

**my AFK**

working with disability



# ACTION FOR KIDS CHARITABLE TRUST

TRUSTEES' REPORT AND FINANCIAL  
STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
31<sup>st</sup> MARCH 2020

CHARITY REGISTRATION NUMBER: 1068841  
COMPANY REGISTRATION NUMBER: 3487626 (ENGLAND & WALES)



**INVESTORS IN PEOPLE™**  
We invest in people Standard

## WELCOME

Welcome to our annual report. Our mission is to create social change and provide services and equipment so that young disabled people have the same opportunities as everyone else. We do this by providing two vital services: mobility equipment for those whose needs cannot be met by the National Health Service provision and an employment service enabling our students to gain paid employment. Our work is truly life-changing and over the year 2019-20 we helped as many people as ever before. There are 14 million disabled people in the UK and we know disabled people suffer unemployment disproportionately and following a year that ended with lockdown and the threat of a Covid-induced recession, our work will be more vital than ever. One positive aspect of the Covid pandemic has been the successful provision of our employment service digitally and this presents a great opportunity for future development.

As well as delivering our core services to as many people as ever before, 2019-20 represented a further year of important consolidation for the Charity, a process which took longer than anticipated due to the Covid pandemic. Following a strategic review, we took the decision to wind up our Education and Training Service to focus on our employment and mobility services. Whilst the Education and Training service remained popular with good demand, funding remained poor, putting pressure on other areas of the Charity's work. The cessation of the Education and Training work enabled us to place one of the Charity's buildings on the market (sold end 2020), with a view to investing further in the expansion of our employment and mobility work. Another major change we made over the year was to transfer ownership of the mobility equipment owned by the charity to the young people that it was purchased for. As well as continuing to benefit from our maintenance provision, the owners will now have full ownership and control of their life-changing mobility equipment. This has a one-time major impact on cost, increasing costs by £414,336 for the year as well as reducing the assets on the balance sheet long term.

During the year we held our first Working with Disability week which involved our life and work trainees linking with corporate partners over one week at Canary Wharf for work experience. The week coincided with our annual Beach Volleyball event, a hugely popular corporate involvement and fundraising event that raised £81,000.

There are many people who deserve our heartfelt gratitude. Our funders who make our work possible, and the staff and volunteers who deliver it. We particularly thank those staff who were made redundant following the winding down of our Education and Training service.

As we look forward the Trustees are determined to expand the work of the employment service and will be looking at the most effective models to achieve this. Understandably this will take time because of the Covid pandemic but demand for our services will definitely increase and we will ensure we are ready and able to play an increasing part in providing them.

In summary our future strategy will entail:

- Developing a model for expanding our employment service
- Continuing to develop our mobility service
- Underpinning our service provision with digital technology
- Placing further emphasis on impact and accountability

*Mark Lewis*  
Chair

*David Coe*  
Chief Executive

## ACTION FOR KIDS CHARITABLE TRUST

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# ACTION FOR KIDS CHARITABLE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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Charity name: Action For Kids Charitable Trust

Charity registered number: 1068841

Company number: 3487626

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

Trustees:	Mark Lewis	Chair
<i>(as at the date of this report)</i>	Ben Cavanagh	Vice Chair
	Gurmeet Dhillon	Treasurer
	Susan Baldwin CB	
	Tina Brivati	
	Caroline Hattersley	
	Peter Mitchell	
	David Byrne	

Chief Executive: David Coe

### Professional advisors

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

Bankers:	HSBC Bank plc	Santander plc	Charity Bank
	22 Victoria Street	517 Green Lanes	182 High Street
	London SW1H 0NJ	London N4 1AP	Tonbridge TN9 1BE

Solicitors:	Blake Morgan	Muscatt Walker Hayim
	Seacourt	Speen House
	Tower West Way	Porter Street
	Oxford OX2 0FB	London W1U 6WH

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

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The Trustees of Action For Kids Charitable Trust ("the Charity") present their report and financial statements for the year ended 31<sup>st</sup> March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and the "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<sup>st</sup> January 2019).

#### **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.

In furtherance of the Objects, the Charity undertakes the following activities:

- providing disabled young people with training in work and life skills;
- promoting opportunities for disabled young people to work and volunteer in the community;
- providing opportunities for disabled young people to engage in sport and social activities;
- providing specialist mobility equipment, through loan or grant, to disabled young people.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

#### **VISION & MISSION**

As an integral part of delivering the Objects of the Charity, the Trustees and Management are committed to the following Vision and Mission for the Charity:

**VISION:** We want a world where everyone living with a disability gets to lead the life they choose.

**MISSION:** To give as many disabled young people as possible the opportunity to work or volunteer in their community.

Helping students to develop their mobility, personal and independent living skills is an essential part of helping them to succeed. The Charity focuses on a young person's potential to benefit from our support, not the apparent barriers they face.

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)**

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To achieve the Mission the Charity:

- involves, informs and empowers young people living with a disability;
- provides equipment to support personal mobility;
- provides the best possible education, training and support;
- champions the rights and interests of people living with a disability;
- shares its experience and what it has learnt.

#### **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 disabled young people with courses in work and life skills;
- the promotion of equality and diversity:
  - by promoting opportunities for disabled young people to work and volunteer in the wider community;
  - by providing opportunities for disabled young people 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 disabled young people.

All 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**

##### ***Governing document***

The Charity was originally registered under a Deed of Trust in 1992, in response to the problems facing disabled children, young people and their families and in recognition of the disparity between the numbers of such children and the availability of appropriate 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). Each of the members has a liability to contribute £1 in the event of a winding up of the company.

