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**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**LINCOLNSHIRE ACTION TRUST**  
**(A company limited by guarantee)**

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**CONTENTS**

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	Page
<b>Reference and administrative details of the charity, its trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 8
<b>Independent auditors' report</b>	9 - 10
<b>Statement of financial activities</b>	11
<b>Balance sheet</b>	12
<b>Cash flow statement</b>	13
<b>Notes to the financial statements</b>	14 - 24

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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<b>Trustees</b>	Sheridan Lincoln Minshull, Chair Elaine Baylis, Vice Chair Roy William Harper Linda Withers Derek Charles Smith John Carpenter, Treasurer
<b>Company Registered Number</b>	04108372
<b>Charity Registered Number</b>	1089130
<b>Registered Office</b>	3rd Floor, Lincoln House 37-39 Newland Lincoln Lincolnshire LN1 1YA
<b>Company Secretary and Chief Executive</b>	Alison Goddard
<b>Independent Auditors</b>	Streets Audit LLP Chartered Accountants & Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
<b>Bankers</b>	Co-operative Bank PO Box 250 Skelmersdale WN8 6WT  HSBC Bank plc 221 High Street Lincoln LN1 1TS
<b>Solicitors</b>	Andrew & Co LLP St Swithin's Court 1 Flavian Road Nettleham Road Lincoln LN2 4GR

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**LINCOLNSHIRE ACTION TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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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 2016. 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), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

### **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.
- To relieve the suffering of families and carers whose lives have affected by substance misuse in Lincolnshire by providing support and information to help reduce drug and alcohol related harm.

The Charity 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 2015-16, Lincolnshire Action Trust ("LAT") 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; floating support for Integrated Offender Management clients, including prolific and priority offenders; and support for families of substance mis-users.

After a period of due diligence, Oasis Project (Lincolnshire) Ltd merged into LAT on 30 November, three staff were transferred as part of the merger, which sees LAT take over the delivery of support services to the children and families of substance mis-users across Lincolnshire.

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.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**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. REVIEW OF ACTIVITIES INCLUDING KEY PERFORMANCE INDICATORS**

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 our employment related provision has changed meaning a focus on those with more entrenched needs, supporting a lower number of individuals but in a more comprehensive way. We have commenced support with 169 individuals to improve their employability. Of these, 69 have accessed at least one 'support measure' to address barriers such as substance misuse, debt, health and wellbeing, or mentoring. 20 have also achieved an accredited short course to enhance their employability. A further 25 young offenders have been supported, 14 of whom have progressed into an employment, training or education outcome within the reporting period. Much of our focus at the start of our support focuses on 'soft outcomes' including disclosure advice, interview skills training and, improved confidence when job-searching, in order to progress individuals further towards employment.

In the final four months of the year, LAT was commissioned by Futures Advice to deliver elements of the 'Careers Inspiration in Custody' contract in five local prisons. We successfully delivered all the contracted elements including an assessment of skills and employment opportunities in each of the five prisons, three new employers linked with each of the five prisons, five employer activities to be delivered in custody and three 'inspirational' ex-offenders to deliver a session to serving prisoners about their employment experience.

**Housing Support**

Our community housing support has continued to assist Integrated Offender Management offenders and young offenders being released from custody to gain suitable housing and to sustain their tenancy by providing 'floating support' to develop independent living skills. We've delivered 3,860 hours of assistance to over 50 clients during the last 12 months.

**Resettlement**

LAT's resettlement services at HMP Lincoln came to an end on 30th April when Transforming Rehabilitation was rolled out nationally. In the final month of delivery we achieved each of our Service Delivery Requirement (SDR) targets with 11 prison leavers entering education on release (14% of releases), 25 entering employment (31% of releases) and 73 securing accommodation on the day of release (90%). This means the SDR targets for the year have been exceeded in each of the three areas; 15.12% education on release (target 14%), 29.84% employment on release (target 27%), 90.59% secured accommodation on release (target 88.5%).

We also continued to deliver a specific housing provision for prisoners on remand at HMP Lincoln until June 2015 when this was absorbed into the Transforming Rehabilitation delivery. 27 new remand prisoners have been supported to sustain their tenancy or to find accommodation ready for release in the final three months of the provision.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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Our SPARC project (Supporting People After Remand or Conviction) continues to provide much needed assessment and support at Court immediately following sentence or remand, with support continuing on arrival at HMP Lincoln and throughout the period of sentence or remand. 698 individuals have been assessed and needs have included contacting family members, arranging for children to be collected from school, crisis mental health referrals, arranging medical prescriptions and retrieving belonging, including pets.

