



ACTION 21 (2010)

(Company limited by guarantee and not having a share capital)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2015

ACTION 21 (2010)

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FOR THE YEAR ENDED 31 MARCH 2015**

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ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2015

The Directors and Trustees present their report and financial statements for the year ended 31 March 2015.

Reference and administration information

Charity name:	Action 21 (2010)
Also known as:	Action 21
Charity registration number:	1136450
Company registration number:	07185413
Registered office and Operational address:	Re-Useful Centre Unit 3 Milverton House Court Street Leamington Spa Warwickshire CV31 2BB

Directors/Trustees

The following served as Directors/Trustees during the period that this report covers

John Armstrong	Chair
Julia Beart	(Co-opted 1 December 2014)
Margaret Begg	
Gareth Davies	
Richard Edwards	
Donna Hunt	
Chris Pollock	
Geoff Randall	
Mathilde Robert	(Appointed 22 July 2014)
Roger Twiney	
Ruth Wallsgrove	(Resigned 24 June 2014)

Company Secretary

Geoff Randall

The following were members of staff on 31 March 2015

Martin Smith	General Manager
Ben Moore	Shop Manager
Stephen Boyer	Shop Manager
Laura Smith	Community Ranger

Independent Examiner

Dafferns LLP, Chartered Accountants, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB.

Bankers

Unity Trust Bank plc. Nine Brindley Place, Birmingham. B1 2HB.

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2015

Governance and management

Action 21 (2010) is a charitable company limited by guarantee and does not have a share capital. It was incorporated on 10 March 2010 and registered as a charity on 18 June 2010. Action 21 (2010) took over the assets and liabilities of its predecessor company, Action 21 (registered number 4150006), on 1 August 2010.

The governing document of Action 21 (2010) is its Memorandum and Articles of Association which were signed on 2 March 2010. The charity's Trustees are also Directors of the Company. One third of the Trustees retire by rotation at each Annual General Meeting. A retiring Trustee is eligible for re-election.

The Board normally meets bi-monthly and is responsible for the strategic direction and policies of the charity. The General Manager attends all Board meetings and is responsible for running the charity. Individual Board members take on additional roles to support the General Manager in relation to finance, human resources, recycling and fund raising.

Trustee appointment, induction and training

Individuals expressing an interest in becoming a Trustee meet the General Manager and/or Chair and are then invited to attend a Board meeting before deciding whether to formally apply. The Board decides at its next meeting whether to co-opt the applicant, pending ratification at the next Annual General Meeting. Newly co-opted Trustees are encouraged to visit the charity's premises to experience how the charity operates and to meet staff and volunteers. They are also given a copy of the last Annual Report and Financial Statements and copies of minutes of recent Board meetings.

Risk review

During the year the Board again reviewed the major risks to which it is exposed and identified systems or procedures to manage those risks. The Board considers that insurance cover and reserves are adequate to ensure the continued operation or orderly closure of the charity in the event of the occurrence of any unexpected incident.

Activities and charitable objects

Action 21 (2010)'s vision is to reduce waste, promote reuse, increase knowledge and skills and support its local communities in living more sustainably. Its formal charitable aims are to promote the protection and preservation of the environment for the public benefit by the promotion of waste reduction, re-use, reclamation, recycling, the use of recycled products and the use of surplus for the benefit of the inhabitants of the District of Warwick and its environs. To also advance the education and skills of the public in subjects related to sustainability in areas related to energy, food and transport.

The charity runs the Re-Useful Centre which operated in Sydenham, Leamington Spa until 31 December 2014 and has operated from Court Street, Leamington Spa since January 2015. The Re-Useful Centre receives donations of goods that would otherwise go to waste (principally landfill) and enables the public to buy and re-use them. For the last three years the facility has saved over 100 tonnes of donated manufactured items from landfill per annum.

In order to increase re-use, the charity undertakes refurbishment of some items (e.g. bicycles and furniture) to ensure items are of an adequate standard for sale. Hundreds of donated bikes are refurbished and sold each year, thereby providing a means of affordable sustainable transport for the local community. The charity's Dr Bike service provides free 'bike MOTs' at public events, in order to further promote cycling as a form of sustainable transport.

