

COMPANY REGISTRATION NUMBER: 6946097
CHARITY REGISTRATION NUMBER: 1132051

Action Foundation
Company Limited by Guarantee
Financial Statements
31 March 2023

STEPHENSON COATES AUDIT LIMITED

Chartered accountant & statutory auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Action Foundation
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2023

	Page
Trustees' annual report (incorporating the director's report)	1
Independent auditor's report to the members	9
Statement of financial activities (including income and expenditure account)	12
Statement of financial position	13
Statement of cash flows	14
Notes to the financial statements	15

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 March 2023

The trustees, who are also the directors' for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Action Foundation
Charity registration number	1132051
Company registration number	6946097
Principal office and registered office	The CastleGate Melbourne Street Newcastle upon Tyne NE1 2JQ

The trustees

W A Coulson
M F Hall
D Lyall
G S Mandell (Appointed 7 April 2022)
M Mesgarnezhad (Resigned 19 January 2023)
R Naeb (Appointed 21 July 2022)
G Okai

Company secretary & Chief Executive

D McAuley

Auditor

Stephenson Coates Audit Limited
Chartered accountant & statutory auditor
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Bankers

Co-operative Bank plc
PO Box 250
Skelmersdale
WN8 6WT

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2023

Structure, governance and management

Governing document

Action Foundation is a company limited by guarantee, governed by its Memorandum and Articles of Association. The charitable company was incorporated on 27th June 2009 with registration number 6946097. It has been registered as a charity with the Charity Commission, number 1132051 since 9 October 2009. There are currently 6 members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Appointment and retirement of directors

The number and skills of directors is regularly reviewed and any gaps identified. Existing members then approach suitable candidates who are invited to attend meetings, initially as observers, before being formally invited to join the board following discussion and references. Directors shall hold office for a term of four years but shall be eligible to hold office for further terms of four years indefinitely. At least one trustee must be an elder of City Church, Newcastle.

Organisation

The charitable company is organised so that the directors meet regularly to review its affairs and set objectives. There is a full-time Chief Executive supported by a management team to manage day to day activities. There is a close relationship with City Church Newcastle who founded the charity and provide ongoing support with office space and facilities at their building, CastleGate as well as having a requirement to have at least one City Church elder as a Trustee of Action Foundation.

Risk management

The directors have agreed to examine, on an annual basis, the major risks faced by the charitable company. These risks include financial, operational and regulatory. Systems are in place to minimise these risks, including preparation of regular financial reports, maintenance of insurance and management reviews. These systems are reviewed periodically to ensure the needs of the charitable company are being met.

Decision making arrangements

Corporate priorities and the overall financial strategy for the Charity are set by the Board of Trustees. The responsibility for ensuring that these priorities and strategies are delivered is delegated to the Chief Executive Officer. Decisions on annual salary awards, significant or unusual expenditure and new projects of strategic significance are reserved for Trustees.

The Board of Trustees is assisted in its work by 6 sub-groups. The Sub Groups are responsible for more detailed oversight of specific areas of operation/activity and can consider proposals from senior management and make recommendations to the Board of Trustees.

Induction and training of Trustees

Induction plans are used for Trustee induction and potential new trustees go through a 6 month induction process before they formally join the board. These set out the detail of the specific things to be covered, by whom and the target dates for completion of each item in the induction plan. A specific set of training requirements is in place which all Trustees must undergo.

Arrangements for setting pay and remuneration

Salaries are reviewed annually by Finance Sub Group with the assistance of the Chief Executive Officer. An established salary scale exists and all staff are placed on specific points within a salary banding. Criteria used in setting pay include cost of living uplift and incremental progression informed by staff appraisal.

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2023

Objectives and activities

The charitable company's objects are:

1. The prevention and/or relief of poverty by the provision of advice and assistance to the public including to refugees, asylum seekers, migrant workers and their dependents particularly by the provision of education and training with a view to facilitating job creation and work opportunities for such persons and by the provision of housing and accommodation for persons in need of such provision and the improvement of housing and living conditions for such persons;
2. The advancement of education (including mental, physical, social and health education) by the provision of schooling, training and advisory services;
3. The advancement of environmental protection or improvement particularly by educating the public in the conservation, protection and improvement of the physical and natural environment, and by the promotion of waste reduction, recycling and by addressing the causes of climate change;
4. The relief of those in need by reason of their youth, age, ill health, disability, financial hardship or other disadvantage, particularly by supporting or assisting persons suffering or recovering from substance abuse, eating disorders, prostitution or persons in similar situations who are in need of charitable support; and
5. The promotion of human rights particularly by the support of those suffering from human rights abuses and/or issues of injustice perpetrated by individuals, groups or governments on the grounds of race, religion, colour, sex, sexual orientation, disability, political views/activities, ethnicity or medical or other condition.

