



ACTION 21 (2010)

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

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2012

ACTION 21 (2010)

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FOR THE YEAR ENDED 31 MARCH 2012**

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ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

The Directors and Trustees present their report and financial statements for the year ended 31 March 2012.

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 5 Ramsey Road Leamington Spa Warwickshire CV31 1PL

Directors / Trustees

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

John Armstrong	Chair
Gitta Ashworth	(Resigned 22 November 2011)
Margaret Begg	
Gareth Davies	
Richard Edwards	
Donna Gillbee	
Nancy Jones	
Chris Pollock	
Geoff Randall	
Keith Sinfield	
Roger Twiney	
Ruth Wallsgrove	

Company Secretary

Geoff Randall

The following were members of staff on 31 March 2012

Louise Male	General Manager
Neil Dally	Re-Useful Centre Supervisor
Martin Smith	Re-Useful Centre Supervisor
Laura Smith	Sustainability Ranger
Samantha Elvyhart	Volunteer and Marketing Officer

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 2012

Structure, Governance and Management

Governing document, recruitment and appointment of the board

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 meets 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, energy and sustainability.

Trustee appointment, induction and training

Individuals expressing an interest in becoming a Trustee meet the General Manager 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 Trustee Handbook, a copy of the last Annual Report and Financial Statements and copies of minutes of recent Board meetings.

Risk review

The Board has reviewed the major risks to which it is exposed on two occasions during the year 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 has two principal areas of activity to fulfil its mission and objectives. Firstly, it runs the Re-Useful Centre in Sydenham, Leamington Spa, which receives donations of goods that would otherwise go to waste (principally landfill) and enables the public to buy and re-use them. In order to increase recycling the Charity undertakes refurbishment of some items (e.g. bicycles and furniture) to ensure items are of an adequate standard. Action 21 also tests electrical equipment for resale, allowing recycling of equipment that would otherwise be scrapped.

Action 21 also runs a Sustainability Centre in a building leased from Warwick District Council which is situated in a park in Leamington Spa. The Centre, both buildings and garden, serve to educate the public on sustainability by promoting environmentally friendly lifestyle choices in the areas of energy, food and transport. The Centre supports other organisations who work to achieve these aims and has some projects that promote these ends such as the Solar 300, which facilitates group installation of solar energy systems and 2000 and Beyond, which encourages school children to engage with these issues. The Centre also provides a base for a ranger who is responsible for promoting sustainability in the park.

In all these activities the Charity uses and engages with a wide number of volunteers who deliver the activities. In many cases the volunteers are drawn from disadvantaged groups who benefit from the training and learning opportunities available as part of the activities.

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2012****Achievements and performance**

2011/12 was the first full year during which Action 21 operated its re-use activities solely at the Re-Useful Centre, with 7 day opening. The Re-Useful Centre is becoming increasingly well known to the general public and has a good customer base, whilst also offering supportive volunteering opportunities. Action 21 continues to divert a substantial volume of goods for resale which would otherwise end in landfill. As a result of income from sales being higher than initially assumed, it has proved possible to increase staff hours to maintain 7 day a week opening of the Re-Useful Centre and also to appoint a part time member of staff to recruit and support volunteers and develop marketing of the Charity. A replacement second hand van was purchased to increase capacity for collections and deliveries of items for re-sale. The Board has agreed a long range strategic plan and a marketing strategy. Planning for the development of the Sustainability Centre is proceeding and the Centre now opens each Sunday afternoon from Easter to October, manned by Trustees and other volunteers, and provides a showcase of relevant information for the public.

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 2011/12 and future financial position

Action 21 (2010) completed its first 8 months as a charity on 31 March 2011 with a surplus of £31,690 on unrestricted funds, of which £29,997 was a donation from its predecessor company. A surplus of £39,743 on unrestricted funds was generated in the year to 31 March 2012, increasing general reserves to £69,433. Whilst this financial result is welcome, it is unlikely to be repeated in 2012/13, due to the loss of core funding from Warwick District Council, the full year effect of staffing appointments made during 2011/12 and other factors. Nevertheless, the Board has been able to set a balanced budget for 2012/13, though with a very small contingency reserve.

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 2012 equated to more than five 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 27 June 2012, 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 2012 which are set out on pages 5 to 10.

