
LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)

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LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2014

| | |
|--|--|
| Trustees | Sheridan Lincoln Minshull, Chair Elaine Baylis, Vice Chair Roy William Harper Linda Withers Derek Charles Smith John Carpenter, Treasurer |
| Company registered number | 04108372 |
| Charity registered number | 1089130 |
| Registered office | 3rd Floor, Lincoln House 37-39 Newland Lincoln Lincolnshire LN1 1YA |
| Company secretary and Chief Executive | Alison Goddard |
| Independent auditors | Streets Audit LLP Chartered Accountants & Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW |
| Bankers | Co-operative Bank PO Box 101 1 Balloon Street Manchester M60 4EP |
| Solicitors | Andrew & Co LLP St Swithin's Court 1 Flavian Road Nettleham Road Lincoln LN2 4GR |

LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Lincolnshire Action Trust (the Charity) for the year ended 31 March 2014. The Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

Lincolnshire Action Trust is governed by an Articles and Memorandum of Association. Lincolnshire Action Trust is also a Company Limited by Guarantee (Company Number 4108372).

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees retire by rotation by those who have been longest in office since their appointment or reappointment. If the vacancy is not filled, the retiring trustee, if willing to act, will be deemed to have been reappointed unless it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

The traditional business and criminal justice skills are well represented on the Board. Where new skills are identified as being of benefit to the Charity, individuals will be approached to offer themselves for election by the Committee or an open advertisement will be placed.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Most Trustees are familiar with the practical work of the Charity through being involved with workshops, meetings and staff recruitment and selection activities. Trustees are also kept up to date with activities through regular updates at each Board Meeting and presentation of documents such as the annual Business Plan. New Trustees receive an induction covering their obligations as a member of the Board, the main documents which set out the operational framework of the Charity including the Memorandum and Articles of Association, funding structure of the Charity and future plans and objectives.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

At present the Charity has six trustees who are responsible for the strategic direction and policy of the Charity, including one who acts as Treasurer. The Company Secretary also sits on the Board but has no voting rights.

The Senior Management Team comprises the Chief Executive and the Director of Operations. The Chief Executive has delegated responsibility for running the organisation and ensuring that the Charity delivers the services specified and that key performance indicators are met. The Director of Operations is responsible to the Chief Executive for operational management, supervision of middle managers and ensuring the staff team continue to adhere to good practice.

e. RELATED PARTY RELATIONSHIPS

Lincolnshire Action Trust does not have any relationships with related parties.

LINCOLNSHIRE ACTION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

f. RISK MANAGEMENT

The Trustees and management of the organisation review the major risks on a regular basis. The most significant external risk identified is our dependence upon time-limited governmental funding which can be subject to changes in political priorities and social policy. As a result, our free reserves have been established at a level that would allow the organisation to provide sufficient resources in the short term in the event of policy changes affecting funding. It has also been decided to diversify both the funding and activities of the organisation to ensure minimisation of risk associated with future income generation.

Identified internal risks have been minimised, for example through the use of fixed term employment contracts for new staff. All staff and volunteers undertake Enhanced DBS vetting to support safeguarding principals. Procedures are in place for the authorisations of all transactions and to ensure consistent delivery of all operational aspects of the charitable company.

These procedures are reviewed regularly to ensure the needs of the organisation continue to be met.

Objectives and Activities

a. OBJECTIVES AND AIMS

The objectives of the Charity are as follows:

- The care, resettlement and rehabilitation of offenders and those at risk of offending and their families and dependants in the county of Lincolnshire.
- To provide, promote, support or organise the recruitment and training of any offender, and those at risk of offending, and to assist them in finding employment and accommodation and to rehabilitate themselves.
- To further and promote the study of and research into all aspects and methods of the prevention of crime, social exclusion and delinquency and to obtain and make records of and disseminate information concerning the same.