The main activities undertaken in relation to these objects are:

Accommodation Services

- Housing – provides free accommodation and support to destitute migrants with no recourse to public funds to try and resolve their immigration status and plan for their future;
- Letting – manages property and provides supported accommodation to homeless refugees to enable them to progress on to independent living.

Language – provides free English language classes to migrants that cannot reasonably access mainstream ESOL provision and is working to develop a Coordination, Enrolment and Advice Service for ESOL provision across Tyneside.

InterAction – provides social welfare and support through drop-in, outreach and casework activities in Newcastle and South Tyneside.

Digital Inclusion – provides refugees and asylum seekers with the knowledge, confidence equipment and data to access digital services.

Achievements and performance

As always, each year brings both challenges and successes for Action Foundation. Our services have continued to provide support to almost 2000 individuals and our work with partners across the region has strengthened. The principle challenge we faced was budgetary and although having completed an internal restructure we are in a strong position to maintain and grow our provision in spite of the ongoing cost of living crisis, it was a painful and difficult process for the charity to undertake.

We have continued to strengthen the management and governance of the organisation, both by welcoming Vicky Miller as Head of Business Development and Communications and by formally welcoming Gabrielle Mandell and Rola Naeb to our Board of Trustees. They bring significant experience in governance, migration and language acquisition as well as broadening the already diverse backgrounds present within our trustee group.

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 March 2023

Achievements and performance (continued)

Building on our work reviewing our organisational identity at the start of 2022, we completed our 5 year Strategic Plan, which involved consultation and dialogue with various stakeholder groups including staff, volunteers, clients and partner organisations. The process served to focus our attention and drive forward system changes over the months to date.

Naturally we will review this progress against our agreed metrics as we look to achieve our priorities over the coming years. Our 5 year Strategic Plan as well as our Purpose and Values statements can be found on our website.

One of the areas identified in our Strategic Plan which we have made progress with is volunteering. While volunteers have always made a significant contribution to the work of the charity we have taken the opportunity to improve our support to this vital group. We've developed our internal systems to ensure consistency across all volunteer roles, conducted feedback, and for the first time established new volunteer roles in the accommodation team and in central services. These changes although subtle have strengthened and improved our volunteering engagement and offer.

We have continued to strengthen our infrastructure through the Data Project and in 2023 ran a tender process for the development of a database system which will enable us to better collect, review and manage data across all our project activity. This four year project is funded by the Paul Hamlyn Foundation and is now in its 3rd year. We have successfully commissioned Homeless Link, a national homelessness charity, to build and manage our database, and look forward to launching the new system at the beginning of 2024.

The context for migration work in the UK has continued to be a difficult one, with mainstream media and political policy both targeting our clients. This in turn shapes the funding landscape and places pressure on both staff and volunteers as they work in this space. 2023 has seen the introduction of the Illegal Migration Bill which would prohibit the vast majority of asylum claims and victimise some of the most vulnerable clients we support if implemented in full.

The main area of focus for our influencing work is around Alternatives to Detention having built an evidence base and track record of delivering interventions through our Housing project and collaborating with the UK Home Office to deliver the first Alternative to Detention pilot in their series. We have continued to contribute to discussion and actions in this space, through attendance at All Party Parliamentary Groups, European Alternatives to Detention Network events, supporting local campaigning groups such as 'No to Hassockfield' and through our ongoing collaboration with the Detention Forum who this year agreed a focussed campaign on this issue.

"I don't know how I could have survived for so many years without having somewhere to live. Action Foundation has offered me a lot of help and I would like to say a big thank you."

