricted reserve towards our target of 4 months operating costs, through overall break-even budget (and therefore c.£120k budgeted unrestricted surplus)
- We will work to reduce the structural deficit in Pace School, through a concerted programme to fund the costs of therapy provision.

### 6. Governance

- We will ensure a smooth transition of senior trustee roles (Chair, Deputy Chair, Chair of Finance & Operations Committee) and recruit a new finance trustee.



## Trustees' Annual Report

for the year ended 31 December 2021

### Fundraising standards information

A fundraising strategy has been prepared and approved by the trustees which identifies our income streams and the approach taken for each activity. This strategy takes into account best practice and current standards. With the introduction of GDPR from 25 May 2018 we have continued to review and, where appropriate, revise our policies and procedures including: data capture, complaints procedure, transferring of data and the implementation of the data subjects' preferences.

All fundraising is done in house and not outsourced to any professional fundraisers or commercial participants.

Pace has opted to join the Fundraising Regulator. The Fundraising Regulator holds the Code of Fundraising Practice for the UK. We follow the standards for charitable fundraising, ensuring that our fundraising is respectful, open, honest and accountable to the public. Pace has not knowingly failed to comply with the standards of practice.

Pace has not received any complaints regarding its fundraising efforts in the year ended 31 December 2021 or to the date of this report.

In all our policies and practices we have not actively sought additional data that is not already in the public domain. We only record data that people opt to provide to us. It is our policy to not knowingly contact persons over a certain age. We have actively purchased dates of birth to help us achieve this objective. Our communication programme focuses on less intrusive types of communication, for example email. Our direct mail campaigns are minimal and targeted. All fundraising requests are passive as we do not run face to face or telephone campaigns.

### Financial review

The trustees have a continued focus on the need to improve the charity's financial sustainability and the charity has taken appropriate action. The charity is making all possible efficiencies whilst continuing to develop new income generating activities. As noted earlier in this report, this includes proactive engagements with local authorities to increase numbers of school placements, further developing our charity profile through more intensive marketing and continuing to diversify and grow our voluntary income.

A rolling three-year strategic plan and budget have been prepared and are being implemented to support the drive for ongoing sustainability. As a result of the continued successful implementation of this plan, there was an overall net surplus in income over expenditure of £162,216. This comprised a surplus on unrestricted funds of £423,179 and a deficit of £260,963 on restricted funds. The restricted deficit arose as money was spent in 2021 that had been received in prior years.

The main variances are set out below:

- Donations and legacies income were slightly lower than last year when we had very high levels compared to 2019 and prior years. Although lower, the split between restricted and unrestricted changed with an increase in unrestricted and a decrease in restricted. (In 2020 we received a high level of restricted income). In 2021 we received 72 grants with an average value of £14,300 compared to the 70 grants in 2020 with an average value of £17,000.
  - We were also the recipients of some gifts in kind totalling £41,040 being the contribution of invested time from Den Creative in the development of Pace Digital and our website
  - Our individual donations were up on 2021 but included the conversion of part of a benefactor's loan to a donation
  - We continued to receive grants because of COVID 19 for the Job Retention scheme (furlough) and additional statutory sick pay grants due to COVID 19 but at a much lower value than the prior year

## Trustees' Annual Report

for the year ended 31 December 2021

### Financial review (continued)

- Charitable activities income increased due to
  - an increase in the number of students attending Pace school and the average fee per child being increased. This included private placements as well as children being placed by Local Authorities
  - an increase in the number of children seen by Child and Family services in sessions was offset by a slight decrease in the number of students receiving therapeutic input either in their own school, at home or sessions at Pace
  - an increase in the provision of Occupational Therapists into a Local authority run special school
- Fundraising events income increased from the much lower levels of 2020 but not to the level of 2019. The Big Walk, Golf day and Christmas Fair all raised record amounts and a much higher level of participation than had been experienced even before the pandemic. A successful dinner dance was held at the third attempt having been postponed.

