

REGISTERED COMPANY NUMBER: 02914384 (England and Wales)
REGISTERED CHARITY NUMBER: 1046018

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

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**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2021**

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CITIZENS ADVICE MERTON AND LAMBETH LIMITED

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

I am very pleased to present our 2021 Annual Report. At a time of such economic and health-related uncertainties, by growing and sustaining CAML we continue to make a positive and significant impact on behalf of our funders, volunteers, staff and, most importantly, our clients.

Over this year:

- CAML's support and advice generated £3.4million in financial benefits and over £12million in value to the people we supported.

- The wider economic and social benefit of improving our clients well-being is estimated at over £30 million.

The considerable impact of Covid-19 this year meant overall demand for CAML's services accelerated dramatically - and it is still growing. As CAML built on past funding and secured new funding, our income grew to over £1.2 million (2020: £1.0 million).

Thank you to all of our dedicated employees and volunteers, led by our Chief Executive, Suzanne Hudson, for the considerable efforts they make for our clients. In particular, responding to the challenges of Covid-19 has required everyone flexibly and quickly adopting new ways of working so the clients remain the central focus of everyone's efforts. CAML appreciates the dedication, skills and professionalism each person has brought, and continues to bring, to their role.

I would also like to thank the commissioners of our services and all of our funders for the ongoing support and confidence they place in CAML. Despite the additional funding that CAML secured this year, the demand acceleration we've seen has outpaced our capacity to support all who need us. With our analysis suggesting the demand for our services will grow further across Merton and Lambeth, we continue to work closely with commissioners, partners and funders to support our communities.

We strengthened the Board by welcoming two highly experienced new trustees to replace others that decided to move on. The Board will continue to oversee closely the performance of CAML and ensure the CAML strategy is executed with integrity and financial discipline. Many thanks to my Board colleagues for all of their contributions over the past year.

Throughout the time I have served on the Board, in common with other advice organisations we have faced many challenges, but CAML has progressively delivered its plans. We are all committed to continuing to create substantial value for our clients, and I look forward to reporting on our progress.

Jatinder Gosal
Chair of the Board of Trustees
24 November 2021

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Principles, Aims and Strategic priorities

Citizens Advice Merton and Lambeth (CAML) is one of London's leading and busiest advice charities. We support individuals and families who live, work or study primarily in the London boroughs of Merton and Lambeth, but also elsewhere. We also work to raise awareness and understanding of the challenging issues affecting individuals and our communities.

The charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress for the benefit of the communities we serve.

We were one of the first Citizens Advice services to open our doors in 1939. With over 80 years' experience, our services and support are as important today as they were when our work began.

"I am so grateful for your [CAML's] support. I am unable to use the internet or fill the forms needed. Advisers and others were a great help and arranged everything for me including going into office in lockdown to check and print copies of forms so everything could be completed. Thank you so much."
Client

Strategy 2021-2026

Over the past year we developed and implemented a new five-year strategy in consultation with staff, volunteers, funders, commissioners, clients and other stakeholders. The strategy was approved by the Board of Trustees in December 2020. Thank you to everyone involved for their time and participation.

Our Purpose

Supporting people to resolve their advice problems and change their lives for the better. We do this on a free, confidential and independent basis by:

- Providing advice and information services to support people in resolving the problems they face; and
- Supporting the improvement of policies and practices that affect people's lives both locally and nationally.

Our Values

Clients and Beneficiaries first

- We work for the public and place the interests of our clients and communities at the heart of our high quality advice, information and support.
- We collaborate with other organisations and partners for the benefit of our clients.

Professionalism

- Working together as a team we take pride in doing things properly, in making a real difference.
- Our staff, volunteers and trustees act with integrity.
- We support our team with on-going training and mentoring to achieve the best for clients and beneficiaries.

Compassion

- We believe everyone should have access to social justice.
- We value diversity, challenge discrimination and create a culture where all can flourish.

**REPORT OF THE TRUSTEES
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The Principles and Aims of CAML's Work and Services

We provide advice services responding to client needs via the telephone, on-line and face-to-face.

Our aim is to empower clients to better help themselves. But we are always here for further support and advice as and when needed.

Our approach embraces the following principles:

Build and foster trust - With our clients, our partners, and those we work closely with;

- Embrace joint working and collaboration - To meet individual needs, tackle wider strategic issues and maximise resources we need to work together, drawing on the diverse skills, knowledge and experience of the CAML team, our partners and those we work closely with. Collaborative working ensures the best outcomes for our clients.

- Work flexibly - We know the needs of individuals, families and communities change over time - in terms of changing demographics, challenges individuals and families face, and how they prefer to receive support. To ensure we continue to meet clients' needs and demands, CAML's professional, high quality advice services need to evolve over time.

- Supportive - The challenges clients face are increasingly complex which can be immensely stressful for them, their families and those who support them (including the CAML team). At CAML we are here for our clients and our team. We recognise that to best support clients we need to ensure those who work and volunteer with us are comprehensively supported. In the past year we have developed and implemented enhancements for our team including improved support and supervision, implementation of recommendations from volunteer review and team training.

- Evidence based - The design, delivery and evaluation of services must be evidence based. Although we're not a large charity, we need to ensure that evaluating and demonstrating impact and delivering value for money is embedded within what we do.

- Advice Quality Standard (AQS) - The AQS is awarded by an independent group of experts focused on quality within the advice sector. By receiving this award we have demonstrated that we reach the highest standards of organisation, information, knowledge and experience. In addition monitoring and recording of client satisfaction as an integral part of our services. This information includes client profiles which enable us to monitor that our services are meeting the needs of the community including hard-to-reach groups such as those with additional communication needs or enhanced support through a range of delivery models to maximise access (phone, email, online, face-to-face, drop-in and appointments at multiple venues).

We record, monitor and measure customer satisfaction in a variety of ways. We have detailed information (with consent), how we've supported them and number of issues resolved. We can also value economic and financial gains for example benefits appeals and money protected (unjust claims against clients) through a Treasury-recognised econometric model available to the Citizens Advice network. In other cases satisfaction is measured by the determining factors of the issues i.e. home retained, debt managed, employment issue resolved.

With national Citizens Advice, clients are invited to participate in feedback. Where the client agrees, a third party organisation contacts them to complete a survey (telephone or online) as to their experience with CAML.

"Thank you all the team [CAML], for your ongoing support. I couldn't have done this without you." Client

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Strategic Priorities 2021-2026

1. To deliver the highest quality advice and support across the range of our services.
2. To use technology to enable multi-channel access and to support as many clients as we can in the way that best meets their needs.
3. To ensure our services are accessible by:
 - a) Prioritising face-to-face support for those who most need it.
 - b) Finding other means to help vulnerable clients where that would be more effective.
4. To invest in quality training and supervision to make the most of our exceptional staff and volunteers.
5. To build the long-term success of the charity by prioritising financial sustainability and by attracting more investment from our communities.