Action 21 also tests electrical equipment for resale, allowing re-use of equipment that would otherwise be scrapped. Donated items which cannot be sold are either broken down and sold for scrap, re-used, recycled or sold on to other companies for upcycling.

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2015

Activities and charitable objects (continued)

In March 2014, Action 21 was advised by the landlord that he had reached provisional agreement with a developer for the sale of his land and buildings on the Sydenham Estate, including 5 Ramsey Road, which housed the Re-Useful Centre. Formal notice to vacate Ramsey Road by 31 December 2014 was subsequently given by the landlord. A working party of the Board of Trustees considered various alternative premises to which the Re-Useful Centre could relocate and eventually identified a property in Court Street. Access to Unit 3 Milverton House was gained on 11 December 2014, under a Tenancy at Will arrangement, pending completion of a 6 year lease (with a 3 year break clause). Action 21 also agreed to lease a nearby Railway Arch from Network Rail from 1 January 2015, from which the Bike Workshop is operating. This lease can be terminated with 3 months' notice by Action 21 or with 6 months' notice by the landlord. Agreement was subsequently reached to lease 2 adjacent units in Court Street – initially under a Tenancy at Will arrangement, pending completion of another 6 year lease (with a 3 year break clause). Access was gained on 1 April 2015 and work was subsequently carried out to enable the 3 units to be used as 1 for receipt and sale of donated goods.

Action 21 also leased East Lodge, a building situated in Jephson Gardens in Leamington Spa, from Warwick District Council. This lease terminated on 21 March 2015. During 2014/15 East Lodge was let, rent-free, by Action 21 to Canalside Community Food and ARC CIC, organisations that work to achieve similar aims to Action 21, who used the office space in exchange for running two events a year.

Action 21 employed a Community Ranger, previously based in East Lodge, but latterly based in the South Lodge of Jephson Gardens. The contract with Warwick District Council to provide the ranger service in Jephson Gardens terminated on 31 March 2015.

Action 21 intends to continue to run projects in the key theme areas of re-use, sustainable transport, education and food. The charity engages with a wide number of volunteers who deliver these activities. In many cases the volunteers are drawn from disadvantaged groups who benefit from the vocational experience, training and social interaction.

The Board of Trustees continued to focus on three strategic objectives, namely, greater community awareness and engagement, more training and skills development and greater financial and site security.

Performance and achievements

Re-Useful Centre

During 2014/15 80 tonnes of manufactured goods was saved from landfill. 23,900 items were sold, comprising 22,478 items of clothing, bric-a-brac and furniture, 412 bicycles and 1,010 PAT-tested electrical items.

The Bike Workshop Manager, recruited in November 2013, left in February 2015 and his role in ensuring quality control of bike refurbishment has been taken on by one of the Shop Managers.

Projects

During 2014/15 continued to promote "skill share" activities intended to pass on traditional skills that support sustainable living. A regular monthly group called 'Mend, Make and Modify' met until November 2014, led by a member of staff with volunteer support. 2 bike maintenance workshops were also held, again led by a member of staff. Both these activities were funded by a grant from Leamington Town Council.

Dobson Lane Community Allotments continue to be administered by Action 21 during 2014/15. The allotments, developed by the charity in 2010, encourage organic growing methods, promote home-grown fruit and vegetables as healthy and sustainable alternatives to supermarket produce. The Allotments Association has taken over the running of the allotments and the lease of the site with Warwick District Council is in the process of being formally transferred to the Association.

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REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2015

Performance and achievements (continued)

Projects (continued)

The Community Ranger organised and ran a programme of around 25 nature-themed educational family events in Jephson Gardens over the year. These events were provided free of charge to participants.

Volunteers

Volunteers are a vital resource for Action 21. As well as participating in the operation of the Re-Useful Centre, they provide valued support for the charity's projects.

