

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

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
CITIZENS ADVICE MERTON AND LAMBETH
LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

	Page
Chair's Welcome	1
Report of the Trustees	2 to 14
Report of the Independent Auditors	15 to 17
Statement of Financial Activities	18
Statement of Financial Position	19
Statement of Cash Flows	20
Notes to the Statement of Cash Flows	21
Notes to the Financial Statements	22 to 36

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**CHAIR'S WELCOME
FOR THE YEAR ENDED 31 MARCH 2022**

Chair's Welcome

I am very pleased to present our financial year 2021-2022 Trustees Report and Accounts. Against the background of the continuing economic uncertainties we all face, CAML is making a significant impact on behalf of our funders, volunteers, staff and, most importantly, our clients:

- CAML supported over 23,500 clients (a rise of 18% in the year)
- CAML's support and advice generated £2.7 million in financial benefits and over £10 million in value to the people we helped
- The wider economic and social benefit of improving our clients' well-being is estimated at nearly £13 million.

The demand for CAML's services continues to grow to levels we have not seen historically. CAML is working hard to secure valuable funding to meet as much of this demand as we can, which allowed our income to remain stable at £1.2 million compared to 2020/2021. Our expenditure in the year rose to reflect expansion of the charity and our services as we responded to this growing demand.

Thank you for another year of dedicated and meaningful effort for our clients from all of our dedicated employees and volunteers, led by our Chief Executive, Suzanne Hudson. The CAML team has built on the flexibility and speed with which CAML responded to Covid to respond nimbly to the ongoing economic challenges we now see for clients. CAML sees the dedication, skills and professionalism each person has brought and continues to bring to their valuable role.

I would like to thank the commissioners of our services and all of our funders for their ongoing support and trust in CAML. The demand for CAML services continues to outpace our capacity to support everyone who needs us. Despite this fast-growing demand across Merton and Lambeth, we are working closely with commissioners, partners and funders to support our communities.

The Board continues to strengthen its experience and skills as it works to ensure the CAML strategy is executed with determination and financial discipline. Many thanks to all of my Board colleagues for their contributions over the past year.

I am very happy to say CAML continues to deliver its plans to deliver its important services, and I look forward to reporting on our continuing progress.

**Jatinder Gosal
Chair of the Board of Trustees
November 2022**

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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 2022. 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 just want to share some feedback regarding support I received. I was thinking there was no way out of my situation and hated picking up the phone to debtors. You [CAML] helped and reassured me that it would be ok. The adviser explained and researched all help I could get. I am now in a better situation and not dreading knocks on my door or calls. I honestly cannot thank you enough. Thank you for providing this amazing service and if I ever come across someone in a similar situation that I was in, I will send them your way!" - Client

Strategy 2021-2026

In 2021 we developed and implemented a new five-year strategy in consultation with staff, volunteers, funders, commissioners, clients and other stakeholders.

Our Purpose

Supporting people to resolve their advice problems and change their lives for the better. We do this on a **free, confidential and impartial 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.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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 continued to deliver all our services with face-to-face as and when permissible given government guidance with the global pandemic and prioritising face-to-face support for clients who need.

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

The ongoing impact of Covid pandemic and then the start of the cost of living crisis, has resulted in another year of record high demand for our services and support. Unfortunately, funding although remaining stable has not reflected the continuing rise in demand and we're unable to support everyone who contacts us. The record number of clients we have supported has only been possible through the enormous commitment of our staff team, our amazing volunteers, our partners and our fantastic funders/supporters.

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 five-year 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, 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.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The demand for our services and support continued to accelerate with the ongoing impact of Covid pandemic and then the start of the cost of living crisis. 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.

During the year we supported over 23,500 clients (a rise of 18% on the previous year) with more than 37,000 advice issues through our range of advice services. A further 34,733 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 2021-2022, we generated:

£2.48 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).
£16.15 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.
£9.62 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 £2.7 million in fiscal benefits and over £10 million to the people we supported. The wider economic and social benefit of improving clients well-being is estimated at nearly £13 million.

