

Company Number: 2707807

The Pace Centre Limited

Financial Statements

For the 8 months Ended

31 August 2022



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
Mrs Helen Shepherd (Chair)
Mrs Karen Bradley
Mr Ian Cairns
Mr Andrew Coxall
Mr Dennis Craggs
Mr Ian Harper
Mr Colin Hayfield (Honorary Treasurer)
Mr David Irvine
Mr Stephen Painter
Ms Satyabhama Pudaruth
Ms Kay Taylor
Mr Paul Trueman

Chief Executive Mr Ian Sansbury

Principal and Registered Office Bradbury Campus
156 Wendover Road
Aylesbury
Buckinghamshire
HP22 5TE

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operational
address:*
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Auditor Azets Audit Services
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Beaconsfield
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THE PACE CENTRE LIMITED

Trustees' Annual Report for the 8 months ended 31 August 2022

The trustees have pleasure in presenting their annual report and audited financial statements for the eight months ended 31 August 2022 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. The Charity decided to shorten its year end to tie into the school year.

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 period are:

Trustees	Mrs Karen Bradley (appointed 25 th July 2022)	Mr Clive John (resigned 25 th July 2022)
	Mr Ian Cairns	Mr Julian Lovelock (resigned 25 th July 2022)
	Mr Andrew Coxall	Mr Stephen Painter
	Mr Dennis Craggs	Ms Satyabhama Pudaruth
	Mr Ian Harper	Mrs Helen Shepherd (Chair)
	Mr Colin Hayfield (appointed 25 th July 2022)	Ms Kay Taylor
	Mr David Irvine	Mr Paul Trueman

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

- Finance and Operations committee: Ian Cairns (Chair), Dennis Craggs, Colin Hayfield, Satyabhama Pudaruth
- Education committee: Ian Harper (Chair), Helen Shepherd, David Irvine, Andrew Coxall
- Child and Family committee: Stephen Painter (Chair), Karen Bradley, Paul Trueman, 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.

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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.

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Our Aims and Objectives (continued)

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>.

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 and 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.

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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.

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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.

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Strategic Progress

The following section outlines the 2022 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 shorter period covered by this report. 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". The objectives for 2022 reflected a great deal of continuity from the prior year, given the multi-year nature of our core strategic objectives.

Objectives for 2022	Activities and achievements
Pace Digital	
<p>We will launch the new Pace website (including our new Advice and Support Hub) and our new brand identity.</p>	<p>We launched the new Pace website (www.thepacecentre.org) in June 2022. The new site incorporates our Advice and Support hub, which already contains 32 individual pieces of digital advice and support content. We aim to reach 40 pieces of content by 31 December 2022 and 50 by June 2023.</p> <p>Early web traffic analytics are showing evidence that the site is engaging our users more successfully. Compared to 2021 we have seen the number of pages viewed with each visit rise by 28% and the time spent on the site increase by 45% per visit. The bounce rate has also dropped by 8%.</p> <p>The new website also reflects our new brand identity. We have now completed the digital and physical roll out of the new brand, which is receiving great feedback.</p>
<p>We will complete the first phase of our new Dynamics Database, to manage data relating to children and families.</p>	<p>Our new MS Dynamics database has been built and is now being populated with our data relating to our children and families. We expect to be able to decommission our legacy database solution, by the end of the year.</p>

Trustees' Annual Report
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Objectives for 2022	Activities and achievements
<p>Pace Digital (continued)</p>	
<p>We will plan, and ideally start to deliver, the third phase of Pace Digital, our online training provision.</p>	<p>We have started planning Phase 3 of Pace Digital, our learning management system. As part of this next phase, we now recognise the opportunity to substantially revamp the content of our internal learning and development programme at the same time as delivering it digitally, both internally and externally. We have identified that:</p> <ul style="list-style-type: none"> • Our induction programme should ideally be split into two tiers (tiers 1 and 2), delivered over two years; • We should develop more intentional learning pathways for more senior and tenured staff (tiers 3 and 4); • We can differentiate more between the individual learning pathways for each of our professional staff groupings (teachers, Occupational Therapists, fundraisers etc), with clarity around mandatory and elective training opportunities within each of the four tiers; • We can better differentiate different modes of delivery in our training, to include knowledge transfer (primarily online), reinforcement (face-to-face with subject matter experts), and practical application (in workplace, guided by an employee's supervisor). <p>These design criteria will result in a better learning and development solution internally but will also ensure that our training offer will be more attractive externally.</p> <p>We have already made significant progress in building our new training platform, using LearnDash – the industry leading plug-in for online training. This will enable our training provision to be fully integrated into the new Pace website.</p>