Around 60 regular volunteers support the operation of the Re-Useful Centre and Action 21's administrative, communications and marketing activities.

Volunteers also helped run Skill Share workshops, supported Action 21's Peace Festival stall, and supported Jephson Gardens events.

Marketing/Communications

Key aims within the marketing strategy were to maintain and expand public awareness of Action 21's projects and activities; to promote the Re-Useful Centre in order to increase donations and purchases; to promote volunteering opportunities in order to recruit new volunteers; and to publicise events in order to increase event attendance.

An advertising campaign for the Re-Useful Centre was again run in 2014/15. This comprised the placement of a large poster in Leamington's main post office (estimated 7,000 footfall per week), small posters in satellite post offices in the local area (5,000+ footfall per week), and the inclusion of an advert in Warwick University student guide (1,000+ students).

Action 21's website, which was completely rewritten and redesigned in 2013/14, features volunteer profiles and an integrated blog and comprehensive events calendar.

A regular Facebook and Twitter presence was maintained; Action 21's Facebook page now has over 550 followers, and on Twitter, nearly 1000 followers.

Event promotion: as well as despatching a monthly Mailchimp e-newsletter, events were promoted via Facebook, Twitter, external events websites, press releases and posters.

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2015****Public benefit**

The Trustees consider they have complied with their duty to have due regard to the guidance on public benefit, as published by the Charity Commission, in exercising their powers and duties.

Financial review of 2014/15 and future financial outlook

The financial statements show that a deficit of £3,002 on unrestricted funds was incurred for the year to 31 March 2015, decreasing general reserves to £81,309. This outcome followed the relocation of the Re-Useful Centre from Ramsey Road to Court Street in January 2015. During the 3 months following the relocation a significant (and not unexpected) reduction in sales occurred and rent became payable.

The financial outlook for 2015/16 is uncertain but the Trustees are hopeful that sales income will return to the levels achieved at Ramsey Road, given the additional retail space available at Court Street since 1 April 2015. Paid staffing numbers have also been reduced, at least in the short term.

Fortunately, Action 21 started 2015/16 with a healthy level of general reserves, which will be available to fund any deficits incurred.

Reserves policy

The Board of Trustees has adopted a policy that unrestricted funds should be held as reserves at a level that equates to a minimum of three months' unrestricted expenditure. This would enable the charity to continue to operate, in the event that unrestricted income ceased to be received or was significantly reduced, whilst consideration was given as to how to respond to the new circumstances. The unrestricted reserves at 31 March 2015 equated to more than eight months' unrestricted expenditure.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005), UK Accounting Standards, the Charities Act 2011 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 29 June 2015 and signed on its behalf by:

John Armstrong Chair/Director/Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ACTION 21 (2010)

I report on the accounts of Action 21 (2010) for the year ended 31 March 2015 which are set out on pages 7 to 12.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also the Directors for the purposes of company law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

Having satisfied myself that the Charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the Independent Examiner's Report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statements below.

Independent Examiner's statement

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

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with Section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Martin Gibbs FCCA
For and on behalf of Dafferns LLP
Chartered Accountants,
One Eastwood
Harry Weston Road
Binley Business Park,
Coventry, CV3 2UB.

ACTION 21 (2010)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
INCOMING RESOURCES					
Voluntary income	3	36,202	-	36,202	42,671
Activities for generating funds	4	<u>113,160</u>	-	<u>113,160</u>	<u>132,827</u>
TOTAL INCOMING RESOURCES		<u>149,362</u>	-	<u>149,362</u>	<u>175,498</u>
RESOURCES EXPENDED					
Fundraising costs	5	121,434	-	121,434	117,314
Charitable activities	6	28,018	6,993	35,011	41,035
Governance costs	7	<u>2,912</u>	-	<u>2,912</u>	<u>1,806</u>
TOTAL RESOURCES EXPENDED		<u>152,364</u>	<u>6,993</u>	<u>159,357</u>	<u>160,155</u>
NET INCOMING/(OUTGOING) RESOURCES		(3,002)	(6,993)	(9,995)	15,343
Total funds brought forward		<u>84,311</u>	<u>8,525</u>	<u>92,836</u>	<u>77,493</u>
TOTAL FUNDS CARRIED FORWARD		<u>81,309</u>	<u>1,532</u>	<u>82,841</u>	<u>92,836</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

