

Registered number: 6946097
Charity number: 1132051

ACTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ACTION FOUNDATION
(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 2025**

Trustees	W A Coulson S Hamilton D Lyall G S Mandell R Naeb (resigned 30 September 2024) G Okai (resigned 23 May 2024) H Young
Company registered number	6946097
Charity registered number	1132051
Registered office	The Castlegate Centre Melbourne Street Newcastle upon Tyne NE1 2JQ
Company secretary	D McAuley
Independent auditors	Kinnair Associates Limited Chartered Accountants Aston House Redburn Road Newcastle upon Tyne NE5 1NB
Bankers	Co-operative Bank plc PO Box 250 Skelmersdale WN8 6WT Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB

ACTION FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements of the charitable company for the year 1 April 2024 to 31 March 2025. The Annual Report serves the purpose 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 2019).

Since the charitable company 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.

Objectives and activities

Policies and objectives

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 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.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Activities undertaken to achieve objectives

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 onto independent living.

Language and Learning - provides free English language classes, digital inclusion and employability support to migrants not able to access provision elsewhere.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

InterAction - provides social inclusion, advice and welfare support through drop-in, outreach and casework activities.

Young Lives - provides young refugees and asylum seekers and their families with youth groups, activity sessions, 1:1 support, trips and residentials that provide specialised practical, emotional and social support.

Achievements and performance

Main achievements of the Charity

In this year we again supported over 3,100 people, demonstrating the consistent demand for our services. We continue to support individuals from over 100 different nations, working closely in partnership with others in the region.

Again, the principle challenge we faced was of an uncertain political and economic climate. This risk was highlighted by the riots of August 2024 in response to which we rapidly responded and adapted our operations, moving contact online where possible and implementing stringent security measures in our on-site delivery.

Our management team and Board of Trustees have been stable throughout the period, enabling growth in depth and maturity of operations as well as continued progress against our strategic plan. Though we did successfully recruit two trustees, one with lived experience as a current client, unfortunately both had a change in personal circumstances before they could formally join our Board.

In January 2025 we undertook a halfway review of our five year Strategic Plan which included input from clients and volunteers as well as staff and trustees. Excellent progress was noted on the strategic priorities to deliver new and existing services and develop partnerships, which has enabled us to focus on building our internal capacity, sustainability and readiness to respond throughout 2025. Our Strategic Plan as well as our Purpose and Values statements can be found on our website.

We also recruited a part time Inclusion Development Manager who began in January 2025 and works across the organisation on development and change projects to support our practice around EDI, Client Engagement and Lived Experience. This additional capacity and specific focus has further strengthened our work in this area.

Having launched our 'InForm' database system in January 2024 and as part of the Data Project, a four-year project funded by the Paul Hamlyn Foundation, we undertook the process of embedding and refining both the system and our practice. Although a hugely beneficial change this process was a steep learning curve for us and it was only in early 2025 that we began to fully realise its potential across all of our services.

Though we held an optimistic outlook on the media and political policy landscape following the 2024 General Election, events have transpired quite differently. As mentioned above we rapidly responded to the outbreak of violence across the UK, including at numerous cities in our region in August 2024. Following this operational response which was focused on ensuring the safety of our staff and volunteers as well as adapting our services to best support our clients, we undertook a listening exercise, the summary of which we published in our 'Unwanted, like a stranger' report, available on our website. Sadly, throughout the second half of this year, we saw continued political and media attention given to this issue and a significant rise in the instances of hate crime committed against them. We continue to support our clients and advocate for a fairer, more tolerant society through our regional profile and positive messaging.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Review of activities

Young Lives

Having formally launched our Young Lives service in January 2024 we were pleased to both refine our approach and secure multi-year funding from Comic Relief and Children in Need to support this work. The service supported 322 children and young people through 236 sessions and additional 1:1 support. We worked with partners such as Northumbria University and Solace Surf School to deliver a broad range of activities and educational input.

In November 2024 Young Lives won both Project of the Year and Social Action of the Year at the prestigious North East Youth Awards and in early 2025 the Youth Leadership group produced their short film 'Small Matters' which highlights the need for refugee youth voices and was showcased at a launch event at the Glasshouse International Centre for Music.

During this period, we began negotiations with Handcrafted with a view to developing a partnership for the provision of support to Unaccompanied Asylum Seeking Children (UASC). A due diligence process was conducted and in January 2025 it was agreed that a partnership could be formed to proactively tender for this contracted work.

