



ACTION 21 (2010)

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

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2017

ACTION 21 (2010)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	Page
Report of the Directors and Trustees	1 to 4
Report of the Independent Examiner	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 11

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2017. 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.

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	(Resigned 15 November 2016)
Margaret Begg	
Peter Blackledge	
Donna Hunt	(Ceased 10 January 2017)
Chris Pollock	
Martin Lythell	(Co-opted 21 March 2017)
Geoff Randall	
Mathilde Robert	
Roger Twiney	

Company Secretary

Geoff Randall

The following were members of staff on 31 March 2017

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 2017

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 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.

Projects

In 2016/17 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.

Action 21 again had a stall at the 2016 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 2016/17 Action 21 supported a number of 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), Leamington Winter Support (an organisation set up to provide food and shelter for the homeless and vulnerable in Leamington), Vision Aid Overseas (an organisation which recycles unwanted spectacles), Aquarius Coventry Involvement and Advocacy Service (which provides bicycles to their service users) and Helping Hands (an organisation which helps the homeless and local people in need).

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.

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017****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.

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 2016/17 and future financial outlook

The financial statements show that a surplus of £27,441 was achieved for the year to 31 March 2017, increasing general reserves (unrestricted funds) to £105,027. This contrasts markedly with the previous year when a deficit of £3,723 was incurred.

Re-Useful Centre sales fell significantly when Action 21 had to relocate from Ramsey Roast to Court Street in January 2015, however income being generated has been gradually increasing since then and in 2016/17 exceeded that achieved in 2013/14, which was the last full year when Action 21 operated from Ramsey Road.

The Trustees do have some concerns about the impact of potential nearby building developments (together with associated loss of car parking), on Action 21's operation and finances, which casts doubts on whether the healthy financial outcome for 2016/17 will be maintained in the future.

However, it is not the Trustees' objective to maintain, (or even increase), general reserves at their present level and consideration is being given to how funds currently available might be best utilised to further the wider aims and objectives of the Charity

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 2017 equated to more than nine months' unrestricted expenditure.

Members of the Board

Members of the Board are trustees for the purpose of charity law; trustees who served during the year and up to the date of this report are set out on page 1.

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017****Structure, 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.

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 20 June 2017 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 2017 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 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
(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Income from:					
Donations	4	413	-	413	316
Charitable activities	5	5,155	-	5,155	5,249
Other trading activities	6	150,371	-	150,371	124,313
Investments	7	<u>52</u>	-	<u>52</u>	<u>120</u>
Total income		<u>155,991</u>	<u>-</u>	<u>155,991</u>	<u>129,998</u>
Expenditure on:					
Raising funds	8	128,270	-	128,270	133,186
Charitable activities	9	<u>280</u>	-	<u>280</u>	<u>535</u>
Total expenditure		<u>128,550</u>	<u>-</u>	<u>128,550</u>	<u>133,721</u>
Net income/(expenditure)		27,441	-	27,441	(3,723)
Reconciliation of funds					
Total funds brought forward		<u>77,586</u>	<u>1,532</u>	<u>79,118</u>	<u>82,841</u>
Total funds carried forward		<u>105,027</u>	<u>1,532</u>	<u>106,559</u>	<u>79,118</u>

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

ACTION 21 (2010)

BALANCE SHEET AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
TANGIBLE FIXED ASSETS	10		2,950		4,425
CURRENT ASSETS					
Debtors	11	6,334		3,877	
Cash at bank and in hand	12	<u>103,179</u>		<u>75,780</u>	
		109,513		79,657	
CREDITORS					
Amounts falling due within one year	13	<u>(5,904)</u>		<u>(4,964)</u>	
NET CURRENT ASSETS			<u>103,609</u>		<u>74,693</u>
NET ASSETS			<u>106,559</u>		<u>79,118</u>
FUNDS					
Unrestricted funds			105,027		77,586
Restricted funds	14		<u>1,532</u>		<u>1,532</u>
			<u>106,559</u>		<u>79,118</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These financial statements have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS 102 SORP.

The financial statements were approved by the Trustees on 20 June 2017 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.

ACTION 21 (2010)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017****1. General information and basis of preparation**

Action 21 (2010) is a private company, limited by guarantee, registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities 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 constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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) issued on 16th July 2014 (as updated through Update Bulletin 1 published on 2nd February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006, and UK Generally Accepted Practice as it applies from 1st January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling (£) which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies**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.

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.