Action Housing Client

InterAction

The project has continued to see high volumes of people access support, but a shift in focus toward the provision of casework which happened gradually and in response to the changing needs of our clients led this year to the redevelopment of our support. We have been successful in expanding our casework provision through the recruitment and training of both staff and volunteers and deliver this support in the context of a trauma informed environment, predominantly within the context of a weekly drop-in.

The work in South Tyneside has naturally grown and differentiated over the year, expanding from direct casework with clients to health collaboration and pathway development. We continue to work collaboratively with STARCH and South Tyneside Council while investing in stronger partnerships with local health providers.

In the autumn of 2022 we made the decision to incorporate our Digital Inclusion project into the work of InterAction and have been developing a 'cyber café' space which offers peer learning and mentorship alongside the ongoing provision of data and tech as clients require.

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 March 2023

Achievements and performance (continued)

Between April 2022 and March 2023, 1,444 people were supported through our casework by more than 30 volunteers. We recorded almost 4,000 attendances at Drop-ins and saw over 1,200 new clients. We couldn't run our InterAction without the support of our volunteers – 81% of whom have lived experiences of seeking asylum.

"Having been an asylum seeker myself I know what people can face. Volunteering gives me the feeling that I'm achieving something that benefits others."

InterAction Volunteer

Language

In-person English classes continued throughout the year both in Sunderland and Newcastle, which have been supplemented by online classes for those studying at higher levels. While classes in the two additional community libraries ceased in Summer 2022, by increasing class sizes we have continued to deliver to approximately the same number of learners as the previous academic year.

The summer of 2022 also saw significant changes to our Language provision as discontinued or delayed funding streams necessitated a reduction in capacity for the academic year beginning September 2022. We reduced the size of the staff team and adjusted our provision accordingly while still being able to continue this vital service in both locations. With a new staff team in place, supported by a skilled and committed volunteer group our provision continues to be accessed by the many in our region who are looking to settle and improve their language skills.

From September 2022-July 2023 more than 700 people attended our free English language classes from 68 different nationalities. Across both Newcastle and Sunderland our staff and volunteers delivered 595 in-person classes, which were supplemented by 412 online classes. 73 dedicated volunteers gave their time freely to support our Language project.

"I went to two different colleges but you couldn't access mainstream classes unless you had lived in England for over six months so I was hopeless until somebody told me about Action Foundation."

Language Client

Accommodation Services

In our Housing project we provided supported accommodation to 24 destitute asylum seekers from 10 different countries, 13 of which completed their legal review with us and an incredible 92% (12 of 13) had an option to regularise their status in the UK or accepted Assisted Voluntary Return to their country of origin (1). This evidence base builds on the learning from our work in Alternatives to Detention activity which supports the same client cohort. We have continued to be active in this space, engaging with national campaigns, sharing best practice with European partners and contributing to international advocacy for system reform in a European context.

In our Lettings project we supported 84 newly recognised refugees, helping 36 to move into independent living. This project provides support in Newcastle and Gateshead and due to an upturn in demand has seen consistently high levels of occupancy for most of the period. We are therefore looking to continue to expand and develop this provision across the region.

We have continued to be part of the Justice Together Initiative, which seeks to provide consistent free legal support for people like our Action Housing clients. We have also continued to work with solicitors who supplement the skills and knowledge of our staff.

In March 2023 we launched our 'Room for Refugees' campaign which very quickly saw two potential landlords come forward and make the offer to purchase a property for use in our Accommodation projects. These exciting new relationships are fantastic opportunities to build on our successful model of partnership to deliver our life changing services.

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 March 2023

Achievements and performance (continued)

Digital Inclusion

The project ran independently from October 2020 to November 2022 at which point we integrated the service into our InterAction project. At the point of 'ending' the project we had delivered training and support to 598 beneficiaries, working with 5 different delivery partners and combining 5 funding streams. We recruited and trained 13 volunteers to provide digital skills training, some of who are still volunteering with us in other projects and one of which is now a valued member of staff in the Interaction team.

The feedback and evaluation of the project was overwhelmingly positive with 88% of beneficiaries stating they felt more confident to complete basic digital tasks and 96% more confident to find and take part in further digital skills training.

"I used the tablet to study my masters, look for jobs and joined pre-work trainings from WEA (how to search for job, CV, interview, etc.). I also use Learn My Way and find it useful as it provides any different information. The tablet and digital training are both useful and works well for me and my kids. I really appreciate it."