Lincolnshire Action Trust aims to identify and develop provisions that will meet the identified needs of offenders, prisoners and their families in an innovative and responsive manner. Our work closely follows the National Reducing Re-offending Action Plan 'Pathways' which have been identified by the National Offender Management Service (NOMS) as the most significant risk factors to tackle in order to prevent recidivism and to protect the public. We therefore aim to be responsive to the needs identified among our client groups and to work in partnership with other agencies in the statutory, private and voluntary sectors to reduce re-offending in our local area.

b. SIGNIFICANT ACTIVITIES

Over the year 2013-14, Lincolnshire Action Trust has continued to develop its 'offer' to meet the needs of the clients with whom we work. Our main areas of delivery over the last year have continued to be employability; Information, Advice and Guidance; disclosure; accommodation support, including specific provision for remand prisoners; support for families and children; recruitment and training of volunteer mentors; and floating support for Integrated Offender Management clients, including prolific and priority offenders.

The Board of Trustees confirm that in deciding what activities the Charity should pursue they have due regard to the guidance offered by the Charity Commission in relation to Public Benefit.

LINCOLNSHIRE ACTION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

c. VOLUNTEERS

The Trustees are all volunteers and devote their time to attend Board meetings quarterly, as well as attending ad hoc planning events and Board sub-group meetings when required.

The Charity also recruits and trains a number of volunteer mentors to support clients with a range of aspects to complement the interventions delivered by staff.

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. REVIEW OF ACTIVITIES

The activities undertaken over the last 12 months are as follows:

Employability

Sustainable employment is the single most effective factor in reducing risk of re-offending and Lincolnshire Action Trust has delivered employability interventions to offenders in the community since 2001. Over the past year we have supported 717 individuals in the community to improve their employability, progressing 148 to achieve an employment, training or education outcome. A further 1,968 'soft' outcomes have been achieved as a result of our interventions including disclosure advice, interview skills training and, improved confidence when job-searching. Our young offender provision has supported 36 individuals who are 'NEET' (not in education, employment or training) and 5 have progressed into employment or training as a result.

Housing Support

Our community housing support continues to assist Integrated Offender Management offenders to gain suitable housing and to sustain their tenancy by providing 'floating support' to develop independent living skills. 30 new clients have been supported during the year and we've delivered almost 6,000 hours of assistance. We have also been able to support 16 offenders with funding for rent deposits, repayable over an agreed period of time, as well as providing skills development to enable clients to be a 'good tenant'.

Resettlement

Lincolnshire Action Trust continues to deliver resettlement services in a number of local prisons, focusing on employment support, accommodation assistance and debt advice. Methods of working vary in each prison, but we are able to work with prisoners as soon as they arrive at the prison until the day they are released. Interventions include Information, Advice and Guidance, employability skills development, disclosure support, a motivational course, self employment course, debt advice and housing assistance and support. Over 1,100 prisoners have been supported during the year and prison targets for accommodation, education and employment on release have all been exceeded for the year. We also deliver a specific housing provision for prisoners on remand at HMP Lincoln and 168 remand prisoners have been supported to sustain their tenancy or to find accommodation ready for release during the last year. Our bail accommodation provision has supported 27 prisoners to gain a suitable address for bail or release on home detention curfew during the year. This year we have been able to secure funds to establish a court-based team to undertake immediate assessment following sentence, which enables urgent needs to be addressed. 288 prisoners have been assessed since the project started in August and needs have included crisis mental health referrals, ordering of essential medical prescriptions, contacting family members, arranging for RSPCA to retrieve pets from home.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

Children and Families

Lincolnshire Action Trust has continued to deliver a number of interventions for the children and families of offenders and prisoners during the last year. This has included a dedicated family support worker to maintain family links and reduce the impact of having a family member in custody. 88 new cases have been opened for this provision over the last year. This focused work is supported by our play workers within the visits hall at HMP Lincoln to engage visiting children in activities and play. Over 490 children have benefited from this provision during the year. The families of offenders in the community are also able to access support via our Children and Families team to overcome a range of barriers that may impact on further offending. The community provision commenced in August and 94 individuals have been supported to date.

