COMMUNITY ADVICE AND LAW SERVICE LTD

England & Wales · Charity number 1087214

Details

Other names	COMMUNITY LAW SERVICE (LEICESTER & COUNTY), LEICESTER MONEY ADVICE LTD, Leicester Community Advice and Law Centre
Status	Registered
Legal form	Charitable company
Company number	04096574
Registered	2001-06-28
Register	View on the Charity Commission register

Contact

Address	Epic House 1 Lower Hill Street Leicester LE1 3SH
Phone	01162421120
Email	enquiries@leicesterlawcentre.org.uk
Website	www.leicesterlawcentre.org.uk

Activities

Objects: 3.1 To relieve persons who are in conditions of need, hardship or distress and who are resident in England and Wales, hereinafter referred to as the “area of benefit”, through the provision of legal and related advice, assistance and representation.3.2 To advance the education of the public by the improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to people experiencing financial hardship or other forms of distress in the area of benefit.3.3 The advancement of such other charitable purposes as are beneficial to the community for persons resident in the area of benefit.3.4 In meeting the objects set out at (3.1), (3.2) and (3.3) above always to satisfy the public benefit requirement under the Charities Act 2011.

Activities: Community Advice and Law Service, trading as Leicester Community Advice and Law Centre, provides an independent specialist legal advice service in social welfare law including debt, housing, welfare benefits and immigration. We also provide financial capability support through the Moneywise Living project, energy advice and generalist advice at Foodbanks.

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Classification

- **How:** Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty
- **Who:** The General Public/mankind

Geography

- Derbyshire
- Leicester City
- Leicestershire
- Lincolnshire
- Northamptonshire
- Nottinghamshire
- Rutland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,171,978	£4,151,129	£839,565	42
2024-03-31	£4,361,663	£4,090,390	£818,716	40
2023-03-31	£4,073,216	£4,041,340	£547,443	34
2022-03-31	£4,253,912	£4,113,217	£515,567	44
2021-03-31	£4,128,190	£3,995,936	£374,872	38

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Trustees

Name	Role	Appointed
Brett Bernard Koenig		2023-11-22
Hannah Louise Fountain		2020-05-27
Lord William Stephen Goulden BACH		2023-11-22
MR JIM MUNTON		2008-05-14
Mary Elizabeth Collier		2022-02-07
Matthew Olner		2024-11-20
Rebecca Jane Nixon		2021-02-24
Vera Williams		2025-02-19

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COMMUNITY ADVICE AND LAW SERVICE LTD

England & Wales - Charity number 1087214

Accounts

Charity Registration No. 1087214

Company Registration No. 04096574 (England and Wales)

COMMUNITY ADVICE AND LAW SERVICE LIMITED

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord W S Bach Mr B B Koenig Mrs M E Collier Miss H L Fountain Mr R K Gill-Harrison (Resigned 23.05.2024) Mr J Munton Ms R Nixon Mr M Olner (Appointed 20.11.2024) Ms V Williams (Appointed 19.02.2025)
Chief Executive Officer	L Chahal
Charity number	1087214
Company number	04096574
Principal address and Registered Office	Epic House 1 Lower Hill Street Leicester LE1 3SH
Statutory Auditor	Somerbys Limited Chartered Accountants Registered Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank plc 7 High Street Leicester LE1 9FS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report and financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts.

Administration Details

Community Advice and Law Service Limited is a registered charity and a company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office and principle address is shown on page 1.

The directors, who also act as trustees, are shown on page 1.

Community Advice and Law Service Limited joined the Law Centres Network in November 2023, and now trades as Leicester Community Advice and Law Centre. The charity's legal name remains unchanged.

Structure, Governance and Management

The governing document of the charity is the Memorandum and Articles of Association, incorporated on 25 October 2000. The charity's aims and objectives have changed over time and revised Memorandum and Articles of Association were adopted in December 2024.

Organisation

A board of not less than three trustees administer the charity and the trustees meet not less than four times each year. Additional subcommittees are convened as deemed appropriate by the trustees. The Chief Executive Officer has delegated authority for operational matters and provides regular written updates to the Board. The current Chief Executive has been in post since June 2021 and her remuneration is agreed by the Board.

There are currently eight trustees on the board. A strategy for trustee recruitment and succession planning is in place. The charity is in the process of actively recruiting trustees at present. Having joined the Board as a trustee in November 2023, Lord Willy Bach has served as Chair since January 2024.

Policies and procedures for induction and training of trustees

New trustees are appointed in accordance with the charity's Articles of Association and inducted in line with an agreed process. When a new trustee joins the Board they spend time with the Chair, the Treasurer and Chief Executive Officer to learn more about Leicester Community Advice and Law Centre; they are also provided with information about the organisation and guidance on the role of being a trustee. A new trustee is made aware of trustee responsibilities and the governance cycle, and is provided with a copy of the most recent accounts and annual report; a copy of the relevant policies; the Memorandum and Articles of Association; and details of the vision, mission, values, history and operations of the charity.

Risk factors

The trustees have continued to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks. A comprehensive risk register is maintained and reviewed at least once a quarter.

The charity is currently dependent on a relatively small range of significant funding streams. While funding is secure in the short term, there is an ongoing risk that key income streams may be lost. The trustees are actively involved in managing this risk, planning for various scenarios and considering strategies to diversify income streams.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people which the charity supports and by the adoption of best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

The charity is established for charitable purposes and achieves its objects through the delivery of specialist advice, casework and representation from its main premises in central Leicester, from its office in Leicester County Court and from a range of outreach venues in the community, such as foodbanks, public libraries and community centres, in order to ensure accessibility and visibility for the most vulnerable clients.

The work covers several areas of social welfare law – debt, housing welfare benefits and immigration. The charity also delivers the Energywise Plus project, which aims to tackle fuel poverty through the provision of specialist energy advice.

Leicester Community Advice and Law Centre plays a leading role in the regional advice sector. The charity has served as the Lead Partner for the highly successful East Midlands Money Advice project since 2006. Funded by the Money and Pensions Service, this project supported over 12,000 clients this year with over £83million in problem debt. Since April 2023, the organisation has also led the East Midlands Immigration Network, funded by the Justice Together Initiative. This project brings together organisations involved in not-for-profit immigration advice from across the East Midlands region in order to promote a more strategic and collaborative approach to the provision of immigration advice in the region.

Objects and Activities

The trustees review the aims, objectives and activities each year. This review looks at the success of activities and the benefit they have brought to the groups of people which the charity is set up to help.

The Community Advice and Law Service is established for charitable purposes and its current objects are as follows:

- To relieve persons who are in conditions of need, hardship and/or distress and who are resident within England and Wales, hereinafter referred to as the "area of benefit", through the provision of legal and related advice, assistance and representation.
- To advance the education of the public by improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to people experiencing financial hardship or other forms of distress in the area of benefit.
- The advancement of such other charitable purposes as are beneficial to the community for persons resident in the area of benefit.
- In meeting the objects set out above, always to satisfy the public benefit requirement under the Charities Act 2011

Charity's aims

Leicester Community Advice and Law Centre (Community Advice and Law Service Ltd) has a vision and mission statement that reflect what it hopes to achieve through the delivery of its charitable objects. Our vision is of a fair and inclusive society in which everyone has access to justice and the opportunity to fulfil their potential. Our mission is to

empower people to live happier lives by providing professional advice and advocacy that enables them to resolve their problems effectively. In doing this, we aim to:

- Enable people to assert and enforce their rights;
- Empower people to improve their circumstances;
- Give a voice to those who are unheard;
- Support people to make positive changes in their lives;
- Enhance people's overall sense of wellbeing;
- Build resilience in individuals and at a community level;
- Promote a fairer and more inclusive society.

We seek to deliver this mission by providing free, independent, confidential and quality-assured legal advice services to individuals across the area of benefit, for the advantage of the public, subject to funding constraints; by promoting self-help where appropriate and offer casework support for those unable to deal with legal matters alone; and by ensuring that all services are available to all sections of the population irrespective of gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class, and challenging all forms of unlawful and unfair discrimination.

The charity has made substantial progress under its 3-year strategy from 2022-25, working towards specific objectives focused around 4 key themes: meeting the changing needs of our community; aspiring for excellence in everything we do; growing our reach and influence; and building a sustainable future. The charity is currently in the process of reviewing its strategy for the next 3 years in order to ensure that it continues to respond to the changing external environment.

Criteria by which the Charity measures its success

The charity uses a number of measures to evaluate its performance, including progress against our strategic implementation plan; the extent to which we are able to meet internal and external targets; our success in delivering positive outcomes for clients; feedback from service users and community partners; and our success in securing funding for new developments. Where the opportunity arises, we also work in partnership with local universities to assess the impact and effectiveness of our work. As part of our strategy going forward, we are continuing to develop the charity's use of data and evidence in order to measure the impact of our services more effectively and to inform future service development.

Significance of volunteer staff

The charity has a very limited number of volunteers who make a very valuable contribution to the work of Leicester Community Advice and Law Centre, and the thanks of the Board of Trustees and staff go to them for their commitment to enhancing the delivery of the charity's work.

Achievements and Performance

Achievements of objectives

The highlight of the year, perhaps, was the celebration of our new status as a Law Centre in June 2024. A special event was held at De Montfort University to mark the occasion, attended by over 100 guests, including community partners, members of the legal community, funders, staff and students from both Leicester universities and other invited guests. The keynote address was given by Baroness Lady Hale, former President of the Supreme Court and a longstanding champion for access to justice. Addresses were also given by the City Mayor, Sir Peter Soulsby, our Chair of Trustees, Lord Willy Bach, and Julie Bishop, CEO of the Law Centres Network.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

During the year, the charity provided specialist advice to 4,606 unique individuals and opened 4,996 cases; demand for services was significantly higher than in previous years, but the charity's ability to respond to this increased demand was limited. In addition to the services provided from the charity's main premises in central Leicester, from its permanent office at Leicester County Court and via remote channels such as telephone, video call and e-mail, the charity has also delivered advice sessions at multiple outreach locations across Leicester, including public libraries, foodbanks and community centres, thereby facilitating access for the most vulnerable people in the community. In addition, it has carried out home visits for vulnerable clients who would not otherwise be able to access services by other channels.

Through our work, the charity has supported clients to deal with over £17.7million in problem debt; delivered financial gains for clients of almost £3.5m; and prevented or delayed homelessness for 461 people. In addition, 278 clients were supported to resolve their immigration issues; 374 people were supported with issues relating to fuel poverty; 334 clients were supported with issues relating to food poverty. 251 of our clients received additional, personalised support to help them stay engaged with our services by addressing specific barriers relating to their mental health. 96.5% of clients that responded to our feedback survey this year stated that they would recommend LCALC to their friends or family if they needed advice.

Debt casework remains the largest area of our work, accounting for 38.5% of the cases dealt with; however, debt cases represented a smaller proportion of our overall work than in previous years. Other significant areas of advice included welfare benefits (19.3%), housing (20.3%) and immigration (6.4%). We have continued to hold a legal aid contract and to operate the Housing Loss Prevention Advisory Scheme for clients who present on the day of their hearings without representation. Funding was obtained from the Legal Education Foundation to recruit a trainee solicitor on the Justice First Fellowship programme; the trainee has been working alongside our housing and immigration solicitors in order to build her knowledge in these areas.

We have continued to deliver our highly successful projects in the local community, including Energywise Plus and Foodbank Plus, maintaining and developing strong and effective partnerships with a range of community organisations that host outreach sessions for our advisers. We also served as a delivery partner for the Reaching People Project, Moneywise Living, which sought to provide cost of living advice to local residents. On behalf of Leicester City Council, we have continued to allocate targeted support to individuals struggling with fuel arrears. Regrettably, the funding from Leicester City Council for two specialist debt caseworkers and one specialist housing caseworker came to an end in March 2025, leading to reduced capacity in these areas which we are seeking to re-establish as soon as alternative funding can be secured.

The East Midlands Money Advice Partnership has also flourished under our leadership this year, supporting over 12,000 clients to deal with over £83m in problem debt. Feedback from delivery partners and from the Money and Pensions Service, which funds the project, has been exceptionally positive. Substantial grants to support the modernisation of our systems and processes have enabled us to invest in technological developments to support quality and efficiency, including a new case recording tool and an adviser portal.

Grant-making policy

LCALC has continued to play an influential role in the regional advice sector, acting as a lead organisation for partnership funding bids and distributing sub-grants to partner charities in accordance with funding agreements. This activity enables us to facilitate access to high quality advice, assistance and representation for many more people throughout the region, while also providing us with opportunities to share best practice and learn from other organisations in order to improve the overall quality of the services that we deliver.

We have continued in our leadership of the East Midlands Money Advice Partnership, funded by a grant from the Money and Pensions Service, which seeks to provide high quality community-based debt advice throughout the East Midlands region, and also with our leadership of the East Midlands Immigration Network, funded by the Justice Together Initiative, which aims to promote strategic cooperation and collaboration between not for profit providers of

immigration advice.

Through these two projects, we have distributed over £2.4million in sub-grants in 2024/25 to registered charities across the region who have worked with us to deliver this work.

Fundraising activities

The charity does not carry out significant fundraising activities.

Financial Review

Review of activities

The charity continues to look for ways of improving and developing its advice services to meet the increasing needs of the many marginalised groups and individuals in our communities, and to pursue opportunities that will move it to a more sustainable future through developing the use of volunteers within the organisation, and its continued membership of consortia to increase opportunities for partnership as well as securing new contracts and grants to deliver services.

During the year the charity had total incoming resources of £4,171,978 (2024 - £4,361,663). The total funds available at the year-end amounted to £839,565 (2024 - £818,716); of these funds £310,488 (2024 - £363,096) related to restricted funds, the balance being unrestricted funds of £529,077 (2024 - £455,620). Free reserves, as defined by SORP 2015, amounted to £524,872 (2024 - £442,666).

Reserves policy

As part of the financial management of Leicester Community Advice and Law Centre, the Board of Trustees have set a long-term target of accumulating free reserves which represents a minimum of 25% of the charity's annual operating costs (excluding payments to delivery partners). These reserves will enable the charity to deal with the following contingencies:

- Any cash flow problems when waiting for grant or contract income to be paid
- Covering staffing shortages due to sickness or maternity leave
- Cuts or reductions in funding;
- In the event of closure, three months running costs to wind up the organisation and pay redundancies and leasehold liabilities.

The policy is reviewed annually when the Board of Trustees sets the budget for the following financial year.

The trustees are satisfied that the reserves target has been met.

Pay Awards
Recommendations are made to the Trustees by the Chief Executive Officer for annual pay awards including any performance related or enhancements in pay. The Board of Trustees are responsible for agreeing any recommendations.

Future Plans

The charity's aims are to continue to deliver and develop its work to ensure that advice services, delivered by the voluntary sector, are maintained. The charity recognises the need to ensure that the organisation remains robust and will review its position at least annually based on the outcome of funding bids made or the cessation of income streams.

The new strategy is still under development but is likely to include:

- The ongoing provision of face-to-face advice sessions from its premises in central Leicester, from its permanent office at Leicester County Court and via telephone, video call and e-mail;
- The ongoing delivery of advice sessions at community venues such as foodbanks, libraries and community centres, and in partnership with community organisations based in areas of high deprivation in order to increase access for disadvantaged people and/or excluded groups;
- Building on the success of our regional leadership of advice projects such as the East Midlands Money Advice project and the East Midlands Immigration Network.
- Efforts to extend our range of advice services to cover new areas of law where high levels of need have been identified;
- Ongoing work to remove the barriers that frequently get in the way of clients accessing and staying engaged with our advice, building on the success of our existing support for clients with mental health difficulties;
- The creative but judicious application of new and emerging technologies to maximise the efficiency of our processes without compromising on the quality of services or client experience;
- Further development of our use of data to shape our work and demonstrate our impact;
- An investment in our marketing and communications activity, which has been identified as a weakness;
- Closer collaborative working with a range of statutory and voluntary sector agencies, including other members of the Law Centres Network;
- Ongoing work to diversify income streams;
- An organisation-wide focus on cyber-security.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Trustees' Responsibilities

The trustees (who are also the directors of Community Advice and Law Service 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 charity trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102).
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Statement of disclosure to the auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is 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 auditor is aware of that information.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the board of Trustees

William, SG, Bach (Dec 15, 2025 11:05:23 GMT)

Lord WSG Bach
Trustee

J Munton
Trustee

Date: 19 November 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED

Opinion

We have audited the financial statements of Community Advice and Law Service Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and its incoming 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of financial statements which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Community Advice and Law Service Limited, we have identified specific laws and regulations, such as Law Society and Office of the Immigration Services Commissioner regulations along with general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Community Advice and Law Service Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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 auditor's 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.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Date: 15 December 2025.

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income and endowments from:					
Donations and legacies		1,109	-	1,109	1,463
Charitable activities	2	287,240	3,873,182	4,160,422	4,351,769
Other trading activities		240	-	240	1,220
Income from investments		10,207	-	10,207	7,211
Total income		298,796	3,873,182	4,171,978	4,361,663
Expenditure on:					
Charitable activities	3	225,344	3,925,785	4,151,129	4,090,390
Total resources expended		225,344	3,925,785	4,151,129	4,090,390
Net movement in funds before transfer		73,452	(52,603)	20,849	271,273
Transfer between funds		5	(5)	-	-
Net movement in funds		73,457	(52,608)	20,849	271,273
Fund balances at 1 April 2024		455,620	363,096	818,716	547,443
Fund balances at 31 March 2025	15 &16	529,077	310,488	839,565	818,716

All income and expenditure derive from continuing activities.

The statement of financial activities include all gains and losses recognised during the year.

** See page 14 for full breakdown of the prior year's statement of financial activity.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2025

Previous financial year

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Income and endowments from:				
Donations and legacies		1,463	-	1,463
Charitable activities	2	308,693	4,043,076	4,351,769
Other trading activities		1,220	-	1,220
Income from investments		7,211	-	7,211
Total income		318,587	4,043,076	4,361,663
Expenditure on:				
Charitable activities	3	244,971	3,845,419	4,090,390
Total resources expended		244,971	3,845,419	4,090,390
Net movement in funds		73,616	197,657	271,273
Fund balances at 1 April 2023		382,004	165,439	547,443
Fund balances at 31 March 2024	15 &16	455,620	363,096	818,716

All income and expenditure derive from continuing activities.