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

Adviceline telephone and online service

Our Adviceline telephone and email service provides information, assessments and support through two Advicelines - one for Merton and one for Lambeth.

"Thank you so much. I feel so much better than when I first started the call. I was ready to give up on everything. But you've made me feel there is hope and I can carry on." - Client

The impact of the pandemic and more recently emerging cost of living crisis has meant the demand for this service across both local authorities continues at record high levels. During the year we supported over 18,000 calls and online queries (a 13% rise on previous year). 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.

"Thank you for taking the time to answer our query and for providing so much useful advice." - Client

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

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

During the year we saw priority demands change owing to the ongoing impact of the pandemic and then the start of the cost of living crisis. Benefits, Debt and Housing support all remain top priorities in terms of demand with debt steadily rising during the year as inflation started to impact financial stability/budgeting for many more individuals and families.

Client rang Lambeth Adviceline for support. Following initial check, client was offered and accepted telephone advice assessment appointment for the following day (convenient for client). In assessment client explained although they had family member who could support with forms etc they needed guidance to correct next steps to challenge universal credit decision and separately PIP via mandatory reconsideration. Following assessment, adviser provided all information via email including link to a benefits calculator so they could check their eligibility for any other benefits or support. Client was invited to contact CAML again if there needed further support in the near term and/or if they reach the appeal stage for either benefit. Client thanked CAML for support, explaining if they needed anything would definitely contact us again.

Information and Generalist Advice

For the majority of the year we opened our offices for face-to-face support as and when permitted with Government guidance in addition to providing telephone, online and video conference support.

From early 2021 we fully re-opened our Mitcham office and then Morden as well as outreach as and when venues came back into operation. In June 2021 we also opened a new Lambeth hub in Kennington. We endeavour to prioritise face-to-face support for priority clients (often vulnerable with complicated situations) and services (complex casework).

During the year, we supported a further 3,160 individuals through generalist information and advice services (a rise of 32% on the year). Our generalist advice support encompasses 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).

Following advice assessment and appointment, CAML worked with client and DWP over a period of months. Client was awarded additional £343 Universal Credit per month and a back payment of over £800.

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
- Relationships & family
- Tax
- Travel & transport
- Utilities & communications

With the cost of living crisis, on-the-day demand at our offices has accelerated significantly in the six months following the end of the financial year. Our team we are seeing more people in desperate need, and supporting more crisis situations including food and fuel vouchers, we are liaising with statutory departments and seeing a rise in safeguarding concerns.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Key Demographics

FY21-22 Client demographics across Adviceline and core advice services:

Female	61%
Male	39%
Not disclosed	0%

Disability/Long term health conditions:

Disabled	6%
Long term health conditions	32%
No / prefer not to disclose	62%

Many clients, for understandable reasons, may choose not to disclose health conditions. Saying this, we are seeing a significant rise in number of clients disclosing disabilities or long-term health conditions. We're also experiencing rising numbers of clients mentioning mental health concerns but not disclosing specific condition. Unfortunately, we're also experiencing and supporting a rising number of safeguarding concerns (we have comprehensive safeguarding policies and procedures and work closely with statutory teams as appropriate).

Age Group:

< 25 years	3%
26-29	7%
30-39	22%
40-49	14%
50-59	33%
60-69	16%
>70	5%

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 269 families with over 2301 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 498 residents with their challenges and in so doing helped to sustain tenancies.

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. 205 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 third year. Our dedicated advisers, working closely with Capita and Council teams, supported 281 residents compared with 125 in the previous year.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Universal Credit Help To Claim

This service commenced in April 2019 commissioned by the 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 third year of the service we supported 585 clients securing financial income of £1,904,288

Client first visited Mitcham Office and spoke with CAML's Information team. He was facing a multitude of issues and in first instance wanted to talk with someone as he had never sought help before. This first contact lasted an hour, our Officer listened, provided the client space and time to talk through everything, and explained process of how we can help. Advice assessment appointment was scheduled and CAML Adviser explored eligible benefits and submitted application for council tax reduction. Separate appointment was also made with CAML's Merton Disability Adviser for PIP application. With client needing to pay six months rent in advance for property he had recently moved to, we also advised on housing rights given health conditions. Client met with our Housing Honorary Legal Adviser for legal support in remaining in the property. Building a relationship of trust with us, the client then disclosed credit card debt and an appointment was made with our Merton Debt Adviser who supported client including financial statement and negotiating payment plan with credit card company. CAML supported this client over a period of months. Client recently returned to office to thank the team for their assistance and support.