Finance, Benefit and Debt

Lincolnshire Action Trust has continued to deliver debt advice for prisoners at HMP Lincoln. The provision offers one to one support for priority one debts and has supported 35 individuals with complex debt issues during the year.

Senior Attendance Centre

The Charity has continued to deliver the Lincolnshire Senior Attendance Centre for 18 to 24 year olds. This is a court order of between 12 and 36 hours requiring an offender to attend 3-hour sessions each Saturday morning. The sessions cover a range of topics such as financial capability, employability skills, health awareness and problem solving. 22 offenders have received an Order during the year and completion rates are positive.

Grants for Clients

We manage a number of grant streams on behalf of others for the benefit of clients. These can be used to purchase tools or clothing for work; as loans for accommodation deposits; identification to open a bank account; to purchase essential furniture etc. Over the year, 274 offenders have been supported.

c. FUNDRAISING ACTIVITIES/INCOME GENERATION

No material fundraising has taken place over the period.

d. INVESTMENT POLICY AND PERFORMANCE

The charity holds part of its cash resources in what the trustees consider to be low risk liquid investments.

e. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

Internal factors

Our staff remain a key element of our success and we continue to devote significant resources to ensuring that they are well trained and motivated to deliver a high quality service to our clients. All staff have been involved in formal training and/or development activities over the last year and this supports our efforts to carry out our identified objectives successfully.

Our staffing structure has evolved over the period to take account of the changing delivery areas within the organisation. The management team meet regularly to manage the organisation. Delivery teams also meet regularly to focus on their specific areas of work. The management information system has been revised during the year and all staff are now focused on delivery of contractual targets, whilst remaining committed to quality of provision.

LINCOLNSHIRE ACTION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

External factors

The Charity has continued to build good relationships with statutory criminal justice agencies such as Probation, HM Prison Service, Police and Lincolnshire Youth Offending Service, as well as with private sector and voluntary sector organisations. We regularly seek feedback from our clients and stakeholders and we consistently receive positive comments about their satisfaction with the services that they have accessed.

Our reputation as a source of high quality services for offenders and prisoners is becoming more widely known and we are often approached to undertake work as a result of this reputation.

Financial review

a. RESERVES POLICY

The Charity carries out a number of short and medium term projects (usually up to two years in duration) and as such the Trustees have examined the requirements for the level of free reserves (i.e. unrestricted funds not invested in fixed assets, designated for other purposes or otherwise committed). As the Charity supports many vulnerable clients, as well as employing staff, it has been decided that free reserves should be maintained at a level that allows adequate working capital for core costs and would cover contingency costs in the event of project funding ending unexpectedly.

At the end of the year the balance of free reserves was £767,251 (compared to £763,889 at 31st March 2013). This is equivalent to approximately 11 months of operating costs. As this exceeds the Trustees agreed level, they have also agreed to designate a number of funds for specific purposes over the coming three years, totalling approximately £500,000.

b. PRINCIPAL FUNDING

The Charity is solely reliant on attracting funding from external bodies for all of its activities. During the year, grants were received or contracts were held with HM Prison Service, Guideline Careers Services, Lincolnshire Probation Trust, Leicestershire and Rutland Probation Trust, Supporting People, Lloyds TSB Foundation, Working Links, TNG, Lincolnshire County Council, Crisis, and Children in Need, and a number of small grant-makers, all for service delivery. The Trust continues to try and broaden its funding base as much as possible to ensure long term sustainability for provision.

c. MATERIAL INVESTMENTS POLICY

Under the Memorandum and Articles of Association, the Charitable Company has the power to make any investment which the Trustees see fit.

Lincolnshire Action Trust holds material cash resources in short term liquid investments.