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

BALANCE SHEET
AS AT 31 MARCH 2025

	Notes		2025 £	2024 £
Fixed assets				
Intangible assets	9		105,563	140,750
Tangible assets	10		4,205	12,954
			109,768	153,704
Current assets				
Debtors	10	109,530		321,634
Cash at bank and in hand		744,689		649,559
		854,219		971,193
Creditors: amounts falling due within one year	11	(124,054)		(305,952)
Net current assets			730,165	665,241
Total assets less current liabilities			839,933	818,945
Creditors: amounts falling due after more than one year			-	-
Net assets excluding pension scheme liability			839,933	818,945
Defined benefit pension scheme liability	13		(368)	(229)
Net assets including pension scheme liability	14		839,565	818,716
Income funds				
Unrestricted funds	16		529,077	455,620
Restricted funds	15		310,488	363,096
Total funds			839,565	818,716

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

The financial statements were approved by the board of trustees and authorised for issue on 19 November 2025 and are signed on its behalf by:

William WSG Bach (Dec 15, 2025 11:05:23 GMT)

Lord WSG Bach
Trustee

J Munton
Trustee

Company Registration No. 04096574

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Cash generated/(used) in operating activities	19	84,923	230,665
Cash flows from investing activities			
Interest income		10,207	7,211
Purchase of tangible fixed assets		-	(175,938)
Cash from/(used in) investing activities		10,207	(168,727)
Increase in cash and cash equivalents in the year		95,130	61,938
Cash and cash equivalents at the beginning of the year		649,559	587,621
Total cash and cash equivalents at the end of the year		744,689	649,559

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

1 Accounting policies

1.1 General information and basis of preparation

The charity is a private company limited by guarantee without share capital. The charity is registered in England and Wales. The registered office is 1st Floor, Epic House, Charles Street, Leicester, LE1 3SH.

Accounting convention
The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (issued in October 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2025

Accounting policies cont'd

1.3 Income recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasions legacies will be notified to the charity, however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes salaries, expenses and overheads.
- Expenditure on charitable activities includes salaries, expenses and overheads.
- Other expenditure represents those items not falling into the categories above.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies cont'd

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life of four years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the income and expenditure account.

1.7 Intangible assets

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Intangible type	*Useful life*
Computer software	5 years

Provision is made for any impairment.

1.8 Cash and cash equivalents

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

1.9 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.10 Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

1.11 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies cont'd

1.12 Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1.13 Employee benefits

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.14 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

1.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

1.16 Judgement and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets.

(ii) Expenditure allocations:
Expenditure is apportioned where it relates to more than one cost category.

(iii) Pension liability:
The closing liability and annual pension charge is sensitive to the assumptions made by the pension scheme .

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

2 Income from charitable activities

	2025	2024
	£	£
Contractual payments	4,035,688	4,175,582
Legal Aid income	83,843	70,280
Immigration income	38,705	65,516
Other	2,186	40,391
	4,160,422	4,351,769

3 Analysis of Expenditure

		Staff costs (Note 7)	Depreciation (Note 9)	Other costs (Note 4)	Total 2025	Total 2024
		£	£	£	£	£
Charitable activities						
Money advice	-general	1,387,594	43,936	253,091	1,684,621	1,627,909
	-financial capability	-	-	-	-	-
		1,387,594	43,936	253,091	1,684,621	1,627,909
Governance costs	(note 6)	-	-	6,725	6,725	7,384
Grants payable	(note 5)	-	-	2,459,783	2,459,783	2,455,097
		1,387,594	43,936	2,719,599	4,151,129	4,090,390

4 Other costs

Other costs include the following support costs: -

	Unrestricted funds		Restricted funds	
	2025	2024	2025	2024
	£	£	£	£
Establishment	9,544	9,024	40,490	39,502
Insurance	1,598	1,198	6,924	5,521
Project costs	5,131	6,467	20,413	25,158
Recruitment and training	551	419	32,252	28,198
Information technology	4,460	4,420	19,464	18,399
Equipment and supplies	1,219	785	5,274	3,611
Communication and marketing	3,726	3,107	13,093	12,603
Bank charges and loan interest	113	182	491	760
Legal and professional fees	11,116	12,253	45,614	41,966
Staff travel and subsistence	134	234	11,555	13,209
Volunteer expenses	-	4	-	35
Sundry expenditure	3,736	3,842	16,193	16,617
	41,328	41,935	211,763	205,579

Costs specifically incurred on a particular project have been allocated against that fund, the balance of other costs are allocated according to the number hours worked on by each employee on each project.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Grants paid

5.a Grants were payable during the year to 15 delivery partners involved in the East Midlands Money Advice project to provide face to face debt advice.

The amounts payable to each partner were as follows:

	Paid in year	Reserved at year end	Total
	£	£	£
Citizens Advice North Nottinghamshire	241,690	32	241,722
Citizens Advice Central Nottinghamshire	203,047	-	203,047
Citizens Advice Chesterfield	21,151	-	21,151
Community Law Service Northampton and County	234,221	146	234,367
Citizens Advice Derbyshire Districts	223,220	34	223,254
Derbyshire Law Centre	121,052	-	121,052
Citizens Advice Lincoln & Lindsay	135,365	-	135,365
Citizens Advice Leicestershire	136,237	(394)	135,844
Citizens Advice Mid Lincolnshire	77,351	-	77,351
Citizens Advice Mid Mercia	275,518	2,110	277,627
Citizens Advice North East Derbyshire	82,186	-	82,186
Citizens Advice Nottingham and District	241,996	3,660	245,656
Nottingham Law Centre	68,640	1,459	70,099
Citizens Advice South Lincolnshire	140,199	-	140,199
St Ann's Advice Centre	72,517	-	72,517
	2,274,390	**7,047**	**2,281,437**

5.b A grant was received from the Leicester City Council Household Support Fund in the amount of £60,000. Of this amount, £57,500 was paid out in grants to various individuals to support with energy bills. The remaining £2,500 was charged to management salaries as an administration fee.

Grants paid to individuals	**53,977**	**3,523**	**57,500**

5.c Grants paid during the year are to six delivery partners involved in the Justice Together initiative project, to facilitate the establishment and development of the East Midlands Immigration Network.

	Total
	£
Derbyshire Law	**38,609**
Nottingham Law Centre	**36,718**
Community Law Service Northampton and County	**36,511**
The Race Equality Centre	**5,175**
Northamptonshire Rights and Equality	**1,933**
Nottinghamshire Refugee Forum	**1,900**
	120,846
Total grants payable	**2,459,783**

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

6 Analysis of governance costs

	2025 £	2024 £
Audit fee	6,725	7,240
Other governance costs	-	144
	6,725	7,384

Governance costs include expenses associated with the Trustees board meetings, AGM, and external audit fees. None of the trustees (or any person connected with them) received any remuneration during the year and none of the trustees receive any expenses.

7 Employees

	2025	2024
Number of employees		
The average monthly number of employees during the year was:	42	40

On a full time basis, the total average number of employees was 37 (2024- 35)

Employment costs	2025 £	2024 £
Wages and salaries	1,225,676	1,176,014
Social security costs	112,034	106,778
Other pension costs	49,884	46,620
	1,387,594	1,329,412

The number of employees whose annual remuneration (excluding employer pension costs) was £60,000 or more were: -

	2025 No	2024 No
In the band £60,001 - £70,000	1	1

The total employee benefits of the key management personnel of the charity were £78,757 (2024 - £78,747).

8 Taxation

The company being a registered charity, is exempt from corporation tax on its charitable activities.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

9 Intangible fixed assets

	Computer software £
Cost	
At 1 April 2024	175,938
Additions	-
Disposals	-
At 31 March 2025	175,938
Amortisation	
At 1 April 2024	35,188
Charge for the period	35,187
Disposals	-
At 31 March 2025	70,375
Net book value	
At 31 March 2025	105,563
At 1 April 2024	140,750

10 Tangible fixed assets

	Fixtures fittings & equipment £
Cost	
At 1 April 2024	71,530
Additions	-
Disposals	-
At 31 March 2025	71,530
Depreciation	
At 1 April 2024	58,576
Charge for the period	8,749
Disposals	-
At 31 March 2025	67,325
Net book value	
At 31 March 2025	4,205
At 1 April 2024	12,954

11 Debtors

	2025	2024
	£	£
Trade debtors	16,539	130,539
Prepayments	56,386	20,889
Other debtors	36,605	170,206
	109,530	321,634

12 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	9,244	113,637
Taxes and social security costs	56,245	42,913
Other creditors	8,416	8,308
Grants received in advance	-	65,391
Accruals	50,149	75,703
	124,054	305,952

13 Changes in the company's resources available for charity use

	Unrestricted Funds	Restricted Funds
	£	£
Net incoming/(outgoing) resources for the year	73,457	(52,608)
Net decrease in tangible fixed assets	(2,696)	(6,049)
Net decrease in intangible assets	-	(35,187)
Net movement in funds available for future activities	70,761	(93,844)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Pension costs

The company participates in 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. Pension scheme costs are allocated between restricted and unrestricted costs based on the number of hours worked on each project.

The scheme is classified as a 'last man standing arrangement'. Therefore, the company is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2023 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2025 £	2024 £
Balance sheet liability at 1 April 2024	229	491
Deficit contribution paid	(234)	(281)
Interest cost (SoFA)	6	19
Impact of any change in assumptions	-	-
Amendment to contribution schedule	367	-
Balance sheet liability	368	229

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2025	March 2024	March 2023	March 2022	March 2021
Discount rate applied to future recovery plan contributions due	4.84%	5.31%	5.52%	2.35%	0.66%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds all of the costs have been charged to unrestricted funds for this year and for previous years.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

15 Analysis of net assets between funds	Unrestricted Funds £	Restricted funds £	Total Funds 2025 £	Total Funds 2024 £
Fund balances at 31 March 2025 are represented by:				
Intangible fixed assets	-	105,563	105,563	140,750
Tangible fixed assets	4,205	-	4,205	12,954
Current assets	550,795	303,424	854,219	971,193
Creditors: amounts falling due within one year	(25,555)	(98,499)	(124,054)	(305,952)
Provisions for liabilities and charges	(368)	-	(368)	(229)
	529,077	310,488	839,565	818,716

16 Restricted funds 2025

	Opening balance 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £	Transfers between funds £	Balance At 31 March 2025 £
MaPS	196,359	3,213,755	(3,264,492)	145,622	-	145,622
Justice Fellowship	-	53,292	(50,261)	3,031	-	3,031
Big Lottery Fund	100	-	(100)	-	-	-
Energy Redress	485	-	(482)	3	(3)	-
MaPS (Redundancy costs)	129,155	-	-	129,155	-	129,155
Leicester City Council – Anti Poverty Grant	9,365	-	(500)	8,865	-	8,865
Independent Age	5,722	-	-	5,722	-	5,722
Improving Outcomes Through Legal Support	435	114,245	(114,322)	358	-	358
Moneywise Living (UK Share Prosperity)	5,573	41,580	(47,153)	-	-	-
Justice Together Initiative	3,813	166,506	(169,775)	544	-	544
Food Bank	6,644	86,000	(83,461)	9,183	-	9,183
EnergyWise Plus	160	89,131	(89,291)	-	-	-
Leicester City Council	-	60,000	(60,000)	-	-	-
Getting Help in Neighbour	3,918	48,673	(44,583)	8,008	-	8,008
Access to Justice Fund	1,367	-	(1,365)	2	(2)	-
	363,096	3,873,182	(3,925,785)	310,493	(5)	310,488

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

16 Restricted funds 2024

	Opening balance 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
MaPS	21,314	3,403,090	(3,228,045)	196,359
Moneywise Plus	353	-	(353)	-
Big Lottery Fund	302	-	(202)	100
Energy Redress	1,449	-	(964)	485
MAPS (Redundancy costs)	129,155	-	-	129,155
Leicester City Council – Anti Poverty Grant	-	9,800	(435)	9,365
Independent Age	-	35,186	(29,464)	5,722
Improving Outcomes	-	85,685	(85,250)	435
Moneywise Living (UK Share Prosperity)	-	13,449	(7,876)	5,573
Justice Together Initiative	-	161,284	(157,471)	3,813
IMA DRO Grant	7,350	-	(7,350)	-
Food Bank	1,203	97,534	(92,093)	6,644
Advice UK DRO Grant	1,000	-	(1,000)	-
Help Accessing Legal Support	-	30,000	(30,000)	-
EnergyWise Plus	-	98,375	(98,215)	160
Leicester City Council	-	60,000	(60,000)	-
Getting Help in Neighbour	-	48,673	(44,755)	3,918
Access to Justice Fund	3,313	-	(1,946)	1,367
	165,439	4,043,076	(3,845,419)	363,096

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Money Advice and Pensions Service (MaPS)
Leicester Community Advice and Law Service (LCALC) is the lead agency for this East Midland wide project. There are 15 delivery partner organisations over 5 counties; Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. As well as managing the project, LCALC is also a delivery partner within the project. This service provides face-to-face debt advice through a range of local venues.

Justice First Fellowship
This funding from the Legal Education Foundation funds a trainee solicitor post while making a contribution towards the costs of supporting and supervising the trainee.

Big Lottery Fund
The fund is akin to the Moneywise Plus project and sets out to improve the on-going digital and financial skills of people in Leicester. The opening balance of 100 represented the net book value of assets purchased by the fund. Depreciation was charged in 2024/2025 bringing the fund value to zero.

Energy Redress
This fund is to provide support to the Energy Project, which aims to tackle fuel poverty by the provision of specialist energy advice plus generalist – level welfare benefit, income maximization and money management advice and support.

MaPS (Redundancy Costs)
This income is to meet future, potential redundancy costs of staff directly involved in the delivery of MaPS funded services where participant organisations face reduced funding; not only from MaPS but other funders where staff delivering MaPS funded services are affected when included in a redundancy pool, and ultimately selected for redundancy.

IMA DRO Grant
This fund is to support the costs of administering Debt Relief Orders for our clients.

Leicester City Council Anti-Poverty Grant
This grant is intended to help address issues around digit exclusion amongst clients seeking specialist legal advice by supporting hem to access digital services through the provision of free smartphones.
£500 was spent during the financial year.

Independent Age
The aim of the fund is to assist and provide relief to older people in need by reason of ill-health, disabilities, financial hardship or other disadvantages.

Improving Outcomes Through Legal Support
This grant from the Access to Justice Foundation is aimed at supporting the provision of specialist legal advice on matters
that are not eligible for legal aid. The grant funds a specialist welfare benefits caseworker while also making a contribution to core infrastructure costs.

Moneywise Living (UK Shared Prosperity Fund)
LCALC is a delivery partner in this project, which is delivered by Reading People on behalf of Leicester City Council. The project seeks to provide cost of living advice; energy advice and help with digital skills / financial literacy for vulnerable clients in need of support.

Justice Together Initiative (JTI)
This funding is to facilitate the establishment and development of the East Midlands Immigration Network as a vehicle for promoting strategic collaboration between not-for-profit providers of immigration advice across the East Midlands region; the funds will also be used to support the provision of free specialist level immigration advice and to increase the capacity for specialist advice across the region.

Food Bank Plus Project
This fund is to support needy people who require the practical assistance provided by food banks in the city.

The aim is to tackle the underlying causes of food poverty through the provision of generalist-level welfare benefit, income maximisation and money management advice and support.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Energywise Plus
The aim of the fund is to alleviate fuel poverty for people in Leicester who are vulnerable because of low incomes, physical and/or mental health problems/ disabilities, poor language skills/ low literacy.

Leicester City Council
£60,000 was received from the Household Support Fund and was fully spent on grants to individuals during the financial year. £2,500 was charged to the fund for our administration costs.

Getting help in Neighborhoods (GHIN)
This grant aims to facilitate access to and engagement with specialist advice services for clients with mental health difficulties by providing training for frontline staff on working with these client groups and by funding the appointment of an Advice Support Worker that can provide tailors support to reduce the rate at which these clients disengage from advice services before their issues are resolved.

Access to Justice Fund
This fund is to provide support for immigration advice services, in addition to also supporting the transition to home working for advisers during the COVID pandemic and safety measures when staff returned to the office after lockdown.

Moneywise Plus
The project is targeted at people who are generally difficult to engage with, and in order to address some of the exclusion issues. Moneywise Plus has an engagement team, the staff members of which work to build relationships and engage with individuals allowing them to move forward and receive support to build financial and digital skills, that moves them towards education, training and work.

Advice UK DRO Grant
This fund is to maintain and/or increase access to Debt Relief Orders for clients.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

16 Unrestricted funds

2025	Balance 1 April 2024	Incoming Resources	Resource Expended	Transfers from restricted funds	Balance 31 March 2025
	£	£	£	£	£
Unrestricted	455,620	298,796	(225,344)	5	529,077
	455,620	298,796	(225,344)	5	529,077

2024	Balance 1 April 2023	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2024
	£	£	£	£	£
Unrestricted	382,004	318,587	(244,971)	-	455,620
	382,004	318,587	(244,971)	-	455,620

17 Leasing commitments

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows;

	2025	2024
	£	£
Not later than one year	23,567	37,999
Later than one year and not later than five years	13,456	33,659
	37,023	71,658

18 Related Party Transactions

During the year there were no related party transactions.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

19 Reconciliation of net movement in funds to net cash flow from operations

	2025 £	2024 £
Net movement in funds	20,849	271,273
Add back amortisation	35,187	35,188
Add back depreciation charge	8,749	15,795
Interest receivable	(10,207)	(7,211)
Decrease/(Increase) in debtors	212,104	(210,196)
(Decrease)/Increase in creditors	(181,898)	126,078
Pension movement	139	(262)
Cash generated (used) in operations	84,923	230,665

20 Analysis of charges in net funds

The charity had no debt during the year.