With respect to expenditure, the costs of our charitable activities have increased due to salary costs and expenditure on restricted items. Within our income under trust donations both in 2020 and 2021 we applied for and won a number of funds to improve our classroom resources including monies towards replacing some old IT and being able to buy new equipment to help support our students. We have continued to be able to increase the technology in the classroom which greatly enhanced our provision for the children and will continue to enhance our service in the next few years.

Approximately 68% of our school running costs is funded from the fees received from the Local Authorities and the remainder continues to be raised through Pace fundraising and the generous support of many trusts, companies and individuals.

The cash flows of the charity showed a net decrease in cash of £304,571 (2020: £797,571).

#### Investment Policy

The trustees feel that the most appropriate policy for investing the unrestricted reserve is a deposit account or fixed-term deposit (with a maximum maturity of two years) with a major UK institution, preferably in a product that has been designed for the charity sector.

#### Reserves Policy

The trustees reviewed and updated their policy for the charity in 2021 and they maintain that the minimum level of reserves (excluding funds not otherwise committed or restricted) should be between 4 and 12 months of budgeted expenditure. This level has been set to cover expected overheads including wages in the event that no more monies are received so that the organisation could cover its costs in an orderly manner. The strategic plan and budget have been prepared to achieve this objective.

At 31 December 2021

- the total reserves were £ 3,083,013 (2020: £2,920,797)
- the restricted reserves, which can only be spent as directed by the donor were £2,372,909 (2020: £2,633,872). These reserves principally represent incurred capital costs on the development at Wendover Road and are being released as the development cost is depreciated. The depreciation charge for the year against these restricted balances is £114,005
- Unrestricted reserves at 31 December 2021 were £710,104 (2020: £286,925).

## **Financial review (continued)**

### **Going Concern**

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of approval of these financial statements. Detailed cash flow forecasts have been prepared and reviewed by the trustees and continue to be reviewed on a regular basis against actual results.

In order to provide support to the charity, in 2016 a long-term interest free loan facility of £1,000,000 was provided by a donor whilst the sustainability strategy first adopted in 2016 comes to fruition and, as detailed in note 13, is now not due for repayment until earliest 1 January 2023. At the beginning of the year £500,000 had been drawn down of which £350,000 has been converted into donations, leaving £150,000 of the drawn-down amount outstanding. In the year, the benefactor kindly agreed that up to £100,000 could be used against the costs of investing in the work on Pace Digital. By 31 December 2021, £69,319 had been converted leaving a closing balance of £80,681 on the loan of which £30,681 will be converted in 2022 against the ongoing Pace Digital project. Taking into account the availability of the undrawn balance of this loan facility of £500,000, on the basis of this analysis, the trustees have a reasonable expectation that Pace will have adequate resources to continue in operational existence for the foreseeable future and it is therefore appropriate to adopt the going concern basis of accounting for these financial statements.

The trustees are confident that Pace remains a going concern.

### **Risk Review**

The trustees, together with staff, have implemented controls and procedures throughout the organisation to minimise external and internal risk and ensure a consistently high quality of education and care for the children and appropriate working conditions for staff. At a strategic level, and as noted elsewhere in this report, the trustees have continued to focus on the mitigation of the key risks; the need to maximise the cash resources of the charity and the need for the charity to continue to be sustainable.

The key risks have been identified as follows:

- The School does not meet the practice, educational and regulatory standards required of a school as measured by Ofsted and the Department for Education. The risk would be that our reputation as an Outstanding school would be lost and this would impact on pupil placement at the school and our charitable fundraising. To mitigate this risk, on joining the organisation, all staff members receive rigorous induction training including safeguarding, health and safety, educational and clinical practice modules, observation and assessment by the senior team. In addition, all staff members are required to read all the regulatory policies held on the organisation's intranet in their first month and their supervisor ensures that this has been done. The Director of Education reviews these policies on a regular basis and any changes are communicated to all staff. If a breach, however small, is noticed, all staff are reminded of the policy. Regulatory training is carried out for all staff routinely throughout the year. Pace has very clear and robust standards of practice which are shared with new staff and existing staff at performance reviews. In 2020 a School subcommittee of trustees to review processes and procedures was set up as planned.