LINCOLNSHIRE ACTION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

Plans for the future

a. FUTURE DEVELOPMENTS

The Charity plans to continue many of the activities outlined above in forthcoming years, subject to satisfactory funding arrangements. In addition, as new needs are identified, the Charity will assess the relevance and suitability of sourcing funding to broaden its provision base, whilst continuing to meet the overall aims of the Charity. It is planned that designated funds will be used to develop new areas of business balancing the need for positive social impact and financial sustainability.

Specific areas for development for the coming year will be working with HMP Lincoln to develop additional services to address areas identified in its recent HMIP Inspection Report, as well as focusing attention on several contracts which are due for renewal in the next 12 months. The welfare reforms which are being introduced will have a significant impact on our clients and therefore we will need to continue to ensure appropriate interventions are available to minimise the impact and to reduce the risk of re-offending.

LINCOLNSHIRE ACTION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Lincolnshire Action Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

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

This report was approved by the Trustees on 4 June 2014 and signed on their behalf by:

Sheridan Lincoln Minshull, Chair

LINCOLNSHIRE ACTION TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST

We have audited the financial statements of Lincolnshire Action Trust for the year ended 31 March 2014 which comprise the Statement of financial activities, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity'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 charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINCOLNSHIRE ACTION TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW
19 June 2014

LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2014

| | Note | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | Total funds 2013 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Investment income | 2 | 17,319 | - | 17,319 | 8,715 |
| Incoming resources from charitable activities | 3 | 853,115 | 33,436 | 886,551 | 775,999 |
| TOTAL INCOMING RESOURCES | | 870,434 | 33,436 | 903,870 | 784,714 |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | 8 | 853,930 | 34,351 | 888,281 | 879,066 |
| Governance costs | 4 | 3,500 | - | 3,500 | 3,500 |
| TOTAL RESOURCES EXPENDED | 7 | 857,430 | 34,351 | 891,781 | 882,566 |
| NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS | | 13,004 | (915) | 12,089 | (97,852) |
| Transfers between Funds | 14 | 2,006 | (2,006) | - | - |
| NET MOVEMENT IN FUNDS FOR THE YEAR | | 15,010 | (2,921) | 12,089 | (97,852) |
| <i>Total funds at 1 April 2013</i> | | <i>767,400</i> | <i>(825)</i> | <i>766,575</i> | <i>864,427</i> |
| TOTAL FUNDS AT 31 MARCH 2014 | | 782,410 | (3,746) | 778,664 | 766,575 |

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

LINCOLNSHIRE ACTION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04108372

BALANCE SHEET
AS AT 31 MARCH 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|---|------|-----------------|----------------|-----------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 11 | | 15,159 | | 3,511 |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 63,898 | | 90,207 | |
| Cash at bank | | 726,125 | | 724,522 | |
| | | | <u>790,023</u> | | <u>814,729</u> |
| CREDITORS: amounts falling due within one year | 13 | (26,518) | | (51,665) | |
| NET CURRENT ASSETS | | | 763,505 | | 763,064 |
| NET ASSETS | | | 778,664 | | 766,575 |
| CHARITY FUNDS | | | | | |
| Restricted funds | 14 | | (3,746) | | (825) |
| Unrestricted funds | 14 | | 782,410 | | 767,400 |
| TOTAL FUNDS | | | 778,664 | | 766,575 |

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

The financial statements were approved by the Trustees on 4 June 2014 and signed on their behalf, by:

Sheridan Lincoln Minshull, Chair

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

LINCOLNSHIRE ACTION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

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

1.5 Resources expended

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £25 are capitalised.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

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

Office equipment - 20-33% Straight Line

2. INVESTMENT INCOME

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|---------------|------------------------------------|----------------------------------|-----------------------------|---------------------------------------|
| Bank interest | 17,319 | - | 17,319 | 8,715 |
| | <u>17,319</u> | <u>-</u> | <u>17,319</u> | <u>8,715</u> |

