



## **ACTION FOR KIDS CHARITABLE TRUST**

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### **TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE FINANCIAL YEAR  
ENDED 31<sup>st</sup> MARCH 2013**

**CHARITY REGISTRATION NUMBER: 1068841  
COMPANY REGISTRATION NUMBER: 3487626 (ENGLAND AND WALES)**



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## **ACTION FOR KIDS CHARITABLE TRUST**

**Charity name:** Action For Kids Charitable Trust

**Charity registered number:** 1068841

**Company number:** 3487626

**Principal & registered office:** Ability House  
15a Tottenham Lane  
Hornsey  
London N8 9DJ

**Trustees:** M. Lewis Chair  
(as at the date of this report) M. King Treasurer  
M. Harry  
D.E. Thomas

**Company Secretary  
& Chief Executive:** G.M. Duncan  
(as at the date of this report)

### **Professional advisors:**

**Auditors:** D Lee and Co.  
2<sup>nd</sup> Floor, Premier House  
309 Ballards Lane  
London N12 8LY

**Bankers:** HSBC Bank plc  
22 Victoria Street  
Westminster  
London SW1H 0NJ

Santander plc  
517 Green Lanes  
Haringey  
London N4 1AP

**Solicitors:** Blake Laphorn  
Seacourt Tower  
West Way  
Oxford OX2 0FB

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013**

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The Trustees of Action For Kids Charitable Trust ("the Charity") present their report and accounts for the year ended 31 March 2013.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the Accounts and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" revised in March 2005.

#### **Governing document**

The Charity was originally registered under a Deed of Trust in 1992, in response to the unique problems facing severely disabled children and their families and in recognition of the disparity between the numbers of such children and the availability of appropriate aid and support.

With effect from 1<sup>st</sup> April 1998, Action For Kids Charitable Trust was registered as a charity and a company limited by guarantee. It is governed by its Memorandum and Articles of Association (amended on 12<sup>th</sup> November 2012).

#### **Objects of the Charity**

The Objects of the Charity, as set out in the Charity's Memorandum of Association, are:

1. The relief of children and young people who are suffering from sickness or physical or mental disability by assisting them to lead full and independent lives and by any other means whatsoever.
2. The provision of support and assistance to the carers of children or young people suffering from physical or mental disability.
3. Such other charitable purposes as the Trustees may from time to time think fit.

There have been no changes in objects since the last Trustees' Report.

#### **Vision, Mission & Values**

During the year our Vision, Mission and Values were defined as follows:

*"Our **Vision** is a world where all disabled young people and their families receive the support and advice they need, when they need it, for as long as they need it."*

*"Our **Mission** is to help physically and mentally disabled children and young people find greater levels of independence and opportunity through the provision of appropriate aid and support."*

*"Our **Values** are based on friendliness, approachability, personal contact, dedication and openness."*

## **ACTION FOR KIDS CHARITABLE TRUST**

### TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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Subsequent to the year end, and following a strategic review undertaken by the trustees and senior management, the Vision, Mission & Values were amended to:

#### **OUR VISION**

***We want a world where all people living with a disability get to lead the life they choose.***

This means a world where everyone living with a disability:

- gets the support, education and training they need;
- lives with dignity and as independently as possible;
- feels part of their community and wider society;
- is understood by all professionals who support them;
- is respected for who they are by a knowledgeable public.

#### **OUR MISSION**

***We will transform the understanding of disability, and make sure young people living with a disability get the support they need, when they need it, for as long as they need it.***

To achieve this we will:

- involve, inform and empower young people living with a disability;
- provide the best possible tools, education and support;
- champion the rights and interests of people living with a disability;
- share our learning and experience;
- have a skilled and committed workforce.

#### **OUR VALUES**

We have five values that underpin everything we do:

##### ***We are passionate***

We were formed by someone who was passionate about ensuring a better future for young people with disabilities. That passion is still behind everything we do today.

##### ***We are straightforward***

We will tell you what we believe to be the truth about disabilities, its causes, effects and interventions. You have the right to know it – even if it is not always what you want to hear.

##### ***We are approachable and supportive***

We are an open and outward-looking organisation that makes it easy for people with disabilities and their families to seek our help. We build long-term friendships with those we work with.

##### ***We are demanding***

We won't stand for situations where people affected by disability do not receive the help, support and understanding they deserve.

##### ***We respect and value the individual***

We respect you and everyone else we come into contact with – young people we work with, staff, volunteers, visitors, other professionals, our supporters and funders - as individuals with unique contributions to make to our Mission.

