

Action in the Community Trust

Annual Report and Accounts

For the year to 31 March 2016

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Charity Information

| | |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charity Name: | Action in the Community Trust |
| Working Names: | The Speakeasy |
| Registered Numbers: | Company Number: 7550894 Charity Number: 1140949 |
| Registered Office: | 166 Richmond Road Cardiff CF24 3BX |
| Website address: | www.speakeasyadvice.org.uk |
| Trustees: | Norman Adams Robert Cruwys (resigned 25 th June 2015) Paul Francis Professor John Gallacher John Loosemore Madeline Rees Rachel Treseder Steve Williams |
| Centre Director: | Warren Palmer |
| Independent Examiner: | Steve Ellum & Associates Ltd Chartered Accountants Adulum House Glan Yr Afon Llanelli SA15 3QB |
| Bankers: | The Co-Operative Bank plc PO Box 250 Delf House South Way Skelmersdale WN8 6WT |

Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2016

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2016, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102) (effective 1 January 2015).

Objectives and Activities

As laid out in its governing document the charity exists for:

The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy provides free advice to some of the most vulnerable people within the community. Our main office is in Roath, Cardiff, but we also hold advice surgeries in the Central Advice Hub, in Cardiff's Central Library, working alongside Citizens Advice and local authority workers. We also have a Big Lottery funded project to provide outreach in Llanedeyrn, Pentwyn and Rumney, Cardiff.

Our main activities include:

- Delivery of free, high quality, legal advice and representation in the areas of debt, welfare benefits and housing;
- Acting on behalf of clients, dealing with their creditors, helping them to manage their finances better;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair;
- Advising clients on energy efficiency and helping those in fuel poverty to obtain grants: to pay off fuel debt, to repair or replace inefficient heating systems or essential household appliances.

Achievements and Performance

Developing projects and awards

Recognising that some of our clients need help beyond traditional areas of advice, we have run a **fuel poverty project** for the last four years, providing expert advice on utilities and energy problems and gaining grants for clients to pay off arrears of gas and electricity. In July 2015 we expanded this project, with funding from the British Gas Energy Trust, to work with GPs and other health professionals, holding clinics in surgeries and working with Macmillan, Gofal and other health charities to tackle the problem of people being unable to heat their homes. The link between inadequate heating, poor insulation, financial problems and poor health has been shown many times and this project aims to provide help to people identified by GPs, nurses and support agencies. Our work tackling fuel poverty was recognised when we were runners up in the **Feel the Heat Awards 2016**.

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Since 2014 we have worked with Citizens Advice - Cardiff & Vale to provide a **comprehensive welfare rights service** across the city. Working out of Cardiff's Central Library, and in other venues across the city, including our own offices, together we work to provide free debt, welfare benefit and housing advice. While Citizens Advice provide most of the generalist advice and respond to most initial enquiries, we provide specialist advice and representation for welfare benefit appeals, debt and housing problems.

We started our **East Cardiff Financial Inclusion Project** in February 2015, under Big Lottery funding. In this year we have established the project in the Llanedern and Pentwyn estates and started to run clinics from Rumney as well. Under this funding, an experienced adviser sees clients in community venues and helps with both debt and welfare benefit problems. The project is designed to be accessible for clients whether they require one-off advice or guidance, negotiation with creditors and bailiffs or representation at social security tribunals.

After a successful pilot, a **pro-bono employment clinic**, with solicitors from a number of Cardiff law firms forming a rota to provide free employment advice, has been held on alternate Wednesday evenings. With support of 30 – 40 local solicitors and funding from the Access to Justice Foundation, we have met an increasing demand for employment advice.

The efforts of all those involved were acknowledged in November 2015 when the clinic won the **Lawworks Cymru Pro Bono Award**. We aim to expand the clinic further this year, involving an additional solicitor each session and developing advice to clients further afield by way of Skype.

In addition to these projects, we continue to provide **free debt and welfare benefit advice** from our main office in Roath, Cardiff, holding drop-in clinics to ensure that advice is accessible while taking on casework where this is needed. We also started a **drop in clinic for housing problems** this year to build on the work we already carry out in the Central Advice Hub and this is another project that we aim to develop further this year.

Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

Structure, Governance and Management

Governing document

Action in the Community Trust is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

Recruitment and appointment of the Council of Management

The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

Induction and training of Trustees

The need for new Trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

Financial Review

Results

Net outgoing resources for the year amounted to £2,475 (2015: £906). Unrestricted funds carried forward at the year end were £400,397 (2015: £397,547). Restricted funds carried forward at the year end were £nil (2015: £5,325).

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Income Sources

The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors.

The Centre is particularly grateful to the following for the grants to us this year:

- The Big Lottery (People and Places),
- British Gas Energy Trust,
- Cardiff County Council,
- Legal Education Foundation,
- Lloyds Bank Foundation,
- NEA.

We are also grateful to our many individual donors for their continued support.

Reserves policy

The Charity holds reserves equivalent to three months' salary costs and owns its own building, with substantial equity.

Responsibilities of the Trustees

The trustees (who are also directors of Action in the Community Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

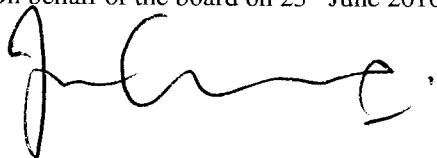
Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are prudent and reasonable
- State where applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

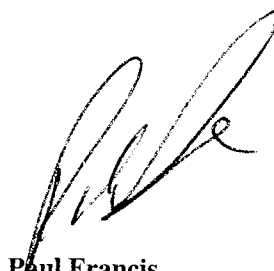
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 23rd June 2016



John Loosemore
Chair of Trustees



Paul Francis
Trustee

**Independent Examiner's Report
To the Members of Action in the Community Trust
For the Year to 31 March 2016**

Independent examiner's report to the trustees on the unaudited financial statements of Action in the Community Trust.

I report on the accounts of Action in the Community Trust for the year ended 31 March 2016 set out on pages 3 to 18.

Respective responsibilities of trustees and independent examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to examine the accounts under section 145 of the 2011 Act; to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

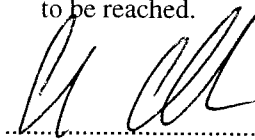
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 20/06/16

Action in the Community Trust – Annual Report
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**Statement of Financial Activities (including income and expenditure account)
For the Year Ended 31 March 2016**

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|---------------------------------------------------------------|-------|----------------------------|--------------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 17,713 | 37,273 | 54,986 | 76,988 |
| Charitable activities | 5 | 90,000 | 178,163 | 268,163 | 166,314 |
| Investments | | | | | |
| Bank interest received | 6 | 40 | - | 40 | 66 |
| Other | 7 | 4,408 | - | 4,408 | 5,649 |
| Total Income | | <u>112,161</u> | <u>215,436</u> | <u>327,597</u> | <u>249,017</u> |
| Expenditure on: | | | | | |
| Raising Funds | 8 | 10,159 | - | 10,159 | 10,983 |
| Charitable activities | 9 | 99,152 | 220,761 | 319,913 | 238,940 |
| Total Expenditure | | <u>109,311</u> | <u>220,761</u> | <u>330,072</u> | <u>249,923</u> |
| Net income/(expenditure) and Net movement in funds | | 2,850 | (5,325) | (2,475) | (906) |
| Reconciliation of Funds | | | | | |
| Total funds brought forward | | 397,547 | 5,325 | 402,872 | 403,778 |
| Total funds carried forward | | <u>400,397</u> | <u>-</u> | <u>400,397</u> | <u>402,872</u> |

The notes on pages 10 to 18 form part of these financial statements.

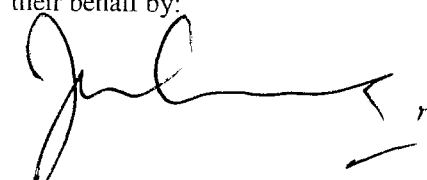
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**Balance Sheet
at 31 March 2016**