Digital Inclusion Beneficiary

We are excited to be implementing the learning and materials developed over the course of the project in the ongoing work of InterAction.

Financial review

The financial environment continued to be challenging throughout this period, with less favourable outcomes from prospecting in Quarter 1 & 2 work driving us to complete a necessary restructure in Summer 2022. These cost savings combined with strong financial performance in Quarter 3 & 4 ensured our financial stability and established a solid financial basis for the coming years. There were no other significant events affecting the financial performance of the charity during this period.

Our principle sources of income continues to be: charitable activity, accounting for 46% of total income, of which the majority is lettings activity and; grants and donations (49%). In addition, we have other trading income (1%) and other income (4%). These income streams support the delivery of project activity to asylum seekers and refugees and are anticipated to continue sustainably for the coming years with moderate growth projected.

The principle risks the charity faces are from national policy change affecting either our client demographics or the legal status of the services we deliver, both unlikely events outside of our influence or control. These risks, as well as others of lesser significance, are reviewed twice annually by the board of trustees, termly at Sub Groups and bi-monthly by management staff.

With the completion of our 5 year Strategic Plan we have been working hard on developing our Business Development Strategy to deliver on our ambitious priorities over the coming years. As well as securing continuation funding for each of our existing projects we've been pleased to work with new and existing funders such as Aurm Charitable Trust, Tuixen Foundation, Garfield Weston and Paul Hamlyn Foundation who provide core or unrestricted costs, enabling the flexibility and agility needed to respond to our changing environment.

Positive steps toward long term funding streams were made for our InterAction project through securing a 3 year National Lottery grant as part of the Explore Adapt Renew partnership and through a new contracted opportunity with South Tyneside Clinical Commissioning Group. Work is ongoing across our project activity to ensure delivery is at a sustainable level and our income is profiled to facilitate anticipated developments over the coming years.

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 March 2023

Financial review (continued)

Our community fundraising continued to provide highlights with activity throughout the year as our supporters and staff took on new and not so new challenges to raise funds. We again took on the Great North Run and raised an amazing £8,000, and in May 2022 our CEO Duncan McAuley organised a Channel Swim attempt. We focussed our Winter Campaign on 'Warm Hearts' and raised £13,600 to deliver our services, this included match funding from Aviva Community Fund's cost of living support. Combined with other regular and one off donations, we received £82,452 of unrestricted funding to support our work.

Overall, our income decreased by 4% on the previous year which was largely offset by a 10% decrease in expenditure. This represents an anticipated decrease in restricted funds held relating to the use of funds carried forward for use in year, however, free reserves decreased marginally to £148,487 (2022: £168,624).

We are very grateful to all our funders and a list of Trusts and Foundations that have supported us over the last two years is on page 18.

Reserves policy

Free reserves

Having considered financial risk, liquidity requirement and the timing of cash flows throughout the year, the Trustees' reserves policy is to aim to maintain 3 months unrestricted expenditure (c. £145,870) held in readily realisable assets (c. £148,487). The Trustees are satisfied with reserves at the current level in line with the aims of the policy.

Reserves tied up in fixed assets

The unrestricted fund includes £340,842 which is tied up in tangible fixed assets.

Restricted funds

The charity holds and administers a number of restricted funds. As at 31 March 2023 restricted funds totalled £102,688 (2022: £239,916). These are not available for the general purposes of the charity.

Plans for future periods

Our ambitious Strategic Plan 2022-27 establishes clear priorities for our continuing growth and development over the coming years and is underpinned by a new process of annual business planning. Combined with the improved feedback and consultation processes with clients we are equipped to develop services that respond to changing demands and make a tangible impact over the coming years.

Following the recruitment and embedding of two trustees in 2022 and the departure of Maedah Mesgarnzhad in January 2023 we have again been recruiting to our board. This investment in our governance and oversight continues to pay dividends and in July 2023 we have accepted two candidates onto our 6 month induction process before they formally join the board. Both individuals bring specialist skills and broaden the experience of the trustee group, adding to an already established board.