Our Services

We offer a range of advice and support services developed in response to community need. Often working in partnership or collaboration with other organisations, we know that together we can often achieve better outcomes for individuals and families in need.

Our information, support and advice services are provided via telephone, online, video conference and face-to-face. During the financial year we provided all our services remotely. During the year we re-structured room use of one of our offices and resumed face-to-face support for priority clients and services as and when Government guidance permitted. In March 2021 we commenced the first phase of hybrid working and volunteering providing pre-booked advice appointments and information support from two of our offices and outreach venues.

"Everyone who helped me was superb. I'll never forget you, thank you" Client

The continued provision of all our services throughout the past year has only been possible through the enormous commitment of our staff team, our amazing volunteers, our partners and our fantastic funders/supporters.

Unfortunately, remote volunteering was not feasible for many of our volunteers. With accelerating demand for our services and overall working with a smaller team, the scale and impact of our work highlighted in this report is all the more impressive.

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. The company's objects are to promote any charitable purpose for the public and preservation of health and the relief of poverty, sickness and distress but without limitation, for the benefit of the community in London Boroughs of Merton and Lambeth and surrounding areas specifically, to provide free, independent, confidential, impartial advice, advocacy and information to the public on civil, financial, legal and other matters.

The Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the company and in planning its future activities. The Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Charity believes its strategy should be a living document, engaging with all our stakeholders and being actively reviewed and enhanced in response to the rapidly changing social, political and economic external environment. To ensure that we remain relevant and effective in responding to the needs that our local communities have we are committed to building on what we know works, involving the ideas of our staff and volunteers and ensuring we reflect the needs of the communities we serve.

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**REPORT OF THE TRUSTEES
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ACHIEVEMENT AND PERFORMANCE

Charitable activities

The demand for our services and support continued to accelerate with the impact of Covid-19. The demographics of Merton and Lambeth differ and this, in turn, brings specific challenges for individuals and families. Our focus is on each and every client and their particular situation.

Over the year we supported around 20,000 clients with more than 31,000 advice issues through our range of advice services. A further 33,000 individuals accessed our website (www.caml.org.uk) for information and support. We worked closely with organisations, local authorities and emergency services to ensure our clients received the best possible support.

For every £1 invested in our services in 2020-2021, we generated:

£3.22 in savings to government and public services (fiscal benefits)	By helping stop problems occurring or escalating, we reduce the need for public services (health, housing, out of work benefits).
£35.76 in wider economic and social benefits (public value)	Supporting and helping to solve residents problems improves lives - and this means better welcoming, participation and productivity for residents, communities and the boroughs we serve.
£11.86 in financial value to the people we help	Through our services and support we can increase people's income, help write off debt, we increase the take up of benefits and resolve consumer issues.

CAML's support and advice generated £3.4 million in fiscal benefits and over £12 million to the people we supported. The wider economic and social benefit of improving clients well-being is estimated at over £30 million.

Data calculated using Treasury impact model available to Citizens Advice network.

Adviceline telephone and email service

Our Adviceline telephone and email service provides information, assessments and support through two Advicelines - one for Merton and one for Lambeth. In the year Lambeth Adviceline joined Merton Adviceline in our Group partnership with four other London Citizens Advice (the West and South West London Adviceline Group). In the year, this successful partnership Group also commenced working on partner expansion.

"Without your amazing help I would have been so lost. You helped me when I was at my lowest point and felt very very depressed and just wanted to give up. The lady who answered the phone is a true asset to Citizens Advice. This lady and others who supported me have been a lifesaver." Client

With the impact of the pandemic and lockdown, demand for this service across both local authorities soared dramatically (by more than 300% some months with compared with the previous year). During the year we supported over 16,000 calls and online queries. Unfortunately despite additional investment in resourcing this service, overall demand continued to outpace our resources with the outcome that individuals can face long wait times to speak with a team member. Moreover, owing to the rising complexity of individuals' circumstances, the average call time is lengthening providing additional pressures on our ability to meet rising demand.

At the time of finalising this report (September 2021), Adviceline demand continues at record highs. In recent months both Merton and Lambeth Councils have provided additional funding to support us in supporting local residents in need. Looking forward, the Adviceline service remains a priority area for further investment within the charity's three-year budget.

"CAML's service is very important for the community as many of us are going through desperate times. The support and help we get means the difference between life or death." Client

**REPORT OF THE TRUSTEES
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The requests for Adviceline support cover a wide range of issues including:

Housing
Benefits and tax credits
Debt
Employment
Consumer goods and services
Legal
Relationship and families
Immigration and asylum
Tax

During the year we saw priority demands change owing to the impact of the pandemic with initially high demand for employment/furlough support at the start of the pandemic or when Government support changed, to rising crisis support in following months (and thank you to the food banks and other emergency support organisations we worked closely with), to welfare benefits and Universal Credit in late spring/early summer. In the summer months, housing queries rose substantially and in the second half of the year debt and welfare benefits.

The client called Adviceline requesting support for a grant application. Client had a range of debt issues, received universal credit and unable to work owing to ill health. Adviceline team completed a comprehensive advice assessment with the client that day. From the assessment the client was scheduled an appointment with CAML Adviser to complete and submit grant application. Adviceline Assessor also identified client may be eligible for PIP and an appointment was scheduled. Client was also recommended and offered debt support which was initially declined. All information including appointments were followed up in writing.

Following advice appointments, the client contacted Adviceline team thanking them for their support and asking about debt support. Client was then supported by debt Adviser. Given client's situation, CAML supported the client over a number of months.

Information and Generalist Advice

Pre-Covid-19 lockdown our three offices provided a mix of support services including information, assessments (triage), and pre-booked advice appointments with generalist and specialist advisers. From mid-March 2020 all these services moved remotely (telephone, video conferencing and digital).

Early in the pandemic we recognised that whilst remote advice support works for the majority, there are particular challenges for some clients and services. As and when Government guidance permitted we resumed pre-booked face-to-face advice appointment for priority clients (often vulnerable with complicated situations) and services (complex casework) in one of our offices.

During the year, we supported a further 2,400 individuals through generalist information and advice services. Similar to face-to-face support our remote offer included information support, advice needs assessments, advice appointments and specialist legal advice appointments provided by pro-bono Honorary Legal Advisers (pro bono solicitors providing one-off information and assessment support for residents seeking legal housing, employment and family advice).