## **Financial review (continued)**

### **Risk Review (continued)**

- **Safeguarding** of children at Pace is paramount. The risk is that a serious incident relating to non-compliance with the statutory guidance would affect our reputational risk and the placing of children at the school. All staff members have training in child protection as soon after their appointment as possible. Any issues are brought to the attention of the designated safeguarding officer and are followed up immediately. There are termly safeguarding and health and safety monitoring meetings which review any matters. Nominated trustees have overall responsibility for safeguarding and health and safety and carry out spot checks from time to time to ensure compliance. Safeguarding and health and safety are on all Senior School Management team, Leadership team and Trustee meeting agenda
- As the charity relies on income from fundraising, there is a risk of non-compliance with best practice by Pace fundraisers which could impact negatively on donations to the charity and incur financial penalties. The Director of Fundraising therefore ensures that the team complies with best practice at all times. Fundraising standards of practice and operations are overseen by the Chief Executive and the Board of Trustees.

## **COVID 19**

The trustees are pleased that Pace was able to mitigate the financial impact of the virus as much as it could.

The trustees are very grateful for the efforts of all the Pace staff in the last two years for managing the impact of Covid 19 on the business and continuing to provide the same high standard of service to our beneficiaries whether through teletherapy or face to face.

## **Structure, governance and management**

The trustees are appointed by the Board who elect or re-elect the trustees. The Board of Trustees reviews the term of each trustee on a regular basis to refresh the Board as may be required. An induction programme is in place which involves both information and training delivered by senior staff. Trustees are also invited to take an active part in the life of Pace at open days, fundraising and other corporate events.

The day to day activities of the charity are run by the Leadership team consisting of the Chief Executive, Director of Finance, Director of Education, Director of Clinical Services and Director of Fundraising. The remuneration of the charity's key management personnel is based on benchmarking against similar roles at similar size charities and is approved by the trustees.

## **Small company provision**

In preparing this report, the trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Mr J Lovelock

For and on behalf of the trustees

Date: 16th May 2022

# THE PACE CENTRE LIMITED

## Statement of Trustees' Responsibilities

The trustees (who are also directors of The Pace Centre Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees each confirm that

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditors is unaware; and
- the trustees have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are 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.

For and on behalf of the trustees

Mr J Lovelock

Date: 16th May 2022

# Independent auditor's report to the members of The Pace Centre Limited

## Opinion

We have audited the financial statements of The Pace Centre Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 company's affairs as at 31 December 2021 and of its profit 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.

## 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's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 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.

We have nothing to report in this regard.

# Independent auditor's report to the members of The Pace Centre Limited

## **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, which includes the directors' report and strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have 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 or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

## Independent auditor's report to the members of The Pace Centre Limited

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Use of our report**

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

Paul Creasey (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services  
Statutory Auditor & Chartered Accountants  
Beaconsfield  
16<sup>th</sup> May 2022



THE PACE CENTRE LIMITED

Statement of Financial Activities (including an Income and Expenditure account)

for the year ended 31 December 2021

	Note	Unrestricted Funds	Restricted Funds	<b>Total Funds 2021</b>	Total Funds 2020
		£	£	£	£
<b>Income from</b>					
Donations and legacies	2	564,419	709,436	<b>1,273,855</b>	1,424,399
Charitable activities	3	2,138,534	-	<b>2,138,534</b>	1,847,776
Other trading activities: fundraising events		145,317	642	<b>145,959</b>	99,582
Investments	4	737	-	<b>737</b>	954
Other		2,087	-	<b>2,087</b>	2,270
<b>Total Income</b>		<u>2,851,094</u>	<u>710,078</u>	<u><b>3,561,172</b></u>	<u>3,374,981</u>
<b>Expenditure on</b>					
<b>Costs of generating funds</b>					
Raising funds	5	241,474	6,623	<b>248,097</b>	228,887
Charitable activities: provision of school services, outreach and sessional services and training and development	6	2,198,804	952,055	<b>3,150,859</b>	2,675,712
<b>Total expenditure</b>		<u>2,440,278</u>	<u>958,678</u>	<u><b>3,398,956</b></u>	<u>2,904,599</u>
<b>Net income</b>		410,816	(248,600)	<b>162,216</b>	470,382
<b>Transfer</b>		12,363	(12,363)	-	-
<b>Net movement in funds</b>		423,179	(260,963)	<b>162,216</b>	470,382
<b>Total funds brought forward</b>		<u>286,925</u>	<u>2,633,872</u>	<u><b>2,920,797</b></u>	<u>2,450,415</u>
<b>Total funds carried forward</b>	15	<u><u>710,104</u></u>	<u><u>2,372,909</u></u>	<u><u><b>3,083,013</b></u></u>	<u><u>2,920,797</u></u>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

