

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the Charities Act 2011 and 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 published in October 2019.

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 year ended 31 March 2021

John Armstrong	Chair
Margaret Begg	
Mike Cronin	Resigned 16.7.20
Chris Pollock	
Juliet Nickels	Appointed 08.12.20
Belinda Pyke	
Paula Raducan	Appointed 16.7.20
Roger Twiney	
Jennifer Worrall	

Company Secretary

Mike Cronin	Resigned 16.7.20
Paula Raducan	Appointed 16.7.20

The following were members of staff on 31 March 2021

Martin Smith	General Manager
Ashley Hopkins	Shop Manager
Daryl Davies	Shop Manager
Elizabeth Zeen	Craft Club Leader

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 2021

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 has operated from 3 adjacent, leased units in Court Street, Leamington Spa since January 2015, and Emporium, a retail outlet operating from a leased property in High Street, Leamington Spa since June 2018, which incorporates a vintage shop and furniture restoration workshop. Emporium was closed down on 31st August 2020 due to loss of income during the Covid-19 crisis. Action 21 also leases 2 local railway arches, which accommodate a bike workshop and store. One of the railway arches (Arch 6) was also closed on 31st August 2021 due to the same reason.

The Re-Useful Centre receives donations of goods from the public that would otherwise go to waste (principally landfill) and enables the items to be purchased and re-used. During the year under review the facility has saved over 40 tonnes of donated items from landfill.

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 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 items 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 and education. 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.

On Tuesday 17 March 2020 the Re-Useful Centre and Emporium were closed to the Covid-19 Coronavirus crisis and re-opened when the Government lifted the first lock-down. A further two lockdowns took place throughout 2020-2021 and the Re-Useful Centre traded for just 19 weeks.

- During the crisis Action 21 received a grant from Cycling UK which enabled them to offer free bikes to a number of NHS key workers.
- Also Action 21 donated useful items such as books, games and jig-saw puzzles to good causes during the lock-down.
- Action 21 donated money for a composting toilet to a local CSA Canalside Community Food.
- Dobson Lane Community Allotments were continued to receive administrative support from Action 21 during the year. The allotments were developed by the charity in 2010 and are now financially independent and run by the Allotments Association, encouraging organic growing methods and promoting locally grown fruit and vegetables.

Due to the restrictions from the covid-19 pandemic it was necessary for Action 21 to cancel a number of other projects during 2020-2021, including;

- The regular fortnightly group called 'Craft Club' and run in partnership with Leamington Art Gallery and Museum which is a "skill share" activity.
- Action 21's stall at the annual Leamington Peace Festival which would normally sell a variety of items including; second hand goods, vintage clothing, renovated bicycles and up-cycled furniture in July

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Action 21 was already promoting and intending to take part in Eco Fest (previously Eco Fun Day) in May. This event highlights the work of local environmental groups and sustainability charities. This had become a regular annual event.

Action 21 usually supports a number of local organisations by donating items from the Re-Useful Centre including; 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 Weekend Shelter (an organisation set up to provide food and shelter for the homeless and vulnerable in Leamington), Vision Aid Overseas (an organisation recycling unwanted spectacles) and Repair Cafe Leamington which aims to keep items from being thrown away.

Volunteers

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

Around 50 regular volunteers support the operation of the Re-Useful Centre and Emporium together with Action 21's administrative, communications and marketing activities.

Marketing/Communications

The 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 features volunteer profiles. Action 21's Facebook pages promote the day-to-day activities at 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.

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Financial review of 2020/2021 and future financial outlook

The financial statements show that a deficit of £11.2k, was incurred in the year to 31 March 2021. Although we anticipated a deficit, this was in excess of expectations and resulted in a reduction in our general reserves (unrestricted funds) to £69.3k.

Overall income from all sources in the year amounted to £131.7k, slightly reduced from last year. Trading activities for the year also remained static compounded by the loss of income during the year due to the Coronavirus lockdown measures. The income from charitable donations remained similar to last year largely due to our benefiting from a donation from Heart of England of £3.5k. Expenditure in the year at £142.9k was less than previous year.

The business was closed down three times as a result of the government imposed lockdown measures associated with the Coronavirus pandemic. Whilst we availed ourselves of government financial support schemes and placed our staff on furlough, this obviously presented a major risk to the continuation of operations. Nevertheless, following detailed planning for a safe re-opening, income was restored once the restrictions were lifted.

The renewed Court Street leases now have three years to run, expiring on 30 June 2024. There remains significant uncertainty over the future use of these sites due to potential nearby development activity and this continues to overshadow the operation. We continue to explore possible alternatives.

Despite incurring a deficit in the year under review, the level of general reserves, under normal operational circumstances, would still be at a reasonable level. The temporary cessation of business since mid-March 2020 has, even with government financial support, depleted our reserves to a level where the continuation of operations beyond 2021 remains under some uncertainty.

Each of these risks present significant threats to the charity's ability to operate, even in the short term.

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 2021 equated to 4.5 months of normal unrestricted expenditure.

Members of the Board

Members of the Board are trustees for the purpose of charity law; trustees who served during the year covered by this report are set out on page 1.

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.

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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 Board of Trustees on **25.07.2021** and signed on its behalf by:

Belinda Pyke Chair/Director/Trustee