LAT's innovative 'Departure Lounge' facility which is available to every prisoner released from HMP Lincoln, is located within the FIRST Centre building and has been operational since July 2015. During this time 696 prisoners have engaged with the service (88% of releases), accessing a range of support including sourcing accommodation, making contact with Probation to check a reporting time, directions to the train station. Prisoners are encouraged to return to the FIRST Centre if they require further support in the future. We also provide a 'release pack' containing essentials such as a toothbrush, toothpaste, contraception, clean socks and underwear, a bottle of water and key contact information. The Departure Lounge has also engaged with 82 friends or family members to provide information and advice. The facility encourages Probation, support agencies and mentors to wait for prisoners to be released and can arrange private interview rooms for immediate interventions to take place.

#### **Children and Families**

LAT 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. 31 new cases have been opened for in-depth support over the last year and a further 303 children have been supported during visits to the prison. Adult visitors to HMP Lincoln are supported via our FIRST team (Family Intervention and Release Support Team), and 231 individuals have accessed specific advice or support during the year.

We have continued to deliver parenting courses for prisoners at HMP Lincoln and 70 individuals have attended a course during the last year.

Since 1 December, the work undertaken by Oasis has been transferred into LAT. Oasis was a long established charity, working with children and families who are affected by substance misuse of a family member. For adults, support is offered both one to one or in small groups, and for children all support is one to one. Oasis staff regularly support young people involved in safeguarding, child in need and team around the child proceedings, and are often provide the key trusted relationship with the young person. In the final four months of the year 35 new adult referrals and 29 new young person referrals have been received to access Oasis support.

#### **Mentoring**

LAT has continued to recruit and train volunteer mentors during the last year. Our focus has been on young offenders supervised by Lincolnshire Youth Offending Service and young people subject to Anti-Social Behaviour arrangements. 149 young people have been referred to the provision during the year.

Our 'Release Support' provision provides intensive pre and post release support for a small number of individuals with multiple needs at HMP Lincoln. The provision aims to co-ordinate all aspects of an individual's release plans from each agency and then provide support for the individual to successfully engage with the support identified. 32 new clients have been supported during the year.

#### **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, 147 grants have been awarded.

### **b. INVESTMENT POLICY AND PERFORMANCE**

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**c. 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.

**External factors**

The Charity has continued to build good relationships with statutory criminal justice agencies such as National Probation Service, Community Rehabilitation Companies, 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 this 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.

For the current year this is estimated to equate to £300,000. At the end of the year the balance of free reserves was £994,968 (compared to £869,688 at 31 March 2015). This is equivalent to approximately 18 months of current 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 £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 funding agreements were held with HM Prison Service, Futures, Leicestershire and Rutland Probation Trust, Lincolnshire County Council, Lloyds Bank Foundation, NOMS ESF, Children in Need, Lincolnshire Youth Offending Service and Lincolnshire Economic Action Partnership 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.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**c. MATERIAL INVESTMENTS POLICY**

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

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

**d. 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.

**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 04108372).

**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. To date this has proved a useful method of recruitment, and this supports open advertisements for Trustees.

**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. PAY POLICY FOR SENIOR STAFF**

Pay for senior staff is determined by the Trustees. Senior staff are subject to an annual pay review.

**e. 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.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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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.

**f. RELATED PARTY RELATIONSHIPS**

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

**g. RISK MANAGEMENT**

The Trustees and management of the organisation review the major risks on a regular basis. We have strategic and operational risk registers in place, which are reviewed regularly. 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.

**Plans for future periods**

**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 partners to continue to identify gaps and delivery responses resulting from Transforming Rehabilitation, as well as focusing attention on several contracts which are due for renewal in the next 12 months. The CFO3 contract is now fully operational and developing our delivery of this will also be a focus over the coming year.

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**LINCOLNSHIRE ACTION TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**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;
- 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.