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Objectives for 2022	Activities and achievements
<p>SMART Programme</p> <p>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.</p>	<p>We have completed our Phase 2 planning for the SMART Programme. We are currently prioritising our funding of the next phase of our SMART classroom rollout and have made applications to a number of charitable trusts and foundations.</p> <p>We have also continued to plan the further enhancement of our assistive technology delivery in Child and Family, particularly within our early intervention practice. Funding applications are underway for the recruitment of an AT-specialist therapist in Child and Family, and the development of an AT-rich home simulation environment within the Weston Centre, through which we can demonstrate different AT solutions that children and families can use at home.</p> <p>We have also planned the delivery of our Seven Stages of Switch Development programme, which will enable children with complex needs to learn to use switch devices through a new and very engaging curriculum. We learned in early September that we had been successful in our application for £45k of funding from the Communication Consortium Grants Programme (funded by The Raynors Special Educational Trust) to fund this important work.</p>
<p>Child and Family</p> <p>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.</p>	<p>We are continuing to identify funding opportunities for our early intervention programme, to allow us to expand the age group that we can see free of charge. We were unsuccessful in a recent, very significant funding application but have been invited to reapply. We have a healthy pipeline of additional submitted funding applications (which total £395k). We continue to be confident in funding what is arguably Pace's most compelling and impactful work.</p>

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Objectives for 2022	Activities and achievements
Child and Family (continued)	
<p>We will plan and launch our new Neurodevelopmental Pathway Pre-Assessment Service, commissioned by Bucks NHS Healthcare Trust.</p>	<p>Our pre-assessment service, for the parents of children with ASD and ADHD who are awaiting an assessment from Bucks NHS Healthcare Trust ("BHT"), is now up and running and we are delivering a programme which incorporates a telephone advice line and parent support groups (using the Circle of Security parenting programme).</p> <p>The majority of the children we are seeing are aged between 3 and 4 and we are working with parents on issues of regulation, praxis, play, communication, sensory challenges and eating and drinking. Referrals have so far been slower than we had expected but we are working closely with BHT to engage more families into the programme.</p>
<p>We will plan and launch our school-based Primary Mainstream pilot programme.</p>	<p>Planning for the Primary Mainstream pilot is also underway. We are actively recruiting therapy staff to resource this work and engaging with local partner primary schools. This work will commence in the Autumn term 2022.</p>
Impact	
<p>We will continue to develop and embed our granular child and family-centred outcome measures and reporting systems.</p>	<p>We are continuing to embed the use of GAS goals and COPM in our Child and Family outcome measurement framework. We are also continuing the roll out of our family-centred Parent and Child Evaluation that will provide important insights on our impact on the families we support.</p> <p>That process has been slower than we would have liked during this eight-month reporting period, as our research therapist has been concluding her professional doctorate. Our priority, when she returns from study leave, will be to review the data that we have collected this year, to assess the effectiveness of our current measures and the efficiency of the measurement process.</p>

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Objectives for 2022	Activities and achievements
Impact (continued)	
<p>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.</p> <p>We will repeat our family survey.</p>	<p>We have repeated the Pace family survey and now have three years' worth of comparable data to publish. We also have a great deal of content from our school and Child and Family outcome measurement frameworks, and from our alumni survey, that now inform the upgraded impact reporting section on the new Pace website.</p>
Unrestricted Reserves	
<p>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)</p>	<p>This year, we have decided to change our financial year-end to August, to match the school year, making our budgeting and reporting processes significantly simpler. These financial statements reflect a surplus of £3,509, including an unrestricted surplus of £194,135, improving our unrestricted reserve to 4 months. We intend to continue to build our unrestricted reserve towards our target of 4- 12 months' operating costs.</p>
<p>We will work to reduce the structural deficit in Pace School, through a concerted programme to fund the costs of therapy provision.</p>	<p>We have completed the therapy case for support for Pace School and have built up a good pipeline of restricted grant applications over the summer months. The autumn term will bring us a good sense of the effectiveness of that fundraising programme.</p>

