

REGISTRARS COPY
REGISTERED NUMBER: 07185413 (England & Wales)



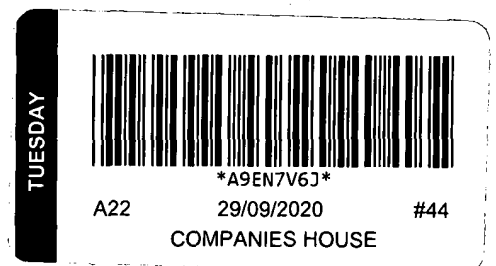
ACTION 21 (2010)

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

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2020



ACTION 21 (2010)

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FOR THE YEAR ENDED 31 MARCH 2020**

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ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2020. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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 2020

John Armstrong	Chair
Margaret Begg	
Peter Blackledge	resigned 12 May 2019
Mike Cronin	
Chris Pollock	
Belinda Pyke	
Roger Twiney	
Jennifer Worrall	appointed 22 May 2019

Company Secretary

Mike Cronin

The following were members of staff on 31 March 2020

Martin Smith	General Manager
Jane Gregg	Shop Manager
Ashley Hopkins	Shop Manager
Daryl Davies	Shop Manager
Emily Pettitt	Furniture Restoration Project 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.

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

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 the Emporium, a retail outlet which has operated from a leased property in High Street, Leamington Spa since June 2018 incorporating a vintage shop and furniture restoration workshop. Action 21 also leases 2 nearby railway arches, which house a bike workshop. The Re-Useful Centre receives donations of goods that would otherwise go to waste (principally landfill) and enables the public to buy and re-use them. During the year under review the facility has saved over 140 tonnes of donated manufactured 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 equipment 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, education and food. 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 shut down due to the Covid-19 Coronavirus crisis and hope to re-open when the Government lock-down is lifted.

Projects

In 2019/20 the charity continued to promote "skill share" activities intended to pass on traditional skills that support sustainable living. A regular fortnightly group called 'Craft Club' is run in partnership with Leamington Art Gallery and Museum.

Action 21 again had a stall at the annual Leamington Peace Festival selling a variety of items including; second hand goods, vintage clothing, renovated bicycles and up-cycled furniture.

In April 2019, Action 21 promoted and took part in Eco Fest (previously Eco Fun Day) involving a family friendly riverside walk and cycle ride, musical entertainment, stalls and exhibitions highlighting the work of local environmental groups and sustainability charities. This has developed and has become a regular annual event.

Action 21 again supported a number of local organisations by donating items from the Re-Useful Centre including; Operation Christmas Child (helping to fill shoe boxes for needy children in Romania and Ukraine, OWNBOOKS (a book recycling project to help young children without books at home), Leamington Weekend Shelter (an organisation set up to provide food and shelter for the homeless and vulnerable in Leamington), Vision Aid Overseas (an organisation recycling unwanted spectacles) and Repair Cafe Leamington which aims to keep items from being thrown away.

Other initiatives included donating books to The National Trust at Charlecote and undertaking

ACTION 21 (2010)

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

an environmental assessment of our local area with the involvement of students from Warwick University. The final report has been circulated to interested parties and is available on the Action 21 website.

Dobson Lane Community Allotments continues to be supported by Action 21 during the year.

The allotments, developed by the charity in 2010, and now run by the Allotments Association, encourage organic growing methods, promote home-grown fruit and vegetables as healthy and sustainable alternatives to supermarket produce.

Volunteers

Volunteers are a vital 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 projects as described above.

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

Marketing/Communications

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 and Emporium 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 and a comprehensive events calendar. Action 21's Facebook pages promote the day-to-day activities at the Re-Useful Centre and Emporium 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 2019/20 and future financial outlook

The financial statements show that a deficit of £26.8k, was incurred in the year to 31 March 2020. Although we anticipated a deficit this was in excess of expectations and resulted in a reduction in our general reserves (unrestricted funds) to £80.4k.