InterAction

Though the numbers decreased slightly from the previous year we continued to engage with large numbers through our Newcastle drop-in, South Tyneside outreach work and through occasional events or activities. We saw over 2,500 attendances at our drop-in and helped 140 people navigate their local NHS services, linking them with GPs and other health services in South Tyneside.

This work was supported by 40 committed volunteers, 88% of whom have lived experience of migration and as well as providing essential support to others, gain valuable skills through their participation.

In the summer of 2024 we said goodbye to the project manager who had led the project for four years and following a thorough recruitment process, welcomed back a previous InterAction project officer to manage the delivery of this vital service.

Language and Learning

Having transitioned over the previous 12 months, this service underwent a period of embedding our Digital Inclusion work which started in November 2024, funded by Virgin Money Foundation, and Employability, which was initially a general program funded by the North of Tyne Combined Authority and then latterly specifically focussed on displaced international workers, funded by NEADASS.

We also continued to provide free English language classes which ran until December 2024 in both Newcastle and Sunderland and in 2025, because of a lack of funding, in Newcastle only. We delivered 595 classes which were supported by 48 dedicated and highly skilled volunteers and benefitted over 360 learners.

At the end of this period we said goodbye to the project manager who had managed the project for 2 years and fulfilled a pivotal role in the transition and development of its provision. We were successful in recruiting an excellent candidate who began shortly after and leads the further embedding of these changes and growth of the provision.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Accommodation Services

We continued to see significant demand for our Accommodation support throughout the year and although asylum decision making slowed following the general election in 2024, the waiting lists were such that many refugees still remain waiting for a place to live.

In our Lettings project we supported 95 newly recognised refugees, helping 45 to move into independent living and supporting 6 family reunions for people whose relatives were in other countries. In our Housing project we supported 12 destitute asylum seekers and across both projects we delivered 4,467 hours of support with 89% of all residents moving on positively.

We have also continued to be active in advocating for destitute or homeless migrants, engaging with national campaigns, sharing best practice with European partners and promoting regional conversations.

Financial review

The financial environment has again been positive, and with a continued focus on cost controls our income has exceeded expenditure, allowing us to maintain sufficient reserves and set aside funds for capital investment. Thankfully there were no significant events affecting the financial performance of the charity during this period.

Our principal source on income continues to be charitable activity, accounting for 46% of total income and the majority of which is Lettings activity. This is supplemented by grants (31%) and other income (23%). 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 implementation of our five-year Strategic Plan we launched our Business Development Strategy in 2023 to deliver on our ambitious priorities over the coming years. The strategy is to grow Action Foundation in a gradual and sustainable manner, with a focus on measured service growth and the addition of more supported accommodation, both through philanthropic landlords and property acquisition. Though we have not yet been able to expand our accommodation in this period, we were able through a generous donation from supporters to purchase a property from one of our existing landlords, reducing our costs and increasing our assets against which we could borrow to invest further.

Positive steps have been made in securing longer term funding streams including Comic relief, Children in Need and the new Digital Inclusion grant from Virgin Money Foundation, which with the continued support from The Mercer's Company, Refugee Action and the National Lottery, South Tyneside Primary Care Network and Tuixen, represent a solid foundation for securing grant funding with a shorter timeline for delivery. Work is ongoing to flex and adapt our services aligned to client needs, whilst attracting sustainable levels funding.

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, demonstrating their ongoing commitment and passion for our clients and our work. We attracted 24 runners for the Great North Run in September 2024, which is always a highlight of the fundraising calendar. Our Winter Campaign "Unwrap the Joy" was intended as a positive contrast to the increasingly hostile environment faced by migrants and again raised a significant sum which included match funding from Aviva Community Fund and their staff. As well as other regular donations, we received a single large donation of £160,000 from supporters for the purchase of a property.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Large or small, we are hugely grateful to everyone who donates or fundraises for our work. We would also like to thank all our funders and a list of Trusts and Foundations that have supported us over the last two years is on pages 21-22.

Overall, our income increased by 16% on the previous year, and we saw an increase in expenditure of 7%. We also made a significant transfer between funds of £160,000 which was donated for the purchase of a property, and free reserves therefore decreased to £101,352 (2024: £172,170). However, our fixed assets were increased by the same amount and total £503,026.