COMMUNITY ADVICE AND LAW SERVICE LTD

England & Wales - Charity number 1087214

Accounts

Charity Registration No. 1087214

Company Registration No. 04096574 (England and Wales)

COMMUNITY ADVICE AND LAW SERVICE LIMITED

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

COMMUNITY ADVICE AND LAW SERVICE LIMITED

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord WSG Bach (appointed 22 November 2023) Mrs M E Collier Miss H L Fountain Mr R K Gill-Harrison (resigned 23 May 2024) Mr B B Koenig (appointed 22 November 2023) Mr J Munton Ms R Nixon Mrs K L Rippin (resigned 24 April 2023) Mr C J Smith (resigned 31 August 2023)
Chief Executive Officer	E Chahal
Charity number	1087214
Company number	04096574
Principal address and Registered Office	First Floor Epic House 1 Lower Hill Street Leicester LE1 3SH
Statutory Auditor	Somerbys Limited Chartered Accountants Registered Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank plc 7 High Street Leicester LE1 9FS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their report and financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts.

Administration Details

Community Advice and Law Service Limited is a registered charity and a company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office and principle address is shown on page 1.

The directors, who also act as trustees, are shown on page 1.

Community Advice and Law Service Limited joined the Law Centres Network in November 2023 and is now trading as Leicester Community Advice and Law Centre (LCALC). However, the charity's legal name remains unchanged.

Structure, Governance and Management

The governing document of the charity is the Memorandum and Articles of Association, incorporated on 25 October 2000. The charity's aims and objectives have changed over time and revised Memorandum and Articles of Association were adopted on 30 November 2022.

Organisation

A board of not less than three trustees administer the charity and the trustees meet not less than four times each year. There are also two sub-committees which meet between full Board meetings. The Chief Executive Officer has delegated authority for operational matters and provides regular written updates to the Board. The current Chief Executive has been in post since June 2021 and her remuneration is agreed by the Board.

There are currently six trustees on the board and a revised strategy for trustee recruitment and succession planning is in place. The charity is in the process of actively recruiting trustees at present. After having joined the board as a trustee in November 2023, Lord Willy Bach, was formally appointed as our new Chair in January 2024, following the resignation of the previous Chair, Chris Smith, during the previous year.

Policies and procedures for induction and training of trustees

New trustees are appointed in accordance with the charity's Articles of Association; the trustee induction process has recently been revised. When a new trustee joins the Board they spend time with the Chair, the Treasurer and Chief Executive Officer to learn more about Community Advice and Law Service Limited; they are also provided with information about the organisation and guidance on the role of being a trustee. A new trustee is made aware of trustee responsibilities and the governance cycle and is provided with a copy of the most recent accounts and annual report; a copy of the relevant policies; the Memorandum and Articles of Association; and details of the vision, mission, values, history and operations of the charity.

Risk factors

The trustees have continued to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks. A comprehensive risk register is maintained and reviewed at least once a quarter.

The charity is currently dependent on a relatively small range of significant funding streams. While funding is secure in the short term, there is an ongoing risk that key income streams may be lost. The trustees are actively involved in managing this risk, planning for various scenarios and considering strategies to diversify income streams.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people it supports and by the adoption of best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

The charity is established for charitable purposes and achieves its objects through the delivery of specialist advice, casework and representation from its main premises in central Leicester, from its office in Leicester County Court and from a range of outreach venues in the community, such as foodbanks, public libraries and community centres, in order to ensure accessibility and visibility for the most vulnerable clients. 75% of our clients live in neighbourhoods that are among the 40% most deprived neighbourhoods in the UK.

The work covers several areas of social welfare law – debt, housing welfare benefits and immigration. The charity also delivers the Energywise Plus project, which aims to tackle fuel poverty through the provision of specialist energy advice in addition to advice on income maximisation and money management.

Leicester Community Advice and Law Centre has been acting as the Lead Partner for the East Midlands Money Advice project, funded by the Money and Pensions Service, since 2006. Building on this regional leadership experience, the charity also secured funding to establish and lead the new East Midlands Immigration Network, funded by the Justice Together Initiative. This project, which started in April 2023, brings together organisations involved in not-for-profit immigration advice from across the East Midlands region in order to promote a more strategic and collaborative approach to the provision of immigration advice in the region.

Objects and Activities

The trustees review the aims, objectives and activities each year. This review looks at the success of activities and the benefit they have brought to the groups of people which the charity is set up to help.

Leicester Community Advice and Law Centre (Community and Advice and Law Service Ltd) is established for charitable purposes and its objects are as follows:

- To relieve persons who are in conditions of need, hardship and/or distress and who are resident within the East Midlands area, hereinafter referred to as the "area of benefit", but without limiting the foregoing by the provision of legal advice, assistance and representation.
- To advance the education of the public by improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty.

A slightly revised statement of charitable purposes has been submitted to the Charity Commission, to better reflect the nature of the Charity's current work which has evolved in response to the needs of the community. This is currently pending approval.

Charity's aims

Leicester Community Advice and Law Centre (Community Advice and Law Service Ltd) has a vision and mission statement that reflect what it hopes to achieve through the delivery of its charitable objects. Our vision is of a fair and inclusive society in which everyone has access to justice and the opportunity to fulfil their potential. Our mission is to empower people to live happier lives by providing professional advice and advocacy that enables them to resolve their problems effectively. In doing this, we aim to:

- Enable people to assert and enforce their rights;
- Empower people to improve their circumstances;
- Give a voice to those who are unheard;
- Support people to make positive changes in their lives;
- Enhance people's overall sense of wellbeing;
- Build resilience in individuals and at a community level;
- Promote a fairer and more inclusive society.

We seek to deliver this mission by providing free, independent, confidential and quality-assured legal advice services to individuals across the area of benefit, for the advantage of the public, subject to funding constraints; by promoting self-help where appropriate and offer casework support for those unable to deal with legal matters alone; and by ensuring that all services are available to all sections of the population irrespective of gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class, and challenging all forms of unlawful and unfair discrimination.

There is a 3-year strategy in place to ensure that we deliver our aims, with specific objectives focused around 4 key themes: meeting the changing needs of our community; aspiring for excellence in everything we do; growing our reach and influence; and building a sustainable future. The strategy is supported by a detailed implementation plan which is reviewed on a regular basis by the Strategy Subcommittee.

Strategies to achieve main objects for the year

The strategies employed by the charity to meet its objectives include the following:

- The provision of face-to-face advice sessions from its premises in central Leicester, from its permanent office at Leicester County Court and via telephone, video call and e-mail;
- The delivery of advice sessions at community venues such as foodbanks, libraries and community centres, and in partnership with community organisations based in areas of high deprivation in order to increase access for disadvantaged people and/or excluded groups.
- The provision of additional support to help clients access and engage effectively with our advice, including personalised support for clients with mental health difficulties.
- Regional leadership of advice projects such as the East Midlands Money Advice project and the East Midlands Immigration Network.
- Networking and collaborative working with a range of statutory and voluntary sector agencies, including other members of the Law Centres Network.

Criteria by which the Charity measures its success

The charity uses a number of measures to evaluate its performance, including progress against our strategic implementation plan; the extent to which we are able to meet internal and external targets; our success in delivering positive outcomes for clients; feedback from service users and community partners; and our success in securing funding for new developments. On some projects, we are also working in partnership with local universities to assess the impact and effectiveness of our work. As part of our strategy going forward, we are continuing to develop the charity's use of data and evidence in order to measure the impact of our services more effectively and to inform future service development.

Significance of volunteer staff

The charity has a very limited number of volunteers who make a very valuable contribution to the work of Leicester Community Advice and Law Centre, and the thanks of the Board of Trustees and staff go to them for their commitment to enhancing the delivery of the charity's work.

Achievements and Performance

Achievements of objectives

During the year, the charity provided specialist advice to 3291 unique individuals across four areas of social welfare law; this represents an increase of around 5% on the previous year; demand for services was significantly higher than in previous years, but the charity's ability to respond to this increased demand was limited. In addition to the services provided from the charity's main premises in central Leicester, from its permanent office at Leicester County Court and via remote channels such as telephone, video call and e-mail, the charity has also delivered advice sessions at 19 outreach locations across Leicester, including public libraries, foodbanks and community centres, thereby facilitating access for the most vulnerable people in the community. In addition, it has carried out 63 home visits for vulnerable clients who would not otherwise be able to access services by other channels.

The charity advised on 4257 different cases in total, supporting local residents to deal with £16.2million in problem debt; delivering financial gains for clients in excess of £2.8million; and preventing/delaying homelessness for 233 households. In addition, 164 clients were supported to resolve their immigration issues; 298 people were supported with issues relating to fuel poverty; 312 clients were supported with issues relating to food poverty. 100% of clients that responded to our feedback survey this year stated that they would recommend LCALC to their friends or family if they needed advice.

Debt casework remains the largest area of our work, accounting for 40% of the cases dealt with; however, debt cases represented a smaller proportion of our overall work than in previous years. Other significant areas of advice included welfare benefits (13%), housing (16%) and immigration (7%). We represented over 300 clients in court during the year; this represents an increase against the number of hearings attended in previous years, but it is still significantly below pre-covid levels. We have continued to hold a legal aid contract and to operate the Housing Possession Court Duty Scheme for clients who present on the day of their hearings without representation. Funding was secured to appoint a new trainee housing adviser and to retain our Specialist Welfare Benefits Caseworker. In addition, funding was secured to enable us to provide free specialist level immigration advice for clients without the means to pay.

We have continued to build on our outreach projects in the local community, developing strong and effective partnerships with a range of community organisations that host outreach sessions for our advisers. Our original Energywise Project ended in August 2022, but we secured new funding for a follow-up project, Energywise Plus, starting in February 2023, thereby enabling us to re-start our work on providing specialist energy advice to tackle fuel poverty. Our application for this funding attracted exceptionally strong support from community partners due to the high level of demand for energy advice arising from rising energy prices; we were also authorised by Leicester City Council to allocate targeted support to individuals struggling with fuel arrears. We obtained additional funding from Independent Age to deliver targeted support for older people to support them through the cost-of-living crisis although service delivery had to be delayed due to staff recruitment challenges. Our Foodbank Plus project, which seeks to tackle the underlying causes of food poverty by providing advice at foodbanks across Leicester City, was also extended thanks to new funding from Leicester City Council Public Health; as a part of this project, we have been working with the Public Health Team and De Montfort University to gather data on the impact of poverty and of our advice on mental wellbeing.

A significant grant was received in 2023 to enable the charity to invest in the modernisation of systems and processes in relation to the East Midlands Money Advice Project. This enabled the charity to develop a new Adviser Portal and a new Case Recording Tool. We hope that these new developments will enable debt advisers across the East Midlands Money Advice project work more effectively and efficiently going forwards.

Funding from the NHS Integrated Care Board enabled us to invest significantly in our support for clients with mental health difficulties. We have been able to appoint a new Advice Support Worker to help clients with mental health difficulties access and stay engaged with our advice through the provision of tailored 1:1 support. The funding also enabled all of our frontline staff to receive training on Mental Health Awareness, Suicide Prevention and Trauma-informed de-escalation techniques.

After many years, the Moneywise Plus project sadly came to an end in the previous financial year (March2023), after having supported numerous vulnerable individuals into employment, education or training over many years; all of the staff working on the project were offered opportunities to transfer to alternative roles within the team. In January 2024, Community Advice and Law Service joined a new partnership with Reaching People to help deliver the successor to this project, known as Moneywise Living.

Grant-making policy
LCALC has continued to play an influential role in the regional advice sector, acting as a lead organisation for partnership funding bids and distributing sub-grants to partner charities in accordance with funding agreements. This activity enables us to facilitate access to high quality advice, assistance and representation for many more people throughout the region, while also providing us with opportunities to share best practice and learn from other organisations in order to improve the overall quality of the services that we deliver.

We have continued in our leadership of the East Midlands Money Advice Partnership, funded by a grant from the Money and Pensions Service, which seeks to provide high quality community-based debt advice throughout the East Midlands region. Building on this experience, we are also acting as the lead agency for the new East Midlands Immigration Network, funded by the Justice Together Initiative, which aims to promote strategic cooperation and collaboration between not-for-profit providers of immigration advice.

Through these two projects, we have distributed over £2.4million in sub-grants in 2023/24 to registered charities across the region who have worked with us to deliver this work.

Fundraising activities

The charity does not carry out significant fundraising activities.

Financial Review

Review of activities

The charity continues to look for ways of improving and developing its advice services to meet the increasing needs of the many marginalised groups and individuals in our communities, and to pursue opportunities that will move it to a more sustainable future through developing the use of volunteers within the organisation, and its continued membership of consortia to increase opportunities for partnership as well as securing new contracts and grants to deliver services.

During the year the charity had total incoming resources of £4,361,663 (2023 - £4,073,216). The total funds available at the year-end amounted to £818,716 (2023 - £547,443); of these funds £363,096 (2023 - £165,439) related to restricted funds, the balance being unrestricted funds of £455,620 (2023 - £382,004). Free reserves, as defined by SORP 2015, amounted to £442,666 (2023 - £353,255).

Reserves policy

As part of the financial management of Leicester Community Advice and Law Centre, the Board of Trustees have set a long-term target of accumulating free reserves which represents a minimum of 25% of the charity's annual operating costs (excluding payments to delivery partners). These reserves will enable the charity to deal with the following contingencies:

- Any cash flow problems when waiting for grant or contract income to be paid
- Covering staffing shortages due to sickness or maternity leave
- Cuts or reductions in funding;
- In the event of closure, three months running costs to wind up the organisation and pay redundancies and leasehold liabilities.

The policy is reviewed annually when the Board of Trustees sets the budget for the following financial year.

The trustees are satisfied that the reserves target has been met.

Pay Awards
Recommendations are made to the Trustees by the Chief Executive Officer for annual pay awards including any performance related or enhancements in pay. The Board of Trustees are responsible for agreeing any recommendations.

Future Plans

The charity's aims are to continue to deliver and develop its work to ensure that advice services, delivered by the voluntary sector, are maintained. The charity recognises the need to ensure that the organisation remains robust and will review its position at least annually based on the outcome of funding bids made or the cessation of income streams.

The charity's priorities for 2024/25 are:

- To continue to address current gaps in service provision so that it can provide the type of advice that its clients need, when and how they need it; for example, the charity will appoint a new trainee solicitor (funded by the Justice First Fellowship) and it hopes to appoint a new immigration solicitor to deliver on a new immigration legal aid contract in order to meet local needs more effectively. The charity also intends to build stronger relationships with local universities and private law firms in order to increase access to pro bono advice in areas not currently covered by the Law Centre.
- To proactively reach out to the people who need its help the most by working in partnership with other organisations to embed services in local communities so that its support is visible and accessible to all; in particular, we will be seeking to maintain and expand upon our work in foodbanks, libraries and community centres.
- To adopt a holistic, person-centred approach to service delivery that is organised around client needs rather than organisational structures or funding streams; in particular, we will focus this year on building on the learning from our mental health project in order to meet the needs of vulnerable clients more effectively.
- To consolidate our reputation for specialist advice and to celebrate our new status as a Law Centre by holding a high profile event to launch our new identity, while continuing to invest in prevention and early intervention strategies wherever possible;
- To proactively seek to influence decisions on social policy by highlighting the issues that affect its clients to those with the power to address them;
- To promote best practice across the wider sector through its involvement in local, regional and national partnerships, including the East Midlands Money Advice Partnership, the new East Midlands Immigration Network, the Law Centres Network and Advice UK.
- To continue with our efforts to embed a culture of learning, innovation and continuous improvement into everything we do, and to invest in initiatives to support staff wellbeing and engagement.
- To continue with our work on developing a sustainable funding model that will enable it to continue to deliver services far into the future, including the diversification of income streams and ensuring that the charity is well placed to bid successfully for grants and contracts in the future.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Trustees' Responsibilities

The trustees (who are also the directors of Community Advice and Law Service 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 charity trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102).
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity 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 charity's auditor is 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 auditor is aware of that information.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the board of Trustees

WSG BACH (Dec 18, 2024 14:45 GMT)

Lord W S G Bach
Trustee

J Munton
Trustee

Date: 20 November 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED

Opinion

We have audited the financial statements of Community Advice and Law Service Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024, and its incoming 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of financial statements which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Community Advice and Law Service Limited, we have identified specific laws and regulations, such as Law Society and Office of the Immigration Services Commissioner regulations along with general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Community Advice and Law Service Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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 auditor's 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.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Date: 19 December 2024

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and legacies		1,463	-	1,463	214
Charitable activities	2	308,693	4,043,076	4,351,769	4,071,816
Other trading activites		1,220	-	1,220	-
Income from investments		7,211	-	7,211	1,186
Total income		318,587	4,043,076	4,361,663	4,073,216
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities	3	244,971	3,845,419	4,090,390	4,041,340
Total resources expended		244,971	3,845,419	4,090,390	4,041,340
Net movement in funds before transfers		73,616	197,657	271,273	31,876
Transfers between funds		-	-	-	-
Net movement in funds		73,616	197,657	271,273	31,876
Fund balances at 1 April 2023		382,004	165,439	547,443	515,567
Fund balances at 31 March 2024	16 & 17	455,620	363,096	818,716	547,443

All income and expenditure derive from continuing activities.

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

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2024

Prior year	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and endowments from:				
Donations and legacies		214	-	214
Charitable activities	2	383,676	3,688,140	4,071,816
Income from investments		1,186	-	1,186
Total income		385,076	3,688,140	4,073,216
Expenditure on:				
Raising funds		-	-	-
Charitable activities	3	289,392	3,751,948	4,041,340
Total resources expended		289,392	3,751,948	4,041,340
Net movement in funds before transfers		95,684	(63,808)	31,876
Transfers between funds		(759)	759	-
Net movement in funds		94,925	(63,049)	31,876
Fund balances at 1 April 2023		287,079	228,488	515,567
Fund balances at 31 March 2023	16 & 17	382,004	165,439	547,443

All income and expenditure derive from continuing activities.