# THE PACE CENTRE LIMITED

Company registration number: 02707807

## Balance Sheet

as at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	10		<b>2,110,727</b>		2,220,354
<b>Current assets</b>					
Debtors	11	<b>337,525</b>		508,556	
Investments	12	<b>776,252</b>		-	
Cash at bank and in hand		<b>946,226</b>		1,250,797	
		<b>2,060,003</b>		1,759,353	
Creditors: amounts falling due within one year	13	<b>(1,007,036)</b>		(1,058,910)	
<b>Net current assets</b>			<b>1,052,967</b>		700,443
<b>Total assets less current liabilities</b>			<b>3,163,694</b>		2,920,797
Creditors: amounts falling due after more than one year	14		<b>(80,681)</b>		-
<b>Net assets</b>			<b>3,083,013</b>		2,920,797
<b>Charity funds</b>					
Restricted funds	15		<b>2,372,909</b>		2,633,872
Unrestricted funds	15		<b>710,104</b>		286,925
<b>Total charity funds</b>			<b>3,083,013</b>		2,920,797

These accounts were approved by the trustees on 16<sup>th</sup> May 2022

Mr J Lovelock  
Chairman

The accompanying notes form part of these financial statements

# THE PACE CENTRE LIMITED

## Statement of cash flows

Year ended 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities and net cash flow from operating activities</b>	17	<b>483,176</b>	796,617
<b>Cash flows from investing activities</b>			
Purchases of fixed assets		(12,363)	-
Purchase of current asset investments		(776,252)	-
Interest received		868	954
<b>Net cash flows from investing activities</b>		<b>(787,747)</b>	954
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(304,571)</b>	797,571
<b>Cash and cash equivalents at 1 January</b>		<b>1,250,797</b>	453,226
<b>Cash and cash equivalents at 31 December</b>		<b>946,226</b>	1,250,797
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		414,651	279,266
Short term deposits		531,575	971,531
<b>Cash and cash equivalents at 31 December</b>		<b>946,226</b>	1,250,797

Notes to the financial statements

Year ended 31 December 2021

**1 Summary of significant accounting policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies remain unchanged from the prior year.

**a) General information and basis of preparation.**

The Pace Centre Limited (also known as Pace) is a company limited by guarantee incorporated in England and Wales.

The charity constitutes a public benefit as defined by FRS 102. The financial statements have been prepared in pounds sterling (which is the functional currency) under the historical cost convention, the Companies Act 2006, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice as it applies from 1 January 2021.

**b) Significant estimates and judgements:**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- depreciation rates (see (h) below)
- allocation of support costs (see (g) below)
- Website redevelopment. As the website development is not primarily income generating and will require regular updating the £69,319 spent to the end of 31 December 2021 has not been capitalised.

**c) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

**d) Going concern**

The financial statements have been prepared on a going concern basis.

The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of approval of these financial statements. Detailed cash flow forecasts have been prepared and reviewed by the trustees and continue to be reviewed on a regular basis against actual results.

Notes to the financial statements (continued)

Year ended 31 December 2021

**e) Income recognition**

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

Income from Charitable Activities is measured at the fair value of the consideration received or receivable for services rendered, and is recognised as the services are delivered.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the value of general volunteer time is not recognised although the trustees' annual report sets out more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

As provided in the SORP (FRS 102) no amount is included in the financial statements for volunteer time.