Merton EU Settlement Scheme Service

Our Merton EUSS scheme service was extended for part of the year following the end-June 2021 deadline to continue supplying individuals with ongoing complex cases. In the five month period we supported a further 115 clients.

Lambeth Living Well Service

Towards the close of the year, we were appointed to provide generalist information and support advice in Lambeth Living Well Bus and community venues. In the first three months (to end March 2022) we supported 117 Lambeth residents working closely with health and other organisations.

Immigration Service

During the year we successfully applied for new Immigration service funding from The Trust For London working in partnership with 3 other London Citizens Advice charities. Our dedicated Immigration Adviser supports residents across 5 London Boroughs. The service started in Winter 2021 and supported 168 residents to end-March 2022. The demand for this specialist support exceeds all our forecasts.

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 network). We supported local policy development and campaigns including EU Settlement Scheme support deadlines in both Merton and Lambeth, Covid Community support, Cost of Living and Fuel Poverty campaigns and events and pan-London initiatives. We responded to national campaigning work focusing on 368 evidence forms to national Citizens Advice for issues where we believe national policy negatively impacts clients. 203 of these were benefit related issues. In addition, we supported local MPs, Councillors and key stakeholders with Cost of Living impact analysis both for the charity, by local authority and by local constituency wards.

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 and then in Cost of Living and Fuel Poverty Steering Groups.

In addition to our support services, 34,733 visitors accessed information and support via our website. Individuals accessed a total of 326,850 pages during the year.

"Thank you so much for your help and all the information you've provided me. I feel confident to fight my case now." - Client

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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 and we (similar to many charities) have experienced changing volunteering dynamics since returning to offices. 28 volunteers volunteered throughout the year for Adviceline, Information and Advice as well as Research & Campaigns with support and supervision from dedicated staff.

I would like to thank CAML for the opportunity to join the Information Team! I was overwhelmed (in a good way) with the welcome I received from all. An Information Volunteer involves welcoming clients, filing documents, researching information, and helping people. I've been able to transfer existing skills to my volunteering role and in the short period of time since joining, I've seen increased self-confidence and feel like I am developing personally. -Volunteer

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

Volunteers are the soul of the CAML family. All volunteers receive a comprehensive induction and ongoing training with daily 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 organisations 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.

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

Staff

As of 31st March 2022, CAML employed 38 members of staff (full time and part time).

Our aim is to employ the best 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.

**"It's an honour to work for CAML as it's a great employer and everyone is really helpful and supportive".
Staff member**

CAML's support

We believe that investing in and listening to our team makes us a better organisation. We involve staff and volunteers in the design and delivery of services and how we work. We regularly survey and seek feedback and also have a strong commitment to professional development and continuous training. We're proud of our teams and in return offer excellent opportunities for personal development and career growth, with volunteers successfully applying for staff roles and staff progressing through the charity to supervision and manager roles with our support.

In addition to professional support, CAML has continued to develop and enhance our team well-being support. In an independent survey facilitated by Citizens Advice network 97% of CAML team stated CAML "cares about my mental wellbeing" the highest score across the network.

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.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Principles and Aims of CAML's Work and Services

We provide advice services responding to clients needs via the telephone, online 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 are not a large charity, we need to ensure that evaluating and demonstrating impact and delivering value for money is embedded within what we do.

Quality Assurance - As a member of the national Citizens Advice network all our advice work is subject to professional quality assurance standards so we can ensure the best standard of support is being consistently delivered. In addition monitoring and recording of client satisfaction is 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 client consent), how we've supported them and number of issues resolved. We can also value economic and financial gains, such as 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.