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.

27 June 2012

ACTION 21 (2010)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
INCOMING RESOURCES					
Voluntary income	3	58,621	15,000	73,621	102,578
Activities for generating funds	4	113,246	-	113,246	119,965
TOTAL INCOMING RESOURCES		<u>171,867</u>	<u>15,000</u>	<u>186,867</u>	<u>222,543</u>
RESOURCES EXPENDED					
Fundraising costs	5	77,305	-	77,305	89,203
Charitable activities	6	48,237	14,612	62,849	83,510
Governance costs	7	6,582	-	6,582	4,939
TOTAL RESOURCES EXPENDED		<u>132,124</u>	<u>14,612</u>	<u>146,736</u>	<u>177,652</u>
NET INCOMING RESOURCES BEFORE TRANSFERS		39,743	388	40,131	44,891
GROSS TRANSFERS BETWEEN FUNDS		<u>(2,000)</u>	<u>2,000</u>	---	---
NET INCOMING RESOURCES		37,743	2,388	40,131	44,891
Total funds brought forward		31,690	13,201	44,891	-
TOTAL FUNDS CARRIED FORWARD		<u>69,433</u>	<u>15,589</u>	<u>85,022</u>	<u>44,891</u>

Note: The comparative figures for 2011, refer to a period of 8 months from 1 August 2010 to 31 March 2011

The notes on pages 7 to 10 form an integral part of these financial statements.

ACTION 21 (2010)

BALANCE SHEET AT 31 MARCH 2012

	Note	£	2012 £	2011 £
TANGIBLE FIXED ASSETS	8		10,121	13,749
CURRENT ASSETS				
Debtors	9	2,980		4,319
Cash at bank and in hand	10	<u>79,678</u>		<u>39,963</u>
		82,658		44,282
CREDITORS				
Amounts falling due within one year	11	<u>7,757</u>		<u>13,140</u>
NET CURRENT ASSETS			<u>74,901</u>	<u>31,142</u>
NET ASSETS			<u>85,022</u>	<u>44,891</u>
FUNDS				
Unrestricted funds			69,433	31,690
Restricted funds	12		<u>15,589</u>	<u>13,201</u>
			<u>85,022</u>	<u>44,891</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2012.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2012 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 27 June 2012, and signed on its behalf by:

John Armstrong, Chair / Director / Trustee

Geoff Randall, Honorary Treasurer/ Director / Trustee

The notes on pages 7 to 10 form an integral part of these financial statements.

ACTION 21 (2010)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012****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

	2012	2011
	£	£
Net income is stated after charging:		
Depreciation of tangible fixed assets	4,628	2,793
Operating lease costs	7,497	10,150
Trustees remuneration and other benefits	-	-
Reporting accountants' fees and other services	<u>6,430</u>	<u>4,939</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
3. Voluntary income				
Donations from Action 21	-	-	-	37,460
Other donations	8,468	-	8,468	4,827
Grants received	48,798	15,000	63,798	59,625
Membership subscriptions	86	-	86	440
Other income	<u>1,269</u>	<u>-</u>	<u>1,269</u>	<u>226</u>
	<u>58,621</u>	<u>15,000</u>	<u>73,621</u>	<u>102,578</u>
4. Activities for generating funds				
Recycle Warehouse sales	-	-	-	68,352
Re-Useful Centre sales	<u>113,246</u>	<u>-</u>	<u>113,246</u>	<u>51,613</u>
	<u>113,246</u>	<u>-</u>	<u>113,246</u>	<u>119,965</u>
5. Fundraising trading costs				
Staff costs	51,377	-	51,377	64,699
Volunteers expenses	4,004	-	4,004	3,289
Electricity, fuel oil and water	7,636	-	7,636	4,877
Vehicle costs	1,965	-	1,965	1,098
Rent and insurance	2,475	-	2,475	8,176
Telephone, postage, CRB and training costs	2,511	-	2,511	1,297
Reuse direct costs	4,601	-	4,601	2,122
Building maintenance and premises costs	2,236	-	2,236	3,645
Depreciation	<u>500</u>	<u>-</u>	<u>500</u>	<u>-</u>
	<u>77,305</u>	<u>-</u>	<u>77,305</u>	<u>89,203</u>
6. Charitable activities				
Recycle Warehouse building work	-	-	-	29,207
Staff costs	25,068	-	25,068	36,723
Staff recruitment costs	211	-	211	827
Sub contractors	4,208	-	4,208	-
Volunteers expenses	179	-	179	1,744
Staff and trustee training	363	-	363	1,126
Electricity, gas and water	1,765	-	1,765	902
Rent	4,415	-	4,415	2,090
Telephone, printing and postage	2,148	-	2,148	2,840
Room hire and meeting costs	20	-	20	445
Payroll, legal and CRB costs	564	-	564	1,554
Equipment hire	3,082	-	3,082	2,330
Premises costs	1,353	-	1,353	815
Events costs	639	14,612	15,251	-
Depreciation	4,128	-	4,128	2,793
Bank charges and other costs	<u>94</u>	<u>-</u>	<u>94</u>	<u>114</u>
	<u>48,237</u>	<u>14,612</u>	<u>62,849</u>	<u>83,510</u>
7. Governance costs				
Financial services	6,430	-	6,430	4,939
AGM costs	<u>152</u>	<u>-</u>	<u>152</u>	<u>-</u>
	<u>6,582</u>	<u>-</u>	<u>6,582</u>	<u>4,939</u>