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Objectives for 2022	Activities and achievements
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.	<p>Our chair, Julian Lovelock, and our Finance and Operations Chair and Treasurer, Clive John, retired at the end of the summer term after a combined 30 years of service to Pace. We are enormously indebted to their immense contribution to Pace over that time.</p> <p>The succession to our new chair, Helen Shepherd, deputy chair Stephen Painter and Finance and Operations Committee Chair, Ian Cairns, has proceeded very well. We have also recruited a new and highly experienced finance trustee, Colin Hayfield, who will perform the role of Treasurer.</p>

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Objectives for 2022/23

Our objectives for 2022/23 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 continue to develop digital support and advice content for our new website
- We will complete the first phase of our new Dynamics Database, to manage data relating to children and families, and decommission the existing legacy database
- We will deliver, the third phase of Pace Digital, our online learning platform.

2. SMART Programme

- We will roll out further SMART classrooms within Pace School, focusing in particular on SMART classroom delivery within our primary school and door automation throughout both sites
- We will continue to fund and deliver enhanced AT delivery for children under 5 in our early intervention programme, particularly the recruitment of an AT-specialist therapist and the development of an AT-rich home simulation environment
- We will deliver the Seven Stages of Switch Development programme.

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 continue to develop our Neurodevelopmental Pathway Pre-Diagnostic Service, commissioned by Bucks NHS Healthcare Trust
- We will continue to develop our school-based Primary Mainstream pilot programme.

4. Impact

- We will continue to develop and publish the results from our newly developed outcome measurement frameworks, across both the school and Child and Family and continue the way we report our impact, particularly through the Pace website
- We will develop a series of depth impact studies, incorporating detailed case studies, impact data, and child and family testimony, focused on a small number of Pace children
- We will develop our first Pace cost:benefit report, identifying what we believe are the financial benefits of our provision.

5. Unrestricted Reserves

- We will continue to build our unrestricted reserves through overall break-even budget
- We will continue to work to reduce the structural deficit in Pace School, through a concerted programme to fund the costs of therapy provision.

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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. Since 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 participators.

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 period ended 31 August 2022 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 remain focussed on the need to continue to maintain and improve the charity's financial sustainability. Over recent years, the charity has successfully grown income across its key areas of activity and, as noted below, is now operating within its reserves policy for the first time for a number of years.

Pace continues to deliver against its rolling three-year strategic plan and budget. As a result of the continued successful implementation of this plan, there was an overall net surplus in income over expenditure of £3,509. This comprised a surplus on unrestricted funds of £194,135 and a deficit of £190,626 on restricted funds. The restricted deficit arose as money was spent in 2022 that had been received in prior years.

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Financial review (continued)

The main variances are set out below:

- Income from donations and legacies is lower for the current 8 month reporting period than it was for the 12 months ended 31 December 2021 even allowing for the shorter accounting period. This is a result of:
 - Timing: as the Autumn term tends to be a strong one for Pace for trusts income
 - Restricted funding towards capital projects: in particular 2021 included restricted grants of £152,000 towards the refurbishment of the bathroom facilities across the school and the final tranche of £58,400 towards our teletherapy project
 - Gifts in kind: 2021 included gifts in kind of £41,040 in respect of our website development.
- On a pro rata basis, income from charitable activities increased compared to 2021. This was driven primarily by:
 - an increase in the number of students attending Pace school and the average fee per child increasing. 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, offset by a slight decrease in the number of students receiving outreach therapeutic input either in their own school or at home
 - the growth in our occupational therapy and physiotherapy provision into three other local special schools.
- Income from fundraising events income is broadly in line with 2021 on a pro rata basis. Although income from the Big Walk was down compared to an exceptional 2021 it was offset by the success of a few supporters doing the Three Peaks Challenge. The golf day did not fall within this eight month reporting period but a new literary event, LitFeast was very successful. We have also benefited from our partnership with Moogies who operate several village pubs locally.