ACTION 21 (2010)

BALANCE SHEET AT 31 MARCH 2015

	Note	£	2015 £	2014 £
TANGIBLE FIXED ASSETS	8		-	1,459
CURRENT ASSETS				
Debtors	9	3,614		3,312
Cash at bank and in hand	10	<u>87,840</u>		<u>94,526</u>
		91,454		97,838
CREDITORS				
Amounts falling due within one year	11	<u>(8,613)</u>		<u>(6,461)</u>
NET CURRENT ASSETS			<u>82,841</u>	<u>91,377</u>
NET ASSETS			<u>82,841</u>	<u>92,836</u>
FUNDS				
Unrestricted funds			81,309	84,311
Restricted funds	12		<u>1,532</u>	<u>8,525</u>
			<u>82,841</u>	<u>92,836</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Section 386 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 29 June 2015, and signed on its behalf by:

John Armstrong, Chair/Director/Trustee

Geoff Randall, Honorary Treasurer/Director/Trustee

The notes on pages 9 to 12 form an integral part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. Accounting policies**Basis of accounting**

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The following policies are applied to specific categories of income:-

Voluntary income is included in full when receivable.

Activities for generating income represents sales generated by re-use operations.

Resources expended

Expenditure is accounted for on an accruals basis. Resources expended include attributable VAT which cannot be recovered.

Resources expended have been attributed to fundraising costs and charitable activities as appropriate.

Tangible fixed assets

Assets costing more than £500 are capitalised.

Depreciation is provided at an annual rate of 20% (50% for the van) on a straight line basis in order to write the value of each asset off over its estimated useful life.

Operating leases

Costs in respect of operating leases are charged in arriving at the operating surplus on a straight line basis over the lease term.

Fund accounting

Unrestricted funds are those available at the discretion of the Trustees in furtherance of the charitable aims of the Charity.

Restricted funds are those available solely for the specific purposes of the donors.

2. Net income

	2015	2014
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	1,459	4,065
Operating lease costs	11,410	7,442
Trustees remuneration and other benefits	-	-
Reporting accountants' fees and other services	<u>2,803</u>	<u>1,753</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
3. Voluntary income				
Donations	185	-	185	957
Grants received	34,243	-	34,243	39,189
Other income	<u>1,774</u>	<u>-</u>	<u>1,774</u>	<u>2,525</u>
	<u>36,202</u>	<u>-</u>	<u>36,202</u>	<u>42,671</u>
4. Activities for generating funds				
Re-Useful Centre sales	<u>113,160</u>	<u>-</u>	<u>113,160</u>	<u>132,827</u>
5. Fundraising costs				
Staff costs	70,947	-	70,947	74,458
Staff recruitment costs	399	-	399	294
Staff training and DBS costs	728	-	728	214
Volunteers expenses	6,685	-	6,685	3,734
Electricity, fuel oil and water	5,149	-	5,149	8,019
Vehicle costs	2,176	-	2,176	2,144
Rent, rates and insurance	9,904	-	9,904	6,443
Telephone, office and marketing costs	3,456	-	3,456	3,038
Equipment lease	3,082	-	3,082	3,082
Website, software and payroll costs	2,022	-	2,022	3,233
Reuse shop, bikes and other costs	6,744	-	6,744	5,351
Building maintenance and premises costs	4,339	-	4,339	3,202
Protective clothing costs	700	-	700	37
Legal and planning fees	3,644	-	3,644	-
Depreciation	<u>1,459</u>	<u>-</u>	<u>1,459</u>	<u>4,065</u>
	<u>121,434</u>	<u>-</u>	<u>121,434</u>	<u>117,314</u>
6. Charitable activities				
Staff costs	21,242	-	21,242	20,840
Subcontractors	-	-	-	65
Staff travel	-	-	-	78
Electricity, gas and water	907	-	907	1,390
Rent and rates	4,964	-	4,964	5,057
Telephone	115	-	115	50
Events costs	<u>790</u>	<u>6,993</u>	<u>7,783</u>	<u>13,555</u>
	<u>28,018</u>	<u>6,993</u>	<u>35,011</u>	<u>41,035</u>
7. Governance costs				
Independent examination	1770	-	1,770	1,740
Other professional costs	1033	-	1,033	13
AGM costs	<u>109</u>	<u>-</u>	<u>109</u>	<u>53</u>
	<u>2,912</u>	<u>-</u>	<u>2,912</u>	<u>1,806</u>

