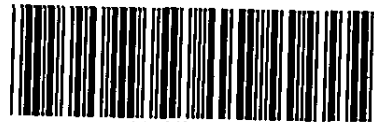


Registered number: 03381092
Charity number: 1066361

ACTION FOR MARKET TOWNS
(A company limited by guarantee)
**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2013

SATURDAY



A2MPQZIB

A26

07/12/2013

#393

COMPANIES HOUSE

WHITING & PARTNERS
Chartered Accountants & Business Advisers
Greenwood House
Greenwood Court
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 8
Independent auditors' report	9 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 22

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2013

Trustees

P B Eden, Chair
S J Bevan, Vice Chair
C L Hammant
P J Godfrey
G R. Morris
L Connolly
Dr J England
J Howarth
C Motley (resigned 19 October 2012)
R Fuller
L Turner
G H Butler (appointed 19 October 2012)

Company registered number

03381092

Charity registered number

1066361

Registered office

Unit 5, Baxter Court, High Baxter Street, Bury St Edmunds, Suffolk, IP33 1ES

Company secretary

C R Wade

Chief executive officer

C R Wade

Independent auditors

Whiting & Partners, Greenwood House, Greenwood Court, Skyliner Way, Bury St Edmunds, Suffolk, IP32 7GY

Bankers

Lloyds TSB Plc, 28-34 Risbygate Street, Bury St Edmunds, Suffolk, IP33 3AH

Solicitors

Parker Bullen, 45 Castle Street, Salisbury, Wiltshire, SP1 3SS

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Action For Market Towns (the company) for the year ended 31 March 2013. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005

Structure, governance and management

• **CONSTITUTION**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 June 1997

The company is constituted under a Memorandum of Association dated 4 June 1997 and is a registered charity number 1066361

• **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The company is governed by members of a board who are appointed as Directors under the Companies Act 2006 and as Trustees for charitable purposes. The Board of Trustees (which shall be not less than three but is not subject to any maximum) administers the charity. The Board meets three times a year, their meetings preceded by meetings of working groups covering member services and policy development. There is an executive group, consisting of the Chairman and Vice Chairman and the Chairmen and Vice Chairmen of the Working Groups, which meets in the period between each full board meeting. A Chief Executive – Chris Wade – is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and employment and related activity.

The Directors are elected at the Annual General Meeting of the company. One third in number of the Directors retire by rotation at the Annual General Meeting and are eligible for immediate re-election. All members are circulated with invitations to nominate Trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

• **POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

New Trustees receive an information pack and undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction period they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role, and to take part in one or other of the working groups.

• **RISK MANAGEMENT**

The Trustees have developed a risk management strategy which comprises an annual review of the risks the charity may face, cyclical review of individual operational areas, the establishment of systems and procedures to mitigate those risks identified in the plan, and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

'Risk' describes the uncertainty surrounding events and their outcomes that may have a significant effect,

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2013

either enhancing or inhibiting operational performance, achievements of aims and objectives or meeting expectations of stakeholders. This work is continuing but a key element in the management of financial risk has already been implemented, through the setting of a reserves policy, development financial management guidance and its regular review by Trustees.

Objectives and Activities

• **OBJECTIVES AND ACTIVITIES**

The principal activity of the company throughout the year was the provision of information and support to market towns throughout the United Kingdom.

The Company's objects are

- (1) To relieve poverty in small towns,
- (2) To educate members of the public generally so that their conditions of life may be improved,
- (3) To relieve persons who are in conditions of need, hardship or distress as a result of their social and economic circumstances,
- (4) To carry out any charitable purposes for the general benefit of the community generally as the trustees shall think fit,

This is achieved through promoting, supporting and assisting the members and providing a national focus for action on issues affecting the members.

• **STRATEGIES FOR ACHIEVING OBJECTIVES**

AMT describes itself as a membership organisation dedicated to promoting the vitality and viability of small towns through an integrated approach. This is achieved by:

- 1 Providing services and advice for market towns through membership,
- 2 Facilitating co-operation and mutual support between market towns through local and regional networks,
- 3 Serving as an authoritative voice for all market towns at a national level;
- 4 Being an effectively run organisation

These objectives match very well with AMT's three geographic areas of activity.

