
LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Joanne Lesley Mead, Chair John Carpenter, Treasurer (resigned 9 June 2021) Daniel Callaghan (appointed 9 December 2020) David Libiszewski (appointed 9 December 2020) Linda Withers (resigned 9 December 2020) Roy William Harper (resigned 9 December 2020) Nicoya Palastanga (appointed 9 December 2020) Michael Wistow (appointed 25 August 2020) Georgia Ioannou Alsop (appointed 9 June 2021)
Company Registered Number	04108372
Charity Registered Number	1089130
Registered Office	3rd Floor, Lincoln House 37-39 Newland Lincoln Lincolnshire LN1 1YA
Company Secretary and Chief Executive	Alison Goddard
Independent Auditors	Streets Audit LLP Chartered Accountants & Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Bankers	Co-operative Bank PO Box 250 Skelmersdale WN8 6WT HSBC Bank plc 221 High Street Lincoln LN1 1TS
Solicitors	Andrew & Co LLP St Swithin's Court 1 Flavian Road Nettleham Road Lincoln LN2 4GR

LINCOLNSHIRE ACTION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015) and Update Bulletin 2 (effective January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing Document

The Charity is constituted as a Company Limited by Guarantee (Company Number 04108372) as defined by the Companies Act 2006. It is governed by its Articles and Memorandum of Association.

b. Recruitment and appointment of trustees

The Directors of the Company are also charity Trustees for the purpose of charity law and under the Company's Articles are known as members of the Board of Management. Trustees retire by rotation by those who have been longest in office since their appointment or reappointment. If the vacancy is not filled, the retiring trustee, if willing to act, will be deemed to have been reappointed unless it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

The Board of Management seeks to ensure that the diverse range of services and activities provided by the Charity are represented by the broad skills of its members. Traditional business and criminal justice skills are well represented on the Board. Where new skills are identified as being of benefit to the Charity, the Charity uses open advertisements for Trustees, alongside approaching individuals to offer themselves for election by the Board where particular skills gaps are identified.

During the year, the Trustees have continued to make excellent progress with the development of the Charity's governance structure in line with the Charity Governance Code for large charities. As part of this, the charity has sought to appoint new Trustees and we are pleased that four new Trustees have joined the Board, each bringing considerable expertise. Two further Trustees have retired during the year after many years of dedicated service. We would like to put on record our thanks to each of the trustees who have served on the Board of Management this year.

c. Trustee induction and training

New Trustees receive an induction covering their obligations as a member of the Board, the main documents which set out the operational framework of the Charity including the Memorandum and Articles of Association, funding structure of the Charity and future plans and objectives.

Trustees also become familiar with the practical work of the Charity through meetings with operational managers and being involved with workshops, meetings and staff recruitment and selection activities. Trustees are kept up to date with activities through regular updates at each Board Meeting and presentation of documents such as the annual Business Plan.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

d. Organisational structure

During the year, the Charity has had six Trustees at any one time who are responsible for the strategic direction and policy of the Charity, including one who acts as Treasurer. The Company Secretary also sits on the Board but has no voting rights.

The Senior Management Team comprises the Chief Executive, the Director of Operations and the Business Development Manager. The Chief Executive has delegated responsibility for running the organisation and ensuring that the Charity delivers the services specified and that key performance indicators are met. The Director of Operations is responsible to the Chief Executive for operational management, supervision of middle managers and ensuring the staff team continue to adhere to good practice. The Business Development Manager is responsible to the Chief Executive for business development activities including oversight of business support functions and the implementation of new projects.

e. Pay Policy for senior staff

The pay of the senior staff is reviewed annually by the Board, in line with a review of pay for all staff, and normally increased in accordance with CPI. The Directors benchmark against other charities of a similar size and nature when undertaking a salary review.

All directors give their time freely and no director received remuneration in the year. Details of related party transactions are disclosed in note 25 to the accounts.

f. Wider network

Lincolnshire Action Trust is not part of a wider network.

g. Related parties

Lincolnshire Action Trust does not have any relationships with related parties.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

h. Risk management

The Trustees and management of the organisation review the major risks to which the Charity is exposed on a regular basis. We have strategic and operational risk registers in place, which are reviewed regularly. Risks are assessed by probability and impact and we have identified actions to mitigate these. The Board and management team regularly review challenges we encounter to identify lessons learnt. This has been particularly relevant during the last year due to the COVID-19 pandemic.

The most significant external strategic risk identified is our dependence upon time limited governmental funding which can be subject to changes in political priorities and social policy. We have sought to mitigate this risk during the year through involvement with Ministry of Justice consultations regarding the commissioning of services resulting from the reunification of Probation Services in June 2021, as well as active involvement with peer criminal justice charities through our collaborations with Clinks sector support organisation, as well as strategic positioning to influence local policy makers. To mitigate this risk further, our free reserves have been established at a level that would allow the organisation to provide sufficient resources in the short term in the event of policy changes affecting funding. We continue to diversify both the funding and activities of the organisation to ensure minimisation of risk associated with future income generation. Continued diversity of income streams ensures the charity does not experience an over-reliance on one single funding stream.