A client initially contacted the charity by email when her Universal Credit application had been refused due to lack of proof of her habitual residence. The consequence of this meant she was unable to pay her bills and her landlord was threatening possession action. She was supported by one of our EU settlement scheme advisers to make an application to the EUSS scheme and supported by another adviser with appeal against her Universal Credit application. She also was supported by one of our honorary legal advisers who gave support in claiming Child Maintenance from her ex-partner. The client received comprehensive support over a period of months. The UC appeal is ongoing, but other issues have been resolved.

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Similar to our Adviceline service, requests for information and generalist advice support span a wide range of issues, including:

Benefits & tax credits
Debt
Benefits Universal Credit Consumer, goods & services, Housing
Discrimination
Education
Employment
Financial services & capability Health & community care
Immigration & asylum
Legal
Other
Relationships & family
Tax
Travel & transport
Utilities & communications

Priority advice demands also changed during and within the year. Increasingly people are experiencing a range of interlinked barriers to social welfare, justice and health with each issue triggering and/or exacerbating the other.

With a number of support organisations either not able to work or offering reduced services during lockdown, clients were often without their usual support networks. As a result, our team supported more people in crisis, highly vulnerable, isolated and affected by mental health concerns.

Key Demographics

FY20-21 Client demographics across Adviceline and core advice services:

Female	61%
Male	38%
Another	1%

Disability/Long term health condition:

Disabled	4%
Long term health condition	25%
No / prefer not to disclose	71%

Many clients, for understandable reasons, may choose not to disclose health conditions. We have seen a reduction in number of clients with disabilities or long-term health conditions. This may reflect the pause of reviews and assessments for disability benefits during the year. But early in the pandemic we recognised it reflected challenges people with some disabilities may have in accessing remote services. Hence our focus on resuming face-to-face appointments for priority clients and services (including our Merton Disability Welfare Service). Anecdotally, we also noticed increasing numbers of clients mentioning mental health concerns but not disclosing specific condition. We also supported higher numbers of clients with problems stemming from lack of digital access and/or literacy.

Age Group:

< 25 years	5%
26-29	11%
30-39	27%
40-49	22%
50-59	20%
60-69	12%
>70	3%

During the year we experienced a rise in younger people (29 and under) contacting us.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Specialist Services Review

Lambeth Children's Centre service

Our dedicated advisers remotely worked in Children's Centres across Lambeth supporting families in need with children 5 years or younger. During the year we supported 230 families with over 1034 issues.

Pound Advice L&Q Housing

Our dedicated advisers provide debt and financial capability advice to London and Quadrant Housing Association residents. During the year we supported 594 residents with their challenges and in so doing helped to sustain tenancies.

A L&Q Housing resident was referred to us through the Pound Advice service. Unfortunately her health conditions had deteriorated during the pandemic and a friend recommended she contact us to see if she was entitled to additional benefits. Our Adviser completed an assessment including detailed benefit check. She was entitled to Limited Capability For Work (LCWRA) and work-related activity Universal Credit element. On the client's behalf we contacted Department for Work and Pensions. Not only was she placed in the LCWRA group, she was also awarded over £6,000 in backdated entitlements. We continue to support the client in claiming Personal Independence Payment.

Clarion Housing

Our dedicated adviser provided debt advice to Clarion Housing residents. During the year we supported over 100 residents.

Merton Disability Welfare Service

Our Specialist Disability Caseworker delivers expert advice to disabled people living in Merton. The service is part-funded by London Borough of Merton and the charity supporting the balance following the decision of Trustees to invest in this much needed programme focusing on supporting some of the most vulnerable people in Merton to access/receive the disability benefits to which they are entitled.

This service was one of the priority services which resumed face-to-face support when permitted during the pandemic. Over the past year we experienced a rise in complexity of challenges for clients requiring more extensive and on-going support. 158 individuals were supported through the service with a mix of advice and casework. This specialist service helps relieve tremendous financial hardship and challenges for individuals/families most in need.

Wimbledon Guild

We work in partnership with Wimbledon Guild with our dedicated adviser based remotely and in their office supporting clients one day a week. During the year, we supported 83 clients.

Lambeth Council Tax Support

During the year this service was extended for a second year. Our dedicated advisers, working closely with Capita and Council teams, supported 125 residents in the period to the close of the financial year.

Universal Credit Help To Claim

This service commenced in April 2019 commissioned by Department of Work and Pensions with Citizens Advice across England. Our dedicated team of advisers support individuals from early application stage through to first payment via telephone, web chat, email and face-to-face when permitted in the pandemic (including outreach in Job Centres in Merton and Lambeth).

In the second year of the service we supported 674 clients securing financial income of £2,340,718.

The client initially contacted the charity by email when her Universal Credit application had been refused owing to lack of proof for habitual residence. The impact of this decision meant she was unable to pay bills and landlord was threatening possession action. She was supported by our EU Settlement Scheme Adviser to submit EUSS application and supported by another Adviser to appeal against her Universal Credit application. We also provided specialist support with one of our honorary legal advisers concerning Child Maintenance from her ex-partner. Owing to complexity of issues, the client received comprehensive support from CAML over a period of months. At the time of writing the UC appeal is ongoing, but all other issues have been resolved.

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Merton EU Settlement Scheme Service

In the second year of the Merton EUSS service we supported 104 households and over 200 individuals.

Lambeth EU Settlement Scheme Service

Towards the close of the year, we were appointed to provide Tier 1 support in the final six months of the EUSS programme for Lambeth residents working in partnership with Southwark Law Centre and IRMO.

Windrush Compensation Scheme Service

Citizens Advice Merton and Lambeth is an advice partner for the national Windrush Compensation Scheme service. During the year we supported 18 clients.

Communications, Research and Campaigns

During the year we continued to develop and enhance our communications, research and campaigns work both locally and nationally (through national Citizens Advice). We supported local policy development and campaigns including EU Settlement Scheme in both Merton and Lambeth, Covid Community support Steering and Working Groups, Merton Covid Fast Track Support and pan-London initiatives. We responded to national campaigning work focusing on 109 evidence forms to national Citizens Advice for issues where we believe national policy negatively impacts clients. 43 of these were benefit related issues.

During the year CAML's CEO continued to lead and facilitate Merton's Information and Advice Forum. Our Chief Executive and Head of Advice Services also participated in Covid emergency support committees in Merton and Lambeth and Merton's EUSS taskforce.

In addition to our support services, around 33,000 visitors accessed information and support via our website (nearly double the previous year). Individuals accessed a total of 406,000 pages during the year (four times the previous year). This dramatic rise not only reflected individuals recourse to digital support with the pandemic but also the website development during the year through pro-bono specialist support (see below).