Reserves policy

Free reserves

Having considered financial risk, liquidity requirement and the timing of cash flows throughout the year, the Trustees' policy is to aim to maintain three months unrestricted expenditure (c. £95k) held in readily realisable assets. 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 general fund includes £503,026 which is tied up in tangible fixed assets.

Restricted funds

The charitable charity holds and administers a number of restricted funds. As at 31 March 2025 restricted funds totalled £95,116. These are not available for the general purposes of the charity.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Structure, governance and management

Constitution

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 five members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Methods of appointment or election of trustees

The number and skills of directors is regularly reviewed, and any gaps identified. Open recruitment is undertaken and following application and interview suitable candidates are invited to attend meetings, initially as observers, before being formally invited to join the board following discussion and agreement from both parties. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

Organisational structure

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 managing 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, The CastleGate as well as having a requirement to have at least one City Church elder as a Trustee of Action Foundation.

Decision-making arrangements

Organisational 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 seven 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.

Policies adopted for the induction and training of Trustees

Induction plans are used for Trustee induction and set out specific items 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 the 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 a cost of living uplift and incremental progression.

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.

Plans for future periods

As noted above, following excellent progress in other priorities we have now shifted our strategic focus to building our internal capacity, sustainability and readiness to respond. This focus on efficient systems, streamlined processes and organisational agility aligns with our Business Development strategy and will continue to strengthen our position over the coming years. To continue to strengthen our governance, trustee recruitment is again planned for 2026 following an internal skills audit.

Our services continue to grow and diversify, with Young Lives beginning support for UASCs in partnership with Handcrafted, a homelessness organisation based in County Durham, from October 2025, Afghan Resettlement in partnership with the Refugee Council beginning in November 2025 and mental health support groups and individual therapy piloted through a Home Office grant contracted through the North East Migration Partnership all representing new elements of support. This collaboration and partnership to deliver new support which complements our existing services is encouraging and ultimately impactful for our clients.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

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 year. 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.

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, Kinnair Associates Limited, 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 20 November 2025 and signed on their behalf by:



W A Coulson
Trustee



D P McAuley
Charity Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOUNDATION

Opinion

We have audited the financial statements of Action Foundation (the 'charity') for the year ended 31 March 2025 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 2025 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.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOUNDATION (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.

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:

- the engagement director 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 Charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- 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 the Charities Act 2011 et seq., and Charity Commission regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the 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 and 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; and
- tested journal entries to identify unusual transactions;

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

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;
- enquiring of management as to actual and potential litigation and claims; and
- requesting correspondence with HMRC, relevant regulators and the Charity's legal advisors.
- requesting unusual correspondence with HMRC, relevant regulators and, if we are put on notice of any issues, the Company's legal advisors.

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.

Detlev Anderson (Senior Statutory Auditor)

for and on behalf of

Kinnair Associates Limited

Chartered Accountants

Statutory Auditor

Aston House

Redburn Road

Newcastle upon Tyne

NE5 1NB

Date:

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations, legacies and grants	3	283,310	647,618	930,928	742,784
Charitable activities	4	365,881	441,374	807,255	749,816
Other trading activities	5	9,796	-	9,796	10,890
Other income	6	2,749	-	2,749	4,195
Total income		661,736	1,088,992	1,750,728	1,507,685
Expenditure on:					
Raising funds	7	83,320	-	83,320	101,594
Charitable activities	8	627,836	873,460	1,501,296	1,384,372
Total expenditure		711,156	873,460	1,584,616	1,485,966
Net (expenditure)/income		(49,420)	215,532	166,112	21,719
Transfers between funds	17	160,000	(160,000)	-	-
Net movement in funds		110,580	55,532	166,112	21,719
Reconciliation of funds:					
Total funds brought forward		493,797	39,584	533,381	511,662
Net movement in funds		110,580	55,532	166,112	21,719
Total funds carried forward		604,377	95,116	699,493	533,381

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

The notes on pages 17 to 35 form part of these financial statements.

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REGISTERED NUMBER: 6946097

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	503,026	339,434
		<u>503,026</u>	<u>339,434</u>
Current assets			
Debtors	14	44,479	43,460
Cash at bank and in hand		287,367	343,367
		<u>331,846</u>	<u>386,827</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(51,525)	(110,776)
Net current assets		<u>280,321</u>	<u>276,051</u>
Total assets less current liabilities		<u>783,347</u>	<u>615,485</u>
Creditors: amounts falling due after more than one year	16	(83,854)	(82,104)
Total net assets		<u><u>699,493</u></u>	<u><u>533,381</u></u>

ACTION FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 6946097

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Charity funds			
Restricted funds	17	95,116	39,584
Unrestricted funds	17	604,377	493,797
Total funds		699,493	533,381

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 20 November 2025 and signed on their behalf by:



W A Coulson
Trustee



D P McAuley
Charity Secretary

The notes on pages 17 to 35 form part of these financial statements.