Identified internal risks have been minimised, for example through the use of fixed term employment contracts for new staff, in line with funding contracts. All staff and volunteers undertake Enhanced DBS vetting to support safeguarding principals. Documented policies are in place covering key areas such as Information Security, Safeguarding, Equality and Diversity, Quality, Health and Safety, and Business Continuity, and these are regularly reviewed by the Board. Procedures are in place for the authorisations of all transactions and to ensure consistent delivery of all operational aspects of the charitable company.

External accreditations allow validation of our systems and practice. We are pleased to have successfully met the ongoing requirements of the Matrix standard for Information, Advice and Guidance during the year, and achieved Cyber Essentials information security accreditation in March 2021.

OBJECTIVES AND ACTIVITIES

a. Objectives and activities

On 31st July 2019, a Special Resolution was passed to change the term 'offender' within the Charitable Objects, and replace with 'individual involved in the criminal justice system'. This change is to allow the charity to reflect changes in criminal justice and to move away from terminology that could 'label' individuals.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES (continued)

b. Objectives and aims

The objectives of the Charity are as follows:

- (1) The care and resettlement and rehabilitation of individuals involved in the criminal justice system, and those at risk of offending and their families and dependents, primarily but not exclusively in the County of Lincolnshire;
- (2) To provide, promote, support or organise the recruitment and training of individuals involved in the criminal justice system, and those at risk of offending, and to assist them in finding employment and accommodation and to rehabilitate themselves;
- (3) To further and promote the study of, and research into, all aspects and methods of the prevention of crime, social exclusion and delinquency and to obtain and make records of and disseminate information concerning the same;
- (4) To relieve the suffering of families and carers whose lives have been affected by substance misuse in Lincolnshire by providing support and information to help reduce drug and alcohol related harm.

The charity identifies and develops provisions that will meet the identified needs of individuals involved in the criminal justice system, and their families, in an innovative and responsive manner. Our work continues to closely follow the National Reducing Re-offending Action Plan 'Pathways' which were identified by the National Offender Management Service (superseded by HMPPS, Her Majesty's Prison and Probation Service) as the most significant risk factors to tackle in order to prevent recidivism and to protect the public. We therefore aim to be responsive to the needs identified among our client groups, working in partnership with other agencies in the statutory, private and voluntary sectors where appropriate, to reduce re offending in our local area.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES (continued)

c. Significant activities

As in previous years, Lincolnshire Action Trust has continued to develop services and interventions to meet the needs of the clients with whom we work during 2020-21. Our activity is diverse, and all has the purpose of supporting individuals involved directly and indirectly in the criminal justice system to move away from crime by improving their skills, experience and aspirations. Our main activities over the last year have continued to focus on the following broad areas of delivery:

- **Early Intervention**

Support for individuals attending court and within their first 48 hours in custody continues to be a core activity. In addition, we now have staff based in each of the four Police custody suites in the county as part of the criminal justice liaison and diversion service to support vulnerable individuals at the point of arrest.

- **Resettlement**

Support for prisoners prior to, and at the point of, release from prison in order to overcome practical hurdles such as securing suitable housing, applying for benefits and reconnecting with family. Also provision of welfare support for detainees at IRC Morton Hall.

- **Employability**

Supporting individuals to move closer to employment due to the well-documented impact that sustainable employment can have on reducing re-offending, through the provision of intensive support covering IAG, advice about disclosure of convictions, career planning, development of employability skills, access to vocational training and learning opportunities.

- **Children and Families**

Support for families and children affected by imprisonment of a family member or significant other; support for children affected by the substance use of a parent or other family member.

- **Women specific Support**

Delivery of specific support services for women involved in the criminal justice system across Greater Lincolnshire in line with Cawston recommendations.

The Board of Trustees confirm that in deciding what activities the Charity should pursue they have due regard to the guidance offered by the Charity Commission in relation to Public Benefit.

d. Volunteers

The Trustees are all volunteers and devote their time to attend Board meetings quarterly, as well as attending two development days each year and Board sub group meetings when required. During the last year, the Board has continued to hold virtual meetings to ensure the work of the Board has been able to continue unhindered.

The charity also recruits and trains volunteer mentors, including peer mentors, to support clients with a range of aspects to complement the interventions delivered by staff. During the last year, volunteering activity has been suspended due to the COVID-19 pandemic. Volunteering will restart once face to face contact can safely resume in community settings.