"My adviser has been a great help to me. Although my situation has not been resolved yet (very complicated), she keeps me informed and is always there for me." Client

Volunteers

We could not provide the range of support and services without our amazing volunteers. As explained above, owing to impact of the pandemic many of our volunteers were unable to volunteer remotely. Around 24 volunteers remotely volunteered throughout the year joining the remote team supporting Adviceline, Information and Advice as well as Research & Campaigns with support and supervision from dedicated staff. We regularly kept in touch with all volunteers during the year and with introduction of first phase of hybrid working/volunteering in March 2021, surveyed non-remote volunteers to their interest of returning to a CAML office. We're looking forward to welcoming many volunteers back to the CAML family.

"I really enjoy volunteering with Citizens Advice Merton and Lambeth. The last year has been very different but the support I receive from my team and charity is brilliant. I'm now back in the office one day a week and it's great seeing colleagues and clients again." Volunteer

CAML's trustees are also volunteers and their work provides the governance oversight for the charity to operate. During the year we welcomed four new trustees to the Board.

Our volunteers are truly the life blood of CAML and provide a significant proportion of front line services with comprehensive support and supervision from dedicated staff members. National CA calculates that CAML volunteers gave an estimated £279,497 worth of time during this financial year.

Pro Bono Specialist Legal Support

In addition to our volunteers, we also receive pro-bono support from legal companies and individuals through our Honorary Legal Adviser (HLA) framework. HLAs provide one-off, preliminary legal advice assessments in the fields of Housing and Family law for our clients.

With more reliance on online information, the charity further developed its website with the benefit of pro bono specialist support. With thanks to Mike and Alex.

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We are immensely grateful to the companies and individuals who work with us in supporting clients in these specialist areas.

Staff

As of 31st March 2021, CAML employed 34 members of staff (full time and part time).

Our aim is to employ the best and highest quality staff members that we can. Although this can be a challenge, especially in London, where the cost of travel and housing makes it very difficult to attract the right people for the available remuneration, we are delighted to report that we have maintained full or near full staffing levels to ensure the charity continues to provide best service provision possible and deliver on agreed targets.

We would like to thank every member of the CAML family. Their professionalism, commitment and dedication ensure tens of thousands of individuals and families throughout Merton and Lambeth receive the right support when they need it most.

Impact of Covid

This report highlights the immense impact Covid has - and continues to have - for many of our clients. For many the impact will, unfortunately, be measured in years. There is no light at the end of the tunnel for many thousands of individuals and families we support.

It's also important to recognise the impact on our team. Remote advice support is very different from working in one of our offices/outreach where we worked amongst colleagues on hand to assist. We changed how we work with longer appointment times (remote working means client problems can take longer to resolve and clients are coming to us with more complex issues which require on-going support. Remote advice support can be challenging and intensive. Early in the pandemic, we further developed our team well-being recognising the additional challenges and loss of physical peer support. In addition to well-being support, we invested and expanded training, development and supervision to support remote working needs.

Similar to many organisations, the charity's Business Continuity Plan and Risk Registers provided vital frameworks for us to operate. We developed new Covid risk assessment to enable us to provide face-to-face support, we restructured our office use to enable us to implement hybrid working/volunteering to support priority clients and services.

The pandemic also brought benefits. Professional, quality advice support can be provided remotely for many clients; we do not always need to be office/venue based; relationships with community and voluntary sector partners/organisations have strengthened including a number of new inter-agency referral relationships; and our local Councils better understand the need to prioritise (where financially feasible) the importance of advice services for individuals, families, local communities and the London boroughs we work in.

Our new five-year Strategy with Strategic Priorities undoubtedly benefited from the experiences of the past year and provides the framework for our work and services to develop in the years ahead.

**REPORT OF THE TRUSTEES
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FINANCIAL REVIEW

Financial position

In line with our three-year business plan and budget, CAML's income rose to £1,231,000 from £1,022,000 the previous year.

Our priority aim for the two-year period 2019-21 was to sustainably develop and expand the charity to meet changing and accelerating demand following a year of charity consolidation/stabilisation in 2018-19. With demand for our support significantly outpacing our ability to provide given funding/resourcing, continued sustained charity development and expansion remains our priority aim for the next three years.

Owing to the pandemic new funding secured for the financial year exceeded budget. We would like to take this opportunity to thank both Merton and Lambeth Councils for recognising Advice is a priority need for residents during and following the pandemic and for supporting the charity with Covid funding in the year. In addition we successfully applied/tendered for project/service funding including a new Lambeth EUSS partnership service, Merton Neighbourhood fund, and BEIS remote Working Fund.

Expenditure rose to £1,134,000 from £933,000 the previous year reflecting both the expansion in the charity and the additional costs of remote working. We closed the year with a surplus of £96,000 of which £45,000 is restricted for use in 2021-22.

The impact of Covid-19 has been immense for the charity, our services and team. As mentioned above, overall service demand accelerated dramatically in the year (and continues to do so). Despite securing additional funding, the acceleration to date has outpaced our capacity to support all who need us. Furthermore, our analysis and forecasts suggest we're nowhere near the end of the tidal wave of advice demand across Merton and Lambeth.

We continue to work very closely with commissioners, partners and funders to professionally support the communities we serve in what are truly unprecedented times.

Investment policy

Similar to many charities of our size, CAML currently has no investment funds. Surplus funds when not immediately required are placed in deposit accounts with CAF Bank and NatWest Bank.

Reserves policy

In setting the reserves policy, the Board of Trustees considers the need to provide against any future income shortfall, fulfil working capital requirements and allow funds to be available to support service developments. Throughout 2020-21 we continued to meet the reserves policy of three months operational expenditure in unrestricted funds.

**REPORT OF THE TRUSTEES
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PLANS FOR 2021- 2022 AND FUTURE PERIODS

Governance and Management

We continue to strengthen the Board through identifying gaps in skills/knowledge/experience and successfully recruiting to these roles. During the year two trustees including our Treasurer unfortunately resigned and we welcomed two highly experienced new trustees, including Treasurer to the Board and charity.

Strengthening Access

A key aspect of meeting rising demand for our services and support in an environment of lower resourcing (financial and otherwise) is to ensure we have the correct balance of service provision between telephone, online, face-to-face and outreach, and between information, assessments (triage), generalist advice and specialist advice.

This is an ongoing process as patterns of demand can change and a successful service must be flexible in order to respond appropriately.

In this context we intend to continue the process of investing in our Adviceline telephone service as an effective way of enabling access to the service within limited resources. We continue to review our face-to-face services across our three offices and outreach.

As discussed we continue to have important conversations with our core advice funders, the London Boroughs of Merton and Lambeth. Both to ensure that our respective directions of travel are closely aligned and also to seek to influence their future priorities through our expertise.