For legacies, the point of entitlement is the earlier of the date of the charity being notified of an impending distribution or the date the legacy is received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as on short term bank deposit and solely comprises bank interest.

**f) Expenditure recognition**

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

- Costs of raising funds includes the costs associated with the Fundraising team, including payroll for the members of that team and the direct costs of fundraising events
- Expenditure on charitable activities includes the cost of clinical and teaching staff together with the costs of providing the educational and therapeutic interventions
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Notes to the financial statements (continued)

Year ended 31 December 2021

**g) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include strategy development. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. General overheads have been allocated on a staff pro rata basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 7.

**h) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Improvements to long leasehold land and buildings	25 to 32 years straight line
Fixtures, fittings and equipment	3 to 10 years straight line

Assets costing over £2,000 are capitalised at cost.

**i) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**j) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**k) Tax**

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

**l) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Notes to the financial statements (continued)

Year ended 31 December 2021

**m) Financial instruments**

**Debtors**

Trade and other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest.

**Investments**

Current asset investments are short term highly liquid assets which can be liquidated within or have an original maturity of twelve months or less and are held at fair value.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with an original maturity of date of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**Creditors and provisions**

Creditors and provisions are recognised when 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 to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their transaction price after allowing for any trade discounts due unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**n) Concessionary loans**

Concessionary loans received for the purposes of furthering the objectives of the charity are initially recognised in the balance sheet at the amount received and are subsequently adjusted to reflect any accrued interest payable under the terms of the agreement.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

**2 Income from donations, grants and legacies**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2021</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>			<b>£</b>
Donations and grants from trusts and foundations	<b>562,460</b>	<b>674,711</b>	<b>1,237,171</b>	441,584	825,903	1,267,487
Government grants	-	<b>34,725</b>	<b>34,725</b>	-	156,912	156,912
Legacies	<b>1,959</b>	-	<b>1,959</b>	-	-	-
Donations	<b>564,419</b>	<b>709,436</b>	<b>1,273,855</b>	441,584	982,815	1,424,399

Pace benefits greatly from the enthusiastic support and involvement of its many volunteers and supporters. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

The government grants are the monies received in respect of the "furlough" scheme and additional statutory sick pay monies in response to the issues faced by COVID 19.

Included in restricted donations in 2021 were gifts in kind of £41,040 as an investment of time from the organisation helping us with Pace website development including Pace Digital.

**3 Charitable activities: all unrestricted**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
LEA funding	<b>1,697,773</b>	1,522,973
Therapy sessions provided to children 0-18	<b>44,347</b>	25,978
Non LEA funding of school places	<b>80,649</b>	52,581
Provision of staff to other schools	<b>297,266</b>	238,698
Training	<b>127</b>	1,075
Other	<b>18,372</b>	6,471
	<b>2,138,534</b>	1,847,776

**4 Investment income**

All of the investment income of £737 (2020: £954) arises from money held on interest bearing deposit accounts.

**5 Analysis of expenditure on raising funds**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and consultancy including training	<b>194,343</b>	191,145
Event and function costs	<b>31,836</b>	19,511
Direct costs	<b>72</b>	86
Support costs (see note 7)	<b>21,846</b>	18,145
	<b>248,097</b>	228,887

Expenditure on raising funds was £248,097 (2020: £228,887) of which £6,623 (2020: £2,677) was restricted and £241,474 (2020: £226,210) was unrestricted.



THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

<b>6 Analysis of expenditure on charitable activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and consultancy including training	<b>1,985,954</b>	1,814,270
Facilities and other costs	<b>481,717</b>	263,784
Classroom resources	<b>174,433</b>	138,221
Pro bono consultancy services (see note 2)	<b>41,040</b>	72,542
Depreciation	<b>121,990</b>	120,199
Governance costs (see note 7)	<b>44,250</b>	41,702
Support costs (see note 7)	<b>301,475</b>	224,994
	<b><u>3,150,859</u></b>	<b><u>2,675,712</u></b>

Expenditure on charitable activities was £3,150,859 (2020: £2,675,712) of which £952,055 (2020: £776,016) was restricted and £2,198,804 (2020: £1,899,696) was unrestricted.