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)**

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#### ***Trustees***

The Board of Trustees ("the Board") sets the strategic direction of the Charity and is also responsible for ensuring compliance with the Charity's Objects and charity and company law.

The Trustees, who are also directors for the purpose of company law, who served during the year to 31<sup>st</sup> March 2020 were as follows:

Mark Lewis	Chair
Michael Harry	Vice Chair (resigned 15 <sup>th</sup> January 2021)
Gurmeet Dhillon	Treasurer
Susan Baldwin	
Tina Brivati	
Ben Cavanagh	
Caroline Hattersley	
Peter Mitchell	
David Byrne	

New Trustees are appointed by the members of the Charity on the recommendation of the Board.

For all new Trustees, there is an induction process and all Trustees have a role description and are subject to a Code of Conduct. In addition to regular Board meetings, there is an annual Board Away Day when Trustees receive appropriate briefings and training in their roles as trustees of the Charity. Additionally, Board members can avail themselves of external training courses relevant to their roles as required.

The Charity has a Conflict of Interest policy that all Trustees and staff must comply with. None of the Trustees has any beneficial interest in the Charity.

#### ***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 assess these risks regularly and are satisfied that systems are in place to mitigate them.

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 the Trustees and Senior Management Team in minimising risk exposure.

On-going review of the Charity's strategy, plans and operations ensures that risk management is an integral part of the operation of the Charity.

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)**

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#### **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***

The members of the Senior Management Team are:

David Coe	Chief Executive (appointed 15 <sup>th</sup> January 2021)
Graham Duncan	Chief Executive (resigned 31 <sup>st</sup> December 2020)
Laura Callanan	Finance & Corporate Services Director
Harriet Fisher	Executive Director, Services
Tracey Gilbert-Falconer	Fundraising Director

#### ***Staff recruitment and management***

The Charity's policy is to consult and discuss with employees, at meetings and informally, matters likely to affect employees' interests. Information on matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Charity's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Charity continues and that the appropriate training is arranged. It is the policy of the Charity that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

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 which are directly linked to objectives for the Charity.

The pay of senior staff and of key management personnel is reviewed annually by the Board of Trustees. Pay is compared with similar positions in comparable organisations where applicable.

#### **OPERATING NAME AND BRAND**

In addition to its legal name, "Action For Kids Charitable Trust", the Charity operates under the name "my AFK".

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)**

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#### **RESTRUCTURING OF ACTIVITIES**

During the year the Trustees reviewed the Charity's activities in the light of available financial resources and its strategic objectives. As a result, the work experience provided to school and college students at the office in Hornsey by the Education & Training Programme has ceased. In addition, various fundraising and support functions have been restructured. Other programmes, including the Life & Work Programme which supports disabled young people into work, are unaffected.

Sadly, the changes resulted in a number of staff leaving the Charity through a programme of redundancies. The Trustees would like to thank the staff for their commitment to the young people, the Charity and its mission.

#### **SERVICES**

<b>Programme:</b>	<b>Age range</b>	<b>Year end 2020</b>	<b>Year end 2019</b>
Work Experience and Employability skills	14-19	171	171
Life & Work sessions at AFK	19-25	35	34
No. of Work Placements	19-25	75	44
Placed into paid work	19-25	13	9
Holiday Programme	14-25	45	44

#### **Education & Training**

During the year the Charity undertook a restructuring of its activities in its Education & Training Programme and, as a consequence of which, the Charity stopped providing work experience to school and college students at its own premises in Hornsey from December 2020. Supported work experience is still provided in partnership with other organisations such as Bikes for Good Causes and the Edible Garden. The latter is a partnership with the café at Stonebridge Lock and the Canal & River Trust to maintain an "edible garden" and provide an alternative work experience environment for school and college students. During the year the Edible Garden was part of a successful application for a "Green Flag Award" for the area around Stonebridge Lock, having won the Canal & River Trust's "Best Community Activity Award" in the previous year. New partnerships are being developed to expand this type of activity.

Within the Education & Training Programme the Charity worked with a total of 22 schools and colleges, 13 less than in the previous year, with the largest number being based in Haringey. 50% of young people attended from special schools with the remainder evenly split between Further Education Colleges and mainstream schools.

During the year the Education & Training Programme supported 5 work experience placements at Bikes for Good Causes and 30 at the Edible Garden project.

## ACTION FOR KIDS CHARITABLE TRUST

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)

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#### Holiday Programme/Short Breaks

In 2019-20 the Charity worked with a total of 45 (2018-19: 44) young people on the Holiday Programme, delivering activities which successfully met a range of outcomes such as gaining confidence, meeting new people and making choices.

#### Life & Work Programme

The Life & Work Programme, staffed by experienced job coaches/employment brokers, works intensively with disabled young people to support them, where possible, into paid work. This work is part-funded by a number of trusts and foundations including Bloomfield Trust, and City Bridge Trust. We also received our first-ever five figure grant from the Garfield Weston Foundation, given in support of our employability skills work that supports both young people of school age and those that have finished their full-time education.

Placements at the Bikes for Good Causes cafe continued to prove a valuable and popular pathway, especially to those who lack confidence and experience of a working environment. During 2019-20 the Life & Work Programme supported 13 young people into paid employment, 4 more than in the previous year. 3 young people had paid jobs agreed in principle just before the COVID-19 lock down which had to be put on hold. In addition, one Trainee took part in a paid internship with Reward Gateway.