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

BALANCE SHEET
YEAR ENDED 31 MARCH 2024

	Notes	£	2024 £	2023 £
Fixed assets				
Intangible assets	9		140,750	-
Tangible assets	10		12,954	28,749
Current assets				
Debtors	11	321,634		111,438
Cash at bank and in hand		649,559		587,621
		971,193		699,059
Creditors: amounts falling due within one year	12	(305,952)		(179,874)
Net current assets			665,241	519,185
Total assets less current liabilities			818,945	547,934
Defined benefit pension scheme liability	14		(229)	(491)
Net assets including pension scheme liability			818,716	547,443
Income funds				
Unrestricted funds	15		455,620	382,004
Restricted funds	16		363,096	165,439
Total funds			818,716	547,443

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

The financial statements were approved by the board of trustees and authorised for issue on 20 November 2024 and are signed on its behalf by:

WSG BACH (Dec 18, 2024 14:45 GMT)

Lord W S G Bach
Trustee
Company Registration No. 04096574

J Munton
Trustee

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash generated/(used) in operating activities:	20	230,665	113,635
Cash flows from investing activities			
Interest income		7,211	1,186
Purchase of tangible fixed assets		-	(8,491)
Purchase of intangible fixed assets		(175,938)	-
Cash generated/(used) in investing activities		(168,727)	(7,305)
Cash flows from financing activities			
Interest received		-	-
Cash generated by financing activities		-	-
Increase in cash and cash equivalents in the year		61,938	106,330
Cash and cash equivalents at the beginning of the year		587,621	481,291
Total cash and cash equivalents at the end of the year		649,559	587,621

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

1 Accounting policies

1.1 General information and basis of preparation

The charity is a private company limited by guarantee without share capital. The charity is registered in England and Wales. The registered office is 1st Floor, Epic House, Charles Street, Leicester, LE1 3SH.

Accounting convention
The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (issued in October 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Accounting policies cont'd

1.3 Income recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasions legacies will be notified to the charity, however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes salaries, expenses and overheads.
- Expenditure on charitable activities includes salaries, expenses and overheads.
- Other expenditure represents those items not falling into the categories above.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Accounting policies cont'd

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.6 Intangible assets

Intangible assets are amortised on a straight-line basis over their useful lives. The useful lives of intangible assets are as follows:

Computer software	5 years	Expected useful economical life

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life of four years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the income and expenditure account.

1.8 Cash and cash equivalents

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

1.9 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.10 Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

1.11 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.12 Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

Accounting policies cont'd

1.13 Employee benefits

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.14 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

1.15 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

1.16 Judgement and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets.

(ii) Expenditure allocations:
Expenditure is apportioned where it relates to more than one cost category.

(iii) Pension liability:
The closing liability and annual pension charge is sensitive to the assumptions made by the pension scheme .

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

2. Income from charitable activities

	2024	2023
	£	£
Contractual payments	4,175,582	3,927,094
Legal Aid income	70,280	75,453
Immigration income	65,516	56,243
Other	40,391	13,026
	4,351,769	4,071,816

3. Analysis of Expenditure

	Staff costs (Note 7)	Amortisation Note 9 Depreciation Note 10	Other costs (Note 4)	Total 2024	Total 2023
	£	£	£	£	£
Charitable activities					
Money advice - general	1,329,412	50,983	247,514	1,627,909	1,213,806
- financial capability	-	-	-	-	116,591
	1,329,412	50,983	247,514	1,627,909	1,330,397
Governance costs (note 6)	-	-	7,384	7,384	6,130
Grants payable (note 5)	-	-	2,455,097	2,455,097	2,704,813
	1,329,412	50,983	2,709,995	4,090,390	4,041,340

4. Other costs

Other costs include the following support costs: -

	Unrestricted funds		Restricted funds	
	2024	2023	2024	2023
	£	£	£	£
Establishment	9,024	13,861	39,502	31,421
Insurance	1,198	1,464	5,521	3,971
Project costs	6,467	7,657	25,158	12,138
Recruitment and training	419	3,820	28,198	8,767
Information Technology	4,420	5,053	18,399	14,860
Equipment and supplies	785	1,477	3,611	2,887
Communication and marketing	3,107	5,765	12,603	13,937
Bank charges and loan interest	182	272	760	667
Legal and professional fees	12,253	8,650	41,966	29,188
Staff travel and subsistence	234	332	13,209	8,469
Volunteer expenses	4	-	35	-
Sundry expenditure	3,842	4,548	16,617	12,319
	41,935	52,899	205,579	138,624

Costs specifically incurred on a particular project have been allocated against that fund. The balance of other costs are allocated according to the number of hours worked on by each employee on each project.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

5. Grants paid

5.a. Grants paid during the year are to 18 delivery partners involved in the East Midlands Money Advice projects to provide face to face debt advice.

The amounts payable to each participant were as follows:

	Paid in year £	Reserved at year end £	Reserved at year end (EMMA Modernisation Fund) £	Total £
Citizens Advice Ashfield	51,183	(3,441)	-	47,742
Citizens Advice Bassetlaw	156,318	-	3,997	160,315
Citizens Advice Broxtowe	73,964	-	180	74,144
Citizens Advice Chesterfield	84,677	-	-	84,677
Community Law Service Northampton and County	236,136	(38)	999	237,097
Citizens Advice Derbyshire Districts	172,846	(99)	2,997	175,744
Derbyshire Law Centre	126,664	-	1,998	128,662
Citizens Advice Leicestershire	138,629	(2,008)	60	136,681
Citizens Advice Lincoln & Lindsey	134,107	-	1,998	136,105
Citizens Advice Mansfield	87,097	-	-	87,097
Citizens Advice Mid Lincolnshire	79,562	-	-	79,562
Citizens Advice North East Derbyshire	82,819	-	-	82,819
Citizens Advice Nottingham and District	238,979	(336)	4,756	243,399
Nottingham Law Centre	62,637	(3,980)	-	58,657
Citizens Advice Sherwood and Newarke	72,581	-	-	72,581
Citizens Advice Mid Mercia	262,651	(3,905)	999	259,745
St Ann's Advice Centre	73,075	-	-	73,075
Citizens Advice South Lincolnshire	141,280	-	-	141,280
	2,275,205	(13,807)	17,984	2,279,382

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

5.b. A grant was received from the Leicester City Council Household Support Fund in the amount of £60,000 Of this amount, £58,417 was paid out in grants to various individuals to support with energy bills. The remaining £1,583 was charged to management salaries as an administration fee.

Grants paid to individuals	46,182	12,235	58,417

5.c. Grants paid during the year are to six delivery partners involved in the Justice Together Initiative project, to facilitate the establishment and development of the East Midlands Immigration Network.

The amounts payable to each participant were as follows:

	Total
	£
Community Law Service Northampton and County	35,850
Derbyshire Law Centre	36,780
Nottingham Law Centre	35,810
The Race Equality Centre	5,025
Northamptonshire Rights and Equality	1,933
Nottinghamshire Refugee Forum	1,900
	117,298

Summary	
Grants paid per 5a	2,279,382
Grants paid per 5b	58,417
Grants paid per 5c	117,298
Total grants payable	2,455,097

6. Analysis of governance costs

	2024	2023
	£	£
Audit fee	7,240	6,130
Other governance costs	144	-
	7,384	6,130

Governance costs include expenses associated with the Trustees board meetings, AGM and external audit fees. None of the trustees (or any persons connected with them) received any remuneration during the year.

7. Employees

	2024	2023
Number of employees	No.	No.
The average number of employees during the year was:	40	34

On a full time basis the total average number of employees was 35 (2023- 33)

Employment costs

	2024	2023
	£	£
Wages and salaries	1,176,014	992,712
Social security costs	106,778	91,964
Other pension costs	46,620	39,849
	1,329,412	1,124,525

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	1	1

The total employee benefits of the key management personnel of the charity were £78,747 (2023 - £74,612)

8. Taxation

The company, being a registered charity, is exempt from corporation tax on its charitable activities.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

9. Intangible fixed assets

	Computer Software £
Cost	
At 1 April 2023	-
Additions	175,938
Disposals	-
At 31 March 2024	175,938
Amortisation	
At 1 April 2023	-
Charge for the period	35,188
At 31 March 2024	35,188
Net book value	
At 31 March 2024	£140,750
At 1 April 2023	-

10. Tangible fixed assets

	Fixtures. fittings & equipment £
Cost	
At 1 April 2023	71,530
Additions	-
Disposals	-
At 31 March 2024	71,530
Depreciation	
At 1 April 2023	42,781
Charge for the period	15,795
Disposals	-
At 31 March 2024	58,576
Net book value	
At 31 March 2024	£12,954
At 1 April 2023	£28,749

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

11. Debtors

	2024	2023
	£	£
Trade debtors	130,539	63,566
Prepayments	20,889	29,478
Other debtors	170,206	18,394
	321,634	111,438

12. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	113,637	18,798
Taxes and social security costs	42,913	31,792
Other creditors	8,308	13,833
Grants received in advance	65,391	75,245
Accruals	75,703	40,206
	305,952	179,874

13. Changes in the company's resources available for charity use

	Unrestricted funds	Restricted funds
	£	£
Net incoming resources for the year	73,616	197,657
Net increase/(decrease) in tangible fixed assets	(5,695)	(10,100)
Net increase/(decrease) in intangible fixed assets	-	140,750
Net movement in funds available for future activities	67,921	328,307

14. Pension costs

The company participates in 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. Pension scheme costs are allocated between restricted and unrestricted costs based on the number of hours worked on each project.

The scheme is classified as a 'last man standing arrangement'. Therefore, the company is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2024	2023
	£	£
Balance sheet liability at 1 April 2023	491	770
Deficit contribution paid	(281)	(281)
Interest cost (SoFA)	19	15
Impact of any change in assumptions	-	(13)
Amendment to contribution schedule		-
Balance sheet liability	229	491

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2024	March 2023	March 2022	March 2021	March 2022
Discount rate applied to future recovery plan contributions due	5.31%	5.52%	2.35%	0.66%	2.53%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds all of the costs have been charged to unrestricted funds for this year and for previous years.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

15. Anaysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
Fund balances at 31 March 2024 are represented by:			
Intangible assets	-	140,750	140,750
Tangible fixed assets	6,905	6,049	12,954
Current assets	469,005	502,188	971,193
Creditors: amounts falling due within one year	(20,061)	(285,891)	(305,952)
Creditors: amounts falling due over one year	-	-	-
Provisions for liabilities and charges	(229)	-	(229)
	455,620	363,096	818,716

16. Restricted funds 2024

	Opening balance 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
MaPS	21,314	3,403,090	(3,228,045)	196,359
Moneywise Plus	353	-	(353)	-
Big Lottery Fund	302	-	(202)	100
Energy Redress	1,449	-	(964)	485
MAPS (Redundancy Costs)	129,155	-	-	129,155
Leicester City Council. Anti-Poverty	-	9,800	(435)	9,365
Independent Age	-	35,186	(29,464)	5,722
Improving Outcomes Through Legal Support	-	85,685	(85,250)	435
Moneywise Living (UK Shared Prosperity	-	13,449	(7,876)	5,573
Justice Together Initiative	-	161,284	(157,471)	3,813
IMA DRO Grant	7,350	-	(7,350)	-
Food Bank	1,203	97,534	(92,093)	6,644
Advice UK DRO Grant	1,000	-	(1,000)	-
Help Accessing Legal Support	-	30,000	(30,000)	-
EnergyWise Plus	-	98,375	(98,215)	160
Leicester City Council	-	60,000	(60,000)	-
Getting Help in Neighbourhoods	-	48,673	(44,755)	3,918
Access to Justice Fund	3,313	-	(1,946)	1,367
	165,439	4,043,076	(3,845,419)	363,096

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

Restricted funds 2023

	Opening balance 1 April 2022	Income	Expenditure	Balance at 31 March 2023	Transfers between funds	Balance at 31 March 2023
	£	£	£	£	£	£
MaPS	26,655	3,390,269	(3,395,610)	21,314	-	21,314
Moneywise Plus	3,037	113,906	(116,590)	353	-	353
Big Lottery Fund	31,863	31,434	(62,995)	302	-	302
Energy Redress	3,820	70,524	(72,895)	1,449	-	1,449
MAPS (Redundancy Costs)	129,155	-	-	129,155	-	129,155
Leicester Community Fund	-	-	-	-	-	-
Lottery Community Fund	2,389	-	(3,148)	(759)	759	-
IMA DRO Grant	7,350	-	-	7,350	-	7,350
Food Bank	810	47,473	(47,080)	1,203	-	1,203
Advice UK DRO Grant	1,000	-	-	1,000	-	1,000
Help Accessing Legal Support	-	-	-	-	-	-
Independent Age	-	4,814	(4,814)	-	-	-
EnergyWise Plus	-	4,720	(4,720)	-	-	-
Leicester City Council	-	25,000	(25,000)	-	-	-
Access to Justice Fund	22,409	-	(19,096)	3,313	-	3,313
	228,488	3,688,140	(3,751,948)	164,680	759	165,439

Money Advice and Pensions Service (MaPS)
Leicester Community Advice and Law Service (LCALC) is the lead agency for this East Midland wide project. There are 18 delivery partners over 5 counties; Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. As well as managing the project, CALS is also a delivery partner within the project. This service provides face-to-face debt advice through a range of local venues.

Moneywise Plus
The project is targeted at people who are generally difficult to engage with, in order to address some of the exclusion issues. The project ended in March 2023 and the residual balance of £353 was spent in 2023/2024.

Big Lottery Fund
This funding previously supported our Specialist Welfare Benefits Advice Project. The balance of £100 represents the net book value of assets purchased by the fund.

Energy Redress (Energywise Plus)
This fund is to provide support to the Energywise Plus Project, which aims to tackle fuel poverty though the provision of specialist energy advice.

MaPS (Redundancy Costs)
This income is to meet future, potential redundancy costs of staff directly involved in the delivery of MaPS funded services where participant organisations face reduced funding; not only from MaPS but from other funders where staff delivering MaPS funded services are affected when included in a redundancy pool, and ultimately selected for redundancy.

Leicester City Council Anti-Poverty Grant
This grant is intended to help address issues around digital exclusion amongst clients seeking specialist legal advice by supporting them to access digital services through the provision of free smartphones.

Independent Age
This Project was aimed at providing advice and support for clients aged 65+ in response to the cost of living crisis.

Improving Outcomes Through Legal Support (IOTLS)
This grant from the Access to Justice Foundation is aimed at supporting the provision of specialist legal advice on matters that are not eligible for legal aid. The grant funds a specialist welfare benefits caseworker and a trainee specialist housing caseworker while also making a contribution to core infrastructure costs.

Moneywise Living (UK Shared Prosperity Fund)
LCALC is a delivery partner in this project, which is delivered by Reaching People on behalf of Leicester City Council. The project seeks to provide cost of living advice; energy advice and help with digital skills/financial literacy for vulnerable clients in need of this support.

Justice Together Initiative (JTI)

This funding is to facilitate the establishment and development of the East Midlands Immigration Network as a vehicle for promoting strategic collaboration between not-for-profit providers of immigration advice across the East Midlands region; the funds will also be used to support the provision of free specialist level immigration advice and to increase the capacity for specialist advice across the region.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

IMA DRO Grant
This fund is to support the costs of administering Debt Relief Orders for our clients.

Foodbank Plus
This fund is to support the provision of advice services for foodbank users to help address the underlying causes of food poverty.

Advice UK DRO Grant
This fund is to maintain and/or increase access to Debt Relief Orders for clients.

Help Accessing Legal Support
This Grant from the Access to Justice Foundation was intended to support the provision of free specialist legal advice on matters not eligible for legal aid.

Leicester City Council
The aim of the fund is to provide vulnerable households support during the cost of living crisis ensuring support for fuel and food costs.

Getting Help in Neighbourhoods (GHIN)
This grant aims to facilitate access to and engagement with specialist advice services for clients with mental health difficulties by providing training for frontline staff on working with these client groups and by funding the appointment of an Advice Support Worker that can provide tailored support to reduce the rate at which these clients disengage from advice services before their issues are resolved.

Access to Justice Fund
This fund is to provide support for immigration advice services, in addition to also supporting the transition to home working for advisers during the COVID pandemic and safety measures when staff returned to the office after lockdown.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

17. Unrestricted funds

2024

	Balance 01 April 2023	Incoming Resources	Resources Expended	Transfer to restricted Funds	Balance 31 March 2024
	£	£	£	£	£
Unrestriced funds	382,004	318,587	(244,971)	-	455,620
	382,004	318,587	(244,971)	-	455,620

2023	Balance 01 April 2022	Incoming Resources	Resources Expended	Transfer to restricted Funds	Balance 31 March 2023
	£	£	£	£	£
Unrestriced funds	287,079	385,076	(289,392)	(759)	382,004
	287,079	385,076	(289,392)	(759)	382,004

18. Leasing commitments

At the reporting date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than one year	37,999	37,999
Later than one year and not later than five	33,659	71,658
	71,658	109,657

19. Related Party Transactions

During the year there were no related party transactions.

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	271,273	31,876
Add back amortisation	35,188	-
Add back depreciation charge	15,795	14,349
Interest receivable	(7,211)	(1,186)
(Increase)\Decrease in debtors	(210,196)	77,232
Increase/(Decrease) in creditors	126,078	(8,357)
Pension movement	(262)	(279)
	230,665	113,635

21. Analysis of Changes in net funds

The Charity had no debt during the year.

COMMUNITY ADVICE AND LAW SERVICE LTD

England & Wales - Charity number 1087214

Accounts

Charity Registration No. 1087214

Company Registration No. 04096574 (England and Wales)

COMMUNITY ADVICE AND LAW SERVICE LIMITED

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THURSDAY
ACHUW8KR
A36 07/12/2023 #30
COMPANIES HOUSE

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

COMMUNITY ADVICE AND LAW SERVICE LIMITED

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs M E Collier Miss H L Fountain Mr R K Gill-Harrison Mr J Munton Ms R Nixon Mrs K L Rippon (resigned 24 April 2023) Mr C J Smith (resigned 31 August 2023)
Chief Executive Officer	L Chahal
Charity number	1087214
Company number	04096574
Principal address and Registered Office	1st Floor Epic House Charles Street Leicester LE1 3SH
Statutory Auditor	Somerbys Limited Chartered Accountants Registered Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank plc 7 High Street Leicester LE1 9FS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts.

Administration Details

Community Advice and Law Service Limited is a registered charity and a company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office and principle address is shown on page 1.

The directors, who also act as trustees, are shown on page 1.