**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.

**AUDITORS**

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on 8 June 2016 and signed on their behalf by:

**Sheridan Lincoln Minshull, Chair**  
**Trustee**

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

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We have audited the financial statements of Lincolnshire Action Trust for the year ended 31 March 2016 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 2016 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; 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, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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**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 take advantage of the small companies' exemption from the requirement to prepare a Strategic 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  
8 August 2016

**LINCOLNSHIRE ACTION TRUST**  
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
<b>INCOME FROM:</b>					
Donations and legacies	2	38,548	-	38,548	-
Investments	3	9,183	-	9,183	11,143
Charitable activities	4	722,008	55,186	777,194	986,242
<b>TOTAL INCOME</b>		<u>769,739</u>	<u>55,186</u>	<u>824,925</u>	<u>997,385</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	5	644,459	57,806	702,265	898,685
<b>TOTAL EXPENDITURE</b>	8	<u>644,459</u>	<u>57,806</u>	<u>702,265</u>	<u>898,685</u>
<b>NET INCOME / (EXPENDITURE)</b>		<u>125,280</u>	<u>(2,620)</u>	<u>122,660</u>	<u>98,700</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>125,280</u>	<u>(2,620)</u>	<u>122,660</u>	<u>98,700</u>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds at 1 April 2015		869,688	7,676	877,364	778,664
<b>TOTAL FUNDS AT 31 MARCH 2016</b>		<u><u>994,968</u></u>	<u><u>5,056</u></u>	<u><u>1,000,024</u></u>	<u><u>877,364</u></u>

All activities relate to continuing operations.

The notes on pages 14 to 24 form part of these financial statements.

**LINCOLNSHIRE ACTION TRUST**  
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**REGISTERED NUMBER: 04108372**

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	12		11,708		16,409
<b>CURRENT ASSETS</b>					
Debtors	13	122,840		60,752	
Investments	14	794,937		538,932	
Cash at bank and in hand		116,012		369,895	
			<u>1,033,789</u>		<u>969,579</u>
<b>CREDITORS:</b> amounts falling due within one year	15	(45,473)		(108,624)	
<b>NET CURRENT ASSETS</b>			<u>988,316</u>		<u>860,955</u>
<b>NET ASSETS</b>			<u>1,000,024</u>		<u>877,364</u>
<b>CHARITY FUNDS</b>					
Restricted funds	16		5,056		7,676
Unrestricted funds	16		994,968		869,688
<b>TOTAL FUNDS</b>			<u>1,000,024</u>		<u>877,364</u>

The financial statements were approved by the Trustees on 8 June 2016 and signed on their behalf, by:

**Sheridan Lincoln Minshull, Chair**

**Trustee**

The notes on pages 14 to 24 form part of these financial statements.

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**LINCOLNSHIRE ACTION TRUST**  
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**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	18	<u>(3,800)</u>	<u>184,120</u>
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment		(83)	(5,065)
Net cash invested during the year		<u>(250,000)</u>	<u>(28,547)</u>
<b>Net cash used in investing activities</b>		<u>(250,083)</u>	<u>(33,612)</u>
<b>Change in cash and cash equivalents in the year</b>	19	<b>(253,883)</b>	<b>150,508</b>
Cash and cash equivalents brought forward		<u>369,895</u>	<u>219,387</u>
<b>Cash and cash equivalents carried forward</b>	19	<u><u>116,012</u></u>	<u><u>369,895</u></u>

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**LINCOLNSHIRE ACTION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lincolnshire Action Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the Charity.

**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 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

**1.4 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.

**1.5 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.



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**LINCOLNSHIRE ACTION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**1.7 Going concern**

The Trustees do not believe that there are any material uncertainties about the charity's ability to continue. The charity has significant cash reserves and the Trustees are confident that sufficient funding streams are available to the charity. The financial statements have therefore been prepared on the going concern basis.

**1.8 Tangible fixed assets and depreciation**

All assets costing more than £25 are capitalised.

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% Straight Line
Computer equipment	-	33% Straight Line

**1.9 Interest receivable**

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

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

**1.11 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES (continued)**

**1.12 Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.13 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**1.14 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**1.15 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**2. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<i>Total funds 2015 £</i>
Donations	<b>38,548</b>	-	<b>38,548</b>	-

Donations represent the transfer of assets from the charity Oasis Project (Lincolnshire) Ltd during the year.

**3. INVESTMENT INCOME**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<i>Total funds 2015 £</i>
Bank interest	<b>9,183</b>	-	<b>9,183</b>	<i>11,143</i>

In 2015, of the total investment income, £11,143 was to unrestricted funds and £nil was to restricted funds.

**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Grants	<b>722,008</b>	<b>55,186</b>	<b>777,194</b>	<i>986,242</i>

In 2015, of the total income from charitable activities, £943,040 was to unrestricted funds and £43,202 was to restricted funds.