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TRUSTEES' REPORT (CONTINUED)
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OBJECTIVES AND ACTIVITIES (continued)

e. COVID-19

At the end of the previous financial year, the world changed for us all, due to the global pandemic of COVID-19. Within a few short days in mid-March 2021, all our operations needed to change in order to keep our staff, volunteers and clients safe. A move to home working commenced on 16th March for community-based staff and our Head Office closed on 20th March, with all support staff moving to home working. Our IT infrastructure was rapidly adapted to allow uninterrupted remote access for all necessary staff, and additional IT equipment was sourced and distributed. On 24th March, HMPPS suspended all prison social visits and our prison based Family Teams moved to a remote model of support.

During the first half of 2020-21, staff remained in prisons to provide telephone support for families concerned about loved ones, created activity packs to post to children, provided virtual support for prisoners via in-cell phones and written correspondence, created distraction packs for prisoners and produced regular newsletters for families. We worked with prisons to utilise social media and set up dedicated functional mailboxes to ensure families were kept informed. Other prison-based interventions switched to virtual delivery via in-cell phones and written correspondence. We worked with funders and prisons to adapt courses to workbook delivery for men to complete in their cells. Our Departure Lounge at HMP Lincoln rapidly introduced safe systems of work to ensure men being released could continue to receive support at a time when the majority of community services closed. We worked very closely with Probation colleagues across England to ensure they had early notification of prisoners who would be released homeless in order that men were able to engage with the Government's Homeless Prevention Taskforce, set up to divert people from homelessness during the pandemic. Our collaboration with the Lincolnshire Discharged Prisoners Welfare charity allowed us to ensure each prisoner released from HMP Lincoln could be assigned a mobile phone to allow ongoing support from Probation, housing services and others. This continued until the local Community Rehabilitation Company was able to source mobile phones for their clients, at which point, our supplies were used for those who were not eligible for a mobile phone from that source.

Community staff switched to home working and introduced virtual delivery overnight, as NPS and CRC offices closed, with all staff involved with release support, Women's Services and employability support continuing to work with clients via technology such as MS Teams, Zoom and WhatsApp video. We saw a significant increase in need from many of our clients due to the closure of other support services, and their contact with LAT became a lifeline for many. Throughout each of the national and local lockdowns, we provided emergency food parcels to vulnerable clients via door-step drop offs and conducted welfare checks where needed.

Throughout the year we have worked closely with commissioners and funders to agree Covid-19 relief payments where contracts have not been able to fully operate. This has allowed us to adapt delivery to meet the changing needs of clients, and has minimised the impact of operations.

Young Oasis was the only service that we needed to suspend, due to being unable to access the children as a result of schools closing. We provided contact details to all Young Oasis clients and encouraged them to make contact with us if they needed to whilst we were unable to see them face to face. This continued until schools returned in September.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

a. Objectives and activities

The activities undertaken over the last 12 months are as follows:

Early Intervention

The SPARC provision (Supporting People After Remand and Conviction) that LAT first introduced to HMP Lincoln in 2013 has needed to adapt its delivery model due to the closure of local courts as a result of COVID-19. SPARC aims to identify the wellbeing needs and concerns of individuals at court, to ensure these can be addressed on transition into custody. We therefore introduced a day 1 / day 2 prison-based model with staff based in reception and the first night centre to ensure individuals feel safe and that family members are informed about circumstances where appropriate. Staff have made use of in-cell phones to maintain contact with newly arrived prisoners throughout their early days in custody. 1025 individuals have been supported by the SPARC team in the last year.

On 1st April 2020 the Charity commenced delivery of the Lincolnshire Criminal Justice Liaison and Diversion service in partnership with Lincolnshire Partnership NHS Foundation Trust. This saw practitioners working from each of the four police custody suites to assess and support individuals identified as having a vulnerability at the point of arrest. The CJL&D service has needed to operate a modified delivery due to COVID-19 restrictions, and plans to introduce the Voluntary Attendance aspect of the delivery once restrictions have eased. In its first year, the service has supported 1093 individuals.

Resettlement

Lincolnshire Action Trust has continued to deliver resettlement interventions at a number of prisons, to fill gaps created by national Transforming Rehabilitation contracts. During the last year we have continued to second staff to two prisons holding adult males convicted of sexual offences to deliver resettlement support. Our interventions cover the pathways of employment, training and education; accommodation; and finance and debt and we support men at all stages during their time within these prisons.