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|--------|------------------------------------|----------------------------------|-----------------------------|---------------------------------------|
| Grants | 853,115 | 33,436 | 886,551 | 775,999 |
| | <u>853,115</u> | <u>33,436</u> | <u>886,551</u> | <u>775,999</u> |

4. GOVERNANCE COSTS

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|-----------------------------------|------------------------------------|----------------------------------|-----------------------------|---------------------------------------|
| Governance Auditors' remuneration | 3,500 | - | 3,500 | 3,500 |
| | <u>3,500</u> | <u>-</u> | <u>3,500</u> | <u>3,500</u> |

LINCOLNSHIRE ACTION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

5. DIRECT COSTS

| | Total 2013 £ | <i>Total 2012 £</i> |
|------------------------|-----------------------------|-----------------------------|
| Occupancy costs | 23,124 | 19,612 |
| Office running costs | 22,573 | 26,885 |
| Other costs | 6,977 | 9,610 |
| Marketing costs | 3,487 | 2,064 |
| Travel expenses | 37,499 | 38,414 |
| Direct client expenses | 50,042 | 29,132 |
| Other staff costs | 18,080 | 8,302 |
| Legal costs | 4,800 | 5,385 |
| Accountancy costs | 10,531 | 7,218 |
| Wages and salaries | 613,946 | 636,980 |
| National insurance | 51,430 | 51,551 |
| Pension cost | 29,944 | 29,608 |
| | <u>872,433</u> | <u>864,761</u> |

6. SUPPORT COSTS

| | Total 2013 £ | <i>Total 2012 £</i> |
|-----------------|-----------------------------|-----------------------------|
| Office costs | 1,759 | 2,335 |
| Other costs | 5,389 | 2,473 |
| Travel expenses | 1,333 | 2,095 |
| Legal costs | 1,298 | 3,247 |
| Bank | 241 | 316 |
| Depreciation | 5,828 | 3,839 |
| | <u>15,848</u> | <u>14,305</u> |

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

| | Staff costs 2014 £ | Depreciation 2014 £ | Other costs 2014 £ | Total 2014 £ | <i>Total 2013 £</i> |
|---|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Care, resettlement and rehabilitation of offenders | 695,320 | 5,828 | 187,133 | 888,281 | 879,066 |
| Governance | - | - | 3,500 | 3,500 | 3,500 |
| | <u>695,320</u> | <u>5,828</u> | <u>190,633</u> | <u>891,781</u> | <u>882,566</u> |

LINCOLNSHIRE ACTION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

| | Activities undertaken directly 2014 £ | Support costs 2014 £ | Total 2014 £ | Total 2013 £ |
|--|---|-------------------------------|--------------------|--------------------|
| Care, resettlement and rehabilitation of offenders | <u>872,433</u> | <u>15,848</u> | <u>888,281</u> | <u>879,066</u> |

9. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

| | 2014 £ | 2013 £ |
|--|---------------|---------------|
| Depreciation of tangible fixed assets: - owned by the charity | 5,828 | 3,839 |
| Auditors' remuneration | 3,500 | 3,500 |
| Pension costs | <u>29,944</u> | <u>29,608</u> |

During the year, no Trustees received any remuneration (2013 - £NIL).

