



ACTION 21 (2010)

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

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2016

ACTION 21 (2010)

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FOR THE YEAR ENDED 31 MARCH 2016**

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ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The Directors and Trustees present their report and financial statements for the year ended 31 March 2016.

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	
Margaret Begg	
Peter Blackledge	(Appointed 16 July 2015)
Gareth Davies	(Resigned 16 July 2015)
Richard Edwards	(Resigned 12 May 2015)
Donna Hunt	
Chris Pollock	
Geoff Randall	
Mathilde Robert	
Roger Twiney	

Company Secretary

Geoff Randall

The following were members of staff on 31 March 2016

Martin Smith	General Manager
Karen Scott	Shop Manager
Stephen Boyer	Shop Manager

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 2016

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'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 December 2014 and has operated from 3 adjacent, leased units in Court Street, Leamington Spa since January 2015. Action 21 also leases a nearby Railway Arch, which houses a Bike Workshop. 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 80 tonnes of donated manufactured items from landfill per annum.

In order to increase re-use, the charity undertakes refurbishment of bicycles and some items of 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 MOT's 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 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 2016****Activities and charitable objects (continued)**

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. Some volunteers are drawn from vulnerable and disadvantaged groups who benefit from the vocational experience, training and social interaction.

Action 21 employed a Community Ranger, based in Jephson Gardens, Leamington Spa and funded by a contract with Warwick District Council until 31 March 2015. Action 21 also leased East Lodge in Jephson Gardens from Warwick District Council, until 21 March 2015, which was initially the office base for the Ranger.

Projects

In 2015/16 Action 21 continued to promote "skill share" activities intended to pass on traditional skills that support sustainable living. A regular monthly group called 'Craft Club' first met in October 2015. It is led by volunteers and is run in partnership with Leamington Art Gallery and Museum.

On 3 days in May 2015, Action 21 took part in a nation-wide event called "The Big Bike Revival". This offered free bicycle servicing to members of the public carried out by Action 21 volunteer bicycle mechanics and was funded by CTC, a national cycling charity.

Action 21 again had a stall at the 2015 Leamington Peace Festival. Activities included sewing for all ages led by Action 21 volunteers and bicycle maintenance, again carried out by volunteer bicycle mechanics under the banner of "Dr Bike."

In 2015/16 Action 21 supported 3 local organisations by donating items from the Re-Useful Centre - Operation Christmas Child (helping to fill shoe boxes for needy children in Romania and Ukraine, OWNBOOKS (a book recycling project to help young children without books at home) and Leamington Winter Support (an organisation set up to provide food and shelter for the homeless and vulnerable in Leamington).

Dobson Lane Community Allotments continued to be administered by Action 21. 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 still in the process of being formally transferred to the Association.

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 as described above.

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

Marketing/Communications

Key aims of Action 21 are 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.

Action 21's website is the main marketing tool which features volunteer profiles and a comprehensive events calendar. Action 21's Facebook page promotes the Re-Useful Centre and forthcoming events.

**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

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 2015/16 and future financial outlook

The financial statements show that a deficit of £3,723 was incurred for the year to 31 March 2016, decreasing general reserves (unrestricted funds) to £77,586. However expenditure included several items of a one-off nature, the largest of which was settlement of a claim for dilapidations from Warwick District Council relating to East Lodge, which had been vacated by Action 21 in March 2015. If such one-off payments had not been necessary, a surplus would have been achieved.

The financial outlook for 2016/17 is encouraging as sales at the Re-Useful Centre in Court Street have now essentially returned to the levels previously achieved at Ramsey Road. A small surplus is forecast for the year.

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 2016 equated to more than seven months' unrestricted expenditure.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 21 June 2016 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 2016 which are set out on pages 6 to 11.

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 Charities

have 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.

2016

ACTION 21 (2010)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
INCOMING RESOURCES					
Donations	3	316	-	316	185
Charitable activities	4	5,249	-	5,249	35,885
Other trading activities	5	124,313	-	124,313	113,160
Investments	6	<u>120</u>	-	<u>120</u>	<u>132</u>
TOTAL INCOMING RESOURCES		<u>129,998</u>	<u>-</u>	<u>129,998</u>	<u>149,362</u>
RESOURCES EXPENDED					
Raising funds	7	133,186	-	133,186	124,346
Charitable activities	8	<u>535</u>	-	<u>535</u>	<u>35,011</u>
TOTAL RESOURCES EXPENDED		<u>133,721</u>	<u>-</u>	<u>133,721</u>	<u>159,357</u>
NET (OUTGOING) RESOURCES		(3,723)		(3,723)	(9,995)
Total funds brought forward		<u>81,309</u>	<u>1,532</u>	<u>82,841</u>	<u>92,836</u>
TOTAL FUNDS CARRIED FORWARD		<u>77,586</u>	<u>1,532</u>	<u>79,118</u>	<u>82,841</u>

The notes on pages 8 to 11 form an integral part of these financial statements.

ACTION 21 (2010)

BALANCE SHEET AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
TANGIBLE FIXED ASSETS	9		4,425		-
CURRENT ASSETS					
Debtors	10	3,877		3,614	
Cash at bank and in hand	11	<u>75,780</u>		<u>87,840</u>	
		79,657		91,454	
CREDITORS					
Amounts falling due within one year	12	<u>(4,964)</u>		<u>(8,613)</u>	
NET CURRENT ASSETS			<u>74,693</u>		<u>82,841</u>
NET ASSETS			<u>79,118</u>		<u>82,841</u>
FUNDS					
Unrestricted funds			77,586		81,309
Restricted funds	13		<u>1,532</u>		<u>1,532</u>
			<u>79,118</u>		<u>82,841</u>

For the year ending 31 March 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 and

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

These financial statements have been prepared in accordance with 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 January 2015).