Total expenditure has increased in the current reporting period primarily as a result of higher salary costs, reflecting growth in our charitable activities and the need to ensure that our salaries, which are benchmarked externally, remain competitive.. The expenditure on restricted items was done in 2022 reflecting the reducing number of restricted grants received, including the bathroom refurbishment.

The cash flows of the charity showed a net decrease in cash of £325,308 (2021: £304,571) as a result of higher debtors and creditors at the year end compared to the prior year.

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.

Trustees' Annual Report
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Financial review (continued)

Reserves Policy

The trustees reviewed and updated their policy for the charity in 2022 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 August 2022

- the total reserves were £ 3,086,522 (2021: £3,083,013)
- the restricted reserves, which can only be spent as directed by the donor were £2,182,283 (2021: £2,372,909). 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 period against these restricted balances is £71,053
- Unrestricted reserves at 31 August 2022 were £904,239 (2021: £710,104) representing 4 months of operating expenditure.

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 £419,319 had been converted into donations, leaving £80,681 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 August 2022, £25,681 had been converted leaving a closing balance of £55,000. Taking into account the charity's unrestricted reserves, cash balances and the availability of the undrawn balance of this loan facility of £500,000, 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.

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Financial review (continued)

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.
- 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.

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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.

Mrs H Shepherd

For and on behalf of the trustees

Date: 28th November 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 period. 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

Mrs H Shepherd

Date: 28th November 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 period ended 31 August 2022 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 August 2022 and of its surplus for the period 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.

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

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.

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 period 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

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

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. 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.

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

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

- 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
28th November 2022

THE PACE CENTRE LIMITED

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

for the 8 months ended 31 August 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 8 months ended 31 August 2022 £	Total Funds Year ended 31 December 2021 £
Income from					
Donations and legacies	2	290,796	190,288	481,084	1,273,855
Charitable activities	3	1,585,286	-	1,585,286	2,138,534
Other trading activities:					
fundraising events		98,516	792	99,308	145,959
Investments	4	3,739	-	3,739	737
Other		3,971	-	3,971	2,087
Total Income		1,982,308	191,080	2,173,388	3,561,172
Expenditure on					
Costs of generating funds					
Raising funds	5	141,625	505	142,130	248,097
Charitable activities: provision of school services, outreach and sessional services and training and development	6	1,638,556	389,193	2,027,749	3,150,859
Total expenditure		1,780,181	389,698	2,169,879	3,398,956
Net income		202,127	(198,618)	3,509	162,216
Transfer		(7,992)	7,992	-	-
Net movement in funds		194,135	(190,626)	3,509	162,216
Total funds brought forward		710,104	2,372,909	3,083,013	2,920,797
Total funds carried forward	15	904,239	2,182,283	3,086,522	3,083,013

All income and expenditure derive from continuing activities.

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

THE PACE CENTRE LIMITED

Company registration number: 02707807

Balance Sheet

as at 31 August 2022

	Note	31 August 2022 £	31 August 2022 £	31 December 2021 £	31 December 2021 £
Fixed assets					
Tangible assets	10		2,047,900		2,110,727
Current assets					
Debtors	11	465,207		337,525	
Investments	12	782,235		776,252	
Cash at bank and in hand		620,918		946,226	
		<u>1,868,360</u>		<u>2,060,003</u>	
Creditors: amounts falling due within one year	13	(829,738)		(1,007,036)	
Net current assets			<u>1,038,622</u>		<u>1,052,967</u>
Total assets less current Creditors: amounts falling due after more than one year	14		<u>3,086,522</u>		<u>3,163,694</u>
			-		(80,681)
Net assets			<u>3,086,522</u>		<u>3,083,013</u>
Charity funds					
Restricted funds	15		2,182,283		2,372,909
Unrestricted funds	15		904,239		710,104
Total charity funds			<u>3,086,522</u>		<u>3,083,013</u>