ACTION FOUNDATION
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	20	109,000	82,276
Cash flows from investing activities			
Purchase of tangible fixed assets		(165,000)	-
Net cash (used in)/provided by investing activities		(165,000)	-
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(56,000)	82,276
Cash and cash equivalents at the beginning of the year		343,367	261,091
Cash and cash equivalents at the end of the year	21	287,367	343,367

The notes on pages 17 to 35 form part of these financial statements

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

The Charity is a private company limited by guarantee, registered in England and Wales, number 06946097. The registered office is The Castlegate Centre, Melbourne Street, Newcastle upon Tyne, NE1 2JQ. The Charity is also registered as a charity in England and Wales, Charity number 1132051.

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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Action Foundation 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 have been prepared on the historical cost basis.

The financial statements are prepared in Sterling, which is the functional currency of the Charity and amounts are rounded to the nearest £.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

2.2 Going concern

The Trustees are satisfied there are no material uncertainties affecting the Charity's ability to continue in operational existence as a going concern for at least a period of 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 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.

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 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.

Voluntary income is accounted for when received by the charity.

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.

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.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

2.5 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 raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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.

ACTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL 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:

Freehold property	- Nil
Office equipment	- 20% - 33%

Freehold buildings are not depreciated. In view of the planned maintenance programme in place at each property, making an allowance for the estimated cost of the land and the expected residual value, the Trustees consider that any depreciation of the freehold properties be immaterial.

2.7 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.

2.8 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.

2.9 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.

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 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.

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

3. Income from donations, legacies and grants

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations			
Donations	57,043	178,124	235,167
Gift aid	6,160	-	6,160
Donated services	143,965	-	143,965
Grants			
Comic Relief	33,750	-	33,750
Communities CAN	-	10,000	10,000
Home Office eVisa Fund	-	11,299	11,299
Newcastle City Council	-	33,250	33,250
Newcastle Fund	-	24,956	24,956
North East Association of Directors of Adult Social Services	-	49,000	49,000
North of Tyne Combined Authority	-	45,468	45,468
Platten Family Fund	-	10,000	10,000
Refugee Action	-	45,201	45,201
South Tyneside Know Your Neighbourhood Fund	-	46,569	46,569
The Mercers Company	-	35,000	35,000
The Tuixen Fund	34,000	-	34,000
Virgin Money Foundation	-	53,750	53,750
Asian Fund	-	2,000	2,000
Children in need	-	12,000	12,000
Clifford Chance	-	1,000	1,000
Gateshead Council	-	9,012	9,012
Hospital of God	1,000	-	1,000
Newby Trust	-	9,981	9,981
Newcastle Law Centre	-	4,000	4,000
Northumberland Village Homes Trust Fund	-	5,000	5,000
Proctor and Gamble	2,083	-	2,083
Northumbria University	-	4,008	4,008
Paul Hamlyn	196	-	196
Screwfix Foundation	-	8,000	8,000
Sir James Knott Trust	-	5,000	5,000
Swire Trust	-	25,000	25,000
The Wellesley Trust	-	10,000	10,000
The 1989 Willan Charitable Trust	2,500	-	2,500
The Barbour Foundation	-	10,000	10,000

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Income from donations, legacies and grants (continued)

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Other	2,613	-	2,613
Total 2025	283,310	647,618	930,928
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Donations			
Donations	81,793	-	81,793
Gift Aid	7,033	-	7,033
Donated facilities and services	218,929	-	218,929
Grants			
The Aurum Charitable Trust	35,000	-	35,000
Community Foundation	-	40,262	40,262
Gateshead Council	-	11,667	11,667
Greatham Hospital	3,000	-	3,000
The National Lottery	-	75,000	75,000
Newcastle City Council	-	13,700	13,700
Newcastle Fund	-	45,000	45,000
The North East Law Centre	-	8,992	8,992
The Paul Hamlyn Foundation	-	44,000	44,000
Porticus	-	33,313	33,313
Refugee Action	-	70,678	70,678
Sir James Knott	-	10,000	10,000
Tuixen Foundation	21,250	-	21,250
Virgin Money Foundation	13,750	-	13,750
Wilan Trust	7,500	-	7,500
Other	1,917	-	1,917
	390,172	352,612	742,784

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

3. Income from donations, legacies and grants (continued)

Included in the above income is a total of £143,965 for donated facilities (2024: £218,929 for donated facilities and services). This amount includes £nil (2024: £133,447) for volunteer teachers and assistants' time and £143,965 (2024: £85,482) for rent at market value.