LAT's innovative 'Departure Lounge' has adapted its operating model to ensure men leaving HMP Lincoln have been able to address issues such as housing, benefits, access to support agencies. In response to the COVID-19 pandemic, staff developed a 'Covid release pack' containing face masks, hand sanitiser and information about Covid restrictions, which was updated regularly to ensure individuals had current information on their day of release. The team continued to provide practical support such as a hot breakfast, charging a mobile phone, direction for public transport and clothing, as well as emotional support. During the year 786 prisoners engaged with the service (94% of men released). Due to travel restrictions resulting from COVID-19, family members were not able to attend the Departure Lounge for much of the year. Telephone support was offered instead, and staff engaged with 219 friends or family members to provide information and advice at the point of release.

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FOR THE YEAR ENDED 31 MARCH 2021

During the year, release support has continued to be offered to individuals with complex needs at HMP Lincoln, with engagement starting prior to release to assist with coordination of release plans, and then provision of intensive support in the first hours, days and weeks following release, to assist with effective engagement with community support services. This activity has been curtailed due to COVID-19 however securing housing for release remains a key focus of this provision. 19 men have been supported during the year.

A 'virtual discharge lounge' has continued at HMP Ranby, delivered in partnership with Nottinghamshire Healthcare NHS Foundation Trust, to support men approaching release. Individuals who have complex needs or health related needs are offered support, and work is undertaken with partners inside and outside the prison to agree a coordinated release plan to assist each individual to positively engage with support services and move away from criminal behaviour. This provision has needed to change in response to COVID-19, however we are pleased to have been able to support 518 men during the year.

Lincolnshire Action Trust has continued to deliver welfare support to detainees at Morton Hall Immigration Removal Centre as part of a contract with Her Majesty's Prison and Probation Service throughout the last year. Staff have remained onsite throughout the year and have adapted delivery to meet the changing working restrictions imposed as a result of COVID-19. A functional mailbox was set up for detainees to contact the team when face to face contact was limited, along with a 'helpline' for detainees and family members to use. Interventions have continued to focus on welfare needs of the men, many of whom have come from prison, to address issues relating to housing, education, belongings, debt and family. The team have continued to see every individual on arrival, during detention and at the point of release / deportation. Close links have been established with the Home Office to complement their focus on immigration issues, as well as with other departments within the Centre. 3,373 interventions have been delivered during the year.

Employability

Lincolnshire Action Trust has delivered employability interventions for individuals in the community who have a criminal conviction continually since 2001. Our current funding requires us to focus on individuals who are furthest from the labour market and we therefore work intensively with smaller numbers of people, the majority of whom we start to engage with whilst they are still in custody. In the last year, we have commenced support with 232 individuals to reduce barriers and support progression towards employability. The majority of this work has been delivered remotely due to COVID-19, however we are pleased to have been able to maintain a presence in each prison throughout the year. Of these, 206 have been supported to access at least one 'support measure' to address barriers such as substance misuse, debt, health and wellbeing, or mentoring. 77 have also achieved an accredited training course to enhance their employability. Much of our focus at the start of our support focuses on 'soft outcomes' including disclosure advice, interview skills training and, improved confidence when job searching, in order to progress individuals further towards employment.

The charity offers an intensive employability provision for individuals who are no longer supervised by Probation, and for family members of men at HMP Lincoln. The provision is able to work intensively with a small number of people to build self-confidence and develop skills, and in some cases, to progress into employment. The project has supported 10 new individuals during the year.

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FOR THE YEAR ENDED 31 MARCH 2021

Children and Families

Lincolnshire Action Trust has continued to deliver interventions for the children and families of prisoners during the last year through adapted methods. Due to the ongoing suspension of prison social visits since March 2020, with the exception of a short period in summer 2020, face to face support has reduced significantly, with 1,344 people supported across the secure sites that we work in. Family visits have also been suspended throughout the last year.

The charity has adapted delivery of parenting courses for prisoners at HMP Lincoln and HMP Humber to allow in-cell learning to take place. We plan to resume face to face delivery of our 'Being Dad' course in due course.

The Young Oasis project supports children and young people who are affected by the substance use of a family member, usually a parent. Many are involved in safeguarding, child in need and team around the child proceedings, and Young Oasis often provides the key trusted relationship with the young person. During the last year we have needed to suspend delivery due to schools closing and our staff not being able to make contact with the children and the project staff were furloughed. Since lockdown restrictions have eased, we have seen a significant rise in referrals. During the year, 13 new young people have engaged with Young Oasis across Lincolnshire.

Women-specific Support

Lincolnshire Action Trust continues to support the specific needs of women involved in the criminal justice system through the Greater Lincolnshire Women's Service, which we deliver on behalf of HLN Community Rehabilitation Company. Women subject to supervision by both NPS and CRC are offered both one to one and group support, and in the last 12 months we have moved our support to a virtual model, to ensure women have been able to continue to engage with the Women's Service. Emergency face to face support has been delivered where needed, for example through the delivery of food parcels. 164 women have been referred and 1,735 positive outcomes have been achieved.