Over the last six years, the Life & Work Programme has successfully supported 62 young people into paid employment, of which 86% were still in employment one year later. The retention rate compares very favourably with other programmes supporting young people, both disabled and non-disabled, into work.

#### Young People in Paid Work 2014-2020

Programme year	No. Young people gaining work	No young people still in work 1 year after gaining job
2014-2015	14	13
2015-2016	12	9
2016-2017	7	7
2017-2018	7	6
2018-2019	9	7
2019-2020	13 *	n/a
Total	62	42

(\*Not counted in calculating retention rate)

### **#WorkingWithDisability Week**

This year the Charity developed a #WorkingWithDisability Week programme, which incorporated the existing summer residential programme, and ran during our annual Beach Volleyball tournament at Canary Wharf. This involved 6 people staying overnight plus 6 other young people and taking part in a variety of work tasters and employer-based activities with a range of employers such as Hilton Hotels and the DM Thomas Foundation for Young People, The Canary Wharf Group, BP, 640 East and the AFK Beach events team.

This way of working allows the Charity to build new relationships with employers and enabled a wider group of young people to experience a broader range of employers. It also gives those who are just starting to consider employment the opportunity to have 'taster' sessions with employers.

### **Self-advocacy and Co-production**

The Charity relies heavily on feedback from young people in shaping its services, so opportunities are built into all areas of service delivery to enable young people to provide their views.

For example, feedback is collected from participants in the Holiday Programmes using a "feedback wall" available in a "diary room" every day. The feedback is reflected in the design of the next programme. In addition, a Planning Live session is held at the end of each programme where a panel of young people plan their ideal week, which forms the timetable for the following programme.

The annual Trainee & Community Awards evening took place in November 2019 to celebrate the achievements and contributions of Trainees, employers and members of the community. The event was a huge success, with over 100 attendees.

### **PROVISION OF MOBILITY EQUIPMENT**

In the year 2019-20 the Charity ordered 84 pieces of mobility equipment, 19 more items than in the previous year. The total gross value of the 78 items of equipment ordered was £281,822, with a net cost to the Charity of £147,597. The balance was made up from other charities, wheelchair vouchers and reduced costs to the Charity due to the provision of advocacy support.

### **Partnership work**

The Charity continues to work with funder partners The Openwork Foundation and the Edward Gosling Foundation along with contributions from other sponsors. The Charity also helped families to apply for individual grants to a range of funders. This raised a total of £71,040 during 2019-20.

### **Mobility advocacy**

The purpose of the Charity's mobility advocacy support is to ensure that those who apply to my AFK for funding for equipment receive the support and equipment they are entitled to from the National Health Service and local social services. In many circumstances, the wheelchair service or local authority professionals have already refused to provide the equipment to the applicant. Where my AFK is successful in changing their decision, the Charity saves money that can be used to fund other equipment. In a number of cases, the families did not realise they were entitled to a NHS wheelchair and/or voucher.

## ACTION FOR KIDS CHARITABLE TRUST

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)

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During 2019-20 the Charity provided advocacy support to 12 families, making savings of £33,891. Examples of the type of savings made include: reminding wheelchair services of their responsibility to provide a chair and/or vouchers; negotiating new discounts with suppliers; looking at the quote(s) to ascertain if bespoke add-ons are needed or if the NHS or the previous chair has parts that can be carried over; asking applicants to consider a range of powerchairs and not just the higher cost ones; helping several applicants obtain funding for car seats from Motability; and negotiating with local authorities and health authorities to ensure applicants get the equipment from statutory services where possible.

#### **VOLUNTEERS**

The Charity continues to enjoy the support of committed and highly effective volunteers. Many of the volunteers have been trained to support trainees both travelling to, and at, their work placement. The Volunteers Manager arranges appropriate training and support to enable the volunteers to be as effective as possible. The Trustees would like to express their thanks to the volunteers for their invaluable contribution to our work.

<b>Volunteers</b>	<b>2019-20</b>	<b>2018-19</b>
No. Actively Supporting Trainees	16	10
No. Actively Supporting Fundraising	26	22

#### **Response to COVID-19**

During the coronavirus pandemic, from early March 2020, we moved some of our services online. Initially a large part of the team was put on furlough but we continued running online services for our trainees and for young people from the Holiday Programme through our Life and work Programme Manager and Services Co-Ordinator. Over the course of the pandemic this has developed into an online programme that complements our face to face services.

Young people are telling us that they are feeling anxious and uncertain during this time. Many of those we have contacted (60%) were anxious about disrupted routines, being frightened of leaving the house and not seeing friends. Those at work have reported increased work pressure (particularly those in supermarkets). They requested regular catch-up calls with staff and a range of activities that they can participate in. Many said that they want to see other young people online. As a result of this the Life and Work Manager has been having regular weekly contact with a few trainees who have been anxious about the virus situation either by phone call or texting.

We have had a good level of interest from our corporate partners, who have offered mock interview practice, LinkedIn workshops, and some coding workshops from Microsoft. We are using Zoom to run wellbeing sessions, virtual job coaching and an online Holiday Programme during lockdown when we are unable to run sessions face to face with staff and volunteers offering fun and active sessions for young people.