<b>7 Analysis of support costs 2021</b>	<b>Raising funds</b>	<b>General support</b>	<b>Governance function</b>	<b>Total</b>	<b>Basis of allocation</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Salaries, wages and related costs	15,028	207,385	24,045	<b>246,458</b>	Prorated on number of staff
General office	6,818	94,090	10,909	<b>111,817</b>	Prorated on number of staff
Auditor's remuneration	-	-	8,760	<b>8,760</b>	Governance
Legal and other professional fees	-	-	536	<b>536</b>	Governance
	<b><u>21,846</u></b>	<b><u>301,475</u></b>	<b><u>44,250</u></b>	<b><u>367,571</u></b>	

<b>Analysis of support costs 2020</b>	<b>Raising funds</b>	<b>General support</b>	<b>Governance function</b>	<b>Total</b>	<b>Basis of allocation</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Salaries, wages and related costs	13,432	166,559	24,178	<b>204,169</b>	Prorated on number of staff
General office	4,713	58,435	8,483	<b>71,631</b>	Prorated on number of staff
Auditor's remuneration	-	-	8,505	<b>8,505</b>	Governance
Legal and other professional fees	-	-	536	<b>536</b>	Governance
	<b><u>18,145</u></b>	<b><u>224,994</u></b>	<b><u>41,702</u></b>	<b><u>284,841</u></b>	

The charity identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified the governance costs, the remaining support costs together with the governance costs are apportioned between raising funds and the charitable activities in the year.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

**8 Net income /(expenditure) for the year is stated after charging:**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>121,990</b>	120,199
Loss on disposal of tangible fixed assets	-	4,391
Operating lease rentals	<b>117,402</b>	115,845
Auditor's remuneration	<b>8,760</b>	8,505

**9 Trustees' and key management personnel remuneration and expenses**

No trustee either received or waived any remuneration during the year (2020: £nil).

The total amount of employee benefits received by key management personnel is £231,475 (2020: £221,823). The charity considers its key management personnel comprise the trustees, Chief Executive, Director of Finance, Director of Education, Director of Clinical Services and Director of Fundraising.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries	<b>2,113,291</b>	1,962,016
Social security costs	<b>166,921</b>	155,369
Pension costs	<b>80,845</b>	76,269
	<b>2,361,057</b>	2,193,654

No employee received remuneration greater than £60,000 (2020: none).

	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>FTE</b>	<b>FTE</b>	<b>Number</b>	<b>Number</b>
The average number of employees, analysed by function was				
Raising funds	<b>5</b>	5	<b>6</b>	6
Charitable activities	<b>69</b>	62	<b>91</b>	82
Governance and support	<b>8</b>	9	<b>9</b>	10
	<b>82</b>	76	<b>106</b>	98

The trustees did not have any expenses reimbursed during the year (2020: £nil). There are no related party transactions during the year.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

<b>10 Tangible fixed assets</b>	Improvements to leasehold buildings £	Fixtures, Fittings and Equipment £	Total £
Cost			
At 1 January 2021	3,323,788	133,619	3,457,407
Additions	-	12,363	12,363
Disposals		(5,730)	(5,730)
At 31 December 2021	<u>3,323,788</u>	<u>140,252</u>	<u>3,464,040</u>
Depreciation			
At 1 January 2021	1,147,653	89,400	1,237,053
Provided in the year	110,799	11,191	121,990
Depreciation on disposals	-	(5,730)	(5,730)
At 31 December 2021	<u>1,258,452</u>	<u>94,861</u>	<u>1,353,313</u>
Net book value			
At 31 December 2021	<u><b>2,065,336</b></u>	<u><b>45,391</b></u>	<u><b>2,110,727</b></u>
At 31 December 2020	<u>2,176,135</u>	<u>44,219</u>	<u>2,220,354</u>

The net book values above represent the historical cost less depreciation for the assets, however funded. Included, therefore, are assets purchased from Restricted Funds which are analysed in note 16.