May 2020 saw the introduction of a short employability project delivered by women, for women, which acted as a progression for clients coming to the end of their support from the Women's Service. 12 women were supported during the year.

In November 2020, LAT was successful in securing a core funding grant from the Ministry of Justice which allowed us to collaborate with the Office of the Police and Crime Commissioner, National Probation Service, University of Lincoln and others, to develop the first ever Lincolnshire Women's Strategy. The grant also funded trauma informed training for LAT, contributing to our development as a trauma responsive organisation, as well as scoping a financial argument for investing in a women's centre for the county.

Volunteering

Due to the COVID-19 pandemic, we took the difficult decision to suspend our volunteering activities in March 2020. We anticipate that volunteering will be able to resume in mid-2021, subject to the Government's roadmap.

Grants for Clients

The charity manages a number of grant streams on behalf of others for the benefit of clients. These can be used for a variety of reasons including the purchase of tools or clothing for work; accommodation deposits; to obtain identification to open a bank account; to purchase essential furniture etc. A small fund is held on behalf of the Independent Monitoring Board of HMP Lincoln to support men on release. During the year, over 335 small grants have been awarded.

Fundraising activities

No material fundraising has taken place over the period.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

b. Financial review

Reserves policy

The Charity carries out a number of short and medium term projects (usually between one year and three years in duration) and as such the Trustees have examined the requirements for the level of free reserves (i.e. unrestricted funds not invested in fixed assets, designated for other purposes or otherwise committed). As the Charity supports many vulnerable clients, as well as employing staff, it has been decided that this should be maintained at a level that allows adequate working capital for core costs and would cover contingency costs in the event of project funding ending unexpectedly. For the current year this is estimated to equate to £300,000. At the end of the year the balance of free reserves was £726,920 (compared to £568,619 at 31st March 2020). This is equivalent to approximately 6 months of operating costs.

Financial performance has resulted in a higher than anticipated level of reserves, ahead of the 6 to 9 months operating costs agreed by Trustees. In March 2020, the charity completed the final year of a three year commitment of designated funds, agreed by the Board in March 2017. It was decided to extend the commitment by a further year to allow the governance review to be undertaken and to allow for the uncertainty resulting from COVID-19 to be understood. These funds have therefore continued to be designated for various purposes to help enhance the Trust's capacity to secure funding and boost operational resilience, including organisational development initiatives; funding of a Business Development Manager role; as well as investing in several areas of service delivery such as Young Oasis. In addition, £25,440 of our reserves are committed for ongoing schemes.

Principal funding sources

The Charity is solely reliant on attracting funding from external bodies for all of its activities. During the year, grants were received and/or funding agreements were held with HM Prison and Probation Service, Ministry of Justice, the National Lottery Community Fund, European Social Fund, HLN Community Rehabilitation Company, Reducing Reoffending Partnership, Lincolnshire County Council, Ormiston Families, APM Ltd, Nottinghamshire Healthcare NHS Foundation Trust, Lincolnshire Partnership NHS Foundation Trust and a number of small grant makers, all for service delivery. A small core costs grant was secured from the Ministry of Justice. The Trust continues to try and broaden its funding base as much as possible to ensure long term sustainability for provision.

Investment policy and objectives

Under the Memorandum and Articles of Association, the Company has the power to make any investment which the Trustees see fit. The Charity had cash reserves on deposit with a number of banks. Interest rates are regularly reviewed to ensure returns on investments are maximised.

Lincolnshire Action Trust holds material cash resources in short term liquid investments.

Going concern

Despite the turbulent year that has resulted from the COVID-19 pandemic, Lincolnshire Action Trust is in a sound financial position. After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

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TRUSTEES' REPORT (CONTINUED)
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FUTURE DEVELOPMENTS

The Trust's new five-year strategy is ambitious and reflects the innovative and aspirational approach that has become synonymous with the name 'Lincolnshire Action Trust'. The Trust plans to continue many of the activities outlined above in forthcoming years, subject to ongoing funding arrangements. In addition, as new needs are identified, the Trust will assess the relevance and suitability of sourcing funding to broaden its provision and geographical base, whilst continuing to meet the overall aims of the Charity. It is planned that designated funds will be used to develop new areas of business balancing the need for positive social impact and financial sustainability.

The charity plans to continue to work with strategic partners to identify gaps and delivery responses across the criminal justice spectrum whilst also focusing attention on several contracts which are due for renewal in the next 12 months. The charity will also continue to focus on ensuring existing contracts deliver their required outcomes to satisfy funder expectations, as well as to transform the lives of the clients we work with. Ongoing opportunities arising from the imminent Probation Reform programme will also be considered.

The Governance review process will embed further, as new Trustees join the Board.