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2013 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

10. STAFF COSTS

Staff costs were as follows:

| | 2014 £ | 2013 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 613,946 | 636,980 |
| Social security costs | 51,430 | 51,551 |
| Other pension costs | 29,944 | 29,608 |
| | <u>695,320</u> | <u>718,139</u> |

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

| | 2014 No. | 2013 No. |
|-----------------|-------------|-------------|
| Senior Managers | 2 | 2 |
| Managers | 5 | 5 |
| Practitioners | 22 | 24 |
| Administrators | 6 | 6 |
| | <u>35</u> | <u>37</u> |

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

11. TANGIBLE FIXED ASSETS

| | Office equipment £ | Computer equipment £ | Total £ |
|-----------------------|--------------------------|----------------------------|---------------|
| Cost | | | |
| At 1 April 2013 | 5,498 | 52,992 | 58,490 |
| Additions | 15,394 | 2,082 | 17,476 |
| Disposals | (2,349) | (38,670) | (41,019) |
| At 31 March 2014 | <u>18,543</u> | <u>16,404</u> | <u>34,947</u> |
| Depreciation | | | |
| At 1 April 2013 | 5,498 | 49,481 | 54,979 |
| Charge for the year | 2,088 | 3,740 | 5,828 |
| On disposals | (2,349) | (38,670) | (41,019) |
| At 31 March 2014 | <u>5,237</u> | <u>14,551</u> | <u>19,788</u> |
| Net book value | | | |
| At 31 March 2014 | <u>13,306</u> | <u>1,853</u> | <u>15,159</u> |
| At 31 March 2013 | <u>-</u> | <u>3,511</u> | <u>3,511</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

12. DEBTORS

| | 2014 £ | 2013 £ |
|---------------|-----------|-----------|
| Trade debtors | 55,871 | 16,613 |
| Other debtors | 8,027 | 73,594 |
| | 63,898 | 90,207 |

13. CREDITORS:
Amounts falling due within one year

| | 2014 £ | 2013 £ |
|------------------------------------|-----------|-----------|
| Bank loans and overdrafts | 450 | 162 |
| Trade creditors | 4,893 | 3,445 |
| Other taxation and social security | 12,793 | 11,513 |
| Other creditors | 8,382 | 36,545 |
| | 26,518 | 51,665 |

14. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Carried Forward £ |
|---------------------------|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|
| Unrestricted funds | | | | | |
| Employability | 320,826 | 342,570 | (366,189) | - | 297,207 |
| Housing Support | 11,598 | 125,746 | (138,866) | - | (1,522) |
| Resettlement | 139,030 | 279,004 | (219,672) | - | 198,362 |
| Children and Families | 15,619 | 48,504 | (62,567) | - | 1,556 |
| Finance Benefit and Debt | 5,305 | 1,375 | (1,542) | - | 5,138 |
| Grants for Clients | 6,857 | 33,406 | (34,010) | - | 6,253 |
| Other Projects | 7,123 | 22,440 | (12,248) | - | 17,315 |
| | 506,358 | 853,045 | (835,094) | - | 524,309 |
| General funds | | | | | |
| General Fund | 261,042 | 17,389 | (22,336) | 2,006 | 258,101 |
| Total Unrestricted funds | 767,400 | 870,434 | (857,430) | 2,006 | 782,410 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

14. STATEMENT OF FUNDS (continued)

Restricted funds

| | | | | | |
|--------------------------|----------------|----------------|------------------|----------------|----------------|
| Family Support | 2,006 | - | - | (2,006) | - |
| Children Support Round 2 | (2,831) | 33,436 | (34,351) | - | (3,746) |
| | <u>(825)</u> | <u>33,436</u> | <u>(34,351)</u> | <u>(2,006)</u> | <u>(3,746)</u> |
| Total of funds | <u>766,575</u> | <u>903,870</u> | <u>(891,781)</u> | <u>-</u> | <u>778,664</u> |

Unrestricted funds:

General fund

General funds are those funds not designated towards any project in particular and can be used towards any of the Charity's objectives.

Employability includes:

Information, Advice and Guidance

Provision of IAG to offenders in the community in Lincolnshire and Rutland.

Reach (Community)

Employment project for offenders in the community, subcontracted from Leicestershire and Rutland Probation Trust.

Reach (Prisons)

Employment project for prisoners at HMP Lincoln, HMP North Sea Camp and HMP Stocken, subcontracted from Leicestershire and Rutland Probation Trust.