## ACTION FOR KIDS CHARITABLE TRUST

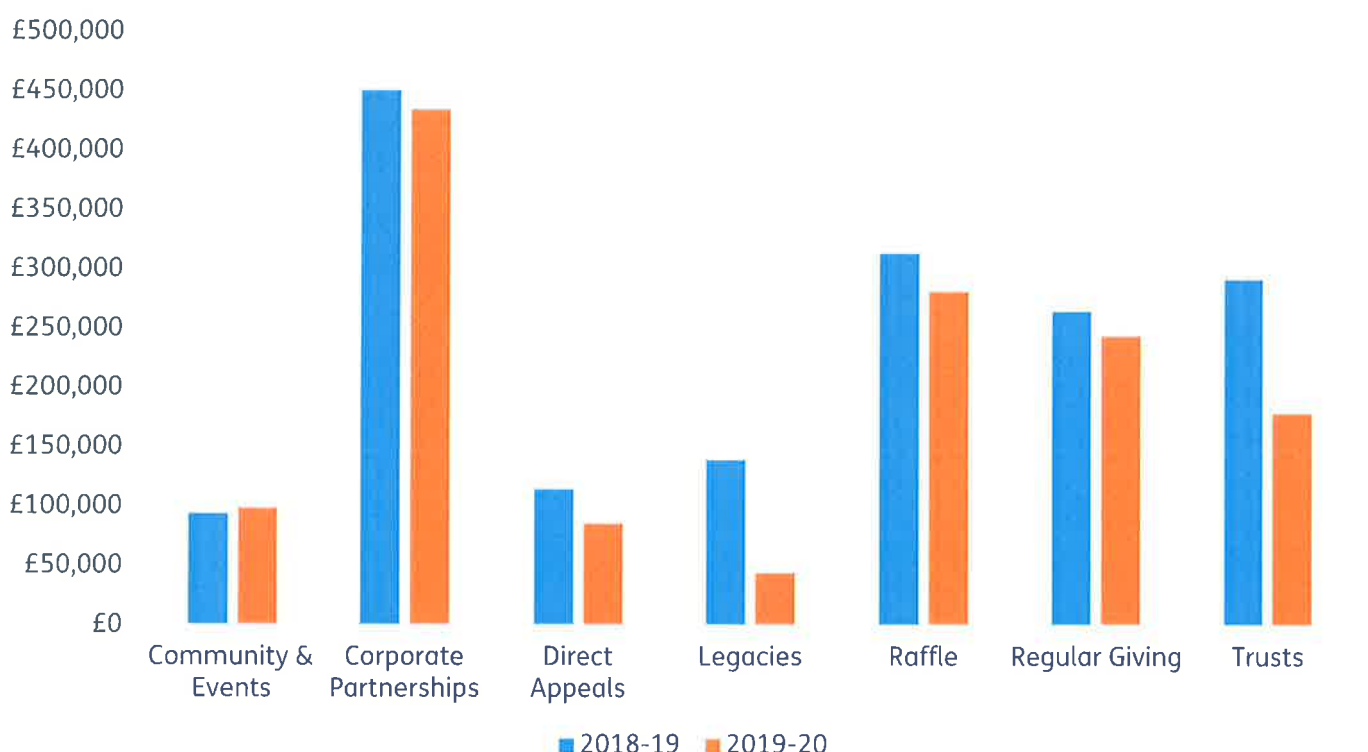
### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)

#### FUNDRAISING

The Charity is very fortunate to have a broad base of income from a range of different sources. The Trustees appreciate the generosity of the many individuals who give their time and their money to raise the funds that make our work possible.

2019-20 was an exceptionally challenging year for fundraising across the charity sector. At the Charity, income was down from almost every source. The Trustees commissioned an external review of fundraising from a leading specialist consultancy and this will provide a roadmap to the development of the Charity's future fundraising.

#### Sources of Charitable Fundraising



The annual Beach Volleyball event, held over 4 weeks at Canary Wharf, had another successful year with participation by leading companies.

It was another exceptional year for Corporate Partnerships with the slight drop in income due to delays in payment caused by delays brought about by Covid 19. New partnerships with The RG Foundation, Bloomfield Trust, Toy Trust and becoming the Designated Charity of St James London North have all been achieved this year. The 3-year charity of the year partnership with the Openwork Foundation for the Mobility project was extended a further year until December 2020. Our long partnership with Devonshire's came to an end this year and we thank them for their unwavering support of our work and trainees.

Income from the raffle was reduced by restrictions on the ability to call ticket sellers in late March and by staff illness during the winter.

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (continued)**

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**REVIEW OF FINANCIAL POSITION**

The deficit of £962,694 in 2019-20, an increase of £762,515 over last year's deficit of £200,179, in part reflects the difficult fundraising environment faced by the Charity. A large proportion of the additional cost - £414,336 - relates to a decision by the Trustees to gift mobility assets owned by the charity to the beneficiaries. Whilst the beneficiaries will continue to benefit from our maintenance provision, they will also now have full ownership and control of their mobility equipment. This has had an impact on the costs for the year and on the fixed assets shown on the balance sheet. £56,958 relates to redundancy costs incurred during the year. Following a strategic review and in order to ensure the future financial sustainability of the Charity the Trustees took the decision to restructure some of the Charity's operations and sell the building on Cranford Way. Sadly, this has resulted in some staff leaving the charity. We would like to thank them for their efforts over the years, which have been much appreciated. The sale of the building on Cranford Way completed on 30th November 2020. With the prior restructure of the senior management team during 2016-17, a drive to bring more activities in-house and continued close monitoring of costs, the Trustees believe the actions taken will return the Charity to a financially stable position.