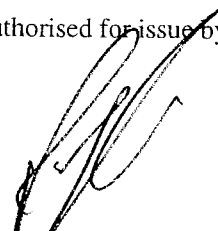
| | Notes | 2016 | | 2015 | |
|---------------------------------------------------|-------|---------------|----------------|---------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 337,871 | | 344,474 |
| Total fixed assets | | | <u>337,871</u> | | <u>344,474</u> |
| Current assets | | | | | |
| Debtors | 13 | 15,044 | | 3,023 | |
| Cash at bank and in hand | | 54,447 | | 60,872 | |
| | | <u>69,491</u> | | <u>63,895</u> | |
| Creditors: Amounts falling due within one year | 14 | 6,965 | | 5,497 | |
| Net current assets | | | <u>62,526</u> | | <u>58,398</u> |
| Total assets less current liabilities | | | <u>400,397</u> | | <u>402,872</u> |
| Net assets | | | <u>400,397</u> | | <u>402,872</u> |
| Represented by: | | | | | |
| Unrestricted funds | 15 | | 400,397 | | 394,547 |
| Restricted funds | 16 | | - | | 5,325 |
| | | | <u>400,397</u> | | <u>402,872</u> |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

These financial statements were approved and authorised for issue by the trustees on 23 June 2016 and signed on their behalf by:



John Loosemore
Chair of trustees



Haul Francis
Trustee

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Statement of Cash Flows for the Year Ended 31 March 2016

| | 2016 | 2015 |
|---------------------------------------------------------|----------------|----------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net income/(expenditure) for the financial year | (2,475) | (906) |
| Adjustments for: | | |
| Depreciation of tangible assets | 6,602 | 6,603 |
| Interest received | (40) | (66) |
| (Increase)/decrease in trade and other debtors | (12,019) | 4,743 |
| Increase/(decrease) in trade and other creditors | 1,467 | (13,040) |
| | <hr/> | <hr/> |
| Net cash used in operating activities | (6,465) | (2,666) |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Purchase of tangible assets | - | (4,976) |
| Interest received | 40 | 66 |
| | <hr/> | <hr/> |
| Net cash from/(used) in investing activities | 40 | (4,910) |
| | <hr/> | <hr/> |
| Net (decrease) in cash and cash equivalents | (6,425) | (7,576) |
| Cash and cash equivalents at start of year | 60,872 | 68,448 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 54,447 | 60,872 |
| | <hr/> <hr/> | <hr/> <hr/> |

“Cash and cash equivalents” consist entirely of “Cash at bank and in hand”.

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Notes to the Accounts for the year ended 31 March 2016

1. Company information

Action in the Community Trust is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

1.1 Basis of preparation of financial statements

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 (FRS102) (effective January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Action in the Community Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

This is the first year in which the financial statements have been prepared under the Charities SORP (FRS102); the date of transition was 1 April 2014.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and Charities SORP FRS102 the restatement of comparatives was required. No restatement was required.

Total income has increased to £328k and the trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

1.2 Incoming resources

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether “capital” or “revenue” grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

Notes to the Accounts for the year ended 31 March 2016

1.3 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Raising Funds represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

Charitable activities represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

Support costs are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

1.4 Fund accounting

The charity maintains various types of funds as follows:

General unrestricted funds represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

Restricted funds represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|---------------------------------|---|-----------------------------|
| Freehold Land and Buildings | - | Straight Line over 50 years |
| Fixtures fittings and equipment | - | 20% straight line |

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of this costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

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Notes to the Accounts for the year ended 31 March 2016

1.6 Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents and trade and other creditors.

1.7 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 the statement of financial activities.

1.8 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. For the purpose of the cash flow statement, cash and cash equivalents are net of bank overdrafts which are payable on demand.

2 Net income / (expenditure)

| | 2016 | 2015 |
|-----------------------------------------------------------------------|-------|-------|
| | £ | £ |
| The net income / (expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets: | | |
| Owned assets | 6,603 | 6,603 |

3 Donations and Legacies

| | Unrestricted funds | Restricted funds | Total 2016 | Total 2015 |
|------------------------------------------|--------------------|------------------|------------|------------|
| | £ | £ | £ | £ |
| Donations to the Speakeasy Advice Centre | 16,713 | - | 16,713 | 25,989 |
| Legal Educational Foundation | - | 33,773 | 33,773 | 12,052 |
| Access to Justice Foundation | - | 3,500 | 3,500 | - |
| Other Charitable Trusts | 1,000 | - | 1,000 | - |
| The Sheldon Trust | - | - | - | 10,500 |
| Lloyds Bank Foundation | - | - | - | 7,100 |
| Big Lottery | - | - | - | 2,047 |
| The Trusthouse Charitable Foundation | - | - | - | 9,000 |
| Eleanor Rathbone Charitable Trust | - | - | - | 3,000 |
| | 17,713 | 37,273 | 54,986 | 76,988 |

Income from donations and legacies was £54,986 (2015: £76,988) of which £17,713 (2015: £45,289) was unrestricted and £37,273 (2015: £31,699) was restricted.

