

ACTION 21 (2010)

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

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 and the Companies (Accounts) Regulations 2008, as amended, and the Financial Reporting Standard for Small and Medium-Sized Entities (FRSSE) 2008, as amended, and the Companies Act 2006, as amended, and the Financial Reporting Standard for Small and Medium-Sized Entities (FRSSE) 2008, as amended.

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Registered office and
Company address
The company is registered in England and Wales
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Statement of Financial Activities

The following statement shows the financial activities of the company for the year ended 31 March 2021

Income from sales	£10,000.00
Income from other sources	£10,000.00
Income from other sources	£10,000.00
Income from other sources	£10,000.00
Income from other sources	£10,000.00
Income from other sources	£10,000.00

Expenditure on sales	£10,000.00
Expenditure on other sources	£10,000.00

The following were amounts at 31 March 2021

Assets	£10,000.00
Liabilities	£10,000.00
Equity	£10,000.00

Subscribed and signed by the Directors and Trustees of the company on 31 March 2021
The company is registered in England and Wales
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Registered office and
Company address
The company is registered in England and Wales
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**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

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

The financial statements have been prepared in accordance with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administration information

Charity name: Action 21 (2010)
Also known as: Action 21
Charity registration number: 1136450
Company registration number: 07185413
Registered office and
Operational address: Re-Useful Centre
Unit 3 Milverton House
Court Street
Leamington Spa
Warwickshire
CV31 2BB

Directors/Trustees

The following served as Directors/Trustees during the year ended 31 March 2021

John Armstrong	resigned 25.7.21
Margaret Begg	
Mike Cronin	resigned 16.7.20
Chris Pollock	
Belinda Pyke	Chair
Juliet Nikels	appointed 25.7.21
Paula Raducan	appointed 16.7.20
Roger Twiney	
Jennifer Worrall	

Company Secretary

Mike Cronin	resigned 16.7.20
Paula Raducan	appointed 16.7.20

The following were members of staff on 31 March 2021

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

Independent Examiner

Dafferns LLP, Chartered Accountants, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB.

Bankers

Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB.

REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**Activities and charitable objects**

Action 21's vision is to reduce waste, promote reuse, increase knowledge and skills, and support its local communities in living more sustainably. Its formal charitable aims are to promote the protection and preservation of the environment for the public benefit by the promotion of waste reduction, re-use, reclamation, recycling, the use of recycled products and the use of surplus for the benefit of the inhabitants of the District of Warwick and its environs. To also advance the education and skills of the public in subjects related to sustainability in areas related to energy, food and transport.

The charity runs the Re-Useful Centre which has operated from 3 adjacent, leased units in Court Street, Leamington Spa since January 2015, and Emporium, a retail outlet operating from a leased property in High Street, Leamington Spa since June 2016, which incorporates a vintage shop and furniture restoration workshop. Emporium was closed down on 31 August 2020 due to loss of income during the COVID19 crisis. Action 21 also leases 2 local railway arches, which accommodate a bike workshop and store. One of the railway arches (Arch 6) was also closed on 31 August 2020 due to the same reason.

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

In order to increase re-use, the charity undertakes refurbishment of bicycles and some items of furniture to ensure items are of an adequate standard for sale. Hundreds of donated bikes are refurbished and sold each year, thereby providing a means of affordable sustainable transport for the local community. The charity's Dr Bike service provides free bike MOTs at public events, in order to further promote cycling as a form of sustainable transport.

Action 21 also tests electrical equipment for resale, allowing re-use of items that would otherwise be scrapped. Donated items which cannot be sold are broken down and sold for scrap, re-used, recycled or sold on to other companies for upcycling.

Action 21 intends to continue to run projects in the key theme areas of re-use, sustainable transport and education. The charity engages with a wide number of volunteers who deliver these activities. Some volunteers are drawn from vulnerable and disadvantaged groups who benefit from the vocational experience, training and social interaction.

On Tuesday 17 March 2020 the Re-Useful Centre and Emporium were closed to the COVID19 Coronavirus crisis and re-opened when the Government lifted the first lock-down. A further two lockdowns took place throughout 2020-2021 and the Re-Useful Centre traded for just 19 weeks.

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

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

Due to the restrictions from the COVID19 pandemic it was necessary for Action 21 to cancel a number of other projects during 2020-2021, including:

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

Volunteers

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

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

Marketing/Communications

The key aims of Action 21 are to maintain and expand public awareness of Action 21's projects and activities; to promote the Re-Useful Centre in order to increase donations and purchases; to promote volunteering opportunities in order to recruit new volunteers; and to publicise events in order to increase event attendance.

Action 21's website features volunteer profiles. Action 21's Facebook pages promote the day-to-day activities at the Re-Useful Centre and forthcoming events.

Public benefit

The trustees consider they have complied with their duty to have due regard to the guidance on public benefit, as published by the Charity Commission, in exercising their powers and duties.