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)**

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#### **PUBLIC BENEFIT**

The Trustees have reviewed the activities of the Charity and consider that, in line with the Charity's Objects, the Charity provides public benefit in a variety of ways, including:

- the advancement of education: by providing young people with disabilities with accredited courses in work and life skills;
- the promotion of equality and diversity:
  - by promoting opportunities for young people with disabilities to work and volunteer in the wider community
  - by providing opportunities for young people with disabilities to engage in sporting, artistic and social activities
- the relief of those in need by reason of ill-health and/or disability: by providing specialist mobility equipment, through loan or grant, to young people with disabilities;

All of the Charity's services are open to all members of the public irrespective of race, gender, religion or sexual orientation. Most of the Charity's services are provided without charge to the individual beneficiary.

#### **GOVERNANCE**

The strategic direction of the Charity is set by the Board of Trustees which is also responsible for ensuring compliance with the Charity's Objects and with charity and company law.

The trustees who were in office during the year to 31<sup>st</sup> March 2013 were as follows:

<i>Trustees:</i>	J. Bidston	Chair (resigned 18/12/12)
	M. Lewis	Treasurer (to 18/12/12), Chair (from 18/12/12)
	M. King	Treasurer (from 18/12/12)
	M. Harry	
	J. Szollar	(resigned 18/12/12)
	D.E. Thomas	
	P. Woodcock	(resigned 31/1/13)

<i>Company Secretary:</i>	J. Bidston	(resigned 18/12/12)
	G.M. Duncan	(from 7/1/13)

Following the resignation of three trustees during the year, the Board has decided to recruit up to four new trustees during the current year. A formal process by way of public advertisement is planned in order to recruit new trustees with the skills necessary to ensure effective governance of the organisation. New trustees of the Charity are appointed by the members of the Charity on the recommendation of the Board.

There is an induction process and all Trustees have a job description and are subject to a Code of Conduct. There is an annual Board Appraisal process and a Board Away Day annually where Board members receive appropriate training in their roles as charity trustees. Additionally, Board members can avail themselves of external training courses relevant to their roles as required and agreed.

The Charity has a Declaration of Interest policy that all Trustees and staff must comply with. None of the Trustees has any beneficial interest in the charity. All of the Trustees have a liability to contribute £1 in the event of a winding up of the company.

## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **Risk Management**

A comprehensive process is in place to identify any major risks to the Charity's users, staff, operations, reputation, income and assets, The Trustees have assessed these risks and are satisfied that systems are in place to mitigate exposure.

The Charity is an accredited Investor in People and this continues to help ensure that policies, procedures and controls are regularly reviewed, updated and where necessary improved. This assists us in minimising our risk exposure. The accreditation was successfully renewed during the year.

Our regular review of the charity's strategic plan continues and will ensure that the aims for the future properly take into account those challenges and risks identified as likely to arise.

### **MANAGEMENT**

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity and is accountable to the Board for the performance of the Charity. In turn, the Chief Executive appoints the other members of the Senior Management Team (SMT) and together they manage the Charity's activities.

#### ***Senior Management Team***

During the year the following were members of the Senior Management Team:

M.J. Hayes	Chief Executive (to 6/1/13)
G.M. Duncan	Chief Executive (from 7/1/13)
P. Townley	Finance & Corporate Services Director (Deputy CEO)
M. Galvin	Business Development Director (to 6/1/13) Executive Director, Services (from 7/1/13)
S. Bishop	Executive Officer (to 6/1/13)
D. Budd	Fundraising Director (to 12/4/13)
J. Read	Work Related Learning Director

#### ***Staff Induction & Training***

All new members of staff are provided with a comprehensive induction programme. All roles have a detailed job description and annual staff appraisals are carried out in addition to more informal supervision meetings. Training requirements are primarily identified by reference to personal work related objectives and other targets highlighted in the appraisals and which are directly linked to key performance indicators (KPIs) or objectives for the Charity as a whole.

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## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **CHARITABLE ACTIVITIES & ACHIEVEMENTS**

#### **MOBILITY EQUIPMENT**

During the year the Charity ordered 52 items of equipment to the value of £111,782 excluding on-costs. This was comprised of:

- 23 Trikes
- 11 powered wheel chairs
- 4 manual wheel chairs
- 4 Power packs
- 3 walkers
- 3 car seats
- 1 E-motion wheels
- 1 seating chair
- 1 seating system
- 1 sports wheel chair.

- 69% of equipment was provided to children and young people under the age of 18. The remaining 31% to young people aged 19-26.
- 56% of equipment was provided to male recipients, 44% to female.
- Equipment was provided to children and young people with a wide range of disabilities but the largest group by far, 35%, have cerebral palsy.

#### **Joint Funding**

During the year we have jointly funded items of equipment with: ACT Foundation, Children Today, Elifar Foundation, Treloar Trust, Joseph Patrick Memorial Trust, and several NHS Trusts.