We will continue to actively identify and manage risks that threaten our activities. The ongoing impact of the Coronavirus pandemic is not yet fully known and therefore our operations will continue to adapt to meet these changing needs. The impact of the pandemic remains on our risk register and is subject to regular review.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 21 July 2021 and signed on their behalf by:



Joanne Lesley Mead
(Chair of Trustees)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST

Opinion

We have audited the financial statements of Lincolnshire Action Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST
(CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Company and Charity legislation, taxation legislation, and general data protection, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST
(CONTINUED)

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Anderson (Senior Statutory Auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants & Statutory Auditor
Tower House
Lucy Tower Street
Lincoln
LN1 1XW

Dated: 24/09/2021

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	80,305	22,758	103,063	46,736
Charitable activities	4	1,377,464	45,250	1,422,714	1,284,689
Investments	5	12,597	-	12,597	11,772
		<u>1,470,366</u>	<u>68,008</u>	<u>1,538,374</u>	<u>1,343,197</u>
Total income					
Expenditure on:					
Charitable activities	6	1,306,150	84,579	1,390,729	1,413,425
		<u>1,306,150</u>	<u>84,579</u>	<u>1,390,729</u>	<u>1,413,425</u>
Total expenditure					
Net income/(expenditure)		164,216	(16,571)	147,645	(70,228)
Transfers between funds	17	(11,908)	11,908	-	-
		<u>152,308</u>	<u>(4,663)</u>	<u>147,645</u>	<u>(70,228)</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		992,730	2,658	995,388	1,065,616
Net movement in funds		152,308	(4,663)	147,645	(70,228)
		<u>1,145,038</u>	<u>(2,005)</u>	<u>1,143,033</u>	<u>995,388</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 37 form part of these financial statements.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04108372

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	17,291	23,284
		<u>17,291</u>	<u>23,284</u>
Current assets			
Debtors	12	175,450	179,773
Investments	13	726,345	724,776
Cash at bank and in hand		330,826	161,876
		<u>1,232,621</u>	<u>1,066,425</u>
Creditors: amounts falling due within one year	15	(106,879)	(94,321)
Net current assets		<u>1,125,742</u>	<u>972,104</u>
Total assets less current liabilities		<u>1,143,033</u>	<u>995,388</u>
Net assets excluding pension asset		<u>1,143,033</u>	<u>995,388</u>
Total net assets		<u><u>1,143,033</u></u>	<u><u>995,388</u></u>
Charity funds			
Restricted funds	17	(2,005)	2,658
Unrestricted funds	17	1,145,038	992,730
Total funds		<u><u>1,143,033</u></u>	<u><u>995,388</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 21 July 2021 and signed on their behalf by:

Joanne Lesley Mead
 (Chair of Trustees)



The notes on pages 22 to 37 form part of these financial statements.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	157,922	(116,530)
Cash flows from investing activities		
Dividends, interests and rents from investments	12,597	11,772
Purchase of tangible fixed assets	-	(22,555)
Proceeds from sale of investments	-	81,209
Net cash invested during the year	(1,569)	(7,459)
Net cash provided by investing activities	11,028	62,967
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	168,950	(53,563)
Cash and cash equivalents at the beginning of the year	161,876	215,439
Cash and cash equivalents at the end of the year	330,826	161,876

The notes on pages 22 to 37 form part of these financial statements

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

As set out in the Trustee's report, Lincolnshire Action Trust is an incorporated charity limited by guarantee and registered in England and Wales. The principal office of the charity is Lincoln House, 37-39 Newland, Lincoln, Lincolnshire, LN1 1YA.

The principal activity of the charity is to provide care, resettlement and rehabilitation of individuals involved in the criminal justice system, those at risk of offending and their families/dependants primarily but not exclusively in the county of Lincolnshire.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lincolnshire Action Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity.

2.2 Going concern

During the year and subsequent to the year end, the UK has experienced a pandemic of the Coronavirus. The potential effects to the charity and its future prospects cannot be fully quantified but the trustees remain committed to the protection of the charity. This is being regularly reviewed by the trustees. In addition, the trustees are mindful of the significant ongoing support offered by the UK Government. Accordingly, the financial statements have been prepared on a going concern basis."

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Office equipment	- 20% Straight Line
Computer equipment	- 33% Straight Line

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	36,723	20,000	56,723	46,736
Government grants	43,582	2,758	46,340	-
	<u>80,305</u>	<u>22,758</u>	<u>103,063</u>	<u>46,736</u>
<i>Total 2020</i>	<u>20,736</u>	<u>26,000</u>	<u>46,736</u>	

Government grants relate entirely to funds received in respect of the coronavirus job retention scheme.