Income fell by 24%, with £1,540,667 achieved in the year against £2,017,148 in the previous year. Implementation of recommendations from an external review of the organisation's fundraising strategy commissioned by the Trustees, will develop the Charity's future fundraising. The ongoing generosity of the Charity's long-term supporters, both large and small, and the major support received from existing and new foundations, continues to support the Charity's successful and valuable work.

The costs relating to the governance of the Charity increased to £73,551 (2019: £53,869) increasing to approximately 5% of total incoming resources, from 3% the previous year.

Costs of generating voluntary income, at £311,255 (2019: £345,930), fell slightly, increasing to 20% (2019: 17%) of total incoming resources. Voluntary income decreased to 77% (2019: 80%) of our income.

Following the restructure, the sale of the building and the renewed fundraising strategy, the directors/trustees believe that the funds of the Charity will be adequate on a fund-by-fund basis to fulfil the obligations of the Charity.

## **ACTION FOR KIDS CHARITABLE TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020 (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:

- The length of time which has elapsed from the date of their application to the Charity;
- The cost of the mobility aid required;
- Any other appropriate factors.

##### ***Reserves policy***

It is the policy of the Charity to aim for reserves (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, which are considered at risk of loss of funding. 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.

The level of reserves available to the Charity as at 31<sup>st</sup> March 2020 is £44,879.

##### ***Specific investment powers***

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

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

Note 21 to the Accounts analyses the assets attributable to the various funds. These assets are sufficient to meet the Charity's obligations on a fund by fund basis.

##### ***Payment of trade creditors***

The Charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the Charity's contractual and other legal obligations.

##### ***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 a General Meeting.

## **ACTION FOR KIDS CHARITABLE TRUST**

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

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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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year 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 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 reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

### **Signature and Declaration**

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

Signature: Mark David Lewis  
Mark Lewis, Chair

27<sup>th</sup> April 2021

## **ACTION FOR KIDS CHARITABLE TRUST**

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

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#### **Opinion**

We have audited the financial statements of Action For Kids Charitable Trust (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **ACTION FOR KIDS CHARITABLE TRUST**

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

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

## ACTION FOR KIDS CHARITABLE TRUST

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION FOR KIDS CHARITABLE TRUST (continued)

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and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



**Derick T L Lee (Senior Statutory Auditor)**  
for and on behalf of D Lee & Co.

28/4/2021

**Chartered Certified Accountants**  
**Statutory Auditor**

2<sup>nd</sup> Floor  
Premier House  
309 Ballards Lane  
London  
N12 8LY

# ACTION FOR KIDS CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Income from:</b>					
Donations and legacies	3	636,279	557,409	1,193,688	1,628,431
Charitable activities	4	263,613	-	263,613	314,237
Investments	5	83,366	-	83,366	74,480
<b>Total income</b>		<b>983,258</b>	<b>557,409</b>	<b>1,540,667</b>	<b>2,017,148</b>
<b>Expenditure on:</b>					
Raising funds	6	311,255	-	311,255	345,930
Charitable activities	7	1,054,141	1,137,965	2,192,106	1,871,397
<b>Total resources expended</b>		<b>1,365,396</b>	<b>1,137,965</b>	<b>2,503,361</b>	<b>2,217,327</b>
<b>Net (outgoing)/ incoming resources</b>		<b>(382,138)</b>	<b>(580,556)</b>	<b>(962,694)</b>	<b>(200,179)</b>
<b>Other recognised gains and losses</b>					
Revaluation of investment assets		-	-	-	121,869
<b>Net movement in funds</b>		<b>(382,138)</b>	<b>(580,556)</b>	<b>(962,694)</b>	<b>(78,310)</b>
Fund balances at 1 April 2019		683,068	1,066,386	1,749,454	1,827,764
<b>Fund balances at 31 March 2020</b>		<b>300,930</b>	<b>485,830</b>	<b>786,760</b>	<b>1,749,454</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

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

# ACTION FOR KIDS CHARITABLE TRUST

## COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income from:</b>				
Donations and legacies	3	822,163	806,268	1,628,431
Charitable activities	4	314,237	-	314,237
Investments	5	74,480	-	74,480
<b>Total income</b>		<b>1,210,880</b>	<b>806,268</b>	<b>2,017,148</b>
<b>Expenditure on:</b>				
Raising funds	6	345,930	-	345,930
Charitable activities	7	1,298,342	573,055	1,871,397
<b>Total resources expended</b>		<b>1,644,272</b>	<b>573,055</b>	<b>2,217,327</b>
<b>Net (outgoing)/ incoming resources</b>		<b>(433,392)</b>	<b>233,213</b>	<b>(200,179)</b>
<b>Other recognised gains and losses</b>				
Revaluation of investment assets		121,869	-	121,869
<b>Net movement in funds</b>		<b>(311,523)</b>	<b>233,213</b>	<b>(78,310)</b>
Fund balances at 1 April 2018		994,591	833,173	1,827,764
<b>Fund balances at 31 March 2019</b>		<b>683,068</b>	<b>1,066,386</b>	<b>1,749,454</b>