Volunteer teachers and assistants' time is no longer included in services in kind as it is judged not to meet the criteria for recognition as services in kind required by the Charities' SORP.

4. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Language and Learning	-	-	-
Accommodation Services	319,909	441,374	761,283
InterAction	45,972	-	45,972
	<u>365,881</u>	<u>441,374</u>	<u>807,255</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Language and Learning	13,132	-	13,132
Accommodation Services	290,375	400,337	690,712
InterAction	45,972	-	45,972
	<u>349,479</u>	<u>400,337</u>	<u>749,816</u>

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Training income	9,796	9,796	10,890

6. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Other income	2,749	2,749	4,195

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Wages and salaries	72,666	72,666	86,474
Employer's NIC	5,886	5,886	7,938
Pension costs	4,578	4,578	3,236
Fundraising costs	190	190	3,946
Total 2025	83,320	83,320	101,594

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Language and Learning	148,150	166,425	314,575
Accommodation Services	400,254	534,358	934,612
InterAction	43,310	129,665	172,975
Data Project	11,304	22,346	33,650
Young Lives	24,818	20,666	45,484
	<u>627,836</u>	<u>873,460</u>	<u>1,501,296</u>

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Language and Learning	169,786	94,488	264,274
Accommodation Services	336,013	455,047	791,060
InterAction	21,744	209,446	231,190
Data Project	33,105	36,065	69,170
Young Lives	7,671	21,007	28,678
	<u>568,319</u>	<u>816,053</u>	<u>1,384,372</u>

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Language and Learning	304,449	10,126	314,575
Accommodation Services	870,267	64,345	934,612
InterAction	161,929	11,046	172,975
Data Project	31,809	1,841	33,650
Young Lives	39,041	6,443	45,484
	1,407,495	93,801	1,501,296

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Language and Learning	251,262	13,012	264,274
Accommodation Services	750,448	40,612	791,060
InterAction	219,808	11,382	231,190
Data Project	65,765	3,405	69,170
Young Lives	27,266	1,412	28,678
	1,314,549	69,823	1,384,372

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	<i>Total funds 2024 £</i>
Premises	32,483	20,568
General Office	11,018	22,946
Conferences & Training	2,929	2,562
Legal & professional fees	19,733	9,120
Travel	764	1,344
Marketing & Fundraising	13,005	4,361
Bank charges	765	576
Loan interest	1,750	1,750
Governance	11,354	6,596
	93,801	69,823

Governance costs are recruitment expenses of £2,474 and costs associated with the preparation and audit of the financial statements of £8,880.

Support costs are allocated between charitable activities as set out below: -

2025	Language and Learning	Accommodation Services	Interaction	Data Project	Young Lives	Total
Premises	3,573	22,088	3,898	650	2,274	32,483
General Office	1,212	7,493	1,322	220	771	11,018
Conferences & Training	322	1,992	351	59	205	2,929
Legal and professional	2,171	13,418	2,368	395	1,381	19,733
Travel	84	520	92	15	53	764
Market and Fundraise	1,431	8,843	1,561	260	910	13,005
Bank charges	84	520	92	15	54	765
Loan interest	1,750	-	-	-	-	1,750
Governance	1,249	7,721	1,362	227	795	11,354
Total 2025	10,627	62,595	11,046	1,841	6,443	93,801

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

10. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,950	2,500
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	1,450	1,150

11. Staff costs

	2025 £	2024 £
Wages and salaries	745,269	631,577
Social security costs	61,609	55,447
Contribution to defined contribution pension schemes	47,785	37,775
	<u>854,663</u>	<u>724,799</u>