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Grants and contract income	1,361,474	45,250	1,406,724	1,162,848
Catering facilities	15,990	-	15,990	121,841
Total 2021	<u>1,377,464</u>	<u>45,250</u>	<u>1,422,714</u>	<u>1,284,689</u>
<i>Total 2020</i>	<u>1,272,419</u>	<u>12,270</u>	<u>1,284,689</u>	

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank Interest	<u>12,597</u>	<u>12,597</u>	<u>11,772</u>
<i>Total 2020</i>	<u>11,772</u>	<u>11,772</u>	

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Care, resettlement and rehabilitation of individuals involved with the criminal justice system	1,306,150	84,579	1,390,729	1,413,425
	<u>1,360,101</u>	<u>53,324</u>	<u>1,413,425</u>	
<i>Total 2020</i>				

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Care, resettlement and rehabilitation of individuals involved with the criminal justice system	1,369,555	21,174	1,390,729	1,413,425
	<u>1,380,014</u>	<u>33,411</u>	<u>1,413,425</u>	
<i>Total 2020</i>				

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Project costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	1,195,891	1,195,891	1,108,266
Depreciation	837	837	1,008
Occupancy costs	44,352	44,352	42,680
Office running costs	44,520	44,520	44,476
Other costs	7,916	7,916	10,706
Marketing costs	6,656	6,656	8,022
Travel expenses	25,328	25,328	41,477
Direct client expenses	14,291	14,291	17,371
Other staff costs	12,174	12,174	8,150
Legal costs	4,636	4,636	4,130
Catering expenses	12,954	12,954	93,728
Total 2021	<u>1,369,555</u>	<u>1,369,555</u>	<u>1,380,014</u>
<i>Total 2020</i>	<u>1,380,014</u>	<u>1,380,014</u>	

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Core costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	6,498	6,498	5,988
Depreciation	5,156	5,156	4,245
Occupancy costs	1,154	1,154	4,276
Office running costs	1,371	1,371	1,583
Other costs	1,259	1,259	2,532
Training and travel expenses	112	112	5,950
Governance costs	5,373	5,373	7,577
Legal costs	-	-	393
Accountancy fees	-	-	213
Bank charges	251	251	654
Total 2021	<u>21,174</u>	<u>21,174</u>	<u>33,411</u>
<i>Total 2020</i>	<u>33,411</u>	<u>33,411</u>	

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,750 (2020 - £3,750).

9. Staff costs

	2021 £	<i>2020 £</i>
Wages and salaries	1,064,906	988,324
Social security costs	74,898	65,523
Contribution to defined contribution pension schemes	62,585	60,407
	<u>1,202,389</u>	<u>1,114,254</u>

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	<i>2020 No.</i>
Managers	13	<i>11</i>
Practitioners	33	<i>29</i>
Administrators	5	<i>8</i>
	51	<i>48</i>

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration paid to the Senior managers during the year included salaries totalling £111,671, social security totalling £12,986 and pension contributions totalling £11,190. Benefit was also received in the form of a car totalling £4,068.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2020 - £NIL*).

During the year ended 31 March 2021, no Trustee expenses have been incurred (*2020 - £NIL*).

11. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2020	49,386	20,084	69,470
At 31 March 2021	49,386	20,084	69,470
Depreciation			
At 1 April 2020	27,309	18,877	46,186
Charge for the year	5,156	837	5,993
At 31 March 2021	32,465	19,714	52,179

LINCOLNSHIRE ACTION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Tangible fixed assets (continued)

	Office equipment £	Computer equipment £	Total £
Net book value			
At 31 March 2021	16,921	370	17,291
<i>At 31 March 2020</i>	<i>22,077</i>	<i>1,207</i>	<i>23,284</i>

12. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	161,319	165,471
Other debtors	5,344	5,144
Prepayments and accrued income	8,787	9,158
	175,450	179,773

13. Current asset investments

	2021 £	2020 £
Short term cash deposits	726,345	724,776

14. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	1,057,171	886,652

LINCOLNSHIRE ACTION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	18,649	9,539
Other taxation and social security	70,064	66,226
Other creditors	14,248	14,267
Accruals and deferred income	3,918	4,289
	106,879	94,321

16. Accruals and deferred income

	2021	2020
	£	£
Deferred income at 1 April 2020	-	11,927
Amounts released from previous periods	-	(11,927)
Deferred income at 31 March 2021	-	-

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Designated Funds	400,827	-	-	-	400,827
General funds					
General Funds - all funds	591,903	1,470,366	(1,306,150)	(11,908)	744,211
Total Unrestricted funds	992,730	1,470,366	(1,306,150)	(11,908)	1,145,038
Restricted funds					
ASYE	313	-	-	(313)	-
Lincolnshire Economic Action Partnership	-	10,000	(10,155)	-	(155)
Charles Hayward Foundation	-	22,758	(37,324)	14,566	-
10 Prisons Project	2,345	-	-	(2,345)	-
Lincolnshire Discharged Prisoners Welfare Fund	-	-	(1,701)	-	(1,701)
MOJ Womens Service	-	35,250	(35,399)	-	(149)
	2,658	68,008	(84,579)	11,908	(2,005)
Total of funds	995,388	1,538,374	(1,390,729)	-	1,143,033

LINCOLNSHIRE ACTION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Statement of funds (continued)

Unrestricted funds:

General Funds

General Funds are those funds not designated towards any project in particular and can be used towards any of the Charity's objectives. Transfers have been made from the Unrestricted funds to Restricted funds for the purpose of relieving the overspent projects. Other deficit Restricted funds relate to funding timing differences.