One of the new areas of work we are exploring based on feedback from our clients is employability and although our partners World Jewish Relief were unsuccessful in securing the Refugee Employability Contract we continue to proactively explore opportunities to support our clients in this area. We have also been growing additional income streams, one of which is the provision of training to other organisations. This grew steadily throughout 2022 as we were commissioned by three Local Authorities to provide cultural and migration awareness training. We are proactively pursuing opportunities to further develop this work over the coming months and expect it to grow throughout 2023.

Action Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 March 2023

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 28th September 2023 and signed on behalf of the board of trustees by:



W A Coulson
Trustee



D P McAuley
Charity Secretary

Action Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Action Foundation

Year ended 31 March 2023

Opinion

We have audited the financial statements of Action Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 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 charity's affairs as at 31 March 2023 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;
- 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 directors' 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 company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Action Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Action Foundation (continued)

Year ended 31 March 2023

Opinions 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; and
- 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 the knowledge and understanding of the charity 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 the 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Action Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Action Foundation (continued)

Year ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Key Management Personnel. The most significant identified that directly affect the financial statements include financial reporting legislation (including related companies' legislation), the Charities Act 2011 and UK taxation legislation. The company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: OISC, Health and Safety, Employment Law and Data Protection regulations, recognising the nature of the company's activities.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquiries of Trustees and Key Management Personnel as to where they consider there to be susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override, including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Oswald

John Oswald BA FCA
Senior Statutory Auditor
Stephenson Coates Audit Limited
Chartered accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Date: 28th September 2023

Action Foundation

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 March 2023

			2023		2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and grants	5	422,147	222,454	644,601	838,858
Charitable activities	6	312,472	299,805	612,277	524,780
Other trading activities		14,820	-	14,820	9,054
Other income	7	52,694	-	52,694	-
Total income		<u>802,133</u>	<u>522,259</u>	<u>1,324,392</u>	<u>1,372,692</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations	8	101,649	-	101,649	97,179
Expenditure on charitable activities	9,10	718,780	659,487	1,378,267	1,544,931
Total expenditure		<u>820,429</u>	<u>659,487</u>	<u>1,479,916</u>	<u>1,642,110</u>
Net (expenditure) / income		<u>(18,296)</u>	<u>(137,228)</u>	<u>(155,524)</u>	<u>(269,418)</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>(18,296)</u>	<u>(137,228)</u>	<u>(155,524)</u>	<u>(269,418)</u>
Reconciliation of funds					
Total funds brought forward		427,270	239,916	667,186	936,604
Total funds carried forward		<u>408,974</u>	<u>102,688</u>	<u>511,662</u>	<u>667,186</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 26 form part of these financial statements.

Action Foundation
Company Limited by Guarantee
Statement of Financial Position

31 March 2023

		2023		2022
		£	£	£
Fixed assets				
Tangible fixed assets	15		340,842	342,250
Current assets				
Debtors	16	54,272		79,176
Cash at bank and in hand		<u>261,091</u>		<u>407,103</u>
		315,363		486,279
Creditors: amounts falling due within one year	17	<u>64,189</u>		<u>82,739</u>
Net current assets			251,174	403,540
Total assets less current liabilities			592,016	745,790
Creditors: amounts falling due after more than one year	18		80,354	78,604
Net assets			<u>511,662</u>	<u>667,186</u>
Funds of the charity				
Restricted funds			102,688	239,916
Unrestricted funds			<u>408,974</u>	<u>427,270</u>
Total charity funds	20		<u>511,662</u>	<u>667,186</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 28th September 2023, and are signed on behalf of the board by:



W A Coulson
Trustee

The notes on pages 15 to 26 form part of these financial statements.

Action Foundation
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net expenditure	(155,523)	(269,418)
<i>Adjustments for:</i>		
Interest payable and similar charges	2,896	3,120
Depreciation	1,408	750
Accrued (income) / expenses	2,104	(4,120)
<i>Changes in:</i>		
Trade and other debtors	24,904	37,976
Trade and other creditors	(16,800)	(31,349)
Cash generated from operations	(141,012)	(263,041)
Net cash from operating activities	<u>(141,012)</u>	<u>(263,041)</u>
Cash flows from investing activities		
Payments for the acquisition of Property	-	(110,000)
Net cash used in investing activities	<u>-</u>	<u>(110,000)</u>
Cash flows from financing activities		
Repayments of borrowings	(5,000)	(5,000)
Net cash used in financing activities	<u>(5,000)</u>	<u>(5,000)</u>
Net decrease in cash and cash equivalents	(146,012)	(378,041)
Cash and cash equivalents at beginning of year	<u>407,103</u>	<u>785,144</u>
Cash and cash equivalents at end of year	<u>261,091</u>	<u>407,103</u>

The notes on pages 15 to 26 form part of these financial statements.