"I must say, a big thank you for your help and support. I got the opportunity to see your adviser and my application was successful." - Client

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

FINANCIAL REVIEW

Financial position

With additional Covid funding support in FY20-21, we had been budgeting for a fall in income this year. However with the benefit of successfully securing planned new income/services, CAML's income remained stable around £1,230,000.

With the cost of living crisis, demand for our support continues to significantly outpace our ability to support everyone trying to contact us. Continued sustained charity development and expansion remains our priority aim for the next three years.

In the first six months of the new financial year, we are delighted to report we've received additional funding to support some but unfortunately no where near all to meet demand. We would like to take this opportunity to thank both Merton and Lambeth Councils for recognising Advice remains a priority need for residents during and following the pandemic and now in the cost of living crisis.

Expenditure rose to £1,176,000 from £1,134,000 the previous year reflecting both the expansion in the charity and services. We closed the year with a surplus of £53,475 of which £15,500 is restricted for use in 2022-23.

Following two unprecedented years supporting clients through the challenges of Covid pandemic, we're now facing a cost of living crisis not seen in the UK for 50 years. As highlighted throughout this report, overall service demand again accelerated significantly in the year (and unfortunately continues to do so at an even higher rate). 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 2021-22 we continued to meet the reserves policy of three months operational expenditure in unrestricted funds.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

PLANS FOR 2022 - 2023 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 resigned and we welcomed two highly experienced new trustees.

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.

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 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 plans 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 secure appropriate funding for 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 cost of living crisis. 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. 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 and as explained above the Board of Trustees may well need to make major strategic decisions if core local authority funding does not meet full cost recovery going forward.

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and organisational structure

The charity is constituted as a company limited by guarantee.

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.

Organisational Structure

The Board of Trustees meets quarterly and is responsible for the strategic direction and policies of the charity. There are also two sub-committees of the Board covering Finance and People. These have delegated powers, terms of reference and meet quarterly and as required.

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 260 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 L&Q, Wimbledon Guild, Citizens Advice Howslow, Wandsworth and Hammersmith & Fulham and collaboratively work with other charities 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.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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

Trustees

Mr J S Gosal Chair
Mr R Patel Treasurer
Mr A S Webster
Ms C M Taylor
Ms C Mercer (appointed 5/4/22)
Ms K Gray
Ms E Coulter
Mr M Wisgard (resigned 20/10/21)
Ms F McLaren (resigned 10/5/21)
Mr J Lom (resigned 8/12/21)
Mr P Mcfarlane (appointed 14/7/21) (resigned 2/9/22)

Chief Executive and Company Secretary
Suzanne Hudson

Senior Management

Suzanne Hudson is supported by Karen Brunger (Head of Advice Services) and Julie Frost (Head of Projects & Quality).

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 2022**

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 7 November 2022 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 7 November 2022 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 2022 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 2022 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.

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

23 November 2022

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME FROM					
Donations and gifts in kind	3	43,671	35,000	78,671	76,614
Charitable activities					
Merton Advice, Adviceline & Information Services		423,200	35,000	458,200	455,500
Lambeth Advice, Adviceline & Information Services		239,200	-	239,200	161,000
Lambeth Children's Centre		78,007	-	78,007	77,343
London & Quadrant Housing		56,083	-	56,083	70,160
Merton Disability Benefit		20,000	-	20,000	20,000
Help to Claim		-	121,107	121,107	120,157
Lambeth Council Tax Summons Service		30,000	-	30,000	35,000
Lambeth Living Well		-	50,000	50,000	-
Immigration		-	20,000	20,000	-
Other Services and Projects		77,895	-	77,895	214,698
Investment income	4	43	-	43	180
Other income		773	-	773	9
Total		968,872	261,107	1,229,979	1,230,661
EXPENDITURE ON					
Raising funds	6	3,672	-	3,672	2,738
Charitable activities	7				
Merton Advice, Adviceline & Information Services		364,381	92,102	456,483	358,690
Lambeth Advice, Adviceline & Information Services		341,353	-	341,353	240,799
Lambeth Children's Centre		70,851	-	70,851	64,050
London & Quadrant Housing		64,145	-	64,145	46,141
Merton Disability Benefit		34,737	-	34,737	40,231
Help to Claim		-	120,820	120,820	120,157
Lambeth Council Tax Summons Service		31,364	-	31,364	28,558
Lambeth Living Well		-	15,504	15,504	-
Immigration		-	17,185	17,185	-
Other Services and Projects		74,375	-	74,375	179,145
Other	9	(53,985)	-	(53,985)	53,985
Total		930,893	245,611	1,176,504	1,134,494
NET INCOME		37,979	15,496	53,475	96,167
RECONCILIATION OF FUNDS					
Total funds brought forward		315,622	64,066	379,688	283,521
TOTAL FUNDS CARRIED FORWARD		353,601	79,562	433,163	379,688