Sustainability, financial viability and risks

In the current unpredictable political and financial environment, it is important to ensure the charity is properly resourced with a strong business plan and highly professional operational leadership and team. This is even more important as Local Authorities and other funders are under increasing and unavoidable pressure to cut their budgets.

We are therefore working to sustain current funding levels with existing service contracts and our Chief Executive is tasked with securing new funding opportunities within the approved three-year budget. As reported above, in recent months we've secured additional funding to support part of the rise in service demand owing to Covid-19. Within this, being able to demonstrate the impact of our work and communicate this effectively to our key stakeholders is of primary importance.

We recognise that funding is tight and competition for available funds is extremely high. The three-year financial plan provides a framework for the charity to sustainably grow and develop following the consolidation in FY18/19. Although the past year and recent months have been highly positive in this regard, we are very aware of risks of key funding support changing.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and organisational structure

The charity is constituted as a company limited by guarantee. During the year the charity reviewed and updated its Articles of Association.

Recruitment and Appointment of New Trustees

The Directors of the company are also Charity Trustees for the purposes of charity law and under the company's articles are known as the Board of Trustees. The Board of Trustees seeks to ensure that the needs of the users of the charity's services are appropriately reflected through the diversity of the members of the Trustee body.

As part of our succession planning, we advertised and recruited two new trustees during the financial year. Prospective trustees apply and are interviewed by trustee recruitment panel. Successful applicants are then invited to meet the Chief Executive and observe a Board meeting. References are obtained with relevant checks and paperwork completed before the Board approves appointment.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

The Board of Trustees meets quarterly and as required is responsible for the strategic direction and policies of the charity. There are also two sub-committees of the Board covering Finance and People which have delegated powers and terms of reference. During the year a Strategy Working Group comprising trustees and chief executive was also established to lead on the work and development of a new five-year strategy.

The Chief Executive, assisted by two senior managers, is responsible for charity operations including services, contracts and projects within the strategy and policies set by the Board.

Induction and Training of Trustees

New Trustees have a welcome induction including information, time spent with services, team meetings and opportunities to familiarise themselves with the charity's activities and policies. All Trustees are also encouraged to join team meetings and team training. Trustees also attend relevant training sessions from national Citizens Advice and other organisations.

Related Organisations

The Charity is a member of Citizens Advice, a national network of over 270 local charities that deliver advice across the country, overseen by a national framework provided by Citizens Advice.

We have excellent relationships with the London Borough of Lambeth and the London Borough of Merton who provide us with core funding through an annual contract and grant respectively to support our vital work with their communities.

We continue to work in service partnership with other organisations including Clarion, L&Q, and Wimbledon Guild and collaboratively work with other local Citizens Advice offices and organisations relevant to our clients' needs.

On behalf of our clients and everyone involved with Citizens Advice Merton and Lambeth, we would like to extend our gratitude for the support and co-operation we receive from all our funders, partners and other organisations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02914384 (England and Wales)

Registered Charity number

1046018

Registered office

7 Crown Parade
Morden
London
SM4 5DA

Principal address

326 London Road
Mitcham
London
CR4 3ND

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

Mr J S Gosal Chair
Ms S Ashby Treasurer (resigned 20/11/20)
Mr A S Webster
Mr M Wisgard (resigned 17/10/21)
Ms C M Taylor
Ms F McLaren (resigned 10/5/21)
Ms K Gray
Ms E Coulter
Mr J Lom
Mr R Patel (appointed 12/1/21)
Mr P Mcfarlane (appointed 14/7/21)

Chief Executive

Suzanne Hudson

Company Secretary

Suzanne Hudson

Senior management

Suzanne is supported by Karen Brunger (Head of Advice Services) and Kath Deegan (Head of Finance and Premises).

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

Legal Advisors

Prosperity Law LLP
Vantage Point
4 Hardman Street
Manchester
M3 3HF

Bankers

National Westminster Bank Plc
16 Wimbledon Hill Road
Wimbledon
London
SW19 7NN

Caf Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
ME19 4JQ

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Citizens Advice Merton and Lambeth Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hartley Fowler LLP, will be proposed for re-appointment at the November 2021 Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 24 November 2021 and signed on its behalf by:



Mr J S Gosal - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE MERTON AND LAMBETH LIMITED

Opinion

We have audited the financial statements of Citizens Advice Merton and Lambeth Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE MERTON AND LAMBETH LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE MERTON AND LAMBETH LIMITED

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:


- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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


Jonathan Askew FCA (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

Date: 29/11/21

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME FROM					
Donations and gifts in kind	3	41,614	35,000	76,614	41,798
Charitable activities	5				
Core Advice, Adviceline and Information services		556,500	60,000	616,500	539,000
Lambeth Children's Centre		77,343	-	77,343	77,344
London & Quadrant Pound Advice		70,160	-	70,160	33,407
Clarion Housing		30,000	-	30,000	30,000
Merton Disability Benefit		20,000	-	20,000	20,000
Universal Credit Help to Claim		-	120,157	120,157	124,335
Merton EU Settlement Scheme		52,608	-	52,608	51,300
Lambeth Council Tax Summons Service		35,000	-	35,000	22,500
Merton Covid Support		-	37,500	37,500	-
Lambeth Covid Support		45,000	-	45,000	-
Lambeth EU Settlement Scheme		25,000	-	25,000	-
Other Services and Projects		15,200	9,390	24,590	72,708
Investment income	4	180	-	180	669
Other income		9	-	9	9,254
Total		968,614	262,047	1,230,661	1,022,315
EXPENDITURE ON					
Raising funds	6	2,738	-	2,738	2,626
Charitable activities	7				
Core Advice, Adviceline and Information services		548,946	50,543	599,489	533,822
Lambeth Children's Centre		64,050	-	64,050	60,490
London & Quadrant Pound Advice		46,141	-	46,141	37,894
Clarion Housing		28,760	-	28,760	33,444
Merton Disability Benefit		40,231	-	40,231	31,632
Universal Credit Help to Claim		-	120,157	120,157	124,171
Merton EU Settlement Scheme		50,127	-	50,127	38,538
Lambeth Council Tax Summons Service		28,558	-	28,558	22,337
Merton Covid Support		-	36,566	36,566	-
Lambeth Covid Support		45,000	-	45,000	-
Other Services and Projects		9,302	9,390	18,692	48,484
Other	9	53,985	-	53,985	-
Total		917,838	216,656	1,134,494	933,438
NET INCOME		50,776	45,391	96,167	88,877
RECONCILIATION OF FUNDS					
Total funds brought forward		264,846	18,675	283,521	194,644
TOTAL FUNDS CARRIED FORWARD		315,622	64,066	379,688	283,521