The financial statements were approved by the Trustees on 21 June 2016 and were signed on its behalf by:

John Armstrong, Chair/Director/Trustee

Geoff Randall, Honorary Treasurer/Director/Trustee

The notes on pages 8 to 11 form an integral part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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 January 2015), the Companies Act 2006 and the requirements of the Charities FRSSE SORP.

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% (25% 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

	2016	2015
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	1,475	1,459
Operating lease costs	26,056	11,410
Trustees remuneration and other benefits	-	-
Reporting accountants' fees and other services	<u>1,830</u>	<u>2,790</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
3. Donations				
Donations	<u>316</u>	<u>-</u>	<u>316</u>	<u>185</u>
4. Charitable activities				
Grants received	5,249	-	5,249	34,243
Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,642</u>
	<u>5,249</u>	<u>-</u>	<u>5,249</u>	<u>35,885</u>
5. Other trading activities				
Re-Useful Centre sales	<u>124,313</u>	<u>-</u>	<u>124,313</u>	<u>113,160</u>
6. Investments				
Interest	<u>120</u>	<u>-</u>	<u>120</u>	<u>132</u>
7. Raising funds				
Staff costs	58,156	-	58,156	70,947
Staff recruitment costs	-	-	-	399
Staff training and DBS costs	277	-	277	728
Volunteers expenses	7,971	-	7,971	6,685
Electricity, fuel oil and water	6,487	-	6,487	5,149
Vehicle costs	1,808	-	1,808	2,176
Rent, rates and insurance	30,897	-	30,897	9,904
Telephone, office and marketing costs	1,267	-	1,267	3,456
Equipment lease	-	-	-	3,082
Website, software and payroll costs	1,849	-	1,849	2,022
Reuse shop, bikes and other costs	9,640	-	9,640	6,744
Building maintenance and other premises costs	10,901	-	10,901	4,339
Protective clothing costs	799	-	799	700
Legal and planning fees	(330)	-	(330)	3,644
Depreciation	1,475	-	1,475	1,459
Independent examination	1830	-	1830	1,770
Other professional costs	13	-	13	1,033
AGM costs	<u>146</u>	<u>-</u>	<u>146</u>	<u>109</u>
	<u>133,186</u>	<u>-</u>	<u>133,186</u>	<u>124,346</u>
8. Charitable activities				
Staff costs	-	-	-	21,242
Electricity, gas and water	-	-	-	907
Rent and rates	-	-	-	4,964
Telephone	-	-	-	115
Events costs	<u>535</u>	<u>-</u>	<u>535</u>	<u>7,783</u>
	<u>535</u>	<u>-</u>	<u>535</u>	<u>35,011</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £			
9. Tangible fixed assets					
Cost					
At 1 April 2015	24,129	24,129			
Additions	5,900	-			
Disposals	<u>(23,588)</u>	<u>-</u>			
At 31 March 2016	<u>6,441</u>	<u>24,129</u>			
Depreciation					
At 1 April 2015	24,129	22,670			
Charge for the year	1,475	1,459			
Eliminated on disposal	<u>(23,588)</u>	<u>-</u>			
At 31 March 2016	<u>2,016</u>	<u>24,129</u>			
Net book value					
At 31 March 2016	<u>4,425</u>	<u>-</u>			
10. Debtors					
Trade debtors	-	1,072			
Prepayments and accrued income	2,847	1,512			
Railway Arch deposit	<u>1,030</u>	<u>1,030</u>			
	<u>3,877</u>	<u>3,614</u>			
11. Cash at bank and in hand					
Unity Trust Bank	74,051	86,542			
Cash in hand	1,461	971			
Other funds	<u>268</u>	<u>327</u>			
	<u>75,780</u>	<u>87,840</u>			
12. Creditors falling due within one year					
Trade creditors	699	1,353			
Social security and other taxes	1,492	2,448			
Accruals	<u>2,773</u>	<u>4,812</u>			
	<u>4,964</u>	<u>8,613</u>			
13. Restricted Funds					
	Funds Brought Forward	Income	Expenditure	Transfers	Funds Carried Forward
	£	£	£	£	£
Skills training	<u>1,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,532</u>
14. Analysis of net assets between funds					
		Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	
Tangible fixed assets		4,425	-	4,425	
Net current assets		<u>73,161</u>	<u>1,532</u>	<u>74,693</u>	
Fund balances		<u>77,586</u>	<u>1,532</u>	<u>79,118</u>	

ACTION 21 (2010)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
15. Staff costs		
Salaries	55,812	88,951
Employer's national insurance costs	<u>2,344</u>	<u>4,012</u>
	<u>58,156</u>	<u>92,963</u>

The average number of persons employed by the charity during the year was 3 (2015: 3)
No employee received emoluments of more than £60,000.

16. Operating lease commitments

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

	2016 £	2015 £
Land and buildings		
Expiring:		
Between one and five years	<u>26,106</u>	<u>26,040</u>

17. Purpose of restricted funds

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.

18. Transactions with trustees

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

19. Related party transactions

There were no material related party transactions during the period.