Structure, Governance and Management

The governing document of the charity is the Memorandum and Articles of Association, incorporated on 25 October 2000. The charity's aims and objectives have changed over time and revised Memorandum and Articles of Association were adopted on 30 November 2022.

Organisation

A board of not less than three trustees administer the charity and the trustees meet not less than four times each year. There are also two sub-committees which meet between full Board meetings. The Chief Executive Officer has delegated authority for operational matters and provides regular written updates to the Board. The current Chief Executive has been in post since June 2021 and her remuneration is agreed by the Board.

There are currently five trustees on the board, and a revised strategy for trustee recruitment and succession planning is in place. The charity is in the process of actively recruiting trustees at present, including a new Chair, following the resignation of the previous Chair, Chris Smith, at the end of August 2023

Policies and procedures for induction and training of trustees

New trustees are appointed in accordance with the charity's Articles of Association; the trustee induction process is currently under review. When a new trustee joins the Board they spend time with the Chair, the Treasurer and Chief Executive Officer to learn more about Community Advice and Law Service Limited; they are also provided with information about the organisation and guidance on the role of being a trustee. A new trustee is made aware of trustee responsibilities and the governance cycle, and is provided with a copy of the most recent accounts and annual report; a copy of the relevant policies; the Memorandum and Articles of Association; and details of the vision, mission, values, history and operations of the charity.

Risk factors

The trustees have continued to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks.

The charity is currently dependent on a relatively small range of significant funding streams, and particularly on the grants that it receives from the Money and Pensions Service for the delivery of debt advice across the East Midlands. While this funding is secure in the short term, there is an ongoing risk that it may be lost as a result of future recommissioning exercises. The trustees are actively involved in managing this risk and in considering strategies to diversify income streams.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people it supports and by the adoption of best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

The charity is established for charitable purposes and achieves its objects through the delivery of specialist advice, casework and representation from its main premises in central Leicester, from its office in Leicester County Court and from a range of outreach venues in the community, such as foodbanks, public libraries and community centres, in order to ensure accessibility and visibility for the most vulnerable clients. 75% of our clients live in neighbourhoods that are among the 40% most deprived neighbourhoods in the UK.

The work covers several areas of social welfare law – debt, housing welfare benefits and immigration. To date, we have needed to charge affordable fees to cover the costs of operating our immigration service; new funding was secured this year that will enable us to provide some fully funded advice in this area of law for clients who do not have the means to pay. The charity also delivers the Energywise Plus project, which aims to tackle fuel poverty through the provision of specialist energy advice in addition to advice on income maximisation and money management; this started in February 2023, and followed on from our previous Energywise Project which ended in August 2022

The Community Advice and Law Service has been acting as the Lead Partner for the East Midlands Money Advice project, funded by the Money and Pensions Service, since 2006. Building on this regional leadership experience, the charity also secured funding to establish and lead the East Midlands Immigration Network, launched in April 2023, funded by the Justice Together Initiative; this brings together organisations involved in not-for-profit immigration advice from across the East Midlands region in order to promote a more strategic and collaborative approach to the provision of immigration advice in the region.

Objects and Activities

The trustees review the aims, objectives and activities each year. This review looks at the success of activities and the benefit they have brought to the groups of people which the charity is set up to help.

The Community Advice and Law Service is established for charitable purposes and its objects are as follows:

- To relieve persons who are in conditions of need, hardship and/or distress and who are resident within the East Midlands area, hereinafter referred to as the "area of benefit", but without limiting the foregoing by the provision of legal advice, assistance and representation.
- To advance the education of the public by improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty.

Charity's aims

The Community Advice and Law Service has developed a revised vision and mission statement in order to reflect what it hopes to achieve through the delivery of its charitable objects. Our vision is of a fair and inclusive society in which everyone has access to justice and the opportunity to fulfil their potential. Our mission is to empower people to live happier lives by providing professional advice and advocacy that enables them to resolve their problems effectively. In doing this, we aim to:

- Enable people to assert and enforce their rights;
- Empower people to improve their circumstances;
- Give a voice to those who are unheard;
- Support people to make positive changes in their lives;
- Enhance people's overall sense of wellbeing;
- Build resilience in individuals and at a community level;
- Promote a fairer and more inclusive society.

We seek to deliver this mission by providing free, independent, confidential and quality-assured legal advice services to individuals across the area of benefit, for the advantage of the public, subject to funding constraints; by promoting self-help where appropriate and offer casework support for those unable to deal with legal matters alone; and by ensuring that all services are available to all sections of the population irrespective of gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class, and challenging all forms of unlawful and unfair discrimination.

There is a 3-year strategy in place to ensure that we deliver our aims, with specific objectives focused around 4 key themes: meeting the changing needs of our community; aspiring for excellence in everything we do; growing our reach and influence; and building a sustainable future. The strategy is supported by a detailed implementation plan which is reviewed by the Strategy Subcommittee quarterly.

Strategies to achieve main objects for the year

The strategies employed by the charity to meet its objectives include the following:

- The provision of face-to-face advice sessions from its premises in central Leicester, from its permanent office at Leicester County Court and via telephone, video call and e-mail;
- The delivery of advice sessions at community venues such as foodbanks, libraries and community centres, and in partnership with community organisations based in areas of high deprivation in order to increase access for disadvantaged people and/or excluded groups.
- The provision of additional support to help clients access and engage effectively with our advice, including personalised support for clients with mental health difficulties.
- Networking and collaborative working with a range of statutory and voluntary sector agencies.

Criteria by which Charity measures its success

The charity uses a number of measures to evaluate its performance, including progress against our strategic implementation plan; the extent to which we are able to meet internal and external targets; our success in delivering positive outcomes for clients; feedback from service users and community partners; and our success in securing funding for new developments. On some projects, we are also working in partnership with local universities to assess the impact and effectiveness of our work. As part of our strategy going forward, we are continuing to develop the charity's use of data and evidence in order to measure the impact of our services more effectively and to inform future service development.

Significance of volunteer staff

The charity has a very limited number of volunteers who make a very valuable contribution to the work of Community Advice and Law Service and the thanks of the Board of Trustees and staff go to them for their commitment to enhancing the delivery of the charity's work.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Achievements of objectives

During the year, the charity provided specialist advice to 3,149 unique individuals across four areas of social welfare law; this represents an increase of around 6% on the previous year. In addition to the services provided from the charity's main premises in central Leicester, from its permanent office at Leicester County Court and via remote channels such as telephone, video call and e-mail, the charity has also delivered advice sessions at 16 outreach locations across Leicester, including public libraries, foodbanks and community centres, thereby facilitating access for the most vulnerable people in the community. The charity advised on 4,280 different cases in total, supporting local residents to deal with £12.6 million in problem debt; delivering financial gains for clients in excess of £2.6million; and preventing 137 households from becoming homeless. In addition, 301 clients were supported to resolve their immigration issues; 175 people were supported with issues relating to fuel poverty; and 77 clients were supported into employment, education or training. 98% of clients say that they would recommend CALS to their friends or family if they needed advice; 96% of clients reported an improvement in their mental well-being after receiving advice, in projects where this was measured.

Debt casework remains the largest area of work, accounting for 63% of the cases dealt with; this is broadly similar to the proportion of our work that was focused on debt last year. Other significant areas of advice included welfare benefits (13%), housing (16%) and immigration (7%). We represented over 300 clients in court during the year; this represents an increase against the number of hearings attended in previous years, but it is still significantly below pre-covid levels. We have continued to hold a legal aid contract and to operate the Housing Possession Court Duty Scheme for clients who present on the day of their hearings without representation.

We have continued to build on our outreach projects in the local community, developing strong and effective partnerships with a range of community organisations that host outreach sessions for our advisers. Our original Energywise Project ended in August 2022, but we secured new funding for a follow-up project, Energywise Plus, starting in February 2023, thereby enabling us to re-start our work on providing specialist energy advice to tackle fuel poverty. Our application for this funding attracted exceptionally strong support from community partners due to the high level of demand for energy advice arising from rising energy prices; we were also authorised by Leicester City Council to allocate targeted support to individuals struggling with fuel arrears. We obtained additional funding from Independent Age to deliver targeted support for older people to support them through the cost-of-living crisis although service delivery had to be delayed due to staff recruitment challenges. Our Foodbank Plus project, which seeks to tackle the underlying causes of food poverty by providing advice at foodbanks across Leicester City, was also extended thanks to new funding from Leicester City Council Public Health; as a part of this project, we have been working with the Public Health Team and De Montfort University to gather data on the impact of poverty and of our advice on mental wellbeing.

After many years, the Moneywise Plus project sadly came to an end in March 2023, after having supported numerous vulnerable individuals into employment, education or training over many years; all of the staff working on the project were offered opportunities to transfer to alternative roles within the team.

Grant-making policy

CALS has continued to play an influential role in the regional advice sector, acting as a lead organisation for partnership funding bids and distributing sub-grants to partner charities in accordance with funding agreements. This activity enables us to facilitate access to high quality advice, assistance and representation for many more people throughout the region, while also providing us with opportunities to share best practice and learn from other organisations in order to improve the overall quality of the services that we deliver.

Through our ongoing leadership of the East Midlands Money Advice Project (which we have been leading since 2006), we distributed £2.7million in sub-grants in 2022-23 to 20 registered charities across the region who have worked with us to deliver this project. Together, this enabled us to support 16,488 clients across the East Midlands region to deal with problem debt.

Building on this regional leadership role, we secured an additional grant of £450,000 this year (which will be received in 2023-24) to launch the new East Midlands Immigration Network, with the aim of promoting strategic cooperation and collaboration between not-for-profit providers of immigration advice across the East Midlands Region. A significant proportion of this will be distributed to our delivery partners in the region, as per our agreement with the funder.

Fundraising activities

The charity does not carry out significant fundraising activities.

Financial Review

Review of activities

The charity continues to look for ways of improving and developing its advice services to meet the increasing needs of the many marginalised groups and individuals in our communities, and to pursue opportunities that will move it to a more sustainable future through developing the use of volunteers within the organisation, and its continued membership of consortia to increase opportunities for partnership as well as securing new contracts and grants to deliver services.

During the year the charity had total incoming resources of £4,073,216 (2022 - £4,253,912). The total funds available at the year-end amounted to £547,443 (2022 - £515,567); of these funds £165,439 (2022 - £228,488) related to restricted funds, the balance being unrestricted funds of £382,004 (2022 - £287,079). Free reserves, as defined by SORP 2015, amounted to £353,255 (2022 - £252,472).

Reserves policy

As part of the financial management of Community Advice and Law Service, the Board of Trustees have set a long-term target of accumulating free reserves which represents a minimum of 25% of the charity's annual operating costs (excluding payments to delivery partners). These reserves will enable the charity to deal with the following contingencies:

- Any cash flow problems when waiting for grant or contract income to be paid
- Covering staffing shortages due to sickness or maternity leave
- Cuts or reductions in funding;
- In the event of closure, three months running costs to wind up the organisation and pay redundancies and leasehold liabilities.

At present, the charity's funds are slightly below this desired level. The Trustees are aware of the shortfall and are looking at ways to resolve the situation.

The policy is reviewed annually when the Board of Trustees sets the budget for the following financial year.

Pay Awards
Recommendations are made to the Trustees by the Chief Executive Officer for annual pay awards including any performance related or enhancements in pay. The Board of Trustees are responsible for agreeing any recommendations.

Future Plans

The charity's aims are to continue to deliver and develop its work to ensure that advice services, delivered by the voluntary sector, are maintained. The charity recognises the need to ensure that the organisation remains robust and will review its position at least annually based on the outcome of funding bids made or the cessation of income streams.

The charity's priorities for 2023/24 are:

- To continue to address current gaps in service provision so that it can provide the type of advice that its clients need, when and how they need it; for example, we will appoint a new specialist housing caseworker to help us deal with unmet demand in this area and we will launch a new project to provide fully funded immigration advice for clients who do not have the means to pay for our services.
- To proactively reach out to the people who need its help the most by working in partnership with other organisations to embed services in local communities so that its support is visible and accessible to all; in particular, we aim to expand the range of foodbanks and other community organisations that we work with to deliver our outreach activity.
- To adopt a holistic, person-centred approach to service delivery that is organised around client needs rather than organisational structures or funding streams; in particular, we will focus this year on improving the support that we provide to clients with mental health difficulties who are at risk of disengaging from our advice by employing an Advice Support Worker to provide personalised support to these clients to help them access and stay engaged with the advice process. We will also provide a programme of training for all of our frontline staff on issues such as mental health awareness, suicide prevention etc.
- To consolidate our reputation for specialist advice by joining the Law Centres Network and organising a high profile event to launch our new identity, while continuing to invest in prevention and early intervention strategies wherever possible;
- To proactively seek to influence decisions on social policy by highlighting the issues that affect its clients to those with the power to address them;
- To promote best practice across the wider sector through its involvement in local, regional and national partnerships, including the East Midlands Money Advice Partnership and the new East Midlands Immigration Network;
- To deliver on all of our commitments to the highest possible standard, and to embed a culture of learning, innovation and continuous improvement into everything we do;
- To continue with our work on developing a sustainable funding model that will enable it to continue to deliver services far into the future, including the diversification of income streams and ensuring that the charity is well placed to bid successfully for grants and contracts in the future.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Trustees' Responsibilities

The trustees (who are also the directors of Community Advice and Law Service 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 charity trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102).
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity 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 charity's auditor is 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 auditor is aware of that information.

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the board of Trustees

J.A.M

J Munton
Trustee

Date: 22 November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED

Opinion

We have audited the financial statements of Community Advice and Law Service Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and its incoming 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of financial statements which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Community Advice and Law Service Limited, we have identified specific laws and regulations, such as Law Society and Office of the Immigration Services Commissioner regulations along with general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Community Advice and Law Service Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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 auditor's 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.

Somerbys Limited.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Date: 1 December 2023.

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies		214	-	214	195
Charitable activities	2	383,676	3,688,140	4,071,816	4,253,676
Fundraising income		-	-	-	-
Other trading activities		-	-	-	-
Income from investments		1,186	-	1,186	41
Total income		385,076	3,688,140	4,073,216	4,253,912
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities	3	289,392	3,751,948	4,041,340	4,113,217
Total resources expended		289,392	3,751,948	4,041,340	4,113,217
Net movement in funds before transfer		95,684	(63,808)	31,876	140,695
Transfer between funds		(759)	759	-	-
Net movement in funds		94,925	(63,049)	31,876	140,695
Fund balances at 1 April 2022		287,079	228,488	515,567	374,872
Fund balances at 31 March 2023	15 &16	382,004	165,439	547,443	515,567

All income and expenditure derive from continuing activities.

The statement of financial activities include all gains and losses recognised during the year.

** See page 14 for full breakdown of the prior year's statement of financial activity.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2023

Previous financial year

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income and endowments from:				
Donations and legacies		195	-	195
Charitable activities	2	220,929	4,032,747	4,253,676
Other trading activities		-		-
Income from investments		41	-	41
Total income		221,165	4,032,747	4,253,912
Expenditure on:				
Raising funds		-	-	-
Charitable activities	3	120,090	3,993,127	4,113,217
Total resources expended		120,090	3,993,127	4,113,217
Net movement in funds		101,075	39,620	140,695
Fund balances at 1 April 2021		186,004	188,868	374,872
Fund balances at 31 March 2022	15 &16	287,079	228,488	515,567

All income and expenditure derive from continuing activities.

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

BALANCE SHEET
AS AT 31 MARCH 2023

	Notes		2023 £	2022 £
Fixed assets				
Tangible assets	9		28,749	34,607
Current assets				
Debtors	10	111,438		188,670
Cash at bank and in hand		587,621		481,291
		699,059		669,961
Creditors: amounts falling due within one year	11	(179,874)		(188,231)
Net current assets			519,185	481,730
Total assets less current liabilities			547,934	516,337
Creditors: amounts falling due after more than one year			-	-
Net assets excluding pension scheme liability			547,934	516,337
Defined benefit pension scheme liability	13		(491)	(770)
Net assets including pension scheme liability	14		547,443	515,567
Income funds				
Unrestricted funds	16		382,004	287,079
Restricted funds	15		165,439	228,488
Total funds			547,443	515,567

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

The financial statements were approved by the board of trustees and authorised for issue on 22 November 2023 and are signed on its behalf by:

J.A.M

J Munton
Trustee

Company Registration No. 04096574

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash generated/(used) in operating activities	19	113,635	(63,080)
Cash flows from investing activities			
Interest income		1,186	41
Purchase of tangible fixed assets		(8,491)	(1,264)
Cash used in investing activities		(7,305)	(1,223)
Cash flows from financing activities			
Interest received		-	-
Cash generated by financing activities		-	-
Increase in cash and cash equivalents in the year		106,330	(64,303)
Cash and cash equivalents at the beginning of the year		481,291	545,594
Total cash and cash equivalents at the end of the year		587,621	481,291

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.1 General information and basis of preparation

The charity is a private company limited by guarantee without share capital. The charity is registered in England and Wales. The registered office is 1st Floor, Epic House, Charles Street, Leicester, LE1 3SH.

Accounting convention
The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (issued in October 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2023

Accounting policies cont'd

1.3 *Income recognition (continued)*

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasions legacies will be notified to the charity, however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes salaries, expenses and overheads.
- Expenditure on charitable activities includes salaries, expenses and overheads.
- Other expenditure represents those items not falling into the categories above.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Accounting policies cont'd

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life of four years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the income and expenditure account.

1.7 Cash and cash equivalents

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

1.8 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.9 Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

1.10 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.11 Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Accounting policies cont'd

1.12 Employee benefits

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.13 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

1.14 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

1.15 Judgement and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets.

(ii) Expenditure allocations:
Expenditure is apportioned where it relates to more than one cost category.

(iii) Pension liability:
The closing liability and annual pension charge is sensitive to the assumptions made by the pension scheme .