# ACTION FOR KIDS CHARITABLE TRUST

## BALANCE SHEET FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		921,334		1,336,245
Investment properties	12		1,225,000		1,225,000
Investments	13		3		3
			<u>2,146,337</u>		<u>2,561,248</u>
<b>Current assets</b>					
Debtors	15	95,266		52,138	
Cash at bank and in hand		<u>51,651</u>		<u>221,424</u>	
		146,917		273,562	
<b>Creditors: amounts falling due within one year</b>	16	<u>(1,061,008)</u>		<u>(147,683)</u>	
Net current assets			<u>(914,091)</u>		<u>125,879</u>
<b>Total assets less current liabilities</b>			<u>1,232,246</u>		<u>2,687,127</u>
Creditors: amounts falling due after more than one year	18		<u>(445,486)</u>		<u>(937,673)</u>
<b>Net assets</b>			<u>786,760</u>		<u>1,749,454</u>
<b>Income funds</b>					
Restricted funds	20		485,830		1,066,386
Unrestricted funds:	21				
General unrestricted funds		300,930		561,199	
Revaluation reserve		<u>-</u>		<u>121,869</u>	
Total unrestricted funds			<u>300,930</u>		<u>683,068</u>
<b>Net assets</b>			<u>786,760</u>		<u>1,749,454</u>

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

The financial statements were approved by the Trustees on 27<sup>th</sup> April 2021.

*Mark David Lewis*

Mark Lewis, Chair  
Company registration number: 348762

# ACTION FOR KIDS CHARITABLE TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

		2020	2019
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	27	(959,843)	11,889
<b>Investing activities</b>			
Purchase of tangible fixed assets		(62,307)	(128,971)
Proceeds on disposal of tangible fixed assets		442,682	-
Interest and rental income received		83,366	74,480
<b>Net cash used in investing activities</b>		463,741	(54,491)
<b>Financing activities</b>			
Repayment of bank loans		(23,671)	(31,231)
Proceeds from other loans		150,000	-
Proceeds from new bank loans		200,000	-
<b>Net cash generated from/(used in) financing activities</b>		(326,329)	(31,231)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(169,773)	(73,833)
Cash and cash equivalents at beginning of year		221,424	295,257
<b>Cash and cash equivalents at end of year</b>		51,651	221,424

**1. Accounting policies**

**Charity information**

Action For Kids Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Ability House, 15A Tottenham Lane, Hornsey, London, N8 9DJ.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's Act 2011, the Companies Act 2006 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<sup>st</sup> January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties, and to include investment properties, and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

**1.4 Incoming resources**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

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Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1.5 Resources expended**

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate costs related to the category. Expenditure is recognised when 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. The Charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Costs of generating funds include salary, direct expenditures and overhead costs of staff to promote fundraising including events.

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

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

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on straight line
Charitable assets	25% on reducing balance
Fixtures, Fittings & Equipment	15% on reducing balance
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

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**1.7 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit or loss.

**1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.9 Impairment of fixed assets**

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

**1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**1.14 Group accounts**

Consolidation of group accounts is not required as the subsidiary is dormant.

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

#### 2. Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the trustees, there were no specific judgements and assumptions that were critical in the preparation of these financial statements.

#### 3. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Donations and gifts</b>	<b>636,279</b>	<b>557,409</b>	<b>1,193,688</b>	<b>1,628,431</b>
For the year ended 31 <sup>st</sup> March 2019	822,163	806,268		1,628,431

#### 4. Income from charitable activities

	2020 £	2019 £
<b>Donations and gifts</b>	<b>263,613</b>	<b>314,237</b>

#### 5. Investments

	2020 £	2019 £
<b>Rent receivable</b>	<b>83,000</b>	<b>74,000</b>
<b>Interest receivable</b>	<b>366</b>	<b>480</b>
<b>Total investments</b>	<b>83,366</b>	<b>74,480</b>

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 6. Raising funds

	2020 £	2019 £
<b>Fundraising and publicity</b>		
Staff costs	220,856	226,040
Depreciation and impairment	596	724
Support costs	89,803	119,166
<b>Fundraising and publicity</b>	<b>311,255</b>	<b>345,930</b>

### 7. Expenditure on charitable activities

	Mobility Project £	Education & Training £	Life & Work £	Total 2020 £	Total 2019 £
Staff costs	179,144	445,889	532,671	1,157,704	1,084,717
Depreciation and impairment	-	13,394	16,370	29,764	154,055
Share of support cost	616,836	180,622	133,629	931,087	578,756
	795,980	639,905	682,670	2,118,555	1,817,528
Share of governance costs (see note 8)	24,517	24,517	24,517	73,551	53,869
	<b>820,497</b>	<b>664,422</b>	<b>707,187</b>	<b>2,192,106</b>	<b>1,871,397</b>

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 7. Expenditure on charitable activities (continued)

	Mobility Project £	Education & Training £	Life & Work £	Total 2020 £	Total 2019 £
<b>Analysis by fund</b>					
Unrestricted funds	268,335	644,991	140,815	1,054,141	
Restricted funds	552,162	19,431	566,372	1,137,965	
	<b>820,497</b>	<b>664,422</b>	<b>707,187</b>	<b>2,192,106</b>	
<b>For the year ended 31<sup>st</sup> March 2019</b>					
Unrestricted funds	241,254	570,495	486,593		1,298,342
Restricted funds	239,912	110,027	223,116		573,055
	<b>481,166</b>	<b>680,522</b>	<b>709,709</b>		<b>1,871,397</b>

Grants to individuals in respect of the purchase of mobility equipment included within the Mobility Project above: £62,307 (2019: £39,560).

### 8. Governance costs

	2020 £	2019 £
Staff costs	46,845	24,928
Depreciation	4,176	5,073
Other costs	22,530	23,868
	<b>73,551</b>	<b>53,869</b>

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 8. Governance costs (continued)

	2020 £	2019 £
Analysed between:		
Fundraising	-	-
Charitable activities	73,551	53,869
	<hr/>	<hr/>
	73,551	53,869
	<hr/>	<hr/>

Governance costs includes payments to the auditors of £7,500 (2019: £7,500) for audit fees, and other regulatory fees.