#### **Waiting List**

At the end of the year there were 49 applicants on the waiting list to the value of approximately £194,000. In the earlier part of the year funding was restricted to smaller lower cost items to spread the available money across as many applicants as possible and for a time we did not fund high specification powered wheel chairs. This restriction was lifted in January.

#### **Maintenance**

The maintenance of powered wheel chairs is prohibitively expensive for many families so the Charity continues to pay servicing and repair costs for a number of years. In 2012-2013 the total spend was £32,964, an increase of 26% over the previous year. Judging by comments from our annual survey this aspect of our service is highly valued.

#### **Returned Equipment**

We have been able to reallocate 1 powered wheel chair in this period. 11 returned chairs and other equipment not suitable for reallocation were donated to Warrington Disability Partnership where the parts can be used in their mobility workshop.



## ACTION FOR KIDS CHARITABLE TRUST

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### YOUNG PEOPLE'S SOCIAL GROUP

In 2012-13 the weekly Young People's Social Group of approximately 19 young people met 41 times. The Group was facilitated by full time staff who volunteer their time and several parents. A range of activities was organised to support the development of young people's social and independent living skills as well as to provide an enjoyable evening. This has included cooking, music making, karaoke, bingo and several trips out to the theatre, pubs and bowling. In September 2012 there was a residential camping trip to Dorset.

### WORK-RELATED LEARNING

Work Related Learning delivered services to 408 people, 71% were referred from secondary or Further Education (FE), 15% were disabled people from the local community and 14% came via the Short Breaks Holiday Programmes.

#### Schools and Colleges (14 - 26 years)

Age	Educational Services	2012 - 2013	%	2011 - 2012
14 -19	Special Schools Work Experience	93	18%	79
14 -19	Mainstream School Wk Experience	7	-46%	13
16 - 26	Further Education Work Experience	51	155%	20
		<b>151</b>	<b>35%</b>	<b>112</b>

The Charity worked with 151 students from secondary and further education ("FE"); an increase of 35% on the previous year. The Charity has targeted disabled learners in FE Colleges as they are finding their college careers shortened by new funding arrangements. The Charity also developed good working partnerships with FE Colleges by offering both educational and outreach services.

Six of the students (aged 17 to 19 years) from a local special school worked with the Transition Officer toward work experience placements as part of their transition plans. Three students have been placed and the others are close to being so.

#### Young Disabled Adults in Transition (19 – 26 years)

		2012 - 2013	%	2011 - 2012
19 - 26	Young disabled adults in Transition	37	-27%	51

The Charity worked with 37 students, 10 of which worked with the Transition Officer towards a volunteering, supported employment or employment opportunity. Three of these students were placed in volunteering and work experience placements.

#### Disabled Adults from the Community (26 + years)

		2012 - 2013	%	2011 - 2012
26 yrs +	Disabled adults from the community	25	-19%	31

The Charity worked with 25 students, 9 of which worked with the Transition Officer towards a volunteering, supported employment or employment opportunity. Five of these students were placed and one student was placed on a work trial with an offer of a job if they are successful.

## ACTION FOR KIDS CHARITABLE TRUST

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### Short Breaks – Holiday Programme

Age	Holiday Short Breaks	2012 - 2013	%	2011 - 2012
14 - 18	Short Breaks Local Authority Funded	54	54%	35
14 - 26	Holiday Programme Self Funded	2	-33%	3
14 - 26	Holiday Programme Non Funded	2	-33%	3
		<b>58</b>	<b>41%</b>	<b>41</b>

During the year the Charity tendered successfully in Islington and Haringey to deliver Short Breaks for disabled young people and was awarded three-year contracts in both boroughs. The Short Breaks contract with Barnet was extended for another year. As part of the Haringey tender after school clubs were included for the first time, The Charity bid successfully to Islington for capital funding to purchase musical instruments and gardening equipment for the Short Breaks programme.

### Accreditation and Learning

Accreditations Undertaken and Completed	2012 - 2013	%	2011 - 2012
Actual No. of Students	110	51%	73
No. including repeats	198	51%	131

The Charity has worked with 51% more students than last year and, in addition to existing courses, has developed a range of new bespoke courses reflecting student requests and development needs. The courses included: Sensory Cookery, Cleaning kitchen work surfaces, Developing Domestic Skills, Work Experience (both supported and unsupported), Interview Skills, Dress and Grooming, Sharing Personal Information, Numeracy and Literacy courses.

### Public Sector Commissioning

Due to the phasing of particular local authority contracts, the income from the public sector was actually £104,558 against a target for 2012-13 of £112,000.

The Charity tendered successfully in Haringey for a three year contract to deliver a transition project to young people aged 14 -18 in Haringey schools. This enabled the appointment, at long last, of a Transition Officer/Job Coach.

We were also successful with a proposal to Haringey to pilot the use of multi-media technology with young people to enable them to participate meaningfully in their transition reviews. This is one of the outcomes of our Lottery Funded participation project 'Sparking Change' and has the potential to be replicated in other local authorities.

## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **Lottery Participation Project - Sparking Change**

2012-13 year marked the end of the Big Lottery-funded 'Participation' project, which has had considerable impact upon participation and student involvement within the Charity; this is most evident this year by the attendance of students at the Trustee Board and their involvement in the selection process of the new Chief Executive Officer.

An important outcome from the project has been the 'Sparking Change' web-based 'toolkit' which intends to help other organisations adopt a participative approach to working with beneficiaries. The website was launched at the House of Lords which attracted much attention. The Sparking Change website details were circulated to 500 charities and local authorities across the UK. A series of workshop events were organised in London and Birmingham to promote the toolkit and additionally the participation co-ordinator visited a number of local commissioners. As a result the Charity has secured funding for two projects that involve and further develop the 'Sparking Change' work.

### **Monitoring, Measuring and Evaluating**

Sparking Change has also provided the Charity with a methodology for measuring and evaluating work with young people. The electronic survey tool, young people's blogs, Comic Life and video records provide a rich source of information about what is being done and how well the Charity is doing it. The last year has seen this approach securely embedded in the organisation and provided invaluable data for fund raising and tendering.

### **SROI**

Measuring the social return on investment (SROI) to demonstrate the cost/benefit of services is now well established in the Charity. The first report focussed on benefits to young people who attend regularly the Charity over a long period of time. The latest report, carried out during the year, looked at the Charity's work with young people on both long and short term placements. It calculated that for every £1 spent on these services, £5.47 of social benefit was generated.

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## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **FUNDRAISING ACTIVITY**

In the current exceptionally difficult economic environment fundraising for all charities has been very challenging. The Charity is very fortunate that it has a broad base of income from a range of different sources and so managed to maintain total income at the same level as the previous year. The highlights from the main income streams are as follows:

#### **Trusts**

One of the main highlights of the year was winning the "Reaching Communities" grant from the BIG Lottery which is worth £294,000 over three years. Particular grants received from trusts during the year included those from the Henry Smith Charity (£29,800) as the final instalment of a three year grant and a match-funding grant of £25,000 from the ACT Foundation. Overall income in the year from Trusts fell from £341,129 to £301,900.

#### **Raffle**

The Charity runs a national raffle, income from which rose to £620,003 from £514,727 the previous year. However, this was partly offset by a significant increase in direct operating costs such as postage and data costs. The raffle is an essential element of the work experience we are able to offer to young people who come to the Charity from schools and colleges. In addition, the raffle provides a cost-effective way of generating new regular donors so the cost-benefit has to be assessed in the wider context of the Charity's medium term fundraising.

#### **Corporate partnerships, Events & Community Fundraising**

The Charity is fortunate to have a number of strong corporate partnerships where the partners contribute both financially and through in-kind support. Corporate volunteers have worked with the Charity's users on projects such as money skills training and interview skills. In addition, a number of organisations have provided work experience opportunities for the Charity's users. Particular thanks are due to GamesAid, Devonshires Solicitors, Petit Papillon, Greggs the Bakers, Barclays Bank, Sainsburys and the Co-op.

The twin centrepieces of the Charity's events programme were the 4<sup>th</sup> Annual Beach Volleyball Championship held at Broadgate in the City of London and the inaugural Action For Kids Comedy Gala held in central London. As well as raising funds, both events were very successful and introduced new audiences to the Charity and raised awareness of the skills and potential contribution of young people with disabilities.

Overall income from Corporate Partnerships, Events & Community Fundraising fell slightly from £305,677 to £292,002.

#### **Regular giving**

The Charity has a strong base of committed individual supporters who give every month through direct debits or standing orders. This source of income has helped insulate the Charity from reductions in public funding but it requires constant re-investment to replace donors who, for one reason or another are no longer able to continue their support. Income from this source held steady at £426,211.

#### **Direct Mail**

As with Regular Giving, Direct Mail fundraising through regular appeals requires constant reinvestment to maintain donations. This year Direct Mail managed to increase income from £218,326 to £239,015.

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)**

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#### **REVIEW OF FINANCIAL POSITION**

The last financial year has again been extremely challenging, not only for the Charity but also, of course, for everyone in the not for profit sector. Despite this, we are pleased to report that we have maintained the range of services we provide, although this has resulted in an overall deficit of £169,234 for the year, compared to one of £47,611 in the previous year. Despite the continued utilisation of restricted funds for the projects we undertake, our unrestricted funds showed a deficit of £109,515 compared to a surplus of £6,021 previously.

The fall in income recorded last year has been halted and total income this year at £2,191,735 is at the same level as in the previous year. We again want to express our gratitude to our supporters for their loyalty and commitment.