Overall income from all sources in the year amounted to £191.6k almost the same as last year. Trading activities for the year also remained static compounded by the loss of income in the last two weeks of the year due to the Coronavirus lockdown measures. Whilst Emporium increased its income by over 50% to £30.9k this was not matched elsewhere, with the Re-Useful Centre seeing its income disappointingly drop by 6% to £148.3k. The income from charitable donations remained similar to last year largely due to our benefiting from a donation from RAWKUS (The University of Warwick) of £3.5k to help promote activities in schools associated with Green Week and similar initiatives.

Expenditure in the year at £216.3k was 8% above the previous year. The bulk of the increase however continued to relate to increased staff and operational costs associated with development of Emporium and the associated furniture restoration activities.

At time of writing the business remains closed (since mid March 2020) as a result of government imposed lockdown measures associated with the Coronavirus pandemic. Whilst we have availed ourselves of government financial support schemes and have placed our staff on furlough, this obviously presents a major risk to the continuation of operations. Nevertheless in anticipation of an early relaxation, we are undertaking detailed planning for a safe re-opening as soon as possible once restrictions are lifted.

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

The existing Court Street leases have now only just over one year to run, expiring on 30 June 2021. 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 should the existing leases not be extended.

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

Although 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 Autumn 2020 remains under considerable uncertainty.

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 2020 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.

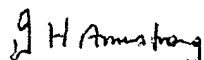
Risk review

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.

ACTION 21 (2010)**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

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 26 May 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J H Armstrong', is written over the printed name.

John Armstrong 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 2020, 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 396 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 2UB.

3 June 2020

ACTION 21 (2010)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:					
Donations	4	1,300	-	1,300	400
Charitable activities	5	7,166	3,538	10,704	10,963
Other trading activities	6	179,236	-	179,236	178,600
Investments	7	318	-	318	297
Total		<u>188,020</u>	<u>3,538</u>	<u>191,558</u>	<u>190,260</u>
Expenditure on:					
Raising funds	8	213,724	-	213,724	197,963
Charitable activities	9	<u>1,065</u>	<u>1,532</u>	<u>2,597</u>	<u>1,433</u>
Total		<u>214,789</u>	<u>1,532</u>	<u>216,321</u>	<u>199,396</u>
Net income/(expenditure)		(26,769)	2,006	(24,763)	(9,136)
Reconciliation of funds					
Total funds brought forward		<u>107,216</u>	<u>1,532</u>	<u>108,748</u>	<u>117,884</u>
Total funds carried forward		<u>80,447</u>	<u>3,538</u>	<u>83,985</u>	<u>108,748</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

ACTION 21 (2010)

BALANCE SHEET AT 31 MARCH 2020
(REGISTERED NUMBER: 07185413)

	Note	£	2020 £	£	2019 £
TANGIBLE FIXED ASSETS	10		-		-
CURRENT ASSETS					
Debtors	11	8,947		12,975	
Cash at bank and in hand	12	83,549		100,916	
		92,496		113,891	
CREDITORS					
Amounts falling due within one year	13	(8,511)		(5,143)	
NET CURRENT ASSETS			83,985		108,748
NET ASSETS			83,985		108,748
FUNDS					
Unrestricted funds			80,447		107,216
Restricted funds	14		3,538		1,532
			83,985		108,748

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2020.

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.

The financial statements were approved by the Board of Trustees on 26 May 2020 and were signed on its behalf by:

John Armstrong

John Armstrong, Chair/Director/Trustee

Mike Cronin

Mike Cronin, Honorary Treasurer/Director/Trustee

The notes on pages 9 to 12 form an integral part of these financial statements.

ACTION 21 (2010)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020****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 on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), 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 Practice as it applies from 1 January 2015.

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 (SOFA) 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.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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.