The notes form part of these financial statements

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

		2021 £	2020 £
	Notes		
FIXED ASSETS			
Tangible assets	14	-	699
CURRENT ASSETS			
Debtors	15	90,297	48,572
Cash at bank		350,340	281,286
		<u>440,637</u>	<u>329,858</u>
CREDITORS			
Amounts falling due within one year	16	(50,408)	(34,546)
NET CURRENT ASSETS		<u>390,229</u>	<u>295,312</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		390,229	296,011
PENSION LIABILITY	20	(10,541)	(12,490)
NET ASSETS		<u>379,688</u>	<u>283,521</u>
FUNDS	19		
Unrestricted funds		315,622	264,846
Restricted funds		64,066	18,675
TOTAL FUNDS		<u>379,688</u>	<u>283,521</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24 November 2021 and were signed on its behalf by:



Mr J S Gosal - Trustee

The notes form part of these financial statements

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	68,874	71,665
Net cash provided by operating activities		68,874	71,665
Cash flows from investing activities			
Sale of tangible fixed assets		-	1,057
Interest received		180	669
Net cash provided by investing activities		180	1,726
Change in cash and cash equivalents in the reporting period		69,054	73,391
Cash and cash equivalents at the beginning of the reporting period		281,286	207,895
Cash and cash equivalents at the end of the reporting period		350,340	281,286

The notes form part of these financial statements

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	96,167	88,877
Adjustments for:		
Depreciation charges	699	-
Interest received	(180)	(669)
(Increase)/decrease in debtors	(41,725)	2,670
Increase/(decrease) in creditors	15,862	(16,552)
Difference between pension charge and cash contributions	(1,949)	(2,661)
Net cash provided by operations	<u>68,874</u>	<u>71,665</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank	281,286	69,054	350,340
	<u>281,286</u>	<u>69,054</u>	<u>350,340</u>
Total	<u>281,286</u>	<u>69,054</u>	<u>350,340</u>

3. MAJOR NON-CASH TRANSACTIONS

Donated facilities

In accordance with the Charities SORP FRS 102 the charitable company has included in income the notional rent of £41,510 (2020 £41,510) for occupying serviced accommodation in Morden and Mitcham.

The valuation of the notional rent was provided by the London Borough of Merton. The notional rent expenditure charge is included within support costs.

Donated advertising

During the year the charity received a £40,500 Google Ad Grant in in-kind Google Ads advertising. The charity recognised the corresponding expense on the statement of financial activities within communication and research support costs.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. GENERAL INFORMATION AND LEGAL STATUS

The charitable company is a private company incorporated and domiciled in England and Wales. The address of its registered office is 7 Crown Parade, Crown Lane, Morden, Surrey SM4 5DA. The registered number of the company is 02914384. The registered number of the charity is 1046018.

The financial information presented is for the year ended 31 March 2021 and 31 March 2020. The financial information is presented in sterling which is also the charitable company's functional currency. Monetary amounts are rounded to the nearest pound.

The charitable company has no share capital. Every member of the charitable company undertakes to contribute to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member, for payments of the debts and liabilities contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of the accounts on a going concern basis

The financial statements have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves, the financial position, future plans and the expected level of income and expenditure for 12 months from authorising these financial statements. There are no material uncertainties about the charity's ability to continue as a going concern.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Defined benefit pension scheme. Actuarial assumptions used in the calculation of the defined benefit pension liability.

Income

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

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the charity is contracts for services and grants with the London Borough of Merton and the London Borough of Lambeth.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to the consideration by its performance. Grant income relating to a later period is therefore deferred to that period and treated as deferred income in the balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

These are the costs associated with the governance arrangements of the charity. These include audit costs, the cost of legal advice for trustees and costs associated with trustee meetings and preparing statutory accounts. Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These support costs have been allocated to the activities undertaken by the charity on the basis of the usage of those costs by the activities.

Tangible fixed assets

Tangible fixed assets are depreciated at the following rates:

Computer servers	20% straight line
Desktop computers	25% straight line
Laptop computers	33% straight line

Where project funding has been used for the purchase of tangible fixed assets they are depreciated over the lifetime of the project or as above, whichever is the shorter.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Donated facilities

In accordance with the Charities SORP FRS 102 the charitable company has included in income the notional rent for occupying serviced accommodation in Morden and Mitcham. The valuation of the notional rents was provided by the London Borough of Merton.

Donated advertising

In accordance with the Charities SORP FRS 102 the charitable company has included in income the in-kind estimate of Google Ads advertising. The corresponding expense is recognised in the statement of financial activities within communication and research support costs.

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.

Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the invoice amount prepaid.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Creditors

Creditors 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 are recognised at their settlement value.

Financial instruments

The charitable company 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.

Leasing commitments

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the lifetime of the lease.

Voluntary help

A certain amount of time is expended on the charitable company's activities which is donated free of charge. In accordance with Charities SORP (FRS 102), volunteer time is not recognised. Details of volunteer support and services are provided in the trustees' annual report and the notes to the accounts.

3. DONATIONS AND GIFTS IN KIND

	2021	2020
	£	£
Gifts in kind	41,510	41,510
Donations	35,104	288
	<u>76,614</u>	<u>41,798</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>180</u>	<u>669</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5. INCOME FROM CHARITABLE ACTIVITIES

Income from grants and contracts:

	2021 £	2020 £
Income from Generalist advice:		
Unrestricted		
London Borough of Merton - Generalist advice services	355,000	355,000
London Borough of Lambeth - Generalist advice services	161,000	159,000
	<u>516,000</u>	<u>514,000</u>
Income from other projects:		
Unrestricted		
London Borough of Lambeth - Children's Centre	77,343	77,344
London Borough of Merton - Disability Benefit	20,000	20,000
London & Quadrant Pound Advice	70,160	33,407
Clarion Housing	30,000	30,000
Wimbledon Guild	9,200	8,800
Wandle Housing Association	-	52,533
Merton EU Settlement Scheme	52,608	51,300
Lambeth Council Tax Summons Service	35,000	22,500
Lambeth Covid Support	20,000	-
Lambeth Enterprise	25,000	-
Lambeth EU Settlement Scheme	25,000	-
Google Ads	40,500	-
Other services and projects	6,000	11,375
	<u>410,811</u>	<u>307,259</u>
Restricted		
UC Credit Help to Claim	120,157	124,355
The Walcot Foundation	25,000	25,000
Merton Covid Support	37,500	-
Merton Neighbourhood Fund	35,000	-
BEIS Remote Working Fund	8,610	-
Windrush Compensation Scheme	780	-
	<u>227,047</u>	<u>149,335</u>
Total income from other projects	<u>637,858</u>	<u>456,594</u>
Summary of total income:		
Unrestricted Income - London Borough's of Merton and Lambeth	516,000	514,000
Unrestricted Income - other projects	410,811	307,259
Unrestricted Income - donations	41,614	41,798
Unrestricted Income - investment and other	189	9,923
Restricted income - donations	35,000	-
Restricted income - other projects	227,047	149,335
Total Income - Statement of Financial Activities	<u>1,230,661</u>	<u>1,022,315</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