Income was below our target for the year and the shortfall did require us to revise budgeted spending across all our services.

Although income remained at the same level, our total expenditure on charitable activities, as included in the Statement of Financial Activities, was £1,991,903 and is an increase of 8% on the previous year and is also a record total. We have continued to develop all our areas of work and are very pleased to announce that we have secured a new 3 year Big Lottery Grant for our new "Life Skills" project.

The costs relating to the governance of the charity at £72,181 are consistent with the previous year and remain at 3% of total incoming resources.

Costs of generating voluntary income has decreased once again, this year by 7% from £396,875 to £369,066 as a result of a stronger focus on activities undertaken. The costs are now under 17% of total incoming resources compared to 18% last year. Voluntary income accounts for 75% of our income, down from 79% previously.

Total reserves amount to £1,067,380, including £627,400 of restricted funds which has reduced from the balance at the end of last year of £687,119. In total, £860,456 of total funds is required to finance fixed assets. Unrestricted reserves have fallen by £109,515 with the year end balance being £439,980.

Although free unrestricted reserves at the 31<sup>st</sup> March 2013 amount to £101,101, which is less than one month's expenditure, it should also be recognised that we are very fortunate in having an extensive range of income streams with many ensuring ongoing committed funding.

However, it is recognised that we need to ensure that the future financial performance of the Charity is improved in order for our present operations to be sustained at their current level and this is a key objective and priority within the Strategic Plan for the current and forthcoming years

In the context of the future plans for the charity, the directors/trustees believe that the funds of the charity are adequate on a fund-by-fund basis to fulfil the obligations of the charity.

## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **Operational Objectives 2013 – 2016**

During 2013 – 2016 the Charity will:

- continue to involve the young people it works with in planning and delivering our services; enhance the impact and scale of its services by:
  - a. expanding the mobility equipment programme, prioritising the impact on young people's lives rather than the number of people supported
  - b. reshaping the education and training provision for young people to focus on each one's individual long term needs, working with their school or college
  - c. reshaping support for young adults to focus on helping each individual prepare, with their family, for their personal journey beyond Action For Kids
  - d. creating an effective programme for our existing cohort of older users to support them to move on
  - e. delivering more support at locations across the eight boroughs in which we work
  - f. creating the capacity to respond, in a flexible way, to opportunities to develop and deliver new services;
- develop relationships with other organisations to provide the support that young people want and need;
- make Action For Kids better known by those affected by disabilities, and by stakeholders, within the eight boroughs in which we work and beyond;
- support and train its staff to develop the skills they need to deliver the new ways of working;
- rebuild unrestricted cash reserves through the retention of operating surpluses.

## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **POLICIES & OTHER DISCLOSURES**

#### **Grant-making policy**

In providing mobility aids which are appropriate for disabled children and young persons the charity assesses each applicant in accordance with the following criteria in descending order of importance:

- 1 Those in greatest need as judged by their level of disability, their current resources and the likely improvement to result from the provision of the mobility aid;
- 2 The length of time which has elapsed since their need for the mobility aid became apparent;
- 3 The length of time which has elapsed from the date of their application to the Charity;
- 4 The cost of the mobility aid required;
- 5 Any other appropriate factors.

#### **Reserves policy**

It is the policy of the Charity that we aim for unrestricted funds that have not been designated for new projects to be at a level equivalent to six months expenditure on revenue items and charitable assets combined. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

#### **Specific investment powers**

The charity has the power to make any investment the Trustees see fit.

#### **Asset cover by fund**

Note 18 (below) sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

#### **Disclosure of information to auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

#### **Appointment of auditors**

A resolution proposing that D Lee & Co. be reappointed as auditors of the company will be put to the Members.

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## **ACTION FOR KIDS CHARITABLE TRUST**

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013 (*continued*)

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### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of Action For Kids Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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### **Signature and Declaration**

**I declare, in my capacity as charity Trustee, that the Trustees have approved the report above and have authorised me to sign it on their behalf.**

Signature:

Date: 13<sup>th</sup> August 2013

\_\_\_\_\_  
Mark Lewis  
Chair



## **ACTION FOR KIDS CHARITABLE TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR KIDS CHARITABLE TRUST**

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We have audited the accounts of Action For Kids Charitable Trust for the year ended 31<sup>st</sup> March 2013 set out on pages 17 to 27. These accounts have been prepared in accordance with the accounting policies set out on pages 19 and 20.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of Action For Kids Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the accounts give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**ACTION FOR KIDS CHARITABLE TRUST**

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF ACTION FOR KIDS CHARITABLE TRUST *(continued)*

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**Opinion**

In our opinion:

- the accounts give a true and fair view of the state of the charity's affairs as at 31<sup>st</sup> March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the accounts have been prepared in accordance with the Companies Act 2006; and
- In our opinion the information given in the Trustees' Report is consistent with the accounts.