<b>11 Debtors</b>	<b>2021</b> £	2020 £
Trade debtors	<b>283,408</b>	440,604
Other debtors	<b>3,537</b>	11,660
Prepayments	<b>50,580</b>	56,292
	<u><b>337,525</b></u>	<u>508,556</u>

<b>12 Investments</b>	<b>2021</b> £	2020 £
Short term deposits	<b>761,437</b>	-
Other investments	<b>14,815</b>	-
	<u><b>776,252</b></u>	<u>-</u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

<b>13 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>57,235</b>	47,997
Accruals and deferred income	<b>895,074</b>	813,008
Social security and other taxes	<b>41,255</b>	35,386
Other creditors	<b>13,472</b>	162,519
	<b><u>1,007,036</u></b>	<b><u>1,058,910</u></b>

In 2016, a generous benefactor pledged an interest free loan of up to £1,000,000 to be available for at least three years, since extended so that the earliest repayment is now due on 1 January 2023. By 31 December 2021, £500,000 of this loan had been drawn down. Since then £419,319 has been converted to a donation leaving £80,681 outstanding at 31 December 2021 (2020: £150,000) . There remains an undrawn loan facility of £500,000.

<b>14 Creditors: amounts falling due after more than one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other creditors	<b><u>80,681</u></b>	<b><u>-</u></b>

In 2016, a generous benefactor pledged an interest free loan of up to £1,000,000 to be available for at least three years, since extended so that the earliest repayment is now due on 1 January 2023. By 31 December 2021, £500,000 of this loan had been drawn down. Since then £419,319 has been converted to a donation leaving £80,681 outstanding at 31 December 2021 (2020: £150,000) . There remains an undrawn loan facility of £500,000.

## Notes to the financial statements (continued)

Year ended 31 December 2021

**15 Analysis of charitable funds**

	Balance 01/01/2021	Incoming resources	Resources expended	Transfer	Balance 31/12/2021
<b>Analysis of movements in funds</b>	£	£	£		£
General fund	286,925	2,851,094	2,440,278	12,363	<b>710,104</b>
Leasehold Building fund	83,816	-	27,180	-	<b>56,636</b>
First Steps Appeal fund	2,006,707	-	76,904	-	<b>1,929,803</b>
Salary fund	322,274	371,172	418,484	-	<b>274,962</b>
Other equipment and services fund	221,075	338,906	436,110	(12,363)	<b>111,508</b>
	<u>2,633,872</u>	<u>710,078</u>	<u>958,678</u>	<u>(12,363)</u>	<u><b>2,372,909</b></u>

The **Leasehold Building fund** was set up in 1996 to record the cost of the new development of the Coventon Road site against donations received for that purpose. The total fund at 31 December 2021 represents the depreciated historical cost of the building and subsequent extensions. The original building and improvements are carried out under licence granted by the freeholder. The land at Coventon Road is leasehold, with 101 years remaining.

The **First Steps Appeal fund** exists to provide resources to develop the Bradbury Campus at Wendover Road as a new Early Years Centre and Independence Training Centre. The funds are being released as the improvements are depreciated. The total fund at 31 December 2021 is the net depreciated amount.

The **Salary fund** represents various donations to fund salaries in school and child and family during the year.

The **Other equipment and services fund** comprises various donations to fund the purchase of teaching aids and equipment and other services such as school holidays, visits, consultancy and training and our new minibus. The fund, summarised above, contains the donations of many individuals, trusts and organisations.