The notes form part of these financial statements

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2022**

	Notes	2022 £	2021 £
CURRENT ASSETS			
Debtors	15	42,433	90,297
Cash at bank		467,776	350,340
		<u>510,209</u>	<u>440,637</u>
CREDITORS			
Amounts falling due within one year	16	(74,376)	(50,408)
		<u>435,833</u>	<u>390,229</u>
NET CURRENT ASSETS			
		435,833	390,229
TOTAL ASSETS LESS CURRENT LIABILITIES			
		435,833	390,229
PENSION LIABILITY	19	(2,670)	(10,541)
		<u>433,163</u>	<u>379,688</u>
NET ASSETS			
		433,163	379,688
FUNDS	18		
Unrestricted funds		353,601	315,622
Restricted funds		79,562	64,066
		<u>433,163</u>	<u>379,688</u>
TOTAL FUNDS			
		433,163	379,688

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 7 November 2022 and were signed on its behalf by:



Mr J S Gosal - Trustee

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	117,393	68,874
Net cash provided by operating activities		117,393	68,874
Cash flows from investing activities			
Interest received		43	180
Net cash provided by investing activities		43	180
Change in cash and cash equivalents in the reporting period		117,436	69,054
Cash and cash equivalents at the beginning of the reporting period		350,340	281,286
Cash and cash equivalents at the end of the reporting period		467,776	350,340

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 2022**

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

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	53,475	96,167
Adjustments for:		
Depreciation charges	-	699
Interest received	(43)	(180)
Decrease/(increase) in debtors	47,864	(41,725)
Increase in creditors	23,968	15,862
Difference between pension charge and cash contributions	(7,871)	(1,949)
Net cash provided by operations	117,393	68,874

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21	Cash flow	At 31/3/22
	£	£	£
Net cash			
Cash at bank and in hand	350,340	117,436	467,776
	350,340	117,436	467,776
Total	350,340	117,436	467,776

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 £41,540 (2021 £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 £76,400 (2021 £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 2022**

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 2022 and 31 March 2021. 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.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022**

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

	2022	2021
	£	£
Gifts in kind	41,540	41,510
Donations	37,131	35,104
	<u>78,671</u>	<u>76,614</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	43	180
	<u>43</u>	<u>180</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

5. INCOME FROM CHARITABLE ACTIVITIES

Income from grants and contracts:

	2022 £	2021 £
Income from Generalist advice:		
Unrestricted		
London Borough of Merton - Generalist advice services	385,000	355,000
London Borough of Lambeth - Generalist advice services	201,000	161,000
Google Ads (benefit in kind)	76,400	40,500
	<u>662,400</u>	<u>556,500</u>

Income from other projects:

Unrestricted		
London Borough of Lambeth - Children's Centre	78,007	77,343
London Borough of Merton - Disability Benefit	20,000	20,000
London & Quadrant Pound Advice	56,083	70,160
Clarion Housing	7,500	30,000
Wimbledon Guild	9,500	9,200
Merton EU Settlement Scheme	21,750	52,608
Lambeth Council Tax Summons Service	30,000	35,000
Lambeth Covid Support	-	20,000
Lambeth Enterprise	-	25,000
Lambeth EU Settlement Scheme	25,000	25,000
Other services and projects	14,145	6,000
	<u>261,985</u>	<u>370,311</u>