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Mr D Lee (Senior Statutory Auditor)  
for and on behalf of D Lee & Co.

Chartered Certified Accountants  
Statutory Auditor  
2nd Floor, Premier House  
309 Ballards Lane  
London  
N12 8LY

Dated:

## ACTION FOR KIDS CHARITABLE TRUST

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

	Notes	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
<b><u>Incoming resources</u></b>					
<b>Incoming resources from generated funds</b>					
Voluntary Income	2	1,194,058	447,107	1,641,165	1,740,544
Investment income	3	242	-	242	328
<b>Incoming resources from charitable activities</b>	4	<b>550,328</b>	<b>-</b>	<b>550,328</b>	451,126
<b>Total incoming resources</b>		<b>1,744,628</b>	<b>447,107</b>	<b>2,191,735</b>	2,191,998
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income		369,066	-	369,066	396,875
<b>Charitable activities</b>					
Grants payable	5	26,634	58,025	84,659	70,233
Mobility Aids Project		48,781	150,045	198,826	214,661
Work Related Learning Services		1,166,745	298,756	1,465,501	1,305,742
Direct Assistance Project		42,136	-	42,136	44,558
Family Welfare Project		128,600	-	128,600	135,792
<b>Governance Costs</b>		<b>72,181</b>	<b>-</b>	<b>72,181</b>	71,748
<b>Total resources expended</b>	6	<b>1,854,143</b>	<b>506,826</b>	<b>2,360,969</b>	2,239,609
<b>Net incoming (outgoing) resources</b>		<b>(109,515)</b>	<b>(59,719)</b>	<b>(169,234)</b>	(47,611)
<b>Reconciliation of Funds</b>					
Total funds brought forward 1 April 2012		549,495	687,119	1,236,614	1,284,225
<b>Total funds carried forward 31 March 2013</b>		<b>439,980</b>	<b>627,400</b>	<b>1,067,380</b>	1,236,614

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There are no recognised gains and losses other than those passing through the Statement of Financial Activities.

All incoming resources and resources expended derive from continuing activities.

## ACTION FOR KIDS CHARITABLE TRUST

### BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2013

	Notes	£	2013	£	2012	£
<b>Fixed assets</b>						
Tangible assets	10			981,467		1,055,575
Investments	11			3		3
				<u>981,470</u>		<u>1,055,578</u>
<b>Current assets</b>						
Debtors	12	75,564			80,004	
Cash at bank and in hand		277,071			419,170	
		<u>352,635</u>			<u>499,174</u>	
<b>Creditors: amounts falling due within one year</b>	13	(196,269)			(195,989)	
<b>Net current assets</b>				156,366		303,185
<b>Creditors: amounts falling due after one year</b>	14			(70,456)		(122,149)
<b>Total net assets</b>				<u>1,067,380</u>		<u>1,236,614</u>
<b>Income funds</b>						
Restricted funds	16			627,400		687,119
Unrestricted Funds	17			439,980		549,495
				<u>1,067,380</u>		<u>1,236,614</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 13<sup>th</sup> August 2013 and signed on its behalf by:

\_\_\_\_\_  
M King – Treasurer & Trustee

Company Registration No. 3487626

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

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### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) revised in March 2005, applicable accounting standards and the Companies Act 2006.

The Charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

#### 1.2 Incoming resources

Donations, gifts, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

#### 1.3 Resources expended

All expenditures are included on an accrual basis and are recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The Charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

The grants were all grants of equipment to disabled persons accounted for at cost.

Costs of generating funds included salary, direct expenditures, and overheads costs of the staff to promote fundraising including events.

Governance costs are those incurred in connection with administration of the charity and compliance of constitutional and statutory requirements.

Resources expended allocated to the particular activity are the costs related to that activity and apportionments based on the percentage of total wages and salaries and floor area.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% on straight line
Improvement to leasehold building	over the lease period of 3 years
Charitable assets	25% on reducing balance
Fixtures, fittings & equipment	15% on reducing balance
Motor vehicles	25% on reducing balance

No depreciation is provided in respect of freehold land.

#### 1.5 Investments

Fixed asset investments are stated at cost.

#### 1.6 Pensions

The pension costs charged in the accounts represent the contributions payable by the charity during the year in accordance with FRS 17.

#### 1.7 Operating leases

Rentals payable under operating leases are charged against income on the straight line basis over the lease term.

#### 1.8 Accumulated funds

Restricted funds are subject to specific conditions by doctors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts. The trustees have decided that setting aside funds in this way is useful financial disciplines which will help the charity make the best use of its resources, even though there is no legal force to its designations.

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE ACCOUNTS *(continued)* FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

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#### 1.9 Prepayment

The main prepayment is in respect of donor acquisition. The charity is currently investing in a campaign to increase its income. The costs incurred this year will not be realized until future years.