Financial review of 2020/2021 and future financial outlook

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

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

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

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

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

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

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

Reserves policy

The Board of Trustees has adopted a policy that unrestricted funds should be held as reserves at a level that equates to a minimum of three months' unrestricted expenditure. This would enable the charity to continue to operate, in the event that unrestricted income ceased to be received or was significantly reduced, whilst consideration was given as to how to respond to the new circumstances. The unrestricted reserves at 31 March 2021 equated to 4.5 months of normal unrestricted expenditure.

Members of the Board

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

Structure, governance and management

Action 21 (2010) is a charitable company limited by guarantee and does not have a share capital. It was incorporated on 10 March 2010 and registered as a charity on 18 June 2010. Action 21 (2010) took over the assets and liabilities of its predecessor company, Action 21 (registered number 4150006), on 1 August 2010.

The governing document of Action 21 (2010) is its Memorandum and Articles of Association which were signed on 2 March 2010. The charity's trustees are also Directors of the Company. One third of the trustees retire by rotation at each Annual General Meeting. A retiring trustee is eligible for re-election.

The Board normally meets bi-monthly and is responsible for the strategic direction and policies of the charity. The General Manager attends all Board meetings and is responsible for running the charity. Individual Board members take on additional roles to support the General Manager in relation to finance, human resources, recycling and fund raising.

Trustee appointment, induction and training

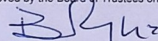
Individuals expressing an interest in becoming a trustee meet the General Manager and/or Chair and are then invited to attend a Board meeting before deciding whether to formally apply. The Board decides at its next meeting whether to co-opt the applicant, pending ratification at the next Annual General Meeting. Newly co-opted trustees are encouraged to visit the charity's premises to experience how the charity operates and to meet staff and volunteers. They are also given a copy of the last Annual Report and Financial Statements and copies of minutes of recent Board meetings.

Risk review

During the year the Board again reviewed the major risks to which it is exposed and identified systems or procedures to manage those risks. The Board considers that insurance cover and reserves are adequate to ensure the continued operation or orderly closure of the charity in the event of the occurrence of any unexpected incident.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 25 July 2021 and signed on its behalf by:



Belinda Pyke Chair/Director/Trustee

**INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF ACTION 21 (2010)**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021, which are set out on pages 7 to 12.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

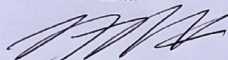
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 386 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Martin Gibbs FCCA
For and on behalf of Dafferns LLP
Chartered Accountants,
One Eastwood
Harry Weston Road
Binley Business Park,
Coventry, CV3 2UE.

13 September 2021

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

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations	4	-	-	-	1,300
Charitable activities	5	17,515	-	17,515	10,704
Other trading activities	6	114,197	-	114,197	179,236
Investments	7	65	-	65	318
Total		<u>131,777</u>	<u>-</u>	<u>131,777</u>	<u>191,558</u>
Expenditure on:					
Raising funds	8	142,469	-	142,469	213,724
Charitable activities	9	500	-	500	2,597
Total		<u>142,969</u>	<u>-</u>	<u>142,969</u>	<u>216,321</u>
Net income(expenditure)		<u>(11,192)</u>	<u>-</u>	<u>(11,192)</u>	<u>(24,763)</u>
Reconciliation of funds					
Total funds brought forward		80,447	3,538	83,985	108,748
Total funds carried forward		<u>69,255</u>	<u>3,538</u>	<u>72,793</u>	<u>83,995</u>

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

BALANCE SHEET AT 31 MARCH 2021
(REGISTERED NUMBER: 07185413)

	Note	£	2021 £	£	2020 £
TANGIBLE FIXED ASSETS	10				
CURRENT ASSETS					
Debtors	11	2,081		8,947	
Cash at bank and in hand	12	<u>78,952</u>		<u>83,549</u>	
		82,033		92,496	
CREDITORS					
Amounts falling due within one year	13	<u>(9,240)</u>		<u>(8,511)</u>	
NET CURRENT ASSETS			<u>72,793</u>		<u>83,985</u>
NET ASSETS			<u>72,793</u>		<u>83,985</u>
FUNDS					
Unrestricted funds			69,255		80,447
Restricted funds	14		<u>3,538</u>		<u>3,538</u>
			<u>72,793</u>		<u>83,985</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2021.

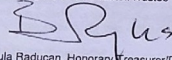
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

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

The financial statements were approved by the Board of Trustees on 25 July 2021 and were signed on its behalf by:

Belinda Pyke, Chair/Director/Trustee



Paula Raducan, Honorary Treasurer/Director/Trustee



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

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

1. General information and basis of preparation

Action 21 (2010) is a private company, limited by guarantee, registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote the protection and preservation of the environment for the public benefit by the promotion of waste reduction, re-use, reclamation, recycling, the use of recycled products and the use of surplus for the benefit of the inhabitants of the district of Warwick and its environs. To also advance the education and skills of the public in subjects related to sustainability in areas related to energy, food and transport.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling (£) which is the functional currency of the charity and rounded to the nearest pound. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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

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

2. Accounting policies

Fund accounting

Unrestricted funds are those available at the discretion of the trustees in furtherance of the charitable aims of the Charity.