Restricted

UC Help to Claim	121,107	120,157
London Borough of Lambeth - Living Well	50,000	-
Trust for London - Immigration	20,000	-
The Walcot Foundation	25,000	25,000
Merton Covid Support	-	37,500
Merton Neighbourhood Fund	10,000	35,000
BEIS Remote Working Fund	-	8,610
Windrush Compensation Scheme	-	780
	<u>226,107</u>	<u>227,047</u>

Total income from other projects

	<u>564,492</u>	<u>637,858</u>
--	----------------	----------------

Summary of total income:

Unrestricted Income - Generalist advice	662,400	556,500
Unrestricted Income - other projects	261,985	370,311
Unrestricted Income - donations	43,586	41,614
Unrestricted Income - investment and other	901	189
Total unrestricted income	<u>968,872</u>	<u>968,614</u>
Restricted income - donations	35,000	35,000
Restricted income - other projects	226,107	227,047
Total restricted income	<u>261,107</u>	<u>262,047</u>
Total Income - Statement of Financial Activities	<u>1,229,979</u>	<u>1,230,661</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

6. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Fundraising expenditure	3,672	2,738

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Merton Advice, Adviceline & Information Services	329,174	127,309	456,483
Lambeth Advice, Adviceline & Information Services	259,580	81,773	341,353
Lambeth Children's Centre	62,615	8,236	70,851
London & Quadrant Housing	56,003	8,142	64,145
Merton Disability Benefit Help to Claim	29,535	5,202	34,737
	101,782	19,038	120,820
Lambeth Council Tax Summons Service	27,983	3,381	31,364
Lambeth Living Well	13,628	1,876	15,504
Immigration	17,185	-	17,185
Other Services and Projects	63,634	10,741	74,375
	961,119	265,698	1,226,817

Summary of total expenditure

	2022	2021
	£	£
Charitable activities costs (above)	1,234,688	1,077,771
Fundraising expenditure (note 6)	3,672	2,738
Other costs - exceptional item (note 9)	(53,985)	53,985
Total Expenditure - Statement of Financial Activities	1,184,375	1,134,494

CITIZENS ADVICE MERTON AND LAMBETH LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

8. SUPPORT COSTS

	Service support costs £	Finance £	Human resources £
Merton Advice, Adviceline & Information Services	75,919	4,394	3,888
Lambeth Advice, Adviceline & Information Services	33,209	3,453	3,056
Lambeth Children's Centre	6,277	653	578
London & Quadrant Housing	6,205	645	571
Merton Disability Benefit	3,964	412	365
Help to Claim	14,509	1,509	1,335
Lambeth Council Tax Summons Service	2,577	268	237
Lambeth Living Well	1,429	149	132
Other Services and Projects	8,184	851	754
	<u>152,273</u>	<u>12,334</u>	<u>10,916</u>
	Communications and research £	Governance costs £	Totals £
Merton Advice, Adviceline & Information Services	38,926	4,182	127,309
Lambeth Advice, Adviceline & Information Services	38,770	3,285	81,773
Lambeth Children's Centre	108	620	8,236
London & Quadrant Housing	107	614	8,142
Merton Disability Benefit	68	393	5,202
Help to Claim	249	1,436	19,038
Lambeth Council Tax Summons Service	44	255	3,381
Lambeth Living Well	25	141	1,876
Other Services and Projects	141	811	10,741
	<u>78,438</u>	<u>11,737</u>	<u>265,698</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, the amount was refunded in July 2021. See the contingent liabilities note for details.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

10. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Audit fees	5,051	4,049
Other non-audit services	1,011	1,830
Depreciation - owned assets	-	699
	<u> </u>	<u> </u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

During the year no trustees were reimbursed expenses (2021 one trustee was reimbursed £213 for website expenditure).