6. RAISING FUNDS

Raising donations and legacies

	2021 £	2020 £
Fundraising expenditure	<u>2,738</u>	<u>2,626</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Core Advice, Adviceline and Information services	441,718	157,771	599,489
Lambeth Children's Centre	50,789	13,261	64,050
London & Quadrant Pound Advice	37,261	8,880	46,141
Clarion Housing	22,708	6,052	28,760
Merton Disability Benefit	31,865	8,366	40,231
Universal Credit Help to Claim	105,225	14,932	120,157
Merton EU Settlement Scheme	40,875	9,252	50,127
Lambeth Council Tax Summons Service	23,016	5,542	28,558
Merton Covid Support	35,591	975	36,566
Lambeth Covid Support	45,000	-	45,000
Other Services and Projects	16,832	1,860	18,692
	<u>850,880</u>	<u>226,891</u>	<u>1,077,771</u>

Summary of total expenditure

	2021 £	2020 £
Charitable activities costs (above)	1,077,771	930,812
Fundraising expenditure (note 6)	2,738	2,626
Other costs - exceptional item (note 9)	53,985	-
Total Expenditure - Statement of Financial Activities	<u>1,134,494</u>	<u>933,438</u>

8. SUPPORT COSTS

	Service support costs £	Finance £	Human resources £
Core Advice, Adviceline and Information services	97,074	18,006	3,301
Lambeth Children's Centre	6,585	2,134	391
London & Quadrant Pound Advice	4,410	1,429	262
Clarion Housing	3,005	974	179
Merton Disability Benefit	4,154	1,346	247
Universal Credit Help to Claim	9,604	3,013	552
Merton EU Settlement Scheme	4,595	1,489	273
Lambeth Council Tax Summons Service	2,752	892	164
Merton Covid Support	626	197	36
Other Services and Projects	924	299	55
	<u>133,729</u>	<u>29,779</u>	<u>5,460</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

8. SUPPORT COSTS - continued

	Communications and research £	Governance costs £	Totals £
Core Advice, Adviceline and Information services	32,292	7,098	157,771
Lambeth Children's Centre	3,310	841	13,261
London & Quadrant Pound Advice	2,216	563	8,880
Clarion Housing	1,510	384	6,052
Merton Disability Benefit	2,088	531	8,366
Universal Credit Help to Claim	575	1,188	14,932
Merton EU Settlement Scheme	2,309	586	9,252
Lambeth Council Tax Summons Service	1,383	351	5,542
Merton Covid Support	38	78	975
Other Services and Projects	464	118	1,860
	<u>46,185</u>	<u>11,738</u>	<u>226,891</u>

9. OTHER

Exceptional item

In July 2020 at the request of the employment tribunal the charity made an interim payment on account to the claimant. See the contingent liabilities note for details.

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Audit fees	4,049	3,960
Other non-audit services	1,830	1,780
Depreciation - owned assets	699	-
Operating leases - equipment	<u>4,099</u>	<u>4,223</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

During the year one trustee was reimbursed expenses of £213 for website expenditure (2020 no trustee expenses).

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. STAFF COSTS

	2021 £	2020 £
Salaries and wages	719,941	620,470
Social security costs	62,975	52,510
Pension costs	15,763	14,776
Other staff related costs	1,657	1,421
	<u>800,336</u>	<u>689,177</u>

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

	2021	2020
Senior Management Team	3	3
Service/Team Managers	5	5
Service Teams	22	18
	<u>30</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

The key management personnel of the charitable company are the senior management team, which includes:

- (i) Chief Executive Officer
- (ii) Head of Advice Services
- (iii) Head of Finance and Premises

The key management personnel received benefits during the year of £116,170 (2020: £116,785).

Volunteers

The CAML service volunteer team was 31 at 31 March 2021 (2020: 71)

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Donations and gifts in kind	41,798	-	41,798
Charitable activities			
Core Advice, Adviceline and Information services	514,000	25,000	539,000
Lambeth Children's Centre	77,344	-	77,344
London & Quadrant Pound Advice	33,407	-	33,407
Clarion Housing	30,000	-	30,000
Merton Disability Benefit	20,000	-	20,000
Universal Credit Help to Claim	-	124,335	124,335
Merton EU Settlement Scheme	51,300	-	51,300
Lambeth Council Tax Summons Service	22,500	-	22,500
Other Services and Projects	72,708	-	72,708
Investment income	669	-	669

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Other income	9,254	-	9,254
Total	872,980	149,335	1,022,315
EXPENDITURE ON			
Raising funds	2,462	164	2,626
Charitable activities			
Core Advice, Adviceline and Information services	508,822	25,000	533,822
Lambeth Children's Centre	60,490	-	60,490
London & Quadrant Pound Advice	37,894	-	37,894
Clarion Housing	33,444	-	33,444
Merton Disability Benefit	31,632	-	31,632
Universal Credit Help to Claim	-	124,171	124,171
Merton EU Settlement Scheme	38,538	-	38,538
Lambeth Council Tax Summons Service	22,337	-	22,337
Other Services and Projects	48,484	-	48,484
Total	784,103	149,335	933,438
NET INCOME	88,877	-	88,877
RECONCILIATION OF FUNDS			
Total funds brought forward	175,969	18,675	194,644
TOTAL FUNDS CARRIED FORWARD	264,846	18,675	283,521

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2020 and 31 March 2021	103,631
DEPRECIATION	
At 1 April 2020	102,932
Charge for year	699
At 31 March 2021	103,631
NET BOOK VALUE	
At 31 March 2021	-
At 31 March 2020	699

**CITIZENS ADVICE MERTON AND LAMBETH
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	58,000	37,446
Other debtors	108	-
Accrued income	18,750	-
Prepayments	13,439	11,126
	<u>90,297</u>	<u>48,572</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	9,189	9,407
Social security and other taxes	17,370	14,786
VAT	4,881	4,268
Other creditors	4,194	-
Deferred income	8,100	-
Accrued expenses	6,674	6,085
	<u>50,408</u>	<u>34,546</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	-	2,752