- Individual member towns mostly supported by remote services,
- Localised events and training supported by dedicated staff and services,
- Centralised lobbying and co-ordination with Government and national agencies

In Spring 2013, the Trustees and staff jointly carried out a detailed review of the charity's activities. The outcome of the review exercise was to prepare a Three-Year Strategy and Annual Business Plan for 2013-16. This three year strategy focused on the continued need for AMT to evolve as an organisation that more closely focuses on delivering impact and income. For these purposes, impact is defined as the tangible benefits from AMT's work with its member towns, income is about ensuring that the charity recovers at least the full cost of different aspects of its work and ideally makes a modest surplus to ensure future organisational sustainability.

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2013

Achievements and performance

• **ACHIEVEMENTS AND PERFORMANCE**

If you will excuse me being a little inward looking, I would like to tell you some of the headlines from AMT's biannual Strategic Review undertaken in Spring 2013. The review came on the back of a survey of members and customers designed to make sure we keep giving you all a good quality service. Like many of you, we faced the twin challenge of difficult economic times combined with an ever-increasing need for our work. Our solution was to not shy away from the fact that our work is valuable but to strive to deliver it in a way that it supports community groups and provides authoritative and good value guidance to local authorities.

The Strategy built on the conclusions and progress made from corresponding reviews in 2009 and 2011 to focus on:

- Boosting involvement and income from members including local authorities.
- Developing and marketing tangible products that deliver community-led planning and solutions and serve the Government's Localism agenda.
- Expanding the work of AMT in delivering authoritative research and local economic solutions.

Sometimes you have to look inwards to improve the offer to others and we believe that we have been true to these principles in the delivery of our work over the last year.

We've worked harder than ever on our members' behalf in the last 12 months by continuing to develop the services, expertise and the value we provide. When in January 2013, we repeated our membership survey, we were thrilled that members had noticed the difference. Overwhelmingly, members rated AMT's help as even more valuable over the last 12 months than ever before when we asked about a range of key performance indicators including:

- "AMT case studies help to find replicable best practice" -98.6% of members agree or strongly agree – up from 93.7% in 2012
- "AMT's policy guidance "provides analysis that I could not find elsewhere" / "has helped to increase my understanding and utilisation of relevant policy" -90.0% of members agree or strongly agree – up from 84.4% in 2012 and 71.7% at the start of 2011
- "AMT is an effective advocate at national level regarding policy that affects towns" -88.7% of members agree – up from 83% in 2012 and 71% at the start of 2011
- "AMT staff have unrivalled knowledge of policy and practice affecting market towns" -98.9% of members agree – up from 87% in 2012 and 76% at the start of 2011
- "AMT has significantly improved its member newsletter in 2012?" -84.5% of members agree or strongly agree (this was a new question for 2013)
- "AMT membership provides excellent value for money" -94.0% of members agree or strongly agree – up from 90.3% in 2012 and 82.9% at the start of 2011

The survey also asked what are the burning issues currently facing small towns. Business rates, high rents, car parking and competition from out of town retailers all featured highly, with business rates scoring as the most pressing issue for a majority of respondents but car parking consistently registering as a concern.

The Towns Alive programme has yet again made good progress this year due to a combination of improved services and the way in which it has successfully capitalised on the changing context through the refinement of our 'localism offer' including neighbourhood planning support for towns. The Towns Alive localism and town centre services continue to draw upon and promote the sharing of best practice.

AMT's growing database and knowledge of best practice is helped in no small part by the increased profile of the Market Town Awards, with 2012 adding further inspiring case studies to our pool of over 400 best practice examples.

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2013

Our consultancy and research arm, amt-i, has capitalised on the increased focus and need for its town centre solutions approach in light of the increased Government spotlight on High Streets and economic pressures. The work promotes the importance of a holistic approach to towns, as opposed to focusing purely on the retail offer and provides guidance to help towns understand how they can improve their 'offer' and footfall. The Town Benchmarking system has become a staple of the amt-i offering and now enables over a hundred towns to compare their yearly progress and spot and national trends.