12. STAFF COSTS

	2022	2021
	£	£
Salaries and wages	831,375	719,941
Social security costs	70,499	62,975
Pension costs	19,538	15,763
	<u>921,412</u>	<u>798,679</u>

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

	2022	2021
Senior Management Team	3	3
Service/Team Managers	5	5
Service Teams	30	22
	<u>38</u>	<u>30</u>

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

	2022	2021
£60,001 - £70,000	-	1
	<u> </u>	<u> </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 £136,524 (2021: £116,170).

Volunteers

The CAML service volunteer team was 60 at 31 March 2022 (2021: 31).

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Donations and gifts in kind	41,614	35,000	76,614
Charitable activities			
Merton Advice, Adviceline & Information Services	395,500	60,000	455,500
Lambeth Advice, Adviceline & Information Services	161,000	-	161,000
Lambeth Children's Centre	77,343	-	77,343
London & Quadrant Housing	70,160	-	70,160
Merton Disability Benefit	20,000	-	20,000
Help to Claim	-	120,157	120,157
Lambeth Council Tax Summons Service	35,000	-	35,000
Other Services and Projects	167,808	46,890	214,698
Investment income	180	-	180
Other income	9	-	9
Total	968,614	262,047	1,230,661
EXPENDITURE ON			
Raising funds	2,738	-	2,738
Charitable activities			
Merton Advice, Adviceline & Information Services	308,147	50,543	358,690
Lambeth Advice, Adviceline & Information Services	240,799	-	240,799
Lambeth Children's Centre	64,050	-	64,050
London & Quadrant Housing	46,141	-	46,141
Merton Disability Benefit	40,231	-	40,231
Help to Claim	-	120,157	120,157
Lambeth Council Tax Summons Service	28,558	-	28,558
Other Services and Projects	133,189	45,956	179,145
Other	53,985	-	53,985
Total	917,838	216,656	1,134,494
NET INCOME	50,776	45,391	96,167
RECONCILIATION OF FUNDS			
Total funds brought forward	264,846	18,675	283,521
TOTAL FUNDS CARRIED FORWARD	315,622	64,066	379,688

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2021 and 31 March 2022	103,631
DEPRECIATION	
At 1 April 2021 and 31 March 2022	103,631
NET BOOK VALUE	
At 31 March 2022	-
At 31 March 2021	-

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	24,485	58,000
Other debtors	1,778	108
Accrued income	8,461	18,750
Prepayments	7,709	13,439
	<u>42,433</u>	<u>90,297</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	15,481	9,189
Social security and other taxes	16,213	17,370
VAT	2,216	4,881
Other creditors	4,736	4,194
Deferred income	30,000	8,100
Accrued expenses	5,730	6,674
	<u>74,376</u>	<u>50,408</u>
	£	£
<u>Deferred Income</u>		
Balance at 1 April 2021	8,100	-
Amounts released to incoming resources	(8,100)	-
Amounts deferred in the year	30,000	8,100
	<u>30,000</u>	<u>8,100</u>
Balance at 31 March 2022		

Deferred income comprises income received during the year which relates to the next financial year.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Current assets	430,647	79,562	510,209	440,637
Current liabilities	(74,376)	-	(74,376)	(50,408)
Pension liability	(2,670)	-	(2,670)	(10,541)
	<u>353,601</u>	<u>79,562</u>	<u>433,163</u>	<u>379,688</u>

Comparatives for net assets between funds	Unrestricted funds £	Restricted funds £	2021 Total funds £
Current assets	368,471	72,166	440,637
Current liabilities	(42,308)	(8,100)	(50,408)
Pension liability	(10,541)	-	(10,541)
	<u>315,622</u>	<u>64,066</u>	<u>379,688</u>

18. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General Fund	326,163	30,108	356,271
Pension reserve	(10,541)	7,871	(2,670)
	<u>315,622</u>	<u>37,979</u>	<u>353,601</u>
Restricted funds			
The Walcot Foundation	18,675	-	18,675
UC Help to Claim	-	287	287
Merton Coronavirus Fund	934	(934)	-
Merton Neighbourhood Fund	29,106	(21,213)	7,893
Restricted Donation	15,351	45	15,396
Trust for London	-	2,815	2,815
Lambeth Living Well	-	34,496	34,496
	<u>64,066</u>	<u>15,496</u>	<u>79,562</u>
TOTAL FUNDS	<u>379,688</u>	<u>53,475</u>	<u>433,163</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	968,872	(938,764)	30,108
Pension reserve	-	7,871	7,871
	968,872	(930,893)	37,979
Restricted funds			
The Walcot Foundation	25,000	(25,000)	-
UC Help to Claim	121,107	(120,820)	287
Merton Coronavirus Fund	-	(934)	(934)
Merton Neighbourhood Fund	10,000	(31,213)	(21,213)
Restricted Donation	35,000	(34,955)	45
Trust for London	20,000	(17,185)	2,815
Lambeth Living Well	50,000	(15,504)	34,496
	261,107	(245,611)	15,496
TOTAL FUNDS	1,229,979	(1,176,504)	53,475

Comparatives for 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)
	264,846	50,776	315,622
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
	18,675	45,391	64,066
TOTAL FUNDS	283,521	96,167	379,688

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. MOVEMENT IN FUNDS - continued

Comparative 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>

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 Walcot Foundation

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

3) Merton Covid Support

Supported 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.

5) BEIS Remote Working Fund

Government supported provided to the 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 service manager role (Debt and Advice Supervisor) a priority for the charity to support our team and clients.

8) Trust For London

This two-year grant supports the full employment costs of our Immigration Adviser.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. MOVEMENT IN FUNDS - continued

9) Lambeth Living Well

CAML advisers working in local community outreach venues across Lambeth - including Lambeth Living Well Bus and West Norwood Community Shop - focusing on priority areas of advice need.

19. EMPLOYEE BENEFIT OBLIGATIONS

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025: £3,312,000 per annum (payable monthly).

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 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 asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025: £11,243,000 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.

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

	31.3.2022	31.3.2021	31.3.2020
Present value of provision	<u>£2,670</u>	<u>£10,541</u>	<u>£12,490</u>

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

19. EMPLOYEE BENEFIT OBLIGATIONS - continued

Reconciliation of opening and closing provisions

	31.3.2022	31.3.2021
	£	£
Provision at start of period	10,541	12,490
Unwinding of the discount factor (interest expense)	61	281
Deficit contribution paid	(2,668)	(2,590)
Remeasurements - impact of any change in assumptions	(61)	360
Remeasurements - amendments to the contribution schedule	(5,203)	-
	<u>2,670</u>	<u>10,541</u>
Provision at end of period		

Income and expenditure impact

	31.3.2022	31.3.2021
	£	£
Interest expense	61	281
Remeasurements - impact of any change in assumptions	(61)	360
Remeasurements - amendments to the contribution schedule	(5,203)	-

Assumptions

	31.3.2022	31.3.2021	31.3.2020
Rate of discount	<u>2.35%</u>	<u>0.66%</u>	<u>2.53%</u>

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	31.3.2022	31.3.2021	31.3.2020
	£	£	£
Year 1	973	2,668	2,590
Year 2	973	2,748	2,668
Year 3	811	2,830	2,748
Year 4	-	2,429	2,830
Year 5	-	-	2,429

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.

20. CONTINGENT LIABILITIES

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

As of 30 September 2021, the estimated cost of withdrawal from the multi-employer defined pension scheme has been calculated to be £35,317. This figure has an effective date of 30 September 2021. 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 2021 for all current and former CAB Merton and Lambeth pension scheme members.

(ii) Employment Tribunal

Following an historical employment tribunal claim (from 2012), a further Employment Tribunal (ET) hearing was held in April 2022 after an Employment Appeal Tribunal (EAT) judgement regarding the historical claim was delivered in January 2022. Following the ET's judgement in the most recent ET hearing, we understand the claimant is appealing again to the EAT. The charity considers that no amount should be provided for since it is not practical at this stage to estimate the financial effects of this claim..

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

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.