ACTION 21 (2010)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

	2015 £	2014 £			
8. Tangible fixed assets					
Cost					
Cost at 1 April 2014	24,129	24,129			
Additions during year	-	-			
At 31 March 2015	<u>24,129</u>	<u>24,129</u>			
Depreciation					
Charge at 1 April 2014	22,670	18,605			
Charge for period	<u>1,459</u>	<u>4,065</u>			
At 31 March 2015	<u>24,129</u>	<u>22,670</u>			
Net book value					
At 31 March 2015	=	<u>1,459</u>			
9. Debtors					
Trade debtors	1,072	355			
Prepayments and accrued income	1,512	2,957			
Railway Arch deposit	<u>1,030</u>	-			
	<u>3,614</u>	<u>3,312</u>			
10. Cash at bank and in hand					
Unity Trust Bank	86,542	93,968			
Cash in hand	971	434			
Other funds	<u>327</u>	<u>124</u>			
	<u>87,840</u>	<u>94,526</u>			
11. Creditors falling due within one year					
Trade creditors	1,353	744			
Social security and other taxes	2,448	2,558			
Accruals	<u>4,812</u>	<u>3,159</u>			
	<u>8,613</u>	<u>6,461</u>			
12. Restricted Funds	Funds Brought Forward	Incoming Resources	Resources Expended	Transfers	Funds Carried Forward
	£	£	£	£	£
20XX and Beyond Education Project	6,219	-	(6,219)	-	-
Skills Training	<u>2,306</u>	-	<u>(774)</u>	-	<u>1,532</u>
	<u>8,525</u>	=	<u>(6,993)</u>	=	<u>1,532</u>
13. Analysis of net assets between funds			Unrestricted Funds	Restricted Funds	Total Funds
			£	£	£
Tangible fixed assets			-	-	-
Net current assets			<u>81,309</u>	<u>1,532</u>	<u>82,841</u>
Fund balances			<u>81,309</u>	<u>1,532</u>	<u>82,841</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

	2015 £	2014 £
14. Staff costs		
Salaries	88,951	89,200
Employer's national insurance costs	<u>4,012</u>	<u>6,548</u>
	<u>92,963</u>	<u>95,748</u>

The average number of persons employed by the charity during the year was 5 (2014: 5)
No employee received emoluments of more than £60,000.

15. Operating lease commitments

The Charity has the following leasing obligations in the next twelve months

	2015 £	2014 £
Land and buildings		
Expiring:		
Between one and five years	<u>26,040</u>	<u>4,000</u>
Equipment		
Expiring:		
Between one and five years	=	<u>3,082</u>

16. Purpose of restricted funds**20XX and Beyond Education Project**

Action 21 maintained the accounts for this education project which was run at Coombe Park, Coventry each June for many years and was attended by schoolchildren from Coventry and Warwickshire. Action 21's involvement ceased in 2014/15 and the balance of funds was transferred to Coventry City Council and used for similar purposes.

Skills Training

This funding was granted by Warwick District Council in 2011/12 and Leamington Town Council in 2012/13 to develop and provide training opportunities in traditional skills.

17. Transactions with trustees

There have been no material transactions with trustees and no expenses have been paid.

18. Related party transactions

There were no material related party transactions during the period.