Grants are included in full when receivable.

Income from trading activities represents sales generated by re-use operations.

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 includes attributable VAT which cannot be recovered.

Expenditure has been attributed to raising funds 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.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

ACTION 21 (2010)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies, continued**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.

3. Net income			2017	2016
			£	£
Net income is stated after charging:				
Depreciation of tangible fixed assets			1,475	1,475
Operating lease costs			26,139	26,056
Trustees remuneration and other benefits			-	-
Reporting accountants' fees			<u>1,890</u>	<u>1,830</u>
	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
4. Donations				
Donations	<u>413</u>	<u>-</u>	<u>413</u>	<u>316</u>
5. Charitable activities				
Grants received	<u>5,155</u>	<u>-</u>	<u>5,155</u>	<u>5,249</u>
6. Other trading activities				
Re-Useful Centre sales	<u>150,371</u>	<u>-</u>	<u>150,371</u>	<u>124,313</u>
7. Investments				
Interest	<u>52</u>	<u>-</u>	<u>52</u>	<u>120</u>
8. Raising funds				
Staff costs	60,331	-	60,331	58,156
Staff training and DBS costs	-	-	-	277
Volunteers expenses	7,412	-	7,412	7,971
Electricity and water	6,640	-	6,640	6,487
Vehicle costs	3,141	-	3,141	1,808
Rent, rates and insurance	30,540	-	30,540	30,897
Telephone, office and marketing costs	1,149	-	1,149	1,267
Website, software and payroll costs	2,339	-	2,339	1,849
Reuse shop, bikes and other costs	9,321	-	9,321	9,640
Building maintenance and other premises costs	2,778	-	2,778	10,901
Protective clothing costs	1,029	-	1,029	799
Legal and planning fees	-	-	-	(330)
Depreciation	1,475	-	1,475	1,475
Independent examination	1,890	-	1,890	1,830
Other professional costs	13	-	13	13
AGM costs	<u>212</u>	<u>-</u>	<u>212</u>	<u>146</u>
	<u>128,270</u>	<u>-</u>	<u>128,270</u>	<u>133,186</u>
9. Charitable activities				
Events costs	<u>280</u>	<u>-</u>	<u>280</u>	<u>535</u>

ACTION 21 (2010)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

		2017	2016		
		£	£		
10. Tangible fixed assets					
Cost					
At 1 April 2016		6,441	24,129		
Additions		-	5,900		
Disposals		<u>-</u>	<u>(23,588)</u>		
At 31 March 2017		<u>6,441</u>	<u>6,441</u>		
Depreciation					
At 1 April 2016		2,016	24,129		
Charge for the year		1,475	1,475		
Eliminated on disposal		<u>-</u>	<u>(23,588)</u>		
At 31 March 2017		<u>3,491</u>	<u>2,016</u>		
Net book value					
At 31 March 2017		<u>2,950</u>	<u>4,425</u>		
11. Debtors					
Trade debtors		3,180	-		
Prepayments and accrued income		2,124	2,847		
Railway Arch deposit		<u>1,030</u>	<u>1,030</u>		
		<u>6,334</u>	<u>3,877</u>		
12. Cash at bank and in hand					
Unity Trust Bank		100,621	74,051		
Cash in hand		1,976	1,461		
Other funds		<u>582</u>	<u>268</u>		
		<u>103,179</u>	<u>75,780</u>		
13. Creditors falling due within one year					
Trade creditors		541	699		
Social security and other taxes		1,879	1,492		
Accruals		<u>3,484</u>	<u>2,773</u>		
		<u>5,904</u>	<u>4,964</u>		
14. 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>
15. Analysis of net assets between funds		Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	
Tangible fixed assets		2,950	-	2,950	
Net current assets		<u>102,077</u>	<u>1,532</u>	<u>103,609</u>	
Fund balances		<u>105,027</u>	<u>1,532</u>	<u>106,559</u>	

ACTION 21 (2010)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 £	2016 £
16. Staff costs		
Salaries	58,444	55,812
Employer's national insurance costs	1,706	2,344
Employer's pension contributions	181	-
	<u>60,331</u>	<u>58,156</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.

17. Operating lease commitments

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

	2017 £	2016 £
Not later than one year	23,619	23,553
Later than one and not later than five years	<u>69,300</u>	<u>90,300</u>
	<u>92,919</u>	<u>113,853</u>

18. 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.

19. Transactions with trustees

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

20. Related party transactions

There were no material related party transactions during the year.