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The CastleGate, Melbourne Street, Newcastle upon Tyne, NE1 2JQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.
The financial statements are prepared in sterling, which is the functional currency of the entity.
Action Foundation meets the definition of a public benefit entity under FRS 102.

Going concern

The directors of the charitable company are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern at least for a period of 12 months from the date of approval of these financial statements. Accordingly, the financial statements are prepared on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no key sources of estimation uncertainty to report that have a significant risk of causing a material adjustment to the financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income

All income is derived from services and activities carried out in the UK. All income is recognised when the Charity has entitlement to the funds and any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Voluntary income is accounted for as received by the company.

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

3. Accounting policies (continued)

Income (continued)

Income from grants is recognised in line with expenditure incurred towards meeting the conditions attached to the grant. Any remaining income is recognised when the Charity has fully met the conditions attached to the grant.

Income received in advance of the provision of a specified service is deferred until the criteria for the income recognition is met.

Donated facilities and services are measured at the value it would cost on the open market.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment - 20% - 33% straight line

Land and buildings - Not depreciated

In view of the planned maintenance programme in place at the property, the trustees consider that any depreciation of the freehold property be immaterial.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Taxation

The Charity is exempt from Corporation Tax because all of its profits from trading are used for charitable purposes.

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

3. Accounting policies (continued)

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

The charity initially recognises and measures concessionary loans at the amounts received. The carrying amount is adjusted in subsequent years to reflect repayments and any accrued interest.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Action Foundation is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Donations, legacies and Grants

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	82,452	—	82,452
Gift Aid	17,748	—	17,748
Donated facilities and services +	236,947	—	236,947
Grants			
The Aurum Charitable Trust	35,000	—	35,000
Connected Voice	—	3,350	3,350
Community Foundation	—	8,250	8,250
Curtin PARP	—	6,980	6,980
Garfield Weston Foundation	—	30,000	30,000
The National Lottery	—	5,500	5,500
The Newby Trust	—	10,000	10,000
Newcastle City Council	—	16,000	16,000
The North East Law Centre	—	12,000	12,000
The Paul Hamlyn Foundation	—	44,000	44,000
Porticus	—	33,333	33,333
Respond & Adapt	—	47,041	47,041
Tuixen Foundation	35,000	—	35,000
Virgin Foundation	—	3,000	3,000
Virgin Money Foundation	15,000	—	15,000
Other	—	3,000	3,000
	<u>422,147</u>	<u>222,454</u>	<u>644,601</u>

+ Included in the above income is a total of £236,947 for donated facilities and services. This amount includes £133,451 for volunteer teachers and assistants' time and £103,496 for market value rent

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

5. Donations, legacies and Grants (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	76,314	—	76,314
Gift Aid	2,969	—	2,969
Donated facilities and services +	248,998	—	248,998
Grants			
AB Charitable Trust	—	25,000	25,000
Community Foundation County Durham	—	6,809	6,809
Community Foundation for Tyne & Wear and Northumberland	—	1,000	1,000
Connected Voice	—	5,000	5,000
ESOL for Integration Fund*	—	197,223	197,223
Leslie Aldridge Trust^	—	73,646	73,646
Lloyds Bank Foundation for England & Wales	—	38,441	38,441
Newcastle Fund	—	16,891	16,891
Newcastle City Council	—	5,609	5,609
Opencast Charitable	—	1,500	1,500
The Paul Hamlyn Foundation	—	40,000	40,000
Pca Green Boat Community First Fund	—	10,000	10,000
Porticus	—	33,333	33,333
Refugee Action ~	—	11,125	11,125
Respond & Adapt	—	15,000	15,000
Tuixen Foundation	15,000	—	15,000
Virgin Money Foundation	15,000	—	15,000
	<u>358,281</u>	<u>480,577</u>	<u>838,858</u>

~ Grants include Early Action Programme funding from the National Lottery Fund, and Respond and Adapt Programme funding sourced from a number of funders and administered by Refugee Action