#### 2 Voluntary Income

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Donations and gifts	<u>1,194,058</u>	<u>447,107</u>	<u>1,641,165</u>	<u>1,740,544</u>

#### 3 Investment income

	2013 £	2012 £
Interest receivable	<u>242</u>	<u>328</u>

#### 4 Incoming Resources from charitable activities

	2013 £	2012 £
Work Related Learning Services	<u>550,328</u>	<u>451,126</u>

#### 5 Grants payable

	Unrestricted Funds £	Restricted funds £	Total 2013 £	Total 2012 £
Grants to individuals (40 grants)	<u>26,634</u>	<u>58,025</u>	<u>84,659</u>	<u>70,233</u>
	<u>26,634</u>	<u>58,025</u>	<u>84,659</u>	<u>70,233</u>

## ACTION FOR KIDS CHARITABLE TRUST

NOTES TO THE ACCOUNTS *(continued)*  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

### 6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2013 £	Total 2012 £
Costs of generating funds: Costs of generating voluntary income	211,368	575	157,123	369,066	396,875
Charitable expenditure:					
Grants payable	-	-	84,659	84,659	70,233
Mobility Aids Project	62,703	79,548	56,575	198,826	214,661
Work Related Learning Services	922,747	35,033	507,721	1,465,501	1,305,742
Direct Assistance Project	26,873	-	15,263	42,136	44,558
Family Welfare Project	89,577	-	39,023	128,600	135,792
Governance costs	49,303	4,028	18,850	72,181	71,748
	<u>1,151,203</u>	<u>118,609</u>	<u>722,091</u>	<u>1,991,903</u>	<u>1,842,734</u>
	<u>1,362,571</u>	<u>119,184</u>	<u>879,214</u>	<u>2,360,969</u>	<u>2,239,609</u>

Governance costs includes payments to the auditors of £6,000 (2012-£6,000) for audit fees and £Nil (2012 - £NIL) for other services.

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but two of them were reimbursed a total of £1,807 travelling expenses (2012 - £848).

Trustee indemnity insurance was taken out at a cost of £382 (2012 - £382).

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE ACCOUNTS *(continued)* FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

#### 8 Employees

##### Number of employees

The average number of full-time equivalent employees (including casual and part-time staff) during the year was:

	2013 Number	2012 Number
Direct charitable	38	35
Fundraising and publicity	5	5
Administration	5	5
	<u>48</u>	<u>45</u>

##### Employment costs

	2013 £	2012 £
Wages and salaries	1,216,679	1,129,419
Social security costs	106,766	102,678
Other pension costs	39,126	49,617
	<u>1,362,571</u>	<u>1,281,714</u>

Employees whose emoluments amounted to over £60,000 and also participated in the pension scheme are as follows:

	2013	2012
£60,001- £70,000	1	2
£70,001- £80,000	1	-

The cost of temporary staff used during the year to cover absences and vacancies amounted to £Nil (2012-£1,416).

#### 9 Movement in Total Funds for the Year

	2013 £	2012 £
This is stated after charging:		
Operating leases	34,385	28,048
Depreciation	119,184	140,403
Auditors remuneration:		
External audit	6,000	6,000
Other services	-	-
	<u>159,569</u>	<u>274,454</u>



## ACTION FOR KIDS CHARITABLE TRUST

NOTES TO THE ACCOUNTS *(continued)*  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

### 10 Tangible fixed assets

	Freehold land and buildings £	Improvement to leasehold building £	Charitable assets £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 April 2012	732,074	20,247	1,451,107	264,331	46,744	2,514,503
Additions	-	-	45,068	22,957	-	68,025
Disposals	-	-	(141,634)	-	(42,745)	(184,379)
<b>At 31 March 2013</b>	<b>732,074</b>	<b>20,247</b>	<b>1,354,541</b>	<b>287,288</b>	<b>3,999</b>	<b>2,398,149</b>
<b>Depreciation</b>						
At 1 April 2012	87,079	20,247	1,114,402	193,574	43,626	1,458,928
On disposals	-	-	(121,502)	-	(39,928)	(161,430)
Charge for year	14,641	-	90,411	14,057	75	119,184
<b>At 31 March 2013</b>	<b>101,720</b>	<b>20,247</b>	<b>1,083,311</b>	<b>207,631</b>	<b>3,773</b>	<b>1,416,682</b>
<b>Net book value</b>						
<b>At 31 March 2013</b>	<b>630,354</b>	<b>-</b>	<b>271,230</b>	<b>79,657</b>	<b>226</b>	<b>981,467</b>
At 31 March 2012	644,995	-	336,705	70,757	3,118	1,055,575

The net book value of charitable assets consists of the following:

Mobility Aids Loaned Assets £238,643.