**16 Analysis of net assets between funds  
2021**

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	88,033	2,022,694	<b>2,110,727</b>
Debtors	337,506	19	<b>337,525</b>
Investments	402,866	373,386	<b>776,252</b>
Cash	946,226	-	<b>946,226</b>
Creditors: amounts falling due within one year	(983,846)	(23,190)	<b>(1,007,036)</b>
	<u>790,785</u>	<u>2,372,909</u>	<u><b>3,163,694</b></u>
Creditors: amounts falling due after one year	(80,681)	-	<b>(80,681)</b>
	<u>710,104</u>	<u>2,372,909</u>	<u><b>3,083,013</b></u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

**17 Reconciliation of net income /(expenditure) to net cash flow from operating activities**

	<b>2021</b>	2020
	£	£
Net income / (expenditure) for the year	<b>162,216</b>	470,382
Interest receivable	<b>(868)</b>	(954)
Depreciation	<b>121,990</b>	120,199
Decrease in debtors	<b>171,031</b>	70,683
Increase in creditors	<b>28,807</b>	131,916
Loss on disposal of tangible fixed asset	-	4,391
Net cash flow from operating activities	<b><u>483,176</u></b>	<u>796,617</u>

**18 Analysis of changes in net funds  
2021**

	Balance at beginning of year £	Cash Flow £	Other changes £	Balance at end of year £
Long term borrowings	-	-	(80,681)	<b>(80,681)</b>
Short term borrowings	<b>(150,000)</b>	69,319	80,681	-
Total liabilities	<b>(150,000)</b>	69,319	-	<b>(80,681)</b>
Short term investments	-	776,252	-	<b>776,252</b>
Cash and cash equivalents	<b>1,250,797</b>	(304,571)	-	<b>946,226</b>
	<b><u>1,250,797</u></b>	<u>471,681</u>	<u>-</u>	<b><u>1,722,478</u></b>
Total net funds	<b><u>1,100,797</u></b>	<u>541,000</u>	<u>-</u>	<b><u>1,641,797</u></b>

**19 Pension and other post-retirement benefits**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £80,845 (2020: £76,269).

**20 Operating leases**

Total future minimum lease payments under non-cancellable operating leases are as follows

	<b>2021</b>	2020
	£	£
Less than one year	<b>131,988</b>	112,081
Between one and five years	<b>448,575</b>	412,941
Later than five years	<b><u>3,310,391</u></b>	<u>3,409,608</u>

**21 Membership Liability**

In accordance with clause 6 of the company's Memorandum of Association, every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time that they are a member, or within one year afterwards for payments of debts and liabilities of the company contracted before the time at which they ceased to be a member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories, such amount as maybe required not exceeding one pound.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

Year ended 31 December 2021

**22 Financial instruments**

The carrying amounts of the charity's financial instruments are as follows:

	2021 £	2020 £
Financial assets: Debt instruments measured at amortised cost		
Trade debtors (note 11)	283,408	440,604
Other debtors (note 11)	3,537	11,660
Current asset investments	776,252	-
	<u>1,063,197</u>	<u>452,264</u>
Financial liabilities: measured at amortised cost		
Trade creditors (note 13)	57,235	47,997
Other creditors (note 13)	908,546	825,527
	<u>965,781</u>	<u>873,524</u>
Loan commitments: measured at cost less impairment		
Other loan	80,681	150,000

**23 Prior year Statement of Financial Activities**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Income from</b>				
Donations and legacies	2	441,584	982,815	1,424,399
Charitable activities	3	1,847,776	-	1,847,776
Other trading activities: fundraising events		99,582	-	99,582
Investments	4	954	-	954
Other		2,270	-	2,270
<b>Total Income</b>		<u>2,392,166</u>	<u>982,815</u>	<u>3,374,981</u>
<b>Expenditure on</b>				
<b>Costs of generating funds</b>				
Raising funds	5	226,210	2,677	228,887
Charitable activities: provision of school services, outreach and sessional services and training and development	6	1,899,696	776,016	2,675,712
<b>Total expenditure</b>		<u>2,125,906</u>	<u>778,693</u>	<u>2,904,599</u>
<b>Net income</b>		266,260	204,122	470,382
<b>Transfer</b>		73	(73)	-
<b>Net movement in funds</b>		266,333	204,049	470,382
<b>Total funds brought forward</b>		20,592	2,429,823	2,450,415
<b>Total funds carried forward</b>	13	<u>286,925</u>	<u>2,633,872</u>	<u>2,920,797</u>