* ESOL for Integration – Grant from Newcastle City Council, administered by Ministry of Housing, Communities and Local Government

^ Leslie Aldridge Trust – Grant provided for the purchase of a new property in the financial year

+ Included in the above income is a total of £248,998 for donated facilities and services. This amount includes £114,229 for volunteer teachers and assistants' time and £134,769 for market value rent

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Language	35,000	—	35,000
Accommodation Services	212,740	299,805	512,545
Digital Inclusion	18,760	—	18,760
InterAction	45,972	—	45,972
	<u>312,472</u>	<u>299,805</u>	<u>612,277</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Language	35,000	—	35,000
Accommodation Services	174,804	249,337	424,141
Digital Inclusion	50,000	—	50,000
InterAction	15,639	—	15,639
	<u>275,443</u>	<u>249,337</u>	<u>524,780</u>

7. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Newcastle City Council	24,856	—	24,856
Gateshead City Council	27,838	—	27,838
	<u>52,694</u>	<u>—</u>	<u>52,694</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Newcastle City Council	—	—	—
Gateshead City Council	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

8. Costs of raising donations and grants

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Wages and salaries	86,882	—	86,882
Employer's NIC	7,976	—	7,976
Pension costs	3,251	—	3,251
Fundraising costs	3,540	—	3,540
	<u>101,649</u>	<u>—</u>	<u>101,649</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Wages and salaries	83,001	—	83,001
Employer's NIC	7,620	—	7,620
Pension costs	3,105	—	3,105
Fundraising costs	3,453	—	3,453
	<u>97,179</u>	<u>—</u>	<u>97,179</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Language	155,557	128,008	283,565
Accommodation Services	365,730	335,290	701,020
InterAction	116,630	90,881	207,511
Digital Inclusion	9,777	14,796	24,573
Data Project	2,012	90,512	92,542
COVID-response	—	—	—
Support costs	69,074	—	69,074
	<u>718,780</u>	<u>659,487</u>	<u>1,378,267</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Language	234,054	279,042	513,096
Accommodation Services	373,576	365,906	739,482
InterAction	35,902	55,787	91,689
Digital Inclusion	38,344	4,062	42,406
Data Project	18,232	22,578	40,810
COVID-response	—	30,644	30,644
Support costs	86,804	—	86,804
	<u>786,912</u>	<u>758,019</u>	<u>1,544,931</u>

Housing and Letting costs have been combined and re-presented as Accommodation Services.

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total funds 2022
	£	£	£	£
Language	283,565	16,044	299,609	531,565
Accommodation Services	701,020	32,649	733,669	778,111
InterAction	207,511	7,131	214,642	97,233
Digital Inclusion	24,573	3,565	28,138	48,320
Data Project	92,524	1,783	94,307	43,625
COVID-response	—	—	—	30,644
Governance costs	—	7,902	7,902	15,433
	<u>1,309,193</u>	<u>69,074</u>	<u>1,378,267</u>	<u>1,544,931</u>

Included in the above expenditure is a total of £236,947 (2022: £248,998) for donated facilities and services. This amount includes £133,451 (2022: £114,229) for volunteer teachers and assistants' time and £103,496 (2022: £134,769) for market value rent.

Housing and Letting costs have been represented as Accommodation Services.

11. Analysis of support costs

	Language	Accommodation Services	InterAction	Data Project	Digital Inclusion	Total 2023	Total 2022
	£	£	£	£	£	£	£
Premises	2,862	5,513	1,272	318	636	10,601	13,475
General office	6,157	11,378	2,737	684	1,368	22,324	19,120
Governance costs	735	1,415	326	82	163	2,721	12,950
Conferences & training	1,935	3,727	860	215	430	7,167	11,585
Legal & professional fees	3,256	6,271	1,447	125	724	11,823	15,843
Travel	74	142	33	8	16	273	340
Marketing & Fundraising	2,848	5,485	1,266	316	633	10,548	10,174
Bank charges	310	596	138	36	69	1,149	1,369
Misc expenses	718	—	—	—	—	718	199
Loan interest	—	1,750	—	—	—	1,750	1,750
	<u>18,895</u>	<u>36,277</u>	<u>8,079</u>	<u>1,784</u>	<u>4,039</u>	<u>69,074</u>	<u>86,804</u>

12. Auditor's remuneration

	2023	2022
	£	£
Audit of the financial statements	1,600	1,310
Other accounting services	1,000	1,000
Total auditor's remuneration	<u>2,600</u>	<u>2,310</u>

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	713,894	700,780
Social security costs	64,177	59,931
Employer contributions to pension plans	45,326	47,115
	823,397	807,826

The average head count of employees during the year was 27 (2022: 30).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees. £Nil (2022: £210) was paid to trustees to cover travel expenses.