Designated Funds

The designated funds relate to specific projects which would not be possible unless the Charity funded them themselves through accumulated reserves. The designated funds also includes amounts for contingency purposes as well as to cover costs in the event of winding up.

Restricted funds

ASYE

Funds received from Skills for Care to support newly qualified social work employee with ASYE (Assessed and Supported Year in Employment).

29th May 1961 Charitable trust

Grants were received to support the 'departure lounge' facility available to prisoners released from HMP Lincoln.

Lincolnshire Economic Action Partnership

Funding provides intensive release support for men leaving HMP Lincoln and returning to the local area.

Charles Hayward Foundation

Donations were received to support the 'departure lounge' facility available to prisoners released from HMP Lincoln.

10 Prisons Project

Funding has been provided to support the provision of training of key staff as well as implementing more accessible communication gateways to enable families to raise concerns/share information about a family member in custody.

Lincolnshire Discharged Prisoners Welfare Fund

Grants were received to assist with the resettlement of prisoners released from HMP Lincoln.

MOJ Womens Service

Funding has been provided to sustain and improve existing quality support to women in contact with or at risk of encountering the criminal justice system.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds					
Designated funds					
Designated Funds	381,544	-	-	19,283	400,827
General funds					
General Funds	683,077	1,304,927	(1,360,101)	(36,000)	591,903
Total Unrestricted funds	1,064,621	1,304,927	(1,360,101)	(16,717)	992,730
Restricted funds					
ASYE	313	-	-	-	313
29th May 1961 Charitable Trust	-	5,000	(5,000)	-	-
Lincolnshire Economic Action Partnership	(5,000)	10,000	(8,434)	3,434	-
Charles Hayward Foundation	742	20,000	(33,171)	12,429	-
10 Prisons Project	4,940	2,270	(4,865)	-	2,345
Lincolnshire Discharged Prisoners Welfare Fund	-	1,000	(1,854)	854	-
	995	38,270	(53,324)	16,717	2,658
Total of funds	1,065,616	1,343,197	(1,413,425)	-	995,388

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	400,827	-	-	-	400,827
General funds	591,903	1,470,366	(1,306,150)	(11,908)	744,211
Restricted funds	2,658	68,008	(84,579)	11,908	(2,005)
	<u>995,388</u>	<u>1,538,374</u>	<u>(1,390,729)</u>	<u>-</u>	<u>1,143,033</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	381,544	-	-	19,283	400,827
General funds	683,077	1,304,927	(1,360,101)	(36,000)	591,903
Restricted funds	995	38,270	(53,324)	16,717	2,658
	<u>1,065,616</u>	<u>1,343,197</u>	<u>(1,413,425)</u>	<u>-</u>	<u>995,388</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	17,291	-	17,291
Current assets	1,232,621	-	1,232,621
Creditors due within one year	(104,874)	(2,005)	(106,879)
Total	<u>1,145,038</u>	<u>(2,005)</u>	<u>1,143,033</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	23,284	-	23,284
Current assets	1,063,767	2,658	1,066,425
Creditors due within one year	(94,321)	-	(94,321)
Total	<u>992,730</u>	<u>2,658</u>	<u>995,388</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	147,645	(70,228)
Adjustments for:		
Depreciation charges	5,993	5,253
Dividends, interests and rents from investments	(12,597)	(11,772)
Decrease/(increase) in debtors	4,323	(14,981)
Increase/(decrease) in creditors	12,558	(24,802)
Net cash provided by/(used in) operating activities	<u>157,922</u>	<u>(116,530)</u>

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	330,826	161,876
Total cash and cash equivalents	<u>330,826</u>	<u>161,876</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	161,876	168,950	330,826
Liquid investments	724,776	1,569	726,345
	<u>886,652</u>	<u>170,519</u>	<u>1,057,171</u>

23. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £62,585 (2020 - £59,620). Contributions totalling £5,837 (2020 - £6,185) were payable to the fund at the balance sheet date.

24. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	22,500	24,382
Later than 1 year and not later than 5 years	40,500	63,000
	<u>63,000</u>	<u>87,382</u>

25. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2021.