As ever, a highlight of the year was the National Market Towns Convention which AMT organised in Kendal, Cumbria. The Convention attracted nearly 200 delegates from across the country including community partnerships, town councils and strategic organisations. Kendal provided a truly inspiring location to showcase and compare good practice in localism and town centre regeneration. The Gala Awards Dinner hosted by David Starkey and catered for by students from Kendal College was a truly memorable night.

All of this activity would not have been possible without the excellent and focused team at AMT supported by a very able Board. The pace of change seems only set to increase but I am confident that through AMT, its staff, directors and members, the communities of our nation's small towns will be better placed to adapt and prosper.

Financial review

- **RESERVES POLICY**

The Trustees have established a policy whereby the unrestricted funds held by the charity should be approximately 3 months of the normal operating costs, which equates to at least £50,000. At this level the management committee feels that they would be able to continue the current activities of the charity in the event of a significant drop in funding and bridge short-term funding gaps. It would obviously be necessary to consider how the funding would be replaced or activities changed if reserves cannot be maintained. The actual balance on unrestricted reserves at 31st March 2013 was £68,288.

- **MATERIAL INVESTMENTS POLICY**

The Trustees' investment powers are to retain surplus funds not immediately required in such investments, securities or property as appropriate subject to any legal restrictions. The Trustees have adopted an investment policy consistent with the needs of the charity so that deposited monies can be withdrawn easily with limited notice and without penalty, whilst earning a reasonable return on any surplus funds. Presently surplus funds are invested in a bank deposit account.

Plans for the future

- **FUTURE DEVELOPMENTS**

AMT's newly approved Three-Year Strategy incorporates the Towns Alive Business Plan and Member Services Review and gives a clear focus for AMT's future direction and work. Key priorities within this Strategy include evolving as an organisation that manages impact and income effectively by

Boosting involvement and income from members to provide some assurance of long-term stability. This will include giving a much stronger focus to recruiting local authority members, developing and re-sell tangible and fully-costed Towns Alive services/products as 'intellectual assets' that deliver community-led planning and solutions; expanding the work of amt-i through trading on AMT's and its own contacts, track record and expertise in delivering research and local economic solutions.

These ways of working should operate alongside AMT's continued focus in maintaining and improving

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2013

- A 'circle of authority' in policy & practice in localism and local enterprise 'campaigns' that will serve members and help in forming alliances for influence & joint funding of intellectual assets
- Targeted marketing and PR to provide 'calls for action' for new/existing members, customers, funders and decision-makers
- Internal working practices including clear financial management and reporting systems, measuring and demonstrating impacts, coordinated customer relationship management and good governance

PUBLIC BENEFIT

As required by Section 70 of the Charities Act 2006, AMT provides indirect charitable benefits across the whole of England and is a registered charity with charitable objectives that fit in with the new charitable headings as defined by the Act

The objects of the Trust are To relieve poverty in small towns, to educate members of the public generally so that their conditions of life may be improved, to relieve persons who are in conditions of need, hardship or distress as a result of their social and economic circumstances; to carry out any charitable purposes for the general benefit of the community generally as the Trustees shall think fit including the promotion of urban and rural regeneration, the promotion of community capacity building and the promotion of sustainable development The Trustees confirm that reference has been made to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the strategy for the next three years.

AMT's work is targeted at isolated rural and small former industrial towns that can be remote from the main urban areas and that can be difficult for public agencies to service and engage in strategy development AMT's community-led approach not only overcomes such isolation but through the guidance that AMT provides on community partnership development and planning, it also places a strong emphasis on being inclusive of marginalised and disadvantaged groups AMT also helps share good practice across the country in engaging disadvantaged groups such as the young, elderly and ethnic minorities including migrant workers

The nature of the public benefit served by AMT's work and the way it works to achieve this was clearly set-out in the business plan for its Towns Alive programme and associated work. AMT's commitment and focus on this role was carried forward as a core part of its 2013 Strategic Review.