**5. GOVERNANCE COSTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Auditors' remuneration	<b>3,500</b>	-	<b>3,500</b>	<i>3,500</i>
Governance Auditors' non audit costs	<b>7,384</b>	-	<b>7,384</b>	<i>4,578</i>
	<b>10,884</b>	-	<b>10,884</b>	<i>8,078</i>

**6. PROJECT COSTS**

	Total 2016 £	<i>Total 2015 £</i>
Occupancy costs	<b>27,939</b>	<i>27,015</i>
Office running costs	<b>18,583</b>	<i>22,236</i>
Other costs	<b>6,681</b>	<i>10,455</i>
Marketing costs	<b>2,066</b>	<i>2,635</i>
Travel expenses	<b>27,206</b>	<i>29,611</i>
Direct client expenses	<b>9,190</b>	<i>39,975</i>
Other staff costs	<b>12,346</b>	<i>12,966</i>
Legal costs	<b>7,201</b>	<i>9,788</i>
Accountancy costs	-	<i>2,830</i>
Wages and salaries	<b>500,821</b>	<i>641,300</i>
National insurance	<b>40,125</b>	<i>51,195</i>
Pension cost	<b>27,666</b>	<i>30,323</i>
Depreciation	<b>694</b>	<i>694</i>
	<b>680,518</b>	<i>881,023</i>

**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**7. CORE COSTS**

	<b>Total 2016 £</b>	<i>Total 2015 £</i>
Occupancy costs	283	43
Office running costs	1,002	525
Other costs	2,145	2,863
Training and travel expenses	409	2,094
Legal costs	1,200	1
Bank charges	288	316
Wages and salaries	1,446	621
Depreciation	4,090	3,121
	<u>10,863</u>	<u>9,584</u>

**8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	<b>Staff costs 2016 £</b>	<b>Depreciation 2016 £</b>	<b>Other costs 2016 £</b>	<b>Total 2016 £</b>	<i>Total 2015 £</i>
Care, resettlement and rehabilitation of offenders	570,058	4,784	116,539	691,381	890,607
Governance	-	-	10,884	10,884	8,078
	<u>570,058</u>	<u>4,784</u>	<u>127,423</u>	<u>702,265</u>	<u>898,685</u>

**9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	<b>Activities undertaken directly 2016 £</b>	<b>Support costs 2016 £</b>	<b>Total 2016 £</b>	<i>Total 2015 £</i>
Care, resettlement and rehabilitation of offenders	680,518	10,863	691,381	890,607
	<u>680,518</u>	<u>10,863</u>	<u>691,381</u>	<u>890,607</u>

**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>4,784</b>	<i>3,815</i>
Auditors' remuneration	<b>3,500</b>	<i>3,500</i>
Auditors' remuneration - non-audit	<b>7,384</b>	<i>4,578</i>
Operating lease rental cost	<b>14,721</b>	<i>14,258</i>
	<b>=====</b>	<i>=====</i>

During the year, no Trustees received any remuneration (2015 - £NIL).  
 During the year, no Trustees received any benefits in kind (2015 - £NIL).  
 During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

**11. STAFF COSTS**

Staff costs were as follows:

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
Wages and salaries	<b>502,267</b>	<i>641,921</i>
Social security costs	<b>40,125</b>	<i>51,195</i>
Other pension costs	<b>27,666</b>	<i>30,323</i>
	<b>=====</b>	<i>=====</i>
	<b>570,058</b>	<i>723,439</i>
	<b>=====</b>	<i>=====</i>

The average monthly number of employees was: 25 (2015: 34) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	<b>2016</b>	<i>2015</i>
	<b>No.</b>	<i>No.</i>
Senior Managers	<b>1</b>	<i>1</i>
Managers	<b>3</b>	<i>4</i>
Practitioners	<b>15</b>	<i>20</i>
Administrators	<b>4</b>	<i>5</i>
	<b>=====</b>	<i>=====</i>
	<b>23</b>	<i>30</i>
	<b>=====</b>	<i>=====</i>

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

Total remuneration paid to the Chief Executive during the year included salary of £49,249 and pension contributions of £6,118.