Specially adapted Work Related Learning Services Assets £32,587.

### 11 Fixed asset investments

	UK Group undertakings £
<b>Market value at 1 April 2012 and at 31 March 2013</b>	<b>3</b>
Historical cost:	
At 31 March 2012	3
At 31 March 2013	3

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE ACCOUNTS *(continued)* FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

#### 11 Fixed asset investments (continued)

##### Holdings of more than 10%

The charity holds more than 10% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
Action For Kids Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and Reserves £	Profit/(Loss) for the year £
Action For Kids Limited	5	(45)

#### 12 Debtors

	2013 £	2012 £
Income tax recoverable	16,324	19,794
Other debtors	8,003	11,684
Prepayments and accrued income	51,237	48,526
	<u>75,564</u>	<u>80,004</u>

#### 13 Creditors: amounts falling due within one year

	2013 £	2012 £
Bank loan	50,558	49,422
Trade creditors	83,201	88,512
Taxes and social security costs	38,328	28,774
Other creditors		3,852
Accruals	24,182	25,429
	<u>196,269</u>	<u>195,989</u>

#### 14 Creditors: amounts falling due after more than one year

	2013 £	2012 £
Bank loans	70,456	122,149

## ACTION FOR KIDS CHARITABLE TRUST

NOTES TO THE ACCOUNTS *(continued)*  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

<b>14 Creditors: amounts falling due after more than one year (Continued)</b>	<b>2013</b> £	2012 £
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### Analysis of loans

Wholly repayable within five years by instalments:	<b>121,014</b>	171,571
Included in current liabilities	<b>121,014</b> <b>(50,558)</b>	171,571 (49,422)
	<b>70,456</b>	122,149
 <b>Loan maturity analysis</b>		
Debt due in one year or less	<b>50,558</b>	49,422
In more than one year but not more than two years	<b>50,558</b>	49,422
In more than two years but not more than five years	<b>19,898</b>	72,727
	<b>121,014</b>	171,571

The bank loan is secured by a first legal mortgage over the freehold property known as Ability House, 15a Tottenham Lane, Hornsey, London N8 9DJ.

### 15 Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £39,126 (2012 - £49,617).

### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2012 £	Movement in funds		Balance at 31 March 2013 £
		Incoming resources £	Outgoing resources £	
Mobility Aids Project	397,275	165,911	208,070	355,116
Work Related Learning Services:				
Big Lottery Fund Grant – Participation	19,018	37,158	56,176	-
Big Lottery Fund Grant – Life Skills	-	24,819	16,546	8,273
Other	270,826	219,219	226,034	264,011
	<b>687,119</b>	447,107	506,826	<b>627,400</b>

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE ACCOUNTS *(continued)* FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

#### 17 Unrestricted funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes together with general unrestricted:

	Movement in funds			Balance at 31 March 2013 £
	Balance at 1 April 2012 £	New designation £	Utilised/ realised £	
Designated				
Mobility Aid Project	50,000	-	(10,000)	40,000
Work Related Learning Services	106,795	-	(106,795)	-
Direct Assistance Project	10,000	-	(10,000)	-
Family Welfare Project	10,000	-	(10,000)	-
Tangible Assets	292,700	-	46,179	338,879
Independent Living Skills Project	80,000	-	(80,000)	-
Total Designated funds	549,495	-	(170,616)	378,879
Unrestricted – General	-	1,744,628	(1,683,527)	61,101
Total Unrestricted funds	549,495	1,744,628	(1,854,143)	439,980

The Trustees have during the year reviewed the level of designated funds and have agreed the following specific funds:

A fund of £338,879 to represent the net book value of unrestricted fixed assets not funded by the bank loan.

#### 18 Analysis of net assets between funds:

	Unrestricted funds £	Restricted Funds £	Total £
Fund balances at 31 March 2013 are represented by:			
Tangible fixed assets	459,890	521,577	981,467
Investments	3	-	3
Current assets	246,812	105,823	352,635
Creditors: amounts falling due within one year	(196,269)	-	(196,269)
Creditors: amounts falling due over one year	(70,456)	-	(70,456)
	439,980	627,400	1,067,380

Included in the above analysis is an amount of £60,670 to be transferred from the bank account of restricted funds to that of unrestricted funds as a result of timing differences.

#### 19 Contingent liabilities

The charity has no contingent liabilities at the year end.

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE ACCOUNTS *(continued)* FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

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#### 20 Financial commitments

At 31 March 2013, the charity was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2014:

	Land and Buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Operating leases which expire: Between two and five years	<u>9,461</u>	<u>9,185</u>	<u>24,924</u>	<u>6,232</u>

#### 21 Capital commitments

There were no capital commitments either authorised by the board or contracted for at the balance sheet date.

#### 22 Control

There is no controlling party.