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Income from charitable activities

	2023	2022
	£	£
Contractual payments	3,927,094	4,144,424
Legal Aid income	75,453	45,029
Immigration income	56,243	64,123
Other	13,026	100
	4,071,816	4,253,676

3 Analysis of Expenditure

		Staff costs (Note 7)	Depreciation (Note 9)	Other costs (Note 4)	Total 2023	Total 2022
		£	£	£	£	£
Charitable activities						
Money advice	-general	1,022,080	14,019	177,707	1,213,806	1,414,685
	-financial capability	102,445	330	13,816	116,591	98,327
		1,124,525	14,349	191,523	1,330,397	1,513,012
Governance costs	(note 6)	-	-	6,130	6,130	5,944
Grants payable	(note 5)	-	-	2,704,813	2,704,813	2,594,261
		1,124,525	14,349	2,902,466	4,041,340	4,113,217

4 Other costs

Other costs include the following support costs: -

	Unrestricted funds		Restricted funds	
	2023	2022	2023	2022
	£	£	£	£
Establishment	13,861	966	31,421	47,744
Insurance	1,464	94	3,971	4,513
Project costs	7,657	5,622	12,138	78,547
Recruitment and training	3,820	247	8,767	13,055
Information technology	5,053	521	14,860	25,465
Equipment and supplies	3,035	114	6,451	4,669
Communication and marketing	4,207	390	10,373	18,872
Bank charges and loan interest	272	21	667	1,008
Legal and professional fees	8,650	16,158	29,188	30,508
Staff travel and subsistence	332	-	8,469	3,436
Sundry expenditure	4,548	374	12,319	17,917
	52,899	24,507	138,624	245,734

Costs specifically incurred on a particular project have been allocated against that fund, the balance of other costs are allocated according to the number hours worked on by each employee on each project.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Grants paid

Grants were payable during the year to 20 delivery partners involved in the East Midlands Money Advice project to provide face to face debt advice.

The amounts payable to each partner were as follows:

	Paid in year £	Reserved at year end £	Total £
Citizens Advice Ashfield	59,430	(2)	59,428
Citizens Advice Bassetlaw	154,651	-	154,651
Citizens Advice Broxtowe	76,943	-	76,943
Citizens Advice Chesterfield	107,740	-	107,740
Community Law Service Northampton and County	276,684	-	276,684
Citizens Advice Derbyshire Districts	198,655	-	198,655
Derbyshire Law Centre	150,834	-	150,834
Citizens Advice Leicestershire	145,419	(3,825)	141,594
Citizens Advice Lincoln	36,835	-	36,835
Citizens Advice Lindsay	117,007	-	117,007
Citizens Advice Mansfield	89,893	16,441	106,334
Citizens Advice Mid Lincolnshire	98,829	(1,202)	97,627
Citizens Advice North East Derbyshire	98,040	-	98,040
Citizens Advice Nottingham and District	272,506	-	272,506
Nottingham Law Centre	79,442	(2,416)	77,026
Saffron Resource Centre	43,096	-	43,096
Citizens Advice Sherwood and Newarke	70,489	(1)	70,488
Citizens Advice Mid Mercia	336,863	(843)	336,020
St Ann's Advice Centre	95,700	(96)	95,604
Citizens Advice South Lincolnshire	163,963	(5)	163,958
	2,673,019	**8,051**	**2,681,070**
Grants paid to individuals	**23,743**	**-**	**23,743**
	2,696,762	**8,051**	**2,704,813**

A grant was received from the Leicester City Council Household Support Fund in the amount of £25,000. Of this amount, £23,743 was paid out in grants to various individuals to support with energy bills. The remaining £1,257 was charged to management salaries as an administration fee.

6 Analysis of governance costs

	2023 £	2022 £
Audit fee	6,130	5,600
Other governance costs	-	344
	6,130	5,944

Governance costs include expenses associated with the Trustees board meetings, AGM, and external audit fees. None of the trustees (or any person connected with them) received any remuneration during the year and none of the trustees receive any expenses.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

7 Employees

	2023	2022
Number of employees		
The average monthly number of employees during the year was:	34	44

Employment costs	2023 £	2022 £
Wages and salaries	992,712	1,099,264
Social security costs	91,964	92,238
Other pension costs	39,849	37,199
	1,124,525	1,228,701

The number of employees whose annual remuneration (excluding employer pension costs) was £60,000 or more were: -

	2023 No	2022 No
In the band £60,000 - £70,000	1	-

The total employee benefits of the key management personnel of the charity were £74,612 (2022 - £58,060).

8 Taxation

The company being a registered charity, is exempt from corporation tax on its charitable activities.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9 Tangible fixed assets

	Fixtures fittings & equipment £
Cost	
At 1 April 2022	63,039
Additions	8,491
Disposals	-
At 31 March 2023	71,530
Depreciation	
At 1 April 2022	28,432
Charge for the period	14,349
Disposals	-
At 31 March 2023	42,781
Net book value	
At 31 March 2023	28,749
At 1 April 2022	34,607

10 Debtors

	2023	2022
	£	£
Trade debtors	63,566	71,666
Prepayments	29,478	16,608
Other debtors	18,394	100,396
	111,438	188,670

11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	18,798	32,578
Taxes and social security costs	31,792	32,438
Other creditors	13,833	6,461
Grants received in advance	75,245	17,282
Accruals	40,206	99,472
	179,874	188,231

12 Changes in the company's resources available for charity use

	Unrestricted Funds	Restricted Funds
	£	£
Net incoming/(outgoing) resources for the year	94,925	(63,049)
Net (increase)/decrease in tangible fixed assets	(4,242)	10,100
Net movement in funds available for future activities	90,683	(52,949)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Pension costs

The company participates in 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. Pension scheme costs are allocated between restricted and unrestricted costs based on the number of hours worked on each project.

The scheme is classified as a 'last man standing arrangement'. Therefore, the company is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2023 £	2022 £
Balance sheet liability at 1 April 2022	770	2,866
Deficit contribution paid	(281)	(725)
Interest cost (SoFA)	15	17
Impact of any change in assumptions	(13)	(18)
Amendment to contribution schedule	-	(1,370)
Balance sheet liability	491	770

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2023	March 2022	March 2021	March 2020	March 2019
Discount rate applied to future recovery plan contributions due	5.52%	2.35%	0.66%	2.53%	1.39%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds all of the costs have been charged to unrestricted funds for this year and for previous years.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Tangible fixed assets	12,600	16,149	28,749	34,607
Current assets	397,906	301,153	699,059	669,962
Creditors: amounts falling due within one year	(28,011)	(151,863)	(179,874)	(188,232)
Creditors: amounts falling due over one year	-	-	-	-
Provisions for liabilities and charges	(491)	-	(491)	(770)
	382,004	165,439	547,443	515,567

15 Restricted funds

2023

	Opening Balance 1 April 2022	Income	Expenditure	Balance at 31 March 2023	Transfers between funds	Balanc at 3 Marc 202
	£	£	£	£	£	
MaPS	26,655	3,390,269	(3,395,610)	21,314	-	21,31
Moneywise Plus	3,037	113,906	(116,590)	353	-	35
Big Lottery Fund	31,863	31,434	(62,995)	302	-	30
Energy Redress	3,820	70,524	(72,895)	1,449	-	1,44
MaPS (Redundancy Costs)	129,155	-	-	129,155	-	129,15
Lottery Community Fund	2,389	-	(3,148)	(759)	759	
IMA DRO Grant	7,350	-	-	7,350	-	7,35
Food Bank	810	47,473	(47,080)	1,203	-	1,20
Advice UK DRO Grant	1,000	-	-	1,000	-	1,00
Independent Age	-	4,814	(4,814)	-	-	
EnergyWise Plus	-	4,720	(4,720)	-	-	
Leicester City Council	-	25,000	(25,000)	-	-	
Access to Justice Fund	22,409	-	(19,096)	3,313	-	3,31
	228,488	3,688,140	3,751,948	164,680	759	165,43

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Restricted funds
2022

	Opening Balance April 2021	Income	Expenditure	Balance at 31 March 2022
	£	£	£	£
MaPS	30,689	3,559,703	(3,563,737)	26,655
Moneywise Plus	414	100,948	(98,325)	3,037
Big Lottery Fund	16,215	61,070	(45,422)	31,863
Energy Redress	3,914	214,878	(214,972)	3,820
MaPS (Redundancy Costs)	129,155	-	-	129,155
Leicester Community Fund	1,276	-	(1,276)	-
Lottery Community Fund	-	6,000	(3,611)	2,389
IMA DRO Grant	-	7,350	-	7,350
Food Bank Plus Project	-	31,798	(30,988)	810
Advice UK DRO Grant	-	1,000	-	1,000
Access to Justice Fund	7,205	50,000	(34,796)	22,409
	188,868	4,032,747	(3,993,127)	228,488

Money Advice and Pensions Service (MaPS)
Community Advice and Law Service (CALS) is the lead agency for this East Midland wide project. There are 20 delivery partner organisations over 5 counties; Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. As well as managing the project, CALS is also a delivery partner within the project. This service provides face-to-face debt advice through a range of local venues.

Moneywise Plus
The project is targeted at people who are generally difficult to engage with, and in order to address some of the exclusion issues. Moneywise Plus has an engagement team, the staff members of which work to build relationships and engage with individuals allowing them to move forward and receive support to build financial and digital skills, that moves them towards education, training and work.

Big Lottery Fund
The fund is akin to the Moneywise Plus project and sets out to improve the on-going digital and financial skills of people in Leicester to support them in moving towards employment.

Energy Redress
This fund is to provide support to the Energy Project, which aims to tackle fuel poverty by the provision of specialist energy advice plus generalist – level welfare benefit, income maximization and money management advice and support.

MaPS (Redundancy Costs)
This income is to meet future, potential redundancy costs of staff directly involved in the delivery of MaPS funded services where participant organisations face reduced funding; not only from MaPS but other funders where staff delivering MaPS funded services are affected when included in a redundancy pool, and ultimately selected for redundancy.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Lottery Community Fund
This fund is to support the use of language line to provide interpreting services to facilitate access to advice for clients whose first language is not English.

IMA DRO Grant
This fund is to support the costs of administering Debt Relief Orders for our clients.

Food Bank Plus Project
This fund is to support needy people who require the practical assistance provided by food banks in the city.

The aim is to tackle the underlying causes of food poverty through the provision of generalist-level welfare benefit, income maximisation and money management advice and support.

Advice UK DRO Grant
This fund is to maintain and/or increase access to Debt Relief Orders for clients.

Independent Age
The aim of the fund is to assist and provide relief to older people in need by reason of ill-health, disabilities, financial hardship or other disadvantages.

Energywise Plus
The aim of the fund is to alleviate fuel poverty for people in Leicester who are vulnerable because of low incomes, physical and/or mental health problems/ disabilities, poor language skills/ low literacy.

Leicester City Council
The aim of the fund is to provide vulnerable households support during the cost of living crisis ensuring support for fuel and food costs.

Access to Justice Fund
This fund is to provide support for immigration advice services, in addition to also supporting the transition to home working for advisers during the COVID pandemic and safety measures when staff returned to the office after lockdown.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Unrestricted funds

2023	Balance 1 April 2022	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2023
	£	£	£	£	£
Unrestricted	287,079	385,076	(289,392)	(759)	382,004
	287,079	385,076	(289,392)	(759)	382,004

2022	Balance 1 April 2021	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2022
	£	£	£	£	£
Unrestricted	186,004	221,165	(120,090)	-	287,079
	186,004	221,165	(120,090)	-	287,079

17 Leasing commitments

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows;

	2023	2022
	£	£
Not later than one year	37,999	18,454
Later than one year and not later than five years	71,658	-
	109,657	18,454

18 Related Party Transactions

There were no related party transactions during the year (2022 : none).

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

19 Reconciliation of net movement in funds to net cash flow from operations

	2023	2022
	£	£
Net movement in funds	31,876	140,695
Depreciation charge	14,349	14,070
Interest receivable	(1,186)	(41)
(Decrease)/Increase in debtors	77,232	(24,042)
(Decrease)/increase in creditors	(8,357)	(191,666)
Pension movement	(279)	(2,096)
Cash generated (used) in operations	113,635	(63,080)

20 Analysis of charges in net funds.

The charity had no debt during the year.

COMMUNITY ADVICE AND LAW SERVICE LTD

England & Wales - Charity number 1087214

Accounts

Charity Registration No. 1087214

Company Registration No. 04096574 (England and Wales)

COMMUNITY ADVICE AND LAW SERVICE LIMITED

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

SATURDAY
ABJ2XAYJ
A05 17/12/2022 #184
COMPANIES HOUSE

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

COMMUNITY ADVICE AND LAW SERVICE LIMITED

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs M E Collier (appointed 7 February 2022) Miss H L Fountain Mr P Gibbons (resigned 17 November 2022) Mr R K Gill-Harrison (appointed 7 February2022) Mr A Markillie-Mallinson (resigned 13 February 2022) Mr S E Markillie-Mallinson (resigned 14 January 2022) Mr J Munton Ms R Nixon Mrs K L Rippon Mr C J Smith
Secretary	Position vacant
Chief Executive Officer	L Chahal
Charity number	1087214
Company number	04096574
Principal address and Registered Office	1st Floor Epic House Charles Street Leicester LE1 3SH
Statutory Auditor	Somerbys Limited *Chartered Accountants* Registered Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank plc 7 High Street Leicester LE1 9FS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts.

Administration Details

Community Advice and Law Service Limited is a registered charity and a company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up.

Its registered office and principle address is shown on page 1.

The directors, who also act as trustees, are shown on page 1.

Structure, Governance and Management

The governing document of the charity is the Memorandum and Articles of Association, incorporated on 25 October 2000. The charity's aims and objectives have changed over time and revised Memorandum and Articles of Association were adopted on 25 June 2008.

Organisation

A board of not less than three trustees administer the charity and the trustees meet not less than four times each year. The Chief Executive Officer has the delegated authority for operational matters, and provides regular written updates to the Board.

There are currently seven trustees on the board, and a revised strategy for trustee recruitment and succession planning is under development. The Chief Executive Officer has been in post since June 2021.

Policies and procedures for induction and training of trustees

New trustees are appointed in accordance with the charity's Articles of Association. When a new trustee joins the Board they spend time with the Chair and Chief Executive Officer to learn more about Community Advice and Law Service Limited and are provided with information and guidance on the role of being a trustee. A new trustee is made aware of trustee responsibilities, the governing schemes and is provided with a copy of the most recent accounts and annual report, a copy of the relevant policies and Memorandum and Articles of Association and details of the history, philosophical and ethical approach of the charity.

Risk factors

The trustees have continued to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks.

The charity is currently dependent on a relatively small range of significant funding streams, and particularly on the grants that it receives from the Money and Pensions Service for the delivery of debt advice across the East Midlands. While this funding is secure in the short term, there is a risk that it may be lost as a result of future recommissioning exercises. The trustees are actively involved in managing this risk and in considering strategies to diversify income streams.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people it supports and by the adoption of best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

The charity is established for charitable purposes and achieves its objects through the delivery of specialist advice services via outlets in community venues and other organisations' premises in order to increase access to disadvantaged people or excluded groups within local communities, as well as the charity's own offices where clients are seen by appointment. It also operates from an office in the Leicester County Court assisting unrepresented defendants in debt and housing possession actions.

The work covers several areas of social welfare law – debt, housing and welfare benefits as well as financial capability work, and it also provides a charged for Immigration Advice service. It also acts as the Lead Partner for the East Midlands Money Advice project, funded by the Money and Pensions Service.

The charity delivers a digital and financial inclusion project, Moneywise Plus as a member of Reaching People which is funded by the Big Lottery. The project assists individuals on a one-to-one basis, providing support to develop skills, understanding, and building confidence around managing money and utilising digital services. Its aim is to move people towards and into job search, training, or employment.

CALS has been delivering the Energywise project since the end of 2020. This project aims to tackle fuel poverty through the provision of specialist energy advice plus generalist-level welfare benefit, income maximisation, and money management advice and support. The service delivery model focuses on the provision of face-to-face advice sessions provision at community venues based in areas of high deprivation, including public libraries, community centres and foodbanks.

In 2021, CALS took over responsibility for the delivery of the Foodbank Plus Project from the Reaching People consortium. This project involves working in partnership with a number of foodbanks in Leicester City to tackle the underlying causes of food poverty through the provision of generalist-level welfare benefit, income maximisation and money management advice and support. Advice sessions are delivered on foodbank premises and clients are referred by foodbank partners.

Objects and Activities

The trustees review the aims, objectives and activities each year. This review looks at the success of activities and the benefit they have brought to the groups of people which the charity is set up to help.

The Community Advice and Law Service is established for charitable purposes and its objects are as follows:

- To relieve persons who are in conditions of need, hardship and/or distress and who are resident within the East Midlands area, hereinafter referred to as the "area of benefit", but without limiting the foregoing by the provision of legal advice, assistance and representation.
- To advance the education of the public by improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Charity's aims

The Community Advice and Law Service has developed a revised vision and mission statement during the last year, in order to reflect what we hope to achieve through the delivery of our charitable objects

Our vision is of a fair and inclusive society in which everyone has access to justice and the opportunity to fulfil their potential. Our mission is to empower people to live happier lives by providing professional advice and advocacy that enables them to resolve their problems effectively. In doing this, we aim to:

- Enable people to assert and enforce their rights;
- Empower people to improve their circumstances;
- Give a voice to those who are unheard;
- Support people to make positive changes in their lives;
- Enhance people's overall sense of wellbeing;
- Build resilience in individuals and at a community level;
- Promote a fairer and more inclusive society.

We seek to deliver this mission by providing free, independent, confidential and quality-assured legal advice services to individuals across the area of benefit, for the advantage of the public, subject to funding constraints; by promoting self-help where appropriate and offer casework support for those unable to deal with legal matters alone; and by ensuring that all services are available to all sections of the population irrespective of gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class, and challenging all forms of unlawful and unfair discrimination.

Strategies to achieve main objects for the year

The strategies employed by the charity to meet its objectives include the following:

- The provision of face-to-face advice sessions from its premises in central Leicester, from its permanent office at Leicester County Court and via telephone, video call and e-mail;
- The delivery of advice sessions community venues and in partnership with community organisations based in areas of high deprivation in order to increase access for disadvantaged people and/or excluded groups.
- Recruitment of new Trustees with a broad range of skills and experience
- The employment of a new grants fundraiser.
- Networking and collaborative working with a range of statutory and voluntary sector agencies.