This can be summarised through the identification of particular areas of need and a range of community beneficiaries as follows

Needs: Disadvantage, decline and development pressure

Small towns across the country face a wide range of issues though a common problem is the way their residents are disadvantaged because the towns are unable to maintain the full range of public and private services to meet local needs Even in apparently prosperous areas of the country, there will be market towns with a high level of deprivation Elsewhere, seemingly 'booming' towns will face social tensions including severe development pressure, a lack of affordable housing and pockets of severe deprivation

Beneficiaries: Town Partnerships/Teams, Town Councils and their Communities

Town Partnerships/Teams are community organisations that bring together, voluntary, public and private interests in an inclusive way to develop and deliver holistic regeneration plans Similarly, town councils are the first tier of elected government and can therefore have a leading role in building local consensus and influencing agencies to bring benefits to specific communities These groups face a range of challenges which AMT has analysed and seeks to address in its future work

Uncertain futures The uncertain future faced by Town Partnerships/Teams is characterised by limited knowledge, skills and lack of authoritative guidance on organisational development and forward planning for an

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2013

uneven distribution of resources between towns, regions and over time

Lack of strategic influence Despite some notable exceptions, MTPs suffer from a lack of strategic influence that is typified by limited understanding of, opportunities for, and individual or collective influence on, policy, strategy and practice at the local, sub-regional, regional and national levels

Lost opportunities for sharing experiences By the very nature of their isolated locations and limited capacity, Town Partnerships/Teams often lack opportunities for systematic sharing of knowledge, skills and good practice in planning, managing and programme delivery with their peers at the sub-regional, regional and national level

Delivery of Public Benefit The Towns Alive and Town Centres Solutions Programmes

AMT will address these identified needs amongst its targeted beneficiaries through its national Towns Alive and Town Centre Solutions programmes that has been devised to provide coordinated support for local community development across the country. These programmes have been designed to help Town Partnerships/Teams and Town Councils to become more effective as agents of change and progress in their towns. AMT's approach is to help communities to help themselves

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Action For Market Towns 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

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 charitable company'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, and to establish that the charitable company's auditors are aware of, that information

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2013

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Trustees on 5 November 2013 and signed on their behalf by



P. B. Eden, Chair

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR MARKET TOWNS

We have audited the financial statements of Action For Market Towns for the year ended 31 March 2013 set out on pages 11 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

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 2013 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.


ACTION FOR MARKET TOWNS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR MARKET TOWNS

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Paul Tatum (Senior statutory auditor)

for and on behalf of

Whiting & Partners

Chartered Accountants
Statutory Auditors

Greenwood House
Greenwood Court
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

5 November 2013

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	91,396	28,923	120,319	86,706
Investment income	3	58	-	58	80
Incoming resources from charitable activities	4	80,022	225,148	305,170	412,602
TOTAL INCOMING RESOURCES		171,476	254,071	425,547	499,388
RESOURCES EXPENDED					
Costs of generating funds	6	104,939	-	104,939	123,893
Charitable activities	7	41,562	265,989	307,551	420,033
Governance costs	10	10,396	-	10,396	10,624
TOTAL RESOURCES EXPENDED		156,897	265,989	422,886	554,550
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		14,579	(11,918)	2,661	(55,162)
<i>Total funds at 1 April 2012</i>		<i>53,709</i>	<i>20,542</i>	<i>74,251</i>	<i>129,413</i>
TOTAL FUNDS AT 31 MARCH 2013		68,288	8,624	76,912	74,251

The notes on pages 13 to 22 form part of these financial statements

ACTION FOR MARKET TOWNS
(A company limited by guarantee)
REGISTERED NUMBER: 03381092

BALANCE SHEET
AS AT 31 MARCH 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	14		8,946		13,143
CURRENT ASSETS					
Debtors	15	53,953		23,018	
Cash at bank		69,203		97,611	
		<u>123,156</u>		<u>120,629</u>	
CREDITORS: amounts falling due within one year	16	(55,190)		(59,521)	
NET CURRENT ASSETS			<u>67,966</u>		<u>61,108</u>
NET ASSETS			<u>76,912</u>		<u>74,251</u>
CHARITY FUNDS					
Restricted funds	17		8,624		20,542
Unrestricted funds	17		68,288		53,709
TOTAL FUNDS			<u>76,912</u>		<u>74,251</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 5 November 2013 and signed on their behalf, by



P B Eden, Chair



S J Bevan, Vice Chair

The notes on pages 13 to 22 form part of these financial statements

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 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 company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company 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.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

The principal sources of income received by the charity are accounted for as follows:

Fees Receivable – these represent charges made to participating members for the provision of services and are accounted for when invoiced and are included net of VAT.