These accounts were approved by the trustees on 28th November 2022

Mrs H Shepherd
Chair

THE PACE CENTRE LIMITED

Statement of cash flows

8 months ended 31 August 2022

	Note	31 August 2022 £	31 December 2021 £
Cash flows from operating activities and net cash flow from operating activities	17	(301,548)	483,176
Cash flows from investing activities			
Purchases of fixed assets		(21,516)	(12,363)
Purchase of current asset investments		(3,961)	(776,252)
Interest received		1,717	868
Net cash flows from investing activities		(23,760)	(787,747)
Net decrease in cash and cash equivalents		(325,308)	(304,571)
Cash and cash equivalents at 1 January		946,226	1,250,797
Cash and cash equivalents at 31 August /December		620,918	946,226
Cash and cash equivalents consists of:			
Cash at bank and in hand		389,168	414,651
Short term deposits		231,750	531,575
Cash and cash equivalents at 31 August		620,918	946,226

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. The trustees agreed to shorten the year end to 31 August to bring it in line with the school year. As a result of the shorter accounting period, the prior year figures may not be entirely comparable.

a) General information and basis of preparation.

The Pace Centre Limited (also known as Pace) is a private 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 2019.

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)

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)

8 months ended 31 August 2022

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.

Notes to the financial statements (continued)

8 months ended 31 August 2022

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.

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.

Notes to the financial statements (continued)

8 months ended 31 August 2022

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.

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.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

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.

2 Income from donations, grants and legacies

	8 months ended 31 August 2022			Year ended 31 December 2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations and grants from trusts and foundations	290,796	139,223	430,019	562,460	674,711	1,237,171
Government grants		51,065	51,065	-	34,725	34,725
Legacies	-	-	-	1,959	-	1,959
Donations	290,796	190,288	481,084	564,419	709,436	1,273,855

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. No gifts in kind were received in the eight months to 31 August 2022.

3 Charitable activities: all unrestricted

	8 months ended 31 August 2022 £	Year ended 31 December 2021 £
LEA funding	1,199,774	1,697,773
Therapy sessions provided to children 0-18	30,394	44,347
Non LEA funding of school places	64,657	80,649
Provision of staff to other schools	284,146	297,266
Training	300	127
Other	6,015	18,372
	1,585,286	2,138,534

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

4 Investment income

All of the investment income of £3,739 (2021: £737) arises from money held on interest bearing deposit accounts.

5 Analysis of expenditure on raising funds

	8 months ended 31 August 2022	Year ended 31 December 2021
	£	£
Salaries and consultancy including training	118,706	194,343
Event and function costs	11,278	31,836
Direct costs	-	72
Support costs (see note 7)	12,146	21,846
	<u>142,130</u>	<u>248,097</u>

Expenditure on raising funds was £142,130 (2021: £248,097) of which £505 (2021: £6,623) was restricted and £141,625 (2021: £241,474) was unrestricted.

6 Analysis of expenditure on charitable activities

	8 months ended 31 August 2022	Year ended 31 December 2021
	£	£
Salaries and consultancy including training	1,385,620	1,985,954
Facilities and other costs	184,389	481,717
Classroom resources	102,647	174,433
Pro bono consultancy services (see note 2)	-	41,040
Depreciation	81,220	121,990
Loss on disposal of tangible fixed asset	3,124	-
Governance costs (see note 7)	39,966	44,250
Support costs (see note 7)	230,783	301,475
	<u>2,027,749</u>	<u>3,150,859</u>

Expenditure on charitable activities was £2,027,749 (2021: £3,150,859) of which £389,193 (2021: £952,055) was restricted and £1,638,556 (2021: £2,198,804) was unrestricted.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

7 Analysis of support costs 8 months ended 31 August 2022	Raising funds £	General support £	Governance function £	Total £	Basis of allocation
Salaries, wages and related costs	9,113	173,148	22,782	205,043	Prorated on number of staff
General office	3,033	57,635	7,584	68,252	Prorated on number of staff
Auditor's remuneration	-	-	9,600	9,600	Governance
	<u>12,146</u>	<u>230,783</u>	<u>39,966</u>	<u>282,895</u>	

**Analysis of support costs
Year ended 31 December 2021**

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

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.