Princes' Trust Enterprise Programme

Delivery of 4 day enterprise programme to prisoners at HMP Lincoln on behalf of Princes' Trust.

Ingeus Work Programme

Half-day sessions across county to address offence-related barriers to employment for participants of the Work Programme.

YOS NEET Project

Employment, training and education support for young offenders who are not in education, employment or training.

A4E Work Programme

Delivery of specialist interventions for Work Programme participants with offence-related barriers to employment.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

14. STATEMENT OF FUNDS (continued)

Housing Support includes:

Supporting People PPO Floating Support

Project to provide accommodation support for prolific and priority offenders to help them live independently.

Crisis 'Private Rented Sector' Grant

Funds to assist with deposit and the first months rent and ongoing support for single homeless offenders.

Resettlement includes:

HMP Lincoln

Project to provide one-to-one resettlement advice for prisoners approaching release at HMP Lincoln.

Remand Project

Pilot project with YMCA Lincolnshire to resolve accommodation issues for prisoners on remand at HMP Lincoln.

Bail Accommodation and Support Service (BASS)

Provision to arrange accommodation for prisoners who are eligible for bail or for Home Detention Curfew who require a suitable address to leave the prison.

Court Pilot

Court based assesment and support for offenders sentenced to custody at Lincoln courts.

Finance Benefit and Debt includes:

Debt Advice Project

Short term project to provide one to one support for offenders under supervision to Lincolnshire Probation with priority one debts across Lincolnshire.

Children and Families includes:

Play in Prisons

Provision of play workers within Visits Hall at HMP Lincoln.

Evan Cornish

Support for children and families of offenders under Probation supervision.

ESF Families

Holistic support for families of offenders to overcome barriers to enable progression into sustainable employment.

IOM Children and Families

Support for children and families of IOM offenders in Lincolnshire.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

14. STATEMENT OF FUNDS (continued)

Other Projects includes:

Senior Attendance Centre

Delivery of Attendance Centre requirement of Court Order for 18 to 24 year olds.

Young Persons Mentoring

Recruitment and training of volunteer mentors to support young offenders.

Oasis

Management support for Oasis substance misuse charity.

Changing Lives Fund

A grant that LAT is administering on behalf of Lincolnshire Probation Trust to provide small grants for offenders to change their lives and move away from offending.

Restricted funds

Children Support

Project provides support to children under 16 who have a father in prison at HMP Lincoln.

Family Support

Project supports family and children of female prisoners at HMP New Hall to ensure that they are taken into account during the prison sentence.

Restricted funds include minor deficit balances arising from the timing in funding. Any shortfall would be met by general funds.

SUMMARY OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Carried Forward £ |
|--------------------|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|
| Unrestricted funds | 506,358 | 853,045 | (835,094) | - | 524,309 |
| General funds | 261,042 | 17,389 | (22,336) | 2,006 | 258,101 |
| | <u>767,400</u> | <u>870,434</u> | <u>(857,430)</u> | <u>2,006</u> | <u>782,410</u> |
| Restricted funds | (825) | 33,436 | (34,351) | (2,006) | (3,746) |
| | <u>766,575</u> | <u>903,870</u> | <u>(891,781)</u> | <u>-</u> | <u>778,664</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2014 £ | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|---------------------------------------|
| Tangible fixed assets | 15,159 | - | 15,159 | 3,511 |
| Current assets | 790,023 | - | 790,023 | 814,567 |
| Creditors due within one year | (22,772) | (3,746) | (26,518) | (51,503) |
| | <u>782,410</u> | <u>(3,746)</u> | <u>778,664</u> | <u>766,575</u> |

16. PENSION COMMITMENTS

The charity operates a defined contributions 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 £29,944 (2013 - £29,306). Contributions totalling £NIL (2013 - £NIL) were payable to the fund at the balance sheet date.