Criteria by which Charity measures its success

The charity measures its success by meeting targets, by securing positive outcomes for clients, by obtaining positive feedback from service users and through its success in securing funding for new developments. Extensive work is currently being undertaken to develop the charity's use of data and evidence in order to measure the impact of its services more effectively and to inform future service development.

Significance of volunteer staff

The charity has a very limited number of volunteers who make a very valuable contribution to the work of Community Advice and Law Service, and the thanks of the Board of Trustees and staff go to them for their commitment to enhancing the delivery of the charity's work.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and Performance

Achievements of objectives

The Covid-19 pandemic has had an ongoing impact on the demand for advice for a number of the charity's services, particularly Debt Advice and the Moneywise Plus Project, though demand has now started to increase again, particularly as a result of rising food and energy costs. The pandemic has also had an ongoing impact on the way in which the charity delivers its advice services, with a relatively high proportion of clients still opting to receive advice remotely (mainly by telephone). It is believed that this may reflect a permanent shift in the way in which clients choose to interact with the charity's services.

During the year, the charity provided specialist advice to 3,149 unique individuals across four areas of social welfare law; this represents an increase of around 24%, although the number of clients served remains lower than in pre-pandemic years. In addition to the services provided from the charity's main premises in central Leicester, from its permanent office at Leicester County Court and via remote channels such as telephone, video call and e-mail, the charity has also delivered advice sessions at 14 outreach locations across Leicester, including public libraries, foodbanks and community centres, thereby facilitating access for the most vulnerable people in the community. The charity advised on 4,151 different cases in total, resulting in confirmed financial gains for clients in excess of £750,000; actual financial gains are estimated as being substantially higher than this as financial outcomes cannot be confirmed in all cases.

Debt casework remains the largest area of work, accounting for 64% of the cases dealt with; this has increased as an overall proportion of the charity's work from 54% last year, but remains lower than in previous years; this follows a drop in demand as a result of the moratoriums introduced by many creditors in response to Covid-19. Other significant areas of advice included welfare benefits (6%), housing (15%) and immigration (15%). The court office dealt with 193 clients during this year, and assisted with representation at 196 hearings. This represents a substantial increase against the 17 clients assisted and the representation provided at 55 hearings in the previous year, but still remains much lower than the comparable numbers from pre-pandemic years when the court team might have attended well over 1,000 hearings. This continues to reflect the dramatic reduction in footfall at the county court and, therefore, the reduction in the number of clients meeting the eligibility criteria for this work.

The Moneywise Plus Project supports people to move towards employment by building financial and digital skills has seen some success during the year, despite the significant impact of the Covid-19 pandemic. The team at Community Advice & Law Service provide holistic support to clients on an individual basis, working to build confidence and develop skills around money management and accessing digital services. Advisers worked with 78 new clients during the year achieving 51 outcomes that demonstrate enhanced access to digital services as well as moves into education, training and employment.

The Energywise Project continued to pursue its aim of tackling fuel poverty through the provision of specialist energy advice plus generalist-level welfare benefit, income maximisation, and money management advice and support. The team supported 532 clients with in-depth tailored advice and support this year, in addition to providing "light touch" information and advice to a further 400+ individuals.

Finally, through its leadership of the East Midlands Money Advice project, the Community Advice and Law Service worked with 20 partner organisations across the East Midlands region to support the delivery of debt advice services to more than 14,000 individuals.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Fundraising activities

The charity does not carry out significant fundraising activities.

Financial Review

Review of activities

The charity continues to look for ways of improving and developing its advice services to meet the increasing needs of the many marginalised groups and individuals in our communities, and to pursue opportunities that will move it to a more sustainable future through developing the use of volunteers within the organisation, and its continued membership of consortia to increase opportunities for partnership as well as securing new contracts and grants to deliver services.

During the year the charity had total incoming resources of £4,253,912 (2021 - £4,128,190). The total funds available at the year-end amounted to £515,567 (2021 - £374,872); of these funds £228,488 (2021 - £188,868) related to restricted funds, the balance being unrestricted funds of £287,079 (2021 - £186,004). Free reserves, as defined by SORP 2015, amounted to £252,472 (2021 - £174,939).

Reserves policy

As part of the financial management of Community Advice and Law Service, the Board of Trustees have set a long-term target of accumulating free reserves which represents a minimum of 25% of the charity's annual operating costs (excluding payments to delivery partners). These reserves will enable the charity to deal with the following contingencies:

- Any cash flow problems when waiting for grant or contract income to be paid
- Covering staffing shortages due to sickness or maternity leave
- Cuts or reductions in funding;
- In the event of closure, three months running costs to wind up the organisation and pay redundancies and leasehold liabilities.

At present, the charity's funds are below this desired level. The Trustees are aware of the shortfall and are looking at ways to resolve the situation.

The policy is reviewed annually when the Board of Trustees sets the budget for the following financial year.

Pay Awards
Recommendations are made to the Trustees by the Chief Executive Officer for annual pay awards including any performance related or enhancements in pay.

The Board of Trustees are responsible for agreeing any recommendations.

Future Plans

The charity's aims are to continue to deliver and develop its work to ensure that advice services, delivered by the voluntary sector, are maintained. The charity recognises the need to ensure that the organisation remains robust and will review its position at least annually based on the outcome of funding bids made or the cessation of income streams.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The charity's priorities for 2022/23 are:

- To address current gaps in service provision so that it can provide the type of advice that its clients need, when and how they need it;
- To proactively reach out to the people who need its help the most by working in partnership with other organisations to embed services in local communities so that its support is visible and accessible to all;
- To adopt a holistic, person-centred approach to service delivery that is organised around client needs rather than organisational structures or funding streams;
- To consolidate its reputation for specialist advice while investing in prevention and early intervention strategies wherever possible;
- To proactively seek to influence decisions on social policy by highlighting the issues that affect its clients to those with the power to address them;
- To promote best practice across the wider sector through its involvement in local, regional and national partnerships, including the East Midlands Money Advice Partnership;
- To deliver on all of its commitments to the highest possible standard, and to embed a culture of learning, innovation and continuous improvement into everything it does;
- To develop a sustainable funding model that will enable it to continue to deliver services far into the future, including the diversification of income streams and ensuring that the charity is well placed to bid successfully for grants and contracts in the future.

The charity continues to pursue opportunities that will move it to a more sustainable future through developing the use of volunteers within the organisation, and its continued membership of consortia to increase opportunities for partnership as well as securing new contracts and grants to deliver services.

Trustees' Responsibilities

The trustees (who are also the directors of Community Advice and Law Service 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 charity trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102).
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity 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 charity's auditor is 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 auditor is aware of that information.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies' entitled to small companies exemption.

On behalf of the board of Trustees

C J Smith
Trustee **Date: 30 November 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED

Opinion

We have audited the financial statements of Community Advice and Law Service Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and its incoming 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of financial statements which 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Community Advice and Law Service Limited, we have identified specific laws and regulations, such as Law Society and Office of the Immigration Services Commissioner regulations along with general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Community Advice and Law Service Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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 auditor's 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.

Somerbys Limited

30 November 2022.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

Date: .....

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	** Total 2021 £
Income and endowments from:					
Donations and legacies		195	-	195	1,276
Charitable activities	2	220,929	4,032,747	4,253,676	4,125,767
Fundraising income		-	-	-	-
Other trading activities		-		-	1,136
Income from investments		41	-	41	11
Total income		221,165	4,032,747	4,253,912	4,128,190
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities	3	120,090	3,993,127	4,113,217	3,995,936
Total resources expended		120,090	3,993,127	4,113,217	3,995,936
Net movement in funds before transfer		101,075	39,620	140,695	132,254
Transfer between funds		-	-	-	-
Net movement in funds		101,075	39,620	140,695	132,254
Fund balances at 1 April 2021		186,004	188,868	374,872	242,618
Fund balances at 31 March 2022	15 &16	287,079	228,488	515,567	374,872

All income and expenditure derive from continuing activities.

The statement of financial activities include all gains and losses recognised during the year.

** See page 14 for full breakdown of the prior year's statement of financial activity.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2022

Previous financial year

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income and endowments from:				
Donations and legacies		1,276	-	1,276
Charitable activities	2	186,828	3,938,939	4,125,767
Other trading activities		1,136	-	1,136
Income from investments		11	-	11
Total income		189,251	3,938,939	4,128,190
Expenditure on:				
Raising funds		-	-	-
Charitable activities	3	103,575	3,892,361	3,995,936
Total resources expended		103,575	3,892,361	3,995,936
Net movement in funds before transfer		85,676	46,578	132,254
Transfer between funds		-	-	-
Net movement in funds		85,676	46,578	132,254
Fund balances at 1 April 2020		100,328	142,290	242,618
Fund balances at 31 March 2021	15 &16	186,004	188,868	374,872

All income and expenditure derive from continuing activities.

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

BALANCE SHEET
AS AT 31 MARCH 2022

	Notes		2022 £	2021 £
Fixed assets				
Tangible assets	9		34,607	47,413
Current assets				
Debtors	10	188,670		164,628
Cash at bank and in hand		481,291		545,594
		669,961		710,222
Creditors: amounts falling due within one year	11	(188,231)		(379,897)
Net current assets			481,730	330,325
Net assets excluding pension scheme liability			516,337	377,738
Defined benefit pension scheme liability			(770)	(2,866)
Net assets including pension scheme liability	14		515,567	374,872
Income funds	16			
Unrestricted funds			287,079	186,004
Restricted funds	15		228,488	188,868
Total funds			515,567	374,872

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

The financial statements were approved by the board of trustees and authorised for issue on 30 November 2022 and are signed on its behalf by:

C J Smith
Trustee

Company Registration No. 04096574

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash generated/(used) in operating activities	19	(63,080)	307,617
Cash flows from investing activities			
Interest income		41	-
Purchase of tangible fixed assets		(1,264)	(42,549)
Cash used in investing activities		(1,223)	(42,549)
Cash flows from financing activities			
Interest received		-	11
Cash generated by financing activities		-	11
Increase in cash and cash equivalents in the year		(64,303)	265,079
Cash and cash equivalents at the beginning of the year		545,594	280,515
Total cash and cash equivalents at the end of the year		481,291	545,594

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

1 Accounting policies

1.1 General information and basis of preparation

The charity is a private company limited by guarantee without share capital. The charity is registered in England and Wales. The registered office is 1st Floor, Epic House, Charles Street, Leicester, LE1 3SH.

Accounting convention
The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (issued in October 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2022

Accounting policies cont'd

1.3 Income recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasions legacies will be notified to the charity, however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes salaries, expenses and overheads.
- Expenditure on charitable activities includes salaries, expenses and overheads.
- Other expenditure represents those items not falling into the categories above.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies cont'd

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life of four years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the income and expenditure account.

1.7 Cash and cash equivalents

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

1.8 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.9 Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

1.10 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.11 Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies cont'd

1.12 Employee benefits

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.13 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

1.14 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

1.15 *Judgement and key sources of estimation uncertainty*

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets.

(ii) Expenditure allocations:
Expenditure is apportioned where it relates to more than one cost category.

(iii) Pension liability:
The closing liability and annual pension charge is sensitive to the assumptions made by the pension scheme .

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

2 Income from charitable activities

	2022	2021
	£	£
Contractual payments	4,144,424	4,045,451
Legal Aid income	45,029	18,486
Immigration income	64,123	52,565
Other	100	9,265
	4,253,676	4,125,767

3 Analysis of Expenditure

		Staff costs (Note 7) £	Depreciation (Note 9) £	Other costs (Note 4) £	Total 2022 £	Total 2021 £
Charitable activities						
Money advice	-general	1,138,508	13,895	262,282	1,414,685	1,200,037
	-financial capability	90,193	175	7,959	98,327	83,074
		1,228,701	14,070	270,241	1,513,012	1,283,111
Governance costs	(note 6)	-	-	5,944	5,944	6,045
Grants payable	(note 5)	-	-	2,594,261	2,594,261	2,706,780
		1,288,701	14,070	2,870,446	4,113,217	3,995,936

4 Other costs

Other costs include the following support costs: -

	Unrestricted funds		Restricted funds	
	2022 £	2021 £	2022 £	2021 £
Establishment	966	2,967	47,744	39.665
Insurance	94	333	4,513	3,894
Project costs	5,622	5,721	78,547	69,757
Recruitment and training	247	121	13,055	16,516
Information technology	521	2,210	25,465	30,325
Equipment and supplies	114	685	4,669	8,597
Communication and marketing	390	1,162	18,872	15,773
Bank charges and loan interest	21	178	1,008	543
Legal and professional fees	16,158	1,106	30,508	24,565
Staff travel and subsistence	-	29	3,436	496
Sundry expenditure	374	-	17,917	17,164
	24,507	14,512	245,734	227,295

Costs specifically incurred on a particular project have been allocated against that fund, the balance of other costs are allocated according to the number hours worked on by each employee on each project.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Grants paid

Grants were payable during the year to 20 delivery partners involved in the East Midlands Money Advice project to provide face to face debt advice.

The amounts payable to each partner were as follows:

	Paid in year £	Reserved at year end £	Total £
Citizens Advice Ashfield	94,348	5,300	99,648
Citizens Advice Bassetlaw	108,477	2,597	111,074
Citizens Advice Broxtowe	71,105	-	71,105
Citizens Advice Chesterfield	92,501	9,503	102,004
Community Law Service Northampton and County	317,667	3,931	321,598
Citizens Advice Derbyshire Districts	201,845	9,064	210,909
Derbyshire Law Centre	92,128	-	92,128
Citizens Advice Leicestershire	182,471	(8,764)	173,707
Citizens Advice Lincoln	50,324	1,149	51,473
Citizens Advice Lindsay	82,495	-	82,495
Citizens Advice Mansfield	102,368	-	102,368
Citizens Advice Mid Lincolnshire	80,372	(309)	80,063
Citizens Advice North East Derbyshire	106,068	1,367	107,435
Citizens Advice Nottingham and District	295,549	(6,147)	289,402
Nottingham Law Centre	49,381	-	49,381
Saffron Resource Centre	40,948	-	40,948
Citizens Advice Sherwood and Newarke	55,264	570	55,834
Citizens Advice South Derbyshire	280,550	2,376	282,926
St Ann's Advice Centre	119,896	5,500	125,396
Citizens Advice South Lincolnshire	145,230	(866)	144,364
Adjustment to brought forward CPD creditor	-	3	3
	2,568,987	**25,274**	**2,594,261**

6 Analysis of governance costs

	2022 £	2021 £
Audit fee	5,600	4,500
Other governance costs	344	1,545
	5,944	6,045

Governance costs include expenses associated with the Trustees board meetings, AGM, and external audit fees. None of the trustees (or any person connected with them) received any remuneration during the year and none of the trustees receive any expenses.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7 Employees

	2022	2021
Number of employees		
The average monthly number of employees during the year was:	44	38

On a full time basis the total average number of employees is 39 (2021 – 33)

Employment costs	2022 £	2021 £
Wages and salaries	1,099,264	922,700
Social security costs	92,238	73,349
Other pension costs	37,199	36,691
	1,228,701	1,032,740

No employee received total employee benefits of more than £60,000. The charity considers its key management personnel to consist of the Executive Officer.

The CEO and Acting CEO are considered to have been key management personnel during the year. Their remuneration and benefits were £71,935 (2021 : £46,527.

8 Taxation

The company being a registered charity, is exempt from corporation tax on its charitable activities.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

9 **Tangible fixed assets**

	Fixtures fittings & equipment £
Cost	
At 1 April 2021	61,775
Additions	1,264
Disposals	-
At 31 March 2022	63,039
Depreciation	
At 1 April 2021	14,362
Charge for the period	14,070
Disposals	-
At 31 March 2022	28,432
Net book value	
At 31 March 2022	£34,607
At 31 March 2021	£47,413

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

10 Debtors

	2022	2021
	£	£
Trade debtors	71,666	22,614
Prepayments	16,608	20,219
Other debtors	100,396	121,795
	188,670	164,628

11 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	32,578	60,134
Taxes and social security costs	32,438	31,183
Other creditors	6,461	6,929
Grants creditors	17,282	87,544
Accruals	99,472	194,107
	188,231	379,897

12 Changes in the company's resources available for charity use

	Unrestricted Funds	Restricted Funds
	£	£
Net incoming resources for the year	101,075	39,620
Net (increase)/decrease in tangible fixed assets	2,707	10,099
Net movement in funds available for future activities	103,782	49,719

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

13 Pension costs

The company participates in 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. Pension scheme costs are allocated between restricted and unrestricted costs bases on the number of hours worked on each project.

The scheme is classified as a 'last man standing arrangement'. Therefore, the company is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2020 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2022 £	2021 £
Balance sheet liability at 1 April 2021	2,866	3,396
Deficit contribution paid	(725)	(704)
Interest cost (SoFA)	17	76
Impact of any change in assumptions	(18)	98
Amendment to contribution schedule	(1,370)	-
Balance sheet liability	770	2,866

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2022	March 2021	March 2020	March 2019	March 2018
Discount rate applied to future recovery plan contributions due	2.35%	0.66%	2.53%	1.39%	1.71%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds all of the costs have been charged to unrestricted funds for this year and for previous years.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

14 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	8,358	26,249	34,607	47,413
Current assets	292,835	377,127	669,962	710,222
Creditors: amounts falling due within one year	(13,344)	(174,888)	(188,232)	(379,897)
Creditors: amounts falling due over one year	-	-	-	-
Provisions for liabilities and charges	(770)	-	(770)	(2,866)
	287,079	228,488	515,567	374,872

15 Restricted funds

2022

	Opening balance 1 April 2021	Income	Expenditure	Balance at 31 March 2022	Transfer between funds	Balance at 31 March 2022
	£	£	£	£	£	£
MaPS	30,689	3,559,703	(3,563,737)	26,655	-	26,655
Moneywise Plus	414	100,948	(98,325)	3,037	-	3,037
Big Lottery Fund	16,215	61,070	(45,422)	31,863	-	31,863
Energy Redress	3,914	214,878	(214,972)	3,820	-	3,820
MaPS (Redundancy Cost)	129,155	-	-	129,155	-	129,155
Leicester Community Fund	1,276	-	(1,276)	-	-	-
Lottery Community Fund	-	6,000	(3,611)	2,389	-	2,389
IMA DRO Grant	-	7,350	-	7,350	-	7,350
Food Bank Plus Project	-	31,798	(30,988)	810	-	810
Advice UK DRO Grant	-	1,000	-	1,000	-	1,000
Access to Justice Fund	7,205	50,000	(34,796)	22,409	-	22,409
	188,868	4,032,747	(3,993,127)	228,488	-	228,488

An amount of £nil was transferred from the MaPS fund to the MaPs redundancy fund in order to fund any future costs.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Restricted funds
2021

	Opening balance 1 April 2020	Income	Expenditure	Transfers between funds	Transfer from unrestricted funds	Balance at 31 March 2021
	£	£	£	£	£	£
MaPS	-	3,595,741	(3,561,848)	33,893	(3,204)	30,689
Moneywise Plus	-	83,487	(83,073)	414	-	414
Big Lottery Fund	16,339	58,833	(58,957)	16,215	-	16,215
Severn Trent Trust Fund	-	100,478	(96,564)	3,914	-	3,914
MaPS (Redundancy Cost)	125,951	-	-	125,951	3,204	129,155
Leicester Community Fund	-	5,000	(3,724)	1,276	-	1,276
Access to Justice Fund	-	95,400	(88,195)	7,205	-	7,205
	142,290	3,938,939	(3,892,361)	188,868	-	188,868

Money Advice and Pensions Service (MaPS)
Community Advice and Law Service (CALS) is the lead agency for this East Midland wide project. There are 20 delivery partner organisations over 5 counties; Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. As well as managing the project, CALS is also a delivery partner within the project. This service provides face-to-face debt advice through a range of local venues.