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

	8 months ended 31 August 2022 £	Year ended 31 December 2021 £
Depreciation of tangible fixed assets	81,220	121,990
Loss on disposal of tangible fixed assets	3,123	-
Operating lease rentals	79,387	117,402
Auditor's remuneration	9,600	8,760
	<u>173,330</u>	<u>358,154</u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

9 Trustees' and key management personnel remuneration and expenses

No trustee either received or waived any remuneration during the period (2021: £nil).

The total amount of employee benefits received by key management personnel is £170,076 (2021: £231,475). 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.

	8 months ended 31 August 2022 £	Year ended 31 December 2021 £
Salaries	1,497,476	2,113,291
Social security costs	122,165	166,921
Pension costs	55,707	80,845
	<u>1,675,348</u>	<u>2,361,057</u>

No employee received remuneration greater than £60,000 (2021: none).

	8 months ended 31 August 2022 FTE	Year ended 31 December 2021 FTE	8 months ended 31 August 2022 Number	Year ended 31 December 2021 Number
The average number of employees, analysed by function was				
Raising funds	4	5	4	6
Charitable activities	76	69	98	91
Governance and support	10	8	11	9
	<u>90</u>	<u>82</u>	<u>113</u>	<u>106</u>

The trustees did not have any expenses reimbursed during the period (2021: £nil). There are no related party transactions during the period.

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

10 Tangible fixed assets	Improvements to leasehold buildings £	Fixtures, Fittings and Equipment £	Total £
Cost			
At 1 January 2022	3,323,788	140,252	3,464,040
Additions	-	21,516	21,516
Disposals	-	(8,924)	(8,924)
At 31 August 2022	<u>3,323,788</u>	<u>152,844</u>	<u>3,476,632</u>
Depreciation			
At 1 January 2022	1,258,452	94,861	1,353,313
Provided in the year	73,866	7,354	81,220
Depreciation on disposals	-	(5,801)	(5,801)
At 31 August 2022	<u>1,332,318</u>	<u>96,414</u>	<u>1,428,732</u>
Net book value			
At 31 August 2022	<u>1,991,470</u>	<u>56,430</u>	<u>2,047,900</u>
At 31 December 2021	<u>2,065,336</u>	<u>45,391</u>	<u>2,110,727</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.

11 Debtors	31 August 2022	31 December 2021
	£	£
Trade debtors	402,334	283,408
Other debtors	525	3,537
Prepayments	62,348	50,580
	<u>465,207</u>	<u>337,525</u>

12 Investments	31 August 2022	31 December 2021
	£	£
Short term deposits	768,230	761,437
Other investments	14,005	14,815
	<u>782,235</u>	<u>776,252</u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

13 Creditors: amounts falling due within one year	31 August 2022	31 December 2021
	£	£
Trade creditors	62,922	57,235
Accruals and deferred income	650,570	895,074
Social security and other taxes	46,668	41,255
Other creditors	69,578	13,472
	<u>829,738</u>	<u>1,007,036</u>

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 August 2022, £500,000 of this loan had been drawn down. Since being drawn down, £445,000 has been converted to a donation leaving £55,000 outstanding at 31 August 2022 (2021: £80,681). There remains an undrawn loan facility of £500,000.

Deferred income	31 August 2022	31 December 2021
	£	£
Deferred income as of 1 January	721,950	682,949
Received in the period	596,971	721,950
Credited to statement of financial activities	(721,950)	(682,949)
Total deferred income as of 31 August/31 December	<u>596,971</u>	<u>721,950</u>

All deferred income, which represents term fees invoiced in advance, is included within Creditors: amounts falling due within one year.