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Notes to the Accounts for the year ended 31 March 2016

4 Total incoming resources

| | Total 2016 £ | Total 2015 £ |
|------------------------------------------|-----------------------------|-----------------------------|
| Donations and legacies | 54,986 | 76,988 |
| Grants from local authorities and trusts | 268,163 | 166,314 |
| Interest received | 40 | 66 |
| Other income | 4,408 | 5,649 |
| | <u>327,597</u> | <u>249,017</u> |

5 Incoming resources from charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|----------------------------------------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Local Authority Grants (Cardiff County Council) | 90,000 | - | 90,000 | - |
| British Gas Energy Trust | - | 137,994 | 137,994 | 83,412 |
| Big Lottery | - | 40,169 | 40,169 | 11,191 |
| | <u>90,000</u> | <u>178,163</u> | <u>268,163</u> | <u>166,314</u> |

Incoming resources from charitable activities was £268,163 (2015: £166,314) of which £90,000 (2015: £71,711) was unrestricted and £178,163 (2015: £94,603) was restricted.

6 Bank interest

| | Unrestricted Total Funds 2016 £ | Unrestricted Total Funds 2015 £ |
|--------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Bank interest receivable | 40 | 66 |
| | <u>40</u> | <u>66</u> |

7 Other income

| | Unrestricted Total Funds 2016 £ | Unrestricted Total Funds 2015 £ |
|--------------|--------------------------------------------------------|--------------------------------------------------------|
| Other income | 4,408 | 5,649 |
| | <u>4,408</u> | <u>5,649</u> |

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Notes to the Accounts for the year ended 31 March 2016

8 Costs of raising funds

| | Unrestricted Total Funds 2016 £ | Unrestricted Total Funds 2015 £ |
|-------------|--------------------------------------------------------|--------------------------------------------------------|
| Fundraising | 10,159 | 10,983 |

Costs of raising funds includes employment costs of £7,480 (2015: £9,456).

9 Cost of charitable activities – by fund type

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|---------------------------|----------------------------------------------|--------------------------------------------|---------------------------------------|---------------------------------------|
| Provision of legal advice | 99,152 | 220,761 | 319,913 | 238,940 |
| | 99,152 | 220,761 | 319,913 | 238,940 |

The cost of charitable activities was £319,913 (2015: £238,940) of which £99,152 (2015: £109,963) was unrestricted and £220,761 (2015: £128,977) was restricted.

10 Cost of charitable activities – by activity

| | Activities undertaken 2016 £ | Support costs 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|---------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------|---------------------------------------|
| Provision of legal advice | 272,470 | 47,443 | 319,913 | 238,090 |
| | 272,470 | 47,443 | 319,913 | 238,090 |

Activities undertaken directly include employment costs of £267,599 (2015 - £203,911). Support costs consist of office costs, travel costs and depreciation.

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Notes to the Accounts for the year ended 31 March 2016

11 Staff numbers and cost

| | 2016 | 2015 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| The average number of staff employed during the year was 14 (2015: 12). | | |
| The average number of full time equivalent staff employed by the charity during the year, analysed by category, including support staff was as follows: | Number | Number |
| Provision of legal advice | 11.5 | 9.0 |
| Fundraising | 0.5 | 0.5 |
| Provision of legal advice | <u>12.0</u> | <u>9.5</u> |
| | <u><u> </u></u> | <u><u> </u></u> |
| | £ | £ |
| Wages and salaries | 254,094 | 190,417 |
| Social security costs | 20,984 | 15,439 |
| | <u>275,078</u> | <u>205,856</u> |
| | <u><u> </u></u> | <u><u> </u></u> |

No staff member was paid more than £60,000 in the financial year. No trustee received any remuneration during the year (2015: £nil).

No trustee received any remuneration or payment of expenses during the year.

The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £37,263 (2015: £36,904).