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

	2025 No.	2024 No.
Employees	30	24

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

Key management personnel comprise the Chief Executive Officer and the two members of the Senior Leadership Team. The employee benefits received by these personnel comprised gross salary and employers' pension contribution and amounted to £154,998 (2024 £172,947).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
Cost or valuation			
At 1 April 2024	337,000	16,471	353,471
Additions	165,000	-	165,000
At 31 March 2025	502,000	16,471	518,471
Depreciation			
At 1 April 2024	-	14,037	14,037
Charge for the year	-	1,408	1,408
At 31 March 2025	-	15,445	15,445
Net book value			
At 31 March 2025	502,000	1,026	503,026
At 31 March 2024	337,000	2,434	339,434

14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	19,979	5,973
Other debtors	13,881	22,021
Prepayments and accrued income	10,619	15,466
	44,479	43,460

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	29,446	18,871
Other taxation and social security	-	13,554
Other creditors	200	4,491
Accruals and deferred income	21,879	73,860
	<u>51,525</u>	<u>110,776</u>

16. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Other loans	<u>83,854</u>	<u>82,104</u>

Other loans represent a loan from Commonweal Housing Limited which is due for repayment in April 2027. The loan is secured over one of the properties of the charity and attracts interest at 2.5% per annum.

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Unrestricted funds					
General Funds - all funds	493,797	661,736	(711,156)	160,000	604,377
Restricted funds					
Language and Learning	-	195,129	(162,688)	-	32,441
Accommodation Services	-	637,850	(476,823)	(160,000)	1,027
InterAction	584	142,492	(134,078)	-	8,998
Data Project	25,667	-	(25,667)	-	-
Young Lives	13,333	113,521	(74,204)	-	52,650
	39,584	1,088,992	(873,460)	(160,000)	95,116
Total of funds	533,381	1,750,728	(1,584,616)	-	699,493

A funds Transfer of £160,000 from restricted to unrestricted funds arose on the purchase of a property for which a £160,000 donation had been received in the year.

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2024 £</i>
Unrestricted funds				
General Funds - all funds	408,974	754,736	(669,913)	493,797
Restricted funds				
Language and Learning	34,596	59,892	(94,488)	-
Accommodation Services	12,196	442,851	(455,047)	-
InterAction	39,706	170,324	(209,446)	584
Data Project	16,190	45,542	(36,065)	25,667
Young Lives	-	34,340	(21,007)	13,333
	102,688	752,949	(816,053)	39,584
Total of funds	511,662	1,507,685	(1,485,966)	533,381

18. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2024 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2025 £</i>
General funds	493,797	661,736	(711,156)	160,000	604,377
Restricted funds	39,584	1,088,992	(873,460)	(160,000)	95,116
	533,381	1,750,728	(1,584,616)	-	699,493

ACTION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£
General funds	408,974	754,736	(669,913)	493,797
Restricted funds	102,688	752,949	(816,053)	39,584
	<u>511,662</u>	<u>1,507,685</u>	<u>(1,485,966)</u>	<u>533,381</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£	£	£
Tangible fixed assets	503,026	-	503,026
Current assets	236,730	95,116	331,846
Creditors due within one year	(51,525)	-	(51,525)
Creditors due in more than one year	(83,854)	-	(83,854)
Total	<u>604,377</u>	<u>95,116</u>	<u>699,493</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024</i>	<i>Restricted funds 2024</i>	<i>Total funds 2024</i>
	£	£	£
Tangible fixed assets	339,434	-	339,434
Current assets	347,243	39,584	386,827
Creditors due within one year	(110,776)	-	(110,776)
Creditors due in more than one year	(82,104)	-	(82,104)
Total	<u>493,797</u>	<u>39,584</u>	<u>533,381</u>

ACTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

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

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	166,112	21,719
Adjustments for:		
Depreciation charges	1,408	1,408
Decrease/(increase) in debtors	(1,019)	10,812
Increase/(decrease) in creditors	(57,501)	48,337
Net cash provided by operating activities	109,000	82,276

21. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	287,367	343,367
Total cash and cash equivalents	287,367	343,367

22. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	Other non- cash changes £	At 31 March 2025 £
Cash at bank and in hand	343,367	(56,000)	-	287,367
Debt due after 1 year	(82,104)	-	(1,750)	(83,854)
	261,263	(56,000)	(1,750)	203,513

23. Members' liability

Each member of the Charitable Company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he or she ceases to be a member.

ACTION FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. Related party transactions

City Church Newcastle is a related party as D Lyall is a Trustee of Action Foundation and an Elder at City Church Newcastle. During the year rent was payable to City Church Newcastle of £40,799 (2024: £52,221). At the balance sheet date there was no balance due to or from Newcastle City Church (2024: £nil).