3. Net income			2020	2019
			£	£
Net income is stated after charging:				
Depreciation of tangible fixed assets			-	1,475
Operating lease costs			55,722	48,975
Trustees remuneration and other benefits			-	-
Reporting accountants' fees and other services			<u>2,010</u>	<u>2,070</u>
	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
4. Donations				
Donations	<u>1,300</u>	<u>-</u>	<u>1,300</u>	<u>400</u>
5. Charitable activities				
Grants received	<u>7,166</u>	<u>3,538</u>	<u>10,704</u>	<u>10,963</u>
6. Other trading activities				
Re-Useful Centre sales	148,344	-	148,344	158,524
Emporium sales	<u>30,892</u>	<u>-</u>	<u>30,892</u>	<u>20,076</u>
	<u>179,236</u>	<u>-</u>	<u>179,236</u>	<u>178,600</u>
7. Investments				
Interest	<u>318</u>	<u>-</u>	<u>318</u>	<u>297</u>
8. Raising funds				
Staff costs	111,593	-	111,593	98,900
Training, recruitment and DBS costs	599	-	599	251
Volunteers expenses	4,963	-	4,963	4,271
Electricity and water	7,980	-	7,980	8,342
Vehicle costs	2,207	-	2,207	2,817
Rent, rates and insurance	60,608	-	60,608	56,097
Telephone, office and marketing costs	4,090	-	4,090	4,387
Website, software and payroll costs	2,716	-	2,716	2,460
Reuse shop, bikes and other costs	9,644	-	9,644	10,100
Building maintenance and other premises costs	5,299	-	5,299	5,943
Protective clothing costs	432	-	432	293
Depreciation	-	-	-	1,475
Accounting & filing costs	2,010	-	2,010	2,070
Legal & other professional costs	1,513	-	1,513	487
AGM costs	<u>70</u>	<u>-</u>	<u>70</u>	<u>70</u>
	<u>213,724</u>	<u>-</u>	<u>213,724</u>	<u>197,963</u>
9. Charitable activities				
Events costs	(135)	1,532	1,397	1,433
Donations given	<u>1,200</u>	<u>-</u>	<u>1,200</u>	<u>-</u>
	<u>1,065</u>	<u>1,532</u>	<u>2,597</u>	<u>1,433</u>

ACTION 21 (2010)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £			
10. Tangible fixed assets					
Cost					
At 1 April 2019 and at 31 March 2020	<u>6,441</u>	<u>6,441</u>			
Depreciation					
At 1 April 2019	6,441	4,966			
Charge for the year	-	<u>1,475</u>			
At 31 March 2020	<u>6,441</u>	<u>6,441</u>			
Net book value					
At 31 March 2020	-	-			
11. Debtors					
Trade debtors	567	4,126			
Prepayments and accrued income	2,350	2,819			
Railway Arches & Emporium deposits	<u>6,030</u>	<u>6,030</u>			
	<u>8,947</u>	<u>12,975</u>			
12. Cash at bank, in hand and in transit					
Unity Trust Bank	82,576	96,965			
Cash in hand & in transit	741	3,687			
Other funds	<u>232</u>	<u>264</u>			
	<u>83,549</u>	<u>100,916</u>			
13. Creditors falling due within one year					
Trade creditors	2,339	1,917			
Social security and other taxes	2,214	-			
Accruals	<u>3,958</u>	<u>3,226</u>			
	<u>8,511</u>	<u>5,143</u>			
14. Restricted Funds	Funds Brought Forward	Income	Expenditure	Transfers	Funds Carried Forward
	£	£	£	£	£
Skills training	1,532	-	1,532	-	-
RAWKUS(Warwick Uni) Donation	-	<u>3,538</u>	-	-	<u>3,538</u>
	<u>1,532</u>	<u>3,538</u>	<u>1,532</u>	-	<u>3,538</u>
15. Analysis of net assets between funds		Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	
Tangible fixed assets		-	-	-	
Net current assets		<u>80,447</u>	<u>3,538</u>	<u>83,985</u>	
Fund balances		<u>80,447</u>	<u>3,538</u>	<u>83,985</u>	
16. Staff costs		2020	2019		
		£	£		
Salaries		104,435	93,469		
Employer's national insurance costs		5,092	4,202		
Employer's pension contributions		<u>2,066</u>	<u>1,229</u>		
		<u>111,593</u>	<u>98,900</u>		

The average number of persons employed by the charity during the year was 5 (2019: 5)
No employee received emoluments of more than £60,000.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020****17. Operating lease commitments**

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

	2020	2019
	£	£
Not later than one year	34,437	33,774
Later than one and not later than five years	-	23,100
	<u>34,437</u>	<u>56,874</u>

18. Purpose of restricted funds

This funding was granted by Warwick University (RAWKUS) in 2019/20 to provide assistance to schools in the area during annual Green Week and/or similar initiatives.

19. 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.