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Notes to the Accounts for the year ended 31 March 2016

12 Fixed assets - Tangible

| | Freehold Property | Fixtures Fittings & Equipment | Total Assets |
|-----------------------|----------------------|-------------------------------------|-----------------|
| Cost | | | |
| At 1 Apr 2015 | 346,393 | 18,381 | 364,774 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 Mar 2016 | <u>346,393</u> | <u>18,381</u> | <u>364,774</u> |
| Depreciation | | | |
| At 1 Apr 2015 | 11,262 | 9,038 | 20,300 |
| Charge for the year | 2,927 | 3,676 | 6,603 |
| Disposals | - | - | - |
| At 31 Mar 2016 | <u>14,189</u> | <u>12,714</u> | <u>26,903</u> |
| Net Book Value | | | |
| At 31 Mar 2016 | <u>332,204</u> | <u>5,667</u> | <u>337,871</u> |
| At 31 Mar 2015 | <u>335,131</u> | <u>9,343</u> | <u>344,474</u> |

13 Debtors

| | 2016 £ | 2015 £ |
|--------------------------------|---------------|--------------|
| Trade debtors | 6,994 | - |
| Prepayments and accrued income | 7,024 | 1,313 |
| Other debtors | 1,026 | 1,710 |
| | <u>15,044</u> | <u>3,023</u> |

Other debtors include Gift Aid tax recoverable of £672 (2015: £356).

14 Creditors: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|---------------------------------|--------------|--------------|
| Trade creditors | 18 | 18 |
| Other taxes and social security | 5,695 | 4,459 |
| Accruals and deferred income | 1,252 | 1,020 |
| | <u>6,965</u> | <u>5,497</u> |

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15 Unrestricted funds

| | Balance at 1 Apr 2015 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2016 £ |
|---------------|-------------------------------|----------------------------|----------------------------|----------------|--------------------------------|
| General funds | 397,547 | 112,161 | (109,311) | - | 400,397 |

16 Restricted funds

| | Balance at 1 Apr 2015 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2016 £ |
|------------------------------|-------------------------------|----------------------------|----------------------------|----------------|--------------------------------|
| Lloyds Bank Foundation | 5,325 | - | (5,325) | - | - |
| Legal Educational Foundation | - | 33,773 | (33,773) | - | - |
| Access to Justice Foundation | - | 3,500 | (3,500) | - | - |
| British Gas Energy Trust | - | 137,994 | (137,994) | - | - |
| Big Lottery | - | 40,169 | (40,169) | - | - |
| | 5,325 | 215,436 | (220,761) | - | - |

The **Lloyds Bank Foundation** grant was to carry out free debt advice in Cardiff.

The **Legal Education Foundation** provided a grant, by way of its Justice First Foundation, to provide a training contract for a trainee solicitor

The **Access to Justice Foundation** provided a grant towards the running costs of the Cardiff Employment Law Pro Bono Clinic.

The **British Gas Energy Trust** grant was towards advising on energy debt and obtaining funds to address fuel poverty.

The **Big Lottery** funding was to set up a Financial Inclusion Project in East Cardiff.

17 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds £ | Total Funds 2016 £ | Total Funds 2015 £ |
|-----------------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Tangible assets | 337,871 | - | 337,871 | 344,474 |
| Cash at bank and in hand | 54,447 | - | 54,447 | 60,872 |
| Other net current assets/ (liabilities) | 8,079 | - | 8,079 | (2,474) |
| | 400,397 | - | 400,397 | 402,872 |

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18 Taxation

As a charity, Action in the Community Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

19 Related parties

The charity is connected with the following organisations:-

1. Glenwood Church Trust;
2. The Salt Trust;

Glenwood Church Trust is related as two of the trustees of the charity served as trustees of ACT during the financial year. These were John Gallacher and Rob Cruwys. During the year gifts of £1,500 (2015 - £1,500) were received from Glenwood Church. There were no outstanding balances at the year end.

The Salt Trust is related as two of the trustees of the charity served as trustees of ACT during the financial year. These were Norman Adams and Steve Williams. During the year gifts of £52 (2015 - £52) were received from The Salt Trust. There were no outstanding balances at the year end.

20 Company limited by guarantee

Action in the Community Trust is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

21 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

22 Transition to FRS 102

The company has adopted FRS 102 for the year ended 31st March 2016 and for the first time. The changes in accounting policies have been as follows:

Governance Costs are now included in support costs as a separate component;

The previous year-end was under the old UK GAAP and the change to FRS 102 has not required a prior year restatement, but allocation between categories has been changed.