Properties leased from the London Borough of Merton expire in 2027. There is no cost or commitments to the charity as the London Borough of Merton donate the rent to the charity as a grant. A notional rent charge is provided each year for the use of the properties with the corresponding donation recognised in the Statement of Financial Activities.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	-	-	-	699
Current assets	368,471	72,166	440,637	329,858
Current liabilities	(42,308)	(8,100)	(50,408)	(34,546)
Pension liability	(10,541)	-	(10,541)	(12,490)
	<u>315,622</u>	<u>64,066</u>	<u>379,688</u>	<u>283,521</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

Comparatives for net assets between funds	Unrestricted funds £	Restricted funds £	2020 Total funds £
Fixed assets	699	-	699
Current assets	311,183	18,675	329,858
Current liabilities	(34,546)	-	(34,546)
Pension liability	(12,490)	-	(12,490)
	<u>264,846</u>	<u>18,675</u>	<u>283,521</u>

19. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General Fund	277,336	48,827	326,163
Pension reserve	(12,490)	1,949	(10,541)
	<u>264,846</u>	<u>50,776</u>	<u>315,622</u>
Restricted funds			
The Walcot Foundation	18,675	-	18,675
Merton Coronavirus Fund	-	934	934
Merton Neighbourhood Fund	-	29,106	29,106
Restricted Donation	-	15,351	15,351
	<u>18,675</u>	<u>45,391</u>	<u>64,066</u>
TOTAL FUNDS	<u>283,521</u>	<u>96,167</u>	<u>379,688</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	968,614	(919,787)	48,827
Pension reserve	-	1,949	1,949
	<u>968,614</u>	<u>(917,838)</u>	<u>50,776</u>
Restricted funds			
The Walcot Foundation	25,000	(25,000)	-
UC Help to Claim	120,157	(120,157)	-
Merton Coronavirus Fund	37,500	(36,566)	934
Windrush Compensation Scheme	780	(780)	-
NCA Soft phone equipment and headsets	8,610	(8,610)	-
Merton Neighbourhood Fund	35,000	(5,894)	29,106
Restricted Donation	35,000	(19,649)	15,351
	<u>262,047</u>	<u>(216,656)</u>	<u>45,391</u>
TOTAL FUNDS	<u>1,230,661</u>	<u>(1,134,494)</u>	<u>96,167</u>

**CITIZENS ADVICE MERTON AND LAMBETH
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General Fund	191,120	86,216	277,336
Pension reserve	(15,151)	2,661	(12,490)
	<u>175,969</u>	<u>88,877</u>	<u>264,846</u>
Restricted funds			
The Walcot Foundation	18,675	-	18,675
	<u>194,644</u>	<u>88,877</u>	<u>283,521</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	872,980	(786,764)	86,216
Pension reserve	-	2,661	2,661
	<u>872,980</u>	<u>(784,103)</u>	<u>88,877</u>
Restricted funds			
The Walcot Foundation	25,000	(25,000)	-
UC Help to Claim	124,335	(124,335)	-
	<u>149,335</u>	<u>(149,335)</u>	<u>-</u>
TOTAL FUNDS	<u>1,022,315</u>	<u>(933,438)</u>	<u>88,877</u>

Unrestricted Funds

The Pension reserve is a designated reserve set aside to cover the liability for the obligation on the defined benefit scheme.

Restricted Funds

1) UC Help to Claim

The national advice service supporting clients from application through to first payment.

2) The Wallet Foundation

This three-year grant supports the full employment costs of our Lambeth Advice Supervisor.

3) Merton Covid Support

Supporting the charity's transfer to remote working and additional resourcing to help manage acceleration in service demand.

4) Windrush Compensation Scheme

Provision of advice and assistance for clients to complete the Windrush Compensation Scheme claim form.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

19. MOVEMENT IN FUNDS - continued

5) BEIS Remote Working Fund

Support from the Government provided to Citizens Advice network.

6) Merton Neighbourhood Fund

Supports a dedicated Adviser to support Merton residents, including those with debt challenges as a result of the Covid Pandemic.

7) Major Donation

We are extremely grateful to a major donor who is supporting the costs of a new service manager role (Debt and Advice Supervisor) a priority for the charity to support our team and clients.

20. EMPLOYEE BENEFIT OBLIGATIONS

The company participates in the The Pension Trust Retirement Solution scheme - The Growth Plan, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

**CITIZENS ADVICE MERTON AND LAMBETH
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present value of provision

	31.3.2021	31.3.2010	31.3.2019
Present value of provision	£10,541	£12,490	£15,151

Reconciliation of opening and closing provisions

	31.3.2021	31.3.2020
	£	£
Provision at start of period	12,490	15,151
Unwinding of the discount factor (interest expense)	281	192
Deficit contribution paid	(2,590)	(2,514)
Remeasurements - impact of any change in assumptions	360	(339)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	10,541	12,490

Income and expenditure impact

	31.3.2021	31.3.2020
	£	£
Interest expense	281	192
Remeasurements - impact of any change in assumptions	360	(339)
Remeasurements - amendments to the contribution schedule	-	-

Assumptions

	31.3.2021	31.3.2020	31.3.2019
Rate of discount	0.66%	2.53%	1.39%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

Year ending	31.3.2021	31.3.2020	31.3.2019
	£	£	£
Year 1	2,668	2,590	2,514
Year 2	2,748	2,668	2,590
Year 3	2,830	2,748	2,668
Year 4	2,429	2,830	2,748
Year 5	-	2,429	2,830
Year 6	-	-	2,429
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-

**CITIZENS ADVICE MERTON AND LAMBETH
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

21. CONTINGENT LIABILITIES

(i) Debt on withdrawal from the multi-employer defined benefit pension scheme

As of 30 September 2020, the estimated cost of withdrawal from the multi-employer defined pension scheme has been calculated to be £55,204. This figure has an effective date of 30 September 2020. This figure is calculated on the solvency, or 'buy-out', basis and is based on the Scheme Actuary's estimate of the pricing basis used to secure pension liabilities in full, in one transaction, with an insurance company, including any orphan liabilities, as at 30 September 2020 for all current and former CAB Merton and Lambeth pension scheme members.

(ii) Employment Tribunal

Following an historical employment tribunal claim which the claimant has subsequently appealed, the charity is awaiting the judgement of appealing the most recent ruling. Owing to the pandemic there is still no indication to timing of this. In July 2020 at the request of the employment tribunal the charity made an interim payment on account to the claimant.

The charity considers that no amount should be provided for since it is not practical at this stage to estimate the financial effect of this claim.

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

THANK YOU

As a charity we are entirely dependent on commissioned income, grants and donations to fund our services.

We thank our commissioners, service partners and funders with whom we ensure access and support to social justice is available for all in the communities we serve.

Furthermore, we simply would not be able to do what we do without our amazing staff and volunteer team. Thank You.