Grant Funding and Contract Income – amounts received from funding bodies are accounted for in the period to which the income relates. Grant funding and contract income is received for the general purposes of the charity and for specific projects.

Income is deferred only when either a donor has specified that the funds are to be expended in a future period or fees receivable relate to a future period.

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds – this comprises costs incurred by the charity in generating funds to support its charitable activities and includes directly attributable costs and appropriate indirect costs.

Charitable expenditure – this comprises costs incurred by the charity in the delivery of its charitable activities, including costs associated with events such as conventions and annual award ceremonies. It includes costs that are directly attributable to the activity and indirect costs that are necessary to support the activities.

Governance costs – these comprise costs associated with meeting the constitutional and statutory requirements of the charity, including audit fees and costs associated with the AGM and similar board meetings.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Fixtures & fittings	-	25% reducing balance basis
Office equipment	-	25% - 33% reducing balance basis

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 Pensions

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

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

2. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Contract income	90,728	28,923	119,651	59,729
Other income	668	-	668	26,977
	<u>91,396</u>	<u>28,923</u>	<u>120,319</u>	<u>86,706</u>

3. INVESTMENT INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Bank interest receivable	58	-	58	80
	<u>58</u>	<u>-</u>	<u>58</u>	<u>80</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
General activities	58,330	192,647	250,977	359,529
Events	21,692	32,501	54,193	53,073
	<u>80,022</u>	<u>225,148</u>	<u>305,170</u>	<u>412,602</u>

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

5. GRANTS RECEIVABLE

	2013 £	2012 £
General Activities		
Big Lottery - BASIS and other	185,133	220,518
Department for communities and Local Government	-	80,000
North Yorkshire County Council - Towns-4-Towns	2,250	4,500
Cheshire East - Training Academy	-	4,000
SEEDA - Towns-4-Towns	-	500
Learning network	4,800	-
Sub total	192,183	309,518
Events		
Shropshire Council - 2011 Convention	-	10,000
South Lakeland Council - 2012 Convention	10,000	-
Sub total	10,000	10,000
Total	202,183	319,518

**6. RESOURCES EXPENDED -
COSTS OF GENERATING FUNDS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Insurance	88	-	88	22,213
Subcontractor costs	14,631	-	14,631	9,743
Project costs	2,622	-	2,622	12,893
Staff and chief executive expenses	10,447	-	10,447	6,239
Publications and stationery	661	-	661	-
Website costs	616	-	616	20
Office running costs	772	-	772	837
Event costs	-	-	-	2,228
Payroll costs	75,102	-	75,102	69,720
Total	104,939	-	104,939	123,893

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

7. CHARITABLE ACTIVITIES EXPENDITURE

SUMMARY BY FUND TYPE

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
General activities	22,377	248,870	271,247	363,736
Events	19,185	17,119	36,304	56,297
	<u>41,562</u>	<u>265,989</u>	<u>307,551</u>	<u>420,033</u>

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2013 £	Depreciation 2013 £	Other costs 2013 £	Total 2013 £	Total 2012 £
General activities	138,065	4,197	128,985	271,247	363,736
Events	-	-	36,304	36,304	56,297
	<u>138,065</u>	<u>4,197</u>	<u>165,289</u>	<u>307,551</u>	<u>420,033</u>

8. RESOURCES EXPENDED - GRANTS TO INSTITUTIONS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Endowment funds 2013 £	Total funds 2013 £	Total funds 2012 £
General activities	-	1,265	-	1,265	1,500

Grants up to a maximum of £500 were paid to several institutions in relation to the Towns for Towns Exchange project, allowing communities to exchange information and experiences with one another

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

9. RESOURCES EXPENDED - CHARITABLE ACTIVITIES

	General activities £	Events £	Total 2013 £	Total 2012 £
Subcontractor costs	38,488	-	38,488	111,528
Staff and chief exec exps	49,113	-	49,113	18,794
Publications and stationery	5,939	-	5,939	8,646
Website costs	8,253	-	8,253	8,723
Premises costs	11,453	-	11,453	10,446
Office running costs	2,645	-	2,645	2,645
Auditors remuneration	5,571	-	5,571	4,994
Event costs	-	36,304	36,304	51,716
Project costs	5,406	-	5,406	11,933
Other costs	577	-	577	3,408
Legal and professional fees	275	-	275	2,487
Wages and salaries	114,194	-	114,194	150,617
National insurance	19,167	-	19,167	21,792
Pension cost	4,704	-	4,704	4,704
Depreciation	4,197	-	4,197	6,100
	<u>269,982</u>	<u>36,304</u>	<u>306,286</u>	<u>418,533</u>