### 9. Trustees and key management personnel remuneration and expenses

None of the trustees (nor any persons connected with them) received any remuneration or benefits from the Charity during the year. One trustee was reimbursed a total of £422 for travelling expenses (2019: £874).

The total amount of employee benefits including employer's pension contributions received by key management personnel were £82,250 (2019: £82,250).

### 10. Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2020		2019	
	Number	FTE	Number	FTE
Raising funds	3	3	4	4
Charitable activities	31	27	34	28
Governance	4	3	4	2
	<hr/>	<hr/>	<hr/>	<hr/>
	38	33	42	34
	<hr/>	<hr/>	<hr/>	<hr/>

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

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#### 10. Staff costs and employee benefits (continued)

The total staff costs and employees' benefits was as follows:

	2020 £	2019 £
Wages and salaries	1,200,720	1,166,777
Social security	114,010	114,941
Defined contribution pension costs	47,357	47,294
Other employee benefits	6,360	6,673
Redundancy costs	56,958	-
	<hr/>	<hr/>
	1,425,405	1,335,685
	<hr/>	<hr/>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2020 £	2019 £
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
	<hr/>	<hr/>
	3	3
	<hr/>	<hr/>

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 11. Tangible fixed assets

	Freehold land and buildings £	Charitable assets £	Fixtures, fittings & equipment £	Motor vehicles £	Total 2020 £
<b>Cost</b>					
At 1 <sup>st</sup> April 2019	1,095,644	1,835,741	258,584	3,999	3,193,968
Additions	-	62,307	-	-	62,307
Disposals	-	(1,771,342)	(151,341)	(3,999)	(1,926,682)
<b>At 31<sup>st</sup> March 2020</b>	<b>1,095,644</b>	<b>126,706</b>	<b>107,243</b>	<b>-</b>	<b>1,329,593</b>
<b>Depreciation</b>					
At 1 <sup>st</sup> April 2019	211,381	1,464,889	177,494	3,959	1,857,723
Charge for year	21,912	4,706	7,918	-	34,536
Disposals	-	(1,357,006)	(123,035)	(3,959)	(1,484,000)
<b>At 31<sup>st</sup> March 2020</b>	<b>233,293</b>	<b>112,589</b>	<b>62,377</b>	<b>-</b>	<b>408,259</b>
<b>Net book value at 31<sup>st</sup> March 2020</b>	<b>862,351</b>	<b>14,117</b>	<b>44,866</b>	<b>-</b>	<b>921,334</b>
At 31 <sup>st</sup> March 2019	884,263	370,852	81,090	40	1,336,245

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

- Specially adapted assets used in the delivery of services: £14,117.

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

#### 11. Tangible fixed assets (continued)

Tangible fixed assets held at valuation.

The historic cost equivalent of land and buildings included at valuation are as follows:

	2020 £	2019 £
Costs	723,074	723,074
Accumulated depreciation	145,644	145,644
<b>Net book value</b>	<b>868,718</b>	<b>868,718</b>

#### 12. Investment property

	2020 £
<b>Fair value</b>	
At 1 <sup>st</sup> April 2019 and 31 <sup>st</sup> March 2020	<b>1,225,000</b>

Investment property comprises of one property. The fair value of the investment property has been arrived at on the basis of director's recent enquiry.

#### 13. Fixed asset investments

	Other investment £
Cost or valuation At 1 <sup>st</sup> April 2019 and 31 <sup>st</sup> March 2020	3
Carrying amount At 31 <sup>st</sup> March 2020	3
At 31 <sup>st</sup> March 2019	3

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 13. Fixed asset investments (cont...)

Other investments comprise:

	Note	2020 £	2019 £
Investment in subsidiaries	26	3	3
		<u>          </u>	<u>          </u>

### 14. Financial instruments

	2020 £	2019 £
Carrying amount of financial instruments		
Debt instruments measured at amortised cost	65,635	18,825
Equity instruments measured at cost less impairment	3	3
	<u>          </u>	<u>          </u>
Carrying amount of financial liabilities		
Measured at amortised cost	1,484,097	1,045,372
	<u>          </u>	<u>          </u>

### 15. Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	827	18,825
Prepayments and accrued income	94,439	33,313
	<u>          </u>	<u>          </u>
	95,266	52,138
	<u>          </u>	<u>          </u>

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 16. Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Bank loan	17	700,274	31,758
Other loan		150,000	-
Taxes and other social security costs		22,395	39,984
Trade creditors		115,524	52,189
Other creditors		-	4,849
Accruals		72,815	18,903
		<b>1,061,008</b>	<b>147,683</b>

### 17. Loans and overdrafts

	2020 £	2019 £
Bank loans	1,145,760	969,431
Other loans	150,000	-
	<b>1,295,760</b>	<b>969,431</b>
Payable within one year	850,274	31,758
Payable after one year	445,486	937,673
	<b>370,728</b>	<b>810,641</b>

The long term loans are secured by fixed charges over the freehold interest in the properties known as: Ability House, 15A Tottenham Lane, London N8 9DJ.

The loan is repaid over 25 years at an interest rate of 2.7% above the Bank of England Base Rate.

### 18. Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Bank loan	17	445,486	937,673

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

#### 19. 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 charged represents contributions payable by the Charity to the fund and amounted to £41,197 (2019: £47,294).