Restricted funds are those available solely for the specific purposes of the donors.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SCFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants are included in full when receivable.

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

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It includes attributable VAT which cannot be recovered.

Expenditure has been attributed to raising funds and charitable activities as appropriate.

Tangible fixed assets

Assets costing more than £500 are capitalised.

Depreciation is provided at an annual rate of 20% (25% for the van) on a straight line basis in order to write the value of each asset off over its estimated useful life.

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

Debtors and creditors receivable / payable within one year

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

Operating leases

Costs in respect of operating leases are charged in arriving at the operating surplus on a straight line basis over the lease term.

	2021 £	2020 £
3. Net income		
Net income is stated after charging:		
Depreciation of tangible fixed assets	-	-
Operating lease costs	31,078	55,722
Trustees remuneration and other benefits	-	-
Reporting accountants' fees and other services	3,090	2,010
	<u>3,090</u>	<u>2,010</u>
	Unrestricted Funds £	Restricted Funds £
	Total 2021 £	Total 2020 £
4. Donations		
Donations	-	-
	<u>-</u>	<u>1,300</u>
5. Charitable activities		
Grants received	17,516	-
	<u>17,516</u>	<u>10,704</u>
6. Other trading activities		
Re-Usful Centre sales	60,102	-
Emporium sales	2,367	-
Government grants	51,728	-
	<u>114,197</u>	<u>114,197</u>
7. Investments		
Interest	65	-
	<u>65</u>	<u>318</u>
8. Raising funds		
Staff costs	70,971	-
Training, recruitment and DBS costs	-	-
Volunteers expenses	2,378	-
Electricity and water	5,689	-
Vehicle costs	2,648	-
Rent, rates and insurance	35,553	-
Telephone, office and marketing costs	2,236	-
Website, software and payroll costs	4,416	-
Reuse shop, bikes and other costs	6,840	-
Building maintenance and other premises costs	4,403	-
Protective clothing costs	4,232	-
Accounting & filing costs	3,090	-
Legal & other professional costs	13	-
AGM costs	-	-
	<u>142,469</u>	<u>142,469</u>
9. Charitable activities		
Events costs	-	-
Donations given	500	-
	<u>500</u>	<u>500</u>

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

	2021 £	2020 £			
10. Tangible fixed assets					
Cost					
At 1 April 2020 and at 31 March 2021	<u>6,441</u>	<u>6,441</u>			
Depreciation					
At 1 April 2020	6,441	6,441			
Charge for the year	-	-			
At 31 March 2021	<u>6,441</u>	<u>6,441</u>			
Net book value					
At 31 March 2021	-	-			
11. Debtors					
Trade debtors	240	567			
Prepayments and accrued income	1,641	2,350			
Railway Arches & Emporium deposits	-	6,030			
	<u>2,081</u>	<u>8,947</u>			
12. Cash at bank, in hand and in transit					
Unity Trust Bank	79,424	82,576			
Cash in hand & in transit	120	741			
Other funds	<u>408</u>	<u>232</u>			
	<u>79,952</u>	<u>83,549</u>			
13. Creditors falling due within one year					
Trade creditors	549	2,339			
Social security and other taxes	783	2,214			
Accruals	<u>7,908</u>	<u>3,958</u>			
	<u>9,240</u>	<u>8,511</u>			
14. Restricted Funds					
	Funds Brought Forward	Income Expenditure Transfers Funds Carried Forward			
	£	£ £ £ £			
RAWKUS(Warwick Uni) Donation	<u>3,538</u>	-	-	-	<u>3,538</u>
	<u>3,538</u>	-	-	-	<u>3,538</u>
15. Analysis of net assets between funds					
	Unrestricted Funds	Restricted Funds	Total Funds		
	£	£	£		
Tangible fixed assets	-	-	-		
Net current assets	69,255	3,538	72,793		
Fund balances	<u>69,255</u>	<u>3,538</u>	<u>72,793</u>		
16. Staff costs					
	2021 £	2020 £			
Salaries	68,055	104,435			
Employer's national insurance costs	1,010	5,092			
Employer's pension contributions	<u>1,106</u>	<u>2,066</u>			
	<u>70,171</u>	<u>111,593</u>			

The average number of persons employed by the charity during the year was 4 (2020: 5)
No employee received emoluments of more than £60,000.

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

17. Operating lease commitments

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

	2021	2020
	£	£
Not later than one year	11,509	34,437
Later than one and not later than five years	<u>11,508</u>	<u>34,437</u>

18. Purpose of restricted funds

This funding was granted by Warwick University (RAWKUS) in 2020/20 to provide assistance to schools in the area during annual Green Week and/or similar initiatives.

18. Transactions with trustees

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

20. Related party transactions

There were no material related party transactions during the period.