10. GOVERNANCE COSTS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Auditor's remuneration	3,342	-	3,342	2,996
Other costs	2,145	-	2,145	2,719
Payroll costs	4,909	-	4,909	4,909
	<u>10,396</u>	<u>-</u>	<u>10,396</u>	<u>10,624</u>

11. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets. - owned by the charity	4,197	6,100
Auditors' remuneration	3,342	2,996
Pension costs	4,704	4,704

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

12. STAFF COSTS

Staff costs were as follows

	2013 £	2012 £
Wages and salaries	194,205	225,246
Social security costs	19,167	21,792
Other pension costs	4,704	4,704
	<u>218,076</u>	<u>251,742</u>

The average monthly number of employees during the year was as follows

	2013 No.	2012 No
Chief Executive	1	1
Project Managers	3	3
Administration and Support	3	3
	<u>7</u>	<u>7</u>

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

13. TAXATION

No corporation tax arises on the activities of the company due to its charitable status

14. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Total £
Cost			
At 1 April 2012 and 31 March 2013	<u>4,113</u>	<u>40,672</u>	<u>44,785</u>
Depreciation			
At 1 April 2012	3,907	27,735	31,642
Charge for the year	60	4,137	4,197
At 31 March 2013	<u>3,967</u>	<u>31,872</u>	<u>35,839</u>
Net book value			
At 31 March 2013	<u>146</u>	<u>8,800</u>	<u>8,946</u>
At 31 March 2012	<u>206</u>	<u>12,937</u>	<u>13,143</u>

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

15. DEBTORS

	2013 £	2012 £
Trade debtors	48,871	16,126
Prepayments and accrued income	5,082	6,892
	<u>53,953</u>	<u>23,018</u>

16. CREDITORS:

Amounts falling due within one year

	2013 £	2012 £
Trade creditors	12,936	11,026
Other taxation and social security	21,985	16,953
Other creditors	550	502
Accruals and deferred income	19,719	31,040
	<u>55,190</u>	<u>59,521</u>

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Funds - all funds	53,709	171,476	(156,897)	68,288
Restricted funds				
Asset Development (Pageant House)	6,555	-	(2,731)	3,824
BASIS - Big Lottery Fund	3,987	249,271	(253,258)	-
Supporting Change - Big Lottery Fund	10,000	-	(10,000)	-
Learning Network Challenge Fund	-	4,800	-	4,800
	20,542	254,071	(265,989)	8,624
Total of funds	74,251	425,547	(422,886)	76,912

Description of restricted funds

Asset Development – Feasibility and good practice sharing for development of new offices community-owned assets

BASIS – Big Lottery Fund – Delivery of the 'Towns Alive' programme to support community partnerships and contribute to organisational and policy development within AMT.

Supporting Change fund - Business development work to aid the transition of AMT and increase it's trading activity

Learning Network Challenge Fund - Piloting of 'enriched' town benchmarking to capture wider economic and social value of town centres

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	7,133	1,813	8,946	13,143
Current assets	116,345	6,811	123,156	120,628
Creditors due within one year	(55,190)	-	(55,190)	(59,520)
	68,288	8,624	76,912	74,251

ACTION FOR MARKET TOWNS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

19. OPERATING LEASE COMMITMENTS

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	2013 £	2012 £
Expiry date:		
Within 1 year	4,076	-
Between 2 and 5 years	-	5,350
	<u>4,076</u>	<u>5,350</u>

20. RELATED PARTY TRANSACTIONS

During the year, no Trustees received any remuneration (2012 - £NIL)

During the year, no Trustees received any benefits in kind (2012 - £NIL)

8 (2012 - 8) Trustees received reimbursement of expenses during the year totalling £2,916 (2012 - £3,595) in respect of travel and subsistence relating entirely to the activities of the charity