#### 20. 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 <sup>st</sup> April 2019 £	Movement in funds New designation £	Utilised realised £	Balance at 31 <sup>st</sup> March 2020 £
Mobility Project and related services	614,576	154,651	552,162	217,065
Education & Training/Life & Work	451,810	402,758	585,803	268,765
	<b>1,066,386</b>	<b>557,409</b>	<b>1,137,965</b>	<b>485,830</b>

#### 21. Unrestricted funds

The income of the Charity includes the following designated funds that have been set aside out of unrestricted funds by the trustees for specific purposes together with general unrestricted:

	Balance at 1 <sup>st</sup> April 2019 £	Movement in funds New designation £	Utilised realised £	Balance at 31 <sup>st</sup> March 2020 £
Designated				
Tangible assets	-	-	-	-
Total designated funds	-	-	-	-
Unrestricted – General	561,199	983,258	1,365,396	179,061
Unrestricted – Revaluation reserve	121,869	-	-	121,869
Total unrestricted funds	<b>683,068</b>	<b>983,258</b>	<b>1,365,396</b>	<b>300,930</b>

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 21. Unrestricted funds (continued)

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

A fund of nil to represent the net book value of unrestricted fixed assets not funded by the bank loan.

### 22. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 <sup>st</sup> March 2020 are represented by:			
Tangible fixed assets	644,340	276,994	921,334
Investment properties	1,225,000	-	1,225,000
Investments	3	-	3
Current assets/(liabilities)	(1,122,927)	208,836	(914,091)
Long term liabilities	(445,486)	-	(445,486)
	<b>300,930</b>	<b>485,830</b>	<b>786,760</b>

### Comparative analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 <sup>st</sup> March 2019 are represented by:			
Tangible fixed assets	739,051	597,194	1,336,245
Investment properties	1,225,000	-	1,225,000
Investments	3	-	3
Current assets/(liabilities)	(343,313)	469,192	125,879
Long term liabilities	(937,673)	-	(937,673)
	<b>683,068</b>	<b>1,066,386</b>	<b>1,749,454</b>

## ACTION FOR KIDS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

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#### 23. Financial commitments, guarantees and contingent liabilities

The Charity has no financial commitments, contingent liabilities or guarantees outstanding at the year end.

#### 24. Capital commitments

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

#### 25. Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Loan received during the year	
	2020 £	2019 £
Key management personnel	150,000	-

The loan is unsecured, interest free and repayable on demand.

#### 26. Subsidiaries

These financial statements are separate charity financial statements for Action For Kids Charitable Trust.

Details of the Charity's subsidiaries at 31<sup>st</sup> March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shareholding	% held Direct Indirect
Action For Kids Limited	UK	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/Loss £	Capital & reserves £
Action For Kids Limited	-	3

The fixed asset investments are stated at cost.

# ACTION FOR KIDS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 27. Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(962,964)	(200,179)
Adjustments for:		
Investment income recognised in profit or loss	(83,366)	(74,480)
Depreciation and impairment of tangible fixed assets	34,536	159,852
Movements in working capital:		
(Increase)/decrease in debtors	(43,128)	89,078
Increase/(decrease) in creditors	95,079	37,618
Cash generated from operations	(959,843)	11,889

### 28. Analysis of change in net (debt)/funds

	At 1 <sup>st</sup> April 2019 £	Cash flows £	At 31 <sup>st</sup> March 2020 £
Cash at bank and in hand	221,424	(169,773)	51,651
Loans falling due within one year	(31,758)	(668,516)	(700,274)
Loans falling due after more than one year	(937,673)	492,187	(445,486)
	(748,007)	(346,102)	(1,094,109)

### 29. Post balance sheet events

#### Covid 19

The impact of covid 19 has been evolving since late 2019 and was declared a global health emergency by the World Health Organisation in January 2020. In March 2020 the World Health Organisation declared the spread of covid 19 as a global pandemic.

On 23<sup>rd</sup> March 2020 the UK Government introduced a national lockdown and stay at home order and some form of restriction has remained in place over the course of the year and remains in place as at the date of this report.

my AFK has followed the issued government legislation and advice throughout the course of the pandemic and this has had an effect both on the services that we deliver and on our fundraising capability.

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

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During periods of lockdown, our office was closed and face to face service delivery stopped. We used this period to make the office 'covid secure', installing screens and implementing new procedures to allow for social distancing and other safety measures. We were also successful in transferring some of our services online and we would like to extend our gratitude to our corporate partners who have helped us to deliver a wide range of online sessions including interview technique, cv preparation, coding and a variety of fun activities to keep young people engaged both during our holiday programme and throughout the year.

During the summer, when there were fewer restrictions, we were able to deliver some Life & Work sessions and a holiday programme face to face, albeit at a reduced capacity to allow for social distancing.

The closure of the office during lockdown has also had a significant impact on our ability to raise funds. We were unable to run our raffle during lockdown, reducing predicted income from this income stream by around half and appeals also performed worse than expected. Income from Events and Community fundraising has been negligible throughout the year as all events were cancelled.

We have been able to take advantage of the governments furlough scheme and have been successful in securing emergency funds so the overall impact on our income has been significantly reduced and we are expecting to end the year to March 2021 at break even.

Going forward, covid 19 is not expected to have a significant impact on the entity. Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. It expects that covid 19 might have some impact, though not significant, for example, in relation to expected future performance.

**Asset sale**

On 30<sup>th</sup> November 2020, the sale of the investment property included in these accounts was completed. The property sold for £1,240,000 and the management has determined that this will give the organisation the required reserves to continue and grow.