14 Creditors: amounts falling due after more than one year	31 August 2022	31 December 2021
	£	£
Other creditors	<u>-</u>	<u>80,681</u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

15 Analysis of charitable funds

	Balance 1 January 2022	Incoming resources	Resources expended	Transfer	Balance 31 August 2022
Analysis of movements in funds	£	£	£		£
General fund	710,104	1,982,308	(1,780,181)	(7,992)	904,239
Leasehold Building fund	56,636	-	(18,120)	20	38,536
First Steps Appeal fund	1,929,803	-	(51,271)	(4,390)	1,874,142
Salary fund	274,962	75,875	(230,485)	-	120,352
Other equipment and services fund	111,508	115,205	(89,822)	12,362	149,253
	<u>2,372,909</u>	<u>191,080</u>	<u>(389,698)</u>	<u>7,992</u>	<u>2,182,283</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 August 2022 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 100 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 August 2022 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
2022

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	101,141	1,946,759	2,047,900
Debtors	462,908	2,299	465,207
Investments	782,235	-	782,235
Cash	378,363	242,555	620,918
Creditors: amounts falling due within one year	(820,408)	(9,330)	(829,738)
	<u>904,239</u>	<u>2,182,283</u>	<u>3,086,522</u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

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

	31 August 2022	31 December 2021
	£	£
Net income / (expenditure) for the year	3,509	162,216
Interest receivable	(3,739)	(868)
Depreciation	81,220	121,990
(Increase)/ decrease in debtors	(127,682)	171,031
(Decrease) /increase in creditors	(257,979)	28,807
Loss on disposal of tangible fixed asset	3,123	-
Net cash flow from operating activities	<u>(301,548)</u>	<u>483,176</u>

18 Analysis of changes in net funds 2022

	Balance at 1 January 2022	Cash Flow	Other changes	Balance at 31 August 2022
	£	£	£	£
Long term borrowings	(80,681)		80,681	-
Short term borrowings	-	25,681	(80,681)	(55,000)
Total liabilities	<u>(80,681)</u>	<u>25,681</u>	<u>-</u>	<u>(55,000)</u>
Short term investments	776,252	5,983		782,235
Cash and cash equivalents	946,226	(325,308)		620,918
	<u>1,722,478</u>	<u>(319,325)</u>	<u>-</u>	<u>1,403,153</u>
Total net funds	<u>1,641,797</u>	<u>(293,644)</u>	<u>-</u>	<u>1,348,153</u>

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 period was £55,707 (2021: £80,845).

20 Operating leases

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

	31 August 2022	31 December 2021
	£	£
Less than one year	149,724	131,988
Between one and five years	508,816	448,575
Later than five years	<u>3,690,430</u>	<u>3,310,391</u>

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

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.

22 Financial instruments

The carrying amounts of the charity's financial instruments are

	31 August 2022	31 December 2021
	£	£
Financial assets: Debt instruments measured at amortised cost		
Trade debtors (note 11)	402,334	283,408
Other debtors (note 11)	525	3,537
Current asset investments	782,235	776,252
	1,185,094	1,063,197
Financial liabilities: measured at amortised cost		
Trade creditors (note 13)	62,922	57,235
Other creditors (note 13)	665,148	908,546
	728,070	965,781
Loan commitments: measured at cost less impairment		
Other loan	55,000	80,681

THE PACE CENTRE LIMITED

Notes to the financial statements (continued)

8 months ended 31 August 2022

23 Prior year Statement of Financial Activities

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2021
		£	£	£
Income from				
Donations and legacies	2	564,419	709,436	1,273,855
Charitable activities	3	2,138,534	-	2,138,534
Other trading activities: fundraising events		145,317	642	145,959
Investments	4	737	-	737
Other		2,087	-	2,087
Total Income		<u>2,851,094</u>	<u>710,078</u>	<u>3,561,172</u>
Expenditure on				
Costs of generating funds				
Raising funds	5	241,474	6,623	248,097
Charitable activities: provision of school services, outreach and sessional services and training and development	6	2,198,804	952,055	3,150,859
Total expenditure		<u>2,440,278</u>	<u>958,678</u>	<u>3,398,956</u>
Net income		410,816	(248,600)	162,216
Transfer		12,363	(12,363)	-
Net movement in funds		423,179	(260,963)	162,216
Total funds brought forward		286,925	2,633,872	2,920,797
Total funds carried forward	13	<u>710,104</u>	<u>2,372,909</u>	<u>3,083,013</u>