Remuneration costs relating to Key Management Personnel:

	2023	2022
	£	£
Chief Executive Officer	51,840	47,495
Senior Leadership Team	121,807	118,395

The above amount includes gross salary with non-contributory pension contribution of 6%.

15. Tangible fixed assets

	Land & Buildings	Equipment	Total
<i>Cost</i>			
As at 1 April 2022	337,000	16,471	353,471
Additions	-	-	-
As at 31 March 2023	337,000	16,471	353,471
<i>Depreciation</i>			
As at 1 April 2022	-	11,221	11,221
Charged in the year	-	1,408	1,408
As at 31 March 2023	-	12,629	12,629
<i>Carrying amount</i>			
As at 31 March 2023	337,000	3,842	340,842
As at 31 March 2022	337,000	5,250	342,250

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

16. Debtors

	2023	2022
	£	£
Trade debtors	22,542	46,391
Prepayments and accrued income	12,680	11,487
Other debtors	19,050	21,298
	<u>54,272</u>	<u>79,176</u>

17. Creditors: amounts falling due within one year

	2023	2022
	£	£
Loans	—	5,000
Trade creditors	2,389	1,202
Social security and other taxes	—	16,270
Other creditors	4,101	12,122
Accruals and deferred income	57,699	48,145
	<u>64,189</u>	<u>82,739</u>

Included within creditors is an amount of £48,533 (2022: £43,373) relating to deferred grants where funding has been received and not all conditions have been met. The full amount of £43,373 has been released to the SOFA from the previous accounting period and grant income totalling £48,533 has been deferred at the end of the current accounting period.

18. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Loans	80,354	78,604

Included in creditors due over 1 year is an amount of £80,354 (2022: £76,604) due for repayment in 2 - 5 years.

19. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £45,326 (2022: £47,115).

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

20. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	427,270	802,133	(820,429)	—	408,974

Restricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
Language	119,167	43,437	(128,008)	—	34,596
Accommodation Services	15,511	331,975	(335,290)	—	12,196
InterAction	33,020	97,567	(90,881)	—	39,706
Digital Inclusion	14,796	—	(14,796)	—	—
Data Project	57,422	49,280	(90,512)	—	16,190
COVID-response	—	—	—	—	—
	239,916	522,259	(659,487)	—	102,688

Comparatives:

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	604,933	642,778	(884,091)	63,650	427,270

Restricted funds

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
Language	165,322	242,223	(279,042)	(9,336)	119,167
Accommodation Services	101,660	368,924	(365,906)	(89,167)	15,511
InterAction	15,187	78,767	(55,787)	(5,147)	33,020
Digital Inclusion	18,858	—	(4,062)	—	14,796
Data Project	—	40,000	(22,578)	40,000	57,422
COVID-response	30,645	—	(30,645)	—	—
	331,671	729,914	(758,019)	(63,650)	239,916

Housing and Letting funds have been combined and re-presented as Accommodation Services.

Action Foundation

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

21. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Tangible fixed assets	340,842	—	340,842	342,250
Current assets	212,675	102,688	315,363	486,279
Creditors less than 1 year	(64,189)	—	(64,189)	(82,739)
Creditors greater than 1 year	(80,354)	—	(80,354)	(78,604)
Net assets	408,974	102,688	511,662	667,186

22. Related parties

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2023	2022	2023	2022
	£	£	£	£
City Church Newcastle	45,260	49,360	—	—
	<u>45,260</u>	<u>49,360</u>	<u>—</u>	<u>—</u>

Rent payable to City Church Newcastle of £45,260 (2022: £49,360) has been included in expenditure on charitable activities. D Lyall is a Trustee of Action Foundation and an Elder at City Church Newcastle.