**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**12. TANGIBLE FIXED ASSETS**

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2015	23,608	16,404	40,012
Additions	-	83	83
At 31 March 2016	<u>23,608</u>	<u>16,487</u>	<u>40,095</u>
<b>Depreciation</b>			
At 1 April 2015	8,358	15,245	23,603
Charge for the year	4,090	694	4,784
At 31 March 2016	<u>12,448</u>	<u>15,939</u>	<u>28,387</u>
<b>Net book value</b>			
At 31 March 2016	<u>11,160</u>	<u>548</u>	<u>11,708</u>
<i>At 31 March 2015</i>	<u>15,250</u>	<u>1,159</u>	<u>16,409</u>

**13. DEBTORS**

	2016 £	2015 £
Trade debtors	103,859	48,316
Other debtors	1,160	1,074
Prepayments and accrued income	17,821	11,362
	<u>122,840</u>	<u>60,752</u>

**14. CURRENT ASSET INVESTMENTS**

	2016 £	2015 £
Short term cash deposits	<u>794,937</u>	<u>538,932</u>

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**LINCOLNSHIRE ACTION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**15. CREDITORS:**  
**Amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>2,357</b>	<b>10,857</b>
Other taxation and social security	<b>31,372</b>	<b>15,530</b>
Other creditors	<b>3,788</b>	<b>3,946</b>
Accruals and deferred income	<b>7,956</b>	<b>78,291</b>
	<hr/> <b>45,473</b> <hr/>	<hr/> <b>108,624</b> <hr/>
		<b>£</b>
<b>Deferred income</b>		
Deferred income at 1 April 2015		<b>71,934</b>
Amounts released from previous years		<b>(71,934)</b>
		<hr/>
Deferred income at 31 March 2016		<b>-</b> <hr/>

In the previous year, the charity received funding in advance to provide services during the 2015/16 financial year. No similar funding has been received as at 31 March 2016.

**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**16. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
<b>Unrestricted funds</b>				
General Funds	869,688	769,739	(644,459)	994,968
<b>Restricted funds</b>				
Lloyds Bank Foundation	4,705	24,138	(24,754)	4,089
Children Support Round 3	1,098	31,048	(31,492)	654
ASYE	1,873	-	(1,560)	313
	<u>7,676</u>	<u>55,186</u>	<u>(57,806)</u>	<u>5,056</u>
Total of funds	<u><u>877,364</u></u>	<u><u>824,925</u></u>	<u><u>(702,265)</u></u>	<u><u>1,000,024</u></u>

**Unrestricted funds:**

**General Funds**

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

**Restricted funds**

Lloyds Bank Foundation

Funding has been provided to support offenders serving less than a 12 month sentence with resettlement and action planning to ensure clients do not reoffend.

Children Support

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

ASYE

Funds received from Skills for Care to support newly qualified social work employee with ASYE (Assessed and Supported Year in Employment).

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	869,688	769,739	(644,459)	994,968
Restricted funds	7,676	55,186	(57,806)	5,056
	<u>877,364</u>	<u>824,925</u>	<u>(702,265)</u>	<u>1,000,024</u>



**LINCOLNSHIRE ACTION TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	11,708	-	11,708	16,409
Current assets	1,028,733	5,056	1,033,789	969,579
Creditors due within one year	(45,473)	-	(45,473)	(108,624)
	<u>994,968</u>	<u>5,056</u>	<u>1,000,024</u>	<u>877,364</u>

**18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	122,660	98,700
<b>Adjustment for:</b>		
Depreciation charges	4,784	3,815
Interest earned retained in cash investments	(6,005)	(3,647)
(Increase)/decrease in debtors	(62,088)	3,146
(Decrease)/increase in creditors	(63,151)	82,106
<b>Net cash (used in)/provided by operating activities</b>	<u>(3,800)</u>	<u>184,120</u>

**19. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	116,012	369,895
Total	<u>116,012</u>	<u>369,895</u>

**20. 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 £27,666 (2015 - £30,323). Contributions totalling £3,592 (2015 - £3,135) were payable to the fund at the balance sheet date.

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**LINCOLNSHIRE ACTION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**21. OPERATING LEASE COMMITMENTS**

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

	<b>Land and buildings</b>	
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Not later than 1 year	<b>16,020</b>	<i>16,020</i>
Later than 1 year and not later than 5 years	<b>16,020</b>	<i>32,040</i>
Total	<b>32,040</b>	<i>48,060</i>

**22. RELATED PARTY TRANSACTIONS**

There have been no related party transactions during the current or previous year requiring disclosure in the financial statements.