ACTION 21 (2010)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

	2012 £	2011 £			
8. Tangible fixed assets					
Cost					
Cost at 1 April 2011	23,129	22,588			
Additions during year	<u>1,000</u>	<u>541</u>			
At 31 March 2012	<u>24,129</u>	<u>23,129</u>			
Depreciation					
Cost at 1 April 2011	9,380	6,587			
Charge for period	<u>4,628</u>	<u>2,793</u>			
At 31 March 2012	<u>14,008</u>	<u>9,380</u>			
Net book value					
At 31 March 2012	<u>10,121</u>	<u>13,749</u>			
9. Debtors					
Trade debtors	20	1,950			
Prepayments and accrued income	<u>2,960</u>	<u>2,369</u>			
	<u>2,980</u>	<u>4,319</u>			
10. Cash at bank and in hand					
Unity Trust Bank	78,563	37,522			
Cash in hand	1,044	2,397			
Other funds	<u>71</u>	<u>44</u>			
	<u>79,678</u>	<u>39,963</u>			
11. Creditors falling due within one year					
Trade creditors	2,318	9,387			
Social security and other taxes	2,044	1,434			
Accruals	<u>3,435</u>	<u>2,319</u>			
	<u>7,757</u>	<u>13,140</u>			
12. Restricted Funds	Funds Brought Forward	Incoming Resources	Resources Expended	Transfers	Funds Carried Forward
	£	£	£	£	£
20XX and Beyond Education Project	11,963	15,000	(14,612)	2,000	14,351
Fab Fabs	<u>1,238</u>	-	-	-	<u>1,238</u>
	<u>13,201</u>	<u>15,000</u>	<u>(14,612)</u>	<u>2,000</u>	<u>15,589</u>
13. Analysis of net assets between funds		Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	
Tangible fixed assets		10,121	-	10,121	
Net current assets		<u>59,312</u>	<u>15,589</u>	<u>74,901</u>	
Fund balances		<u>69,433</u>	<u>15,589</u>	<u>85,022</u>	
14. Staff costs				£	
Salaries				71,019	
Employer's national insurance costs				<u>5,426</u>	
				<u>76,445</u>	

The average number of persons employed by the Charity during the period was 4.
No employee received emoluments of more than £60,000.

ACTION 21 (2010)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**15. Operating lease commitments**

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

	2011 £	2011 £
Land and buildings		
Expiring:		
Between one and five years	<u>6,000</u>	<u>4,000</u>
Equipment		
Expiring:		
Between one and five years	<u>3,082</u>	<u>3,082</u>

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

Action 21 maintains the accounts for this education project which is run at Coombe Park, Coventry each June and is attended by schoolchildren from Coventry and Warwickshire. Funding is provided by local authorities and charities (including Action 21).

Fab Fabs

This funding was provided by Warwick District Council in 2011/12 to facilitate the re-use of fabrics.

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

19. Cost of financial services

The cost of financial services includes £1,860 for independent examination of the financial statements and £4,570 for other services.