Moneywise Plus
The project is targeted at people who are generally difficult to engage with, and in order to address some of the exclusion issues. Moneywise Plus has an engagement team, the staff members of which work to build relationships and engage with individuals allowing them to move forward and receive support to build financial and digital skills, that moves them towards education, training and work.

Big Lottery Fund
The fund is akin to the Moneywise Plus project and sets out to improve the on-going digital and financial skills of people in Leicester to support them in moving towards employment.

Severn Trent Trust Fund
This funding is to provide welfare benefit advice to customers of Severn Trent, particularly where they also have debt problems.

MaPS (Redundancy Costs)
This income is to meet future, potential redundancy costs of staff directly involved in the delivery of MaPS funded services where participant organisations face reduced funding; not only from MaPS but other funders where staff delivering MaPS funded services are affected when included in a redundancy pool, and ultimately selected for redundancy.

Energy Redress
This fund is to provide support to the Energy Project, which aims to tackle fuel poverty by the provision of specialist energy advice plus generalist – level welfare benefit, income maximization and money management advice and support.

Leicester Community Fund
This fund is used to provide telephone interpreting services for clients whose first language is not English.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Lottery Community Fund
This fund is to support the use of language line to provide interpreting services to facilitate access to advice for clients whose first language is not English.

IMA DRO Grant
This fund is to support the costs of administering Debt Relief Orders for our clients.

Advice UK DRO Grant
This fund is to maintain and/or increase access to Debt Relief Orders for clients.

Food Bank Plus Project
This fund is to support needy people who require the practical assistance provided by food banks in the city.

The aim is to tackle the underlying causes of food poverty through the provision of generalist-level welfare benefit, income maximisation and money management advice and support.

Access to Justice Fund
This fund is to provide support for immigration advice services, in addition to also supporting the transition to home working for advisers during the COVID pandemic and safety measures when staff returned to the office after lockdown.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

16 Unrestricted funds

2022	Balance 1 April 2021	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2022
	£	£	£	£	£
Unrestricted	186,004	221,165	120,090	-	287,079
	186,004	221,165	120,090	-	287,079

2021	Balance 1 April 2020	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2021
	£	£	£	£	£
Unrestricted	100,328	189,251	103,575	-	186,004
	100,328	189,251	103,575	-	186,004

17 Leasing commitments

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows;

	2022	2021
	£	£
Not later than one year	18,454	31,635
Later than one year and not later than five years	-	18,454
	18,454	50,089

18 Related Party Transactions

There were no related party transactions during the year (2021 : none).

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

19 **Reconciliation of net movement in funds to net cash flow from operating activities**

	2022 £	2021 £
Net movement in funds	140,695	132,254
Add back depreciation charge	14,070	8,564
Interest receivable	(41)	(11)
Increase in debtors	(24,042)	(93,458)
(Decrease)/increase in creditors	(191,666)	260,798
Pension movement	(2,096)	(530)
	(63,080)	307,617

COMMUNITY ADVICE AND LAW SERVICE LTD

England & Wales - Charity number 1087214

Accounts

Charity Registration No. 1087214

Company Registration No. 04096574 (England and Wales)

COMMUNITY ADVICE AND LAW SERVICE LIMITED

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

COMMUNITY ADVICE AND LAW SERVICE LIMITED

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miss H L Fountain – (appointed 27 May 2020) Mr P Gibbons (appointed 13 January 2021) Mr A Markillie-Mallinson Mr S E Markillie-Mallinson Mr J Munton Ms R Nixon (appointed 24 February 2021) Mrs K L Rippon Mr C J Smith Ms K Neale (resigned 15 April 2021)
Secretary	Position vacant
Chief Executive Officer	L Chahal (appointed 14 June 2021) G Quilter interim CEO from 19 April 2021 to 13 June 2021
Charity number	1087214
Company number	04096574
Principal address and Registered Office	1st Floor Epic House Charles Street Leicester LE1 3SH
Statutory Auditor	Somerbys Limited Chartered Accountants Registered Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Lloyds Bank plc 7 High Street Leicester LE1 9FS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts.

Administration Details

Community Advice and Law Service Limited is a registered charity and a company limited by guarantee. The liability of members is limited to £1 per member in the event of winding up. Its registered office and principle address is shown on page 1.

The directors, who also act as trustees, are shown on page 1.

Structure, Governance and Management

The governing document of the charity is the Memorandum and Articles of Association, incorporated on 25 October 2000. The charity's aims and objectives have changed over time and revised Memorandum and Articles of Association were adopted on 25 June 2008.

Organisation

A board of not less than three trustees administer the charity and the trustees meet not less than four times each year. The Chief Executive Officer (previously Executive Officer) has the delegated authority for operational matters. Her remuneration is determined by the Board.

The former Executive Officer, Kathryn Burgess, sadly passed away suddenly in November 2020, representing an enormous loss to the organisation, to the wider voluntary sector in Leicester and indeed to the community as a whole. The Board of Trustees wishes to acknowledge and honour the tremendous contributions to the Community Advice and Law Service made by Kathryn during her many years of outstanding service, as well as the significant positive impact that she had on the lives of many of the most disadvantaged people in the local community. A number of important projects are currently being developed in order to celebrate Kathryn's achievements and build on her legacy.

A new Chief Executive Officer was appointed in June 2021.

Policies and procedures for induction and training of trustees

New trustees are appointed in accordance with the charity's Articles of Association. When a new trustee joins the Board they spend time with the Chair and Executive Director to learn more about Community Advice and Law Service Limited and is provided with information and guidance on the role of being a trustee. A new trustee is made aware of trustee responsibilities, the governing schemes and is provided with a copy of the most recent accounts and annual report, a copy of the relevant policies and Memorandum and Articles of Association and details of the history, philosophical and moral approach of the charity.

Risk factors

The trustees have continued to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The sudden and untimely death of the former Executive Officer and the retirement/departure of three other members of the senior management team represents a significant loss to the charity. However, other longstanding members of staff are able to provide stability and continuity during this transitional period.

A substantial financial risk has arisen due to the planned recommissioning of debt advice provision funded by the Money and Pensions Service, which is currently the charity's largest single source of funding. The trustees are actively involved in managing this risk and in considering strategies to diversify income streams.

The Covid 19 global pandemic has continued to impact the charity, causing ongoing disruption to normal patterns of business and delivery of services. Effective contingency planning enabled the organisation to make a swift transition to the remote provision of services at the start of the pandemic; a phased return to the office is now being implemented in line with government lifting of restrictions. Some ongoing safety measures will remain in place in order to provide continued protection to staff and clients.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. They have referred to that guidance when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trustees ensure that these activities are carried out for the public benefit by delivering services that are valued by the people it supports and by the adoption of best practice, thereby promoting a transparent and efficiently managed charity that engenders public confidence and trust.

The charity is established for charitable purposes and achieves its objects through the delivery of specialist advice services via outlets in community venues and other organisations' premises in order to increase access to disadvantaged people or excluded groups within local communities, as well as the charity's own offices where clients are seen by appointment. It also operates from an office in the Leicester County Court assisting unrepresented defendants in debt and housing possession actions.

The work covers several areas of social welfare law – debt, housing and welfare benefits as well as financial capability work, and it also provides a charged for Immigration Advice service. It also acts as the Lead Partner for the East Midlands Money Advice project, funded by the Money and Pensions Service.

The charity delivers a digital and financial inclusion project, Moneywise Plus as a member of Reaching People which is funded by the Big Lottery. The project assists individuals on a one-to-one basis, providing support to develop skills, understanding, and building confidence around managing money and utilising digital services. Its aim is to move people towards and into job search, training, or employment.

During this financial year, the charity began delivery of the Energywise project. This project aims to tackle fuel poverty by the provision of specialist energy advice plus generalist-level welfare benefit, income maximisation, and money management advice and support. The project is funded for a 2-year period by the Energy Redress Scheme, and officially commenced on 1 September 2020, with the full project team coming into post on 1 October 2020. Service delivery began on 1 November 2020 and was provided by telephone and email during the remainder of the financial year due to Covid-19 lockdown restrictions. However, the service delivery model outside of lockdown restrictions focuses on face-to-face advice session provision at community venues and in partnership with community organisations based in areas of high deprivation.

Objects and Activities

The trustees review the aims, objectives and activities each year. This review looks at the success of activities and the benefit they have brought to the groups of people which the charity is set up to help.

Community Advice and Law Service Limited is established for charitable purposes and its objects are as follows:

- To relieve persons who are in conditions of need, hardship and/or distress and who are resident within the East Midlands area, hereinafter referred to as the "area of benefit", but without limiting the foregoing by the provision of legal advice, assistance and presentation.
- To advance the education of the public by improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty.

Charity's aims

Community Advice and Law Service Limited aims:

- To provide free, independent, confidential and quality assured legal advice services to individuals across the area of benefit, for the advantage of the public, subject of funding constraints.
- To promote self-help where appropriate and offer casework support for those unable to deal with a legal matter alone.
- Ensure that all services are available to all sections of the population irrespective of gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class, and opposed all forms of unlawful and unfair discrimination.

Strategies to achieve main objects for the year

The strategies employed to assist the charity to meet its objectives include the following:

- The provision of telephone and e-mail advice in order to maintain services throughout the Covid-19 pandemic, in addition to face-to-face advice sessions when government restrictions permitted.
- The provision of face-to-face advice sessions (when restrictions permitted) at community venues and in partnership with community organisations based in areas of high deprivation in order to increase access to disadvantaged people and/or excluded groups.
- Recruitment of new Trustees with a broad range of skills and experience
- Networking and collaborative working with a range of statutory and voluntary sector agencies.

Criteria by which Charity measures its success

The charity measures its success by meeting targets, securing positive outcomes for clients, obtaining positive feedback from service users and through its success in securing funding for new developments.

Significance of volunteer staff

The charity has a very limited number of volunteers who make a very valuable contribution to the work of Community Advice and Service Limited, and the thanks of the Board of Trustees and staff go to them for their commitment to enhancing the delivery of the charity's work.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and Performance

The Covid-19 pandemic had a significant impact on the demand for advice for a number of the organisation's services, particularly Debt Advice and the Moneywise Plus Project. Some of the protective measures introduced by the government in response to the pandemic impacted on many of the drivers for why, and when people seek advice. This resulted in an overall reduction in the number of clients supported by the Community Advice and Law Service during the year.

The psychological impact of being in debt often results in clients often only seeking advice at crisis point or after having spent a considerable amount of time not being able to face the problem. The moratoriums introduced by many creditors, although welcomed, clearly reduced the motivation for people to make contact for advice and in particular the moratorium on evictions played a significant part in delaying clients with rent arrears looking to address their problems. The performance of the Legal Aid housing contracts were also particularly susceptible to the impact of COVID-19, especially in relation to rent arrears. However, there was an increase in demand for benefits advice and immigration advice.

During the year, specialist advice services were provided to 2,544 people across four areas of social welfare law and within our form filling service; this represents a decrease of almost 40% over the previous year, for the reasons outlined above. Debt casework remains the largest area of work, accounting for 54% of the cases dealt with; however, this was down from 71% of cases dealt with in the previous year. Other significant areas of advice included welfare benefits (15%), housing (15%) and immigration (15%). Our court office dealt with only 17 clients with housing and/or debt matters during this year and assisted with representation in just 55 hearings. This represents a significant decrease against the 491 clients assisted and the representation provided at 1,105 hearings in the previous year; this is due to the dramatic decline in footfall at the court and therefore the reduction in the number of clients meeting the eligibility criteria for this work.

The Moneywise Plus Project supports people to move towards employment by building financial and digital skills, has seen some success during the year, despite the significant impact of the Covid-19 pandemic. The team at Community Advice & Law Service Limited provide holistic support to clients on an individual basis, working to build confidence and develop skills around money management and accessing digital services. Advisers worked with 34 clients during the year achieving 117 outcomes that demonstrate enhanced access to digital services as well as moves into education, training and employment. As overall demand for advice within the sector reduced during the lockdown periods, fewer referrals were made to Moneywise from both internal and external sources; furthermore, many of the clients who were invited to engage with the project concluded that the services would be more helpful to them after lockdown restrictions had been lifted.

The Energywise Project started delivering services on 1 November 2020, with the aim of tackling fuel poverty through the provision of specialist energy advice plus generalist-level welfare benefit, income maximisation, and money management advice and support. The team supported 418 clients between this date and 31 March 2021, resulting in total financial gains for clients amounting to £40,041.

Fundraising activities

The Charity does not carry out significant fundraising activities.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial Review

Review of activities

The charity continues to look for ways of improving and developing its advice services to meet the increasing needs of the many marginalised groups and individuals in our communities. In order to do this we have forged closer links with other organisations through our membership of consortia i.e. Reaching People and Advice Leicester Partnership.

During the year the charity had total incoming resources of £4,128,190 (2020 - £3,540,825). The total funds available at the year-end amounted to £374,872 (2020 - £242,618); of these funds £188,868 (2020 - £142,290) related to restricted funds, the balance being unrestricted funds of £186,004 (2020 - £100,328). Free reserves, as defined by SORP 2015, amounted to £174,939 (2020 - £86,900).

Reserves policy

As part of the financial management of Community Advice and Law Service Limited, the Board of Trustees have set a long-term target of accumulating free reserves which represents a minimum of 25% of the charity's annual operating costs (excluding payments to delivery partners). These reserves will enable the charity to deal with the following contingencies:

- Any cash flow problems when waiting for grant or contract income to be paid
- Covering staffing shortages due to sickness or maternity leave
- Cuts or reductions in funding;
- In the event of closure, three months running costs to wind up the organisation and pay redundancies and leasehold liabilities.

At present, the charity's funds are below this desired level. The Trustees are aware of the shortfall and are looking at ways to resolve the situation.

The policy is reviewed annually when the Board of Trustees sets the budget for the following financial year.

Pay Awards
Recommendations are made to the Trustees by the Executive Officer for annual pay awards including any performance related or enhancements in pay. The Board of Trustees are responsible for agreeing any recommendations.

Future Plans

The charity's aims are to continue to deliver and develop its work to ensure that advice services, delivered by the voluntary sector, are maintained. The charity recognises the need to ensure that the organisation remains robust and aims to review its position at least annually based on the outcome of funding bids made or the cessation of income streams.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Our priorities for 2021/22 are to:

- Diversify income streams and respond appropriately to the recommissioning of the Money and Pensions Advice work.
- Improve access to social welfare law advice through leading projects and collaborating with partner agencies, with a particular focus on developing our outreach work in the local community.
- Increase the profile of Community Advice and Law Service Limited within the legal advice sector and in the local community through enhanced promotion and marketing activities
- Invest in the development and empowerment of our staff in order to build a more resilient and effective team.
- Recruit new Trustees with a broad range of skills and experience, reflecting the diversity of the community where possible.

The charity continues to pursue opportunities that will move it to a more sustainable future through developing the use of volunteers within the organisation, and its continued membership of consortia to increase opportunities for partnership as well as securing new contracts and grants to deliver services.

Trustees' Responsibilities

The trustees (who are also the directors of Community Advice and Law Service 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 charity trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102).
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity 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 charity's auditor is 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 auditor is aware of that information.

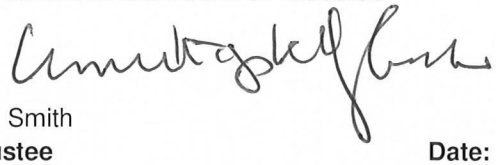
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Auditor

A resolution proposing that Somerbys Limited be re-appointed as auditor of the charity will be put to the Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies' entitled to small companies exemption.

On behalf of the board of Trustees



C J Smith
Trustee **Date: 17 November 2021**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED

Opinion

We have audited the financial statements of Community Advice and Law Service Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and its incoming 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of financial statements which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Community Advice and Law Service Limited, we have identified specific laws and regulations, such as Law Society and Office of the Immigration Services Commissioner regulations along with general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Community Advice and Law Service Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY ADVICE AND LAW SERVICE LIMITED (CONTINUED)

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 auditor's 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.

Somerbys Limited

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
For and on behalf of Somerbys Limited

DATE: 17 November 2021

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	** Total 2020 £
Income and endowments from:					
Donations and legacies		1,276	-	1,276	1,621
Charitable activities	2	186,828	3,938,939	4,125,767	3,538,487
Fundraising income		-	-	-	717
Other trading activities		1,136	-	1,136	-
Income from investments		11	-	11	-
Total income		189,251	3,938,939	4,128,190	3,540,825
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities	3	103,575	3,892,361	3,995,936	3,483,916
Total resources expended		103,575	3,892,361	3,995,936	3,483,916
Net movement in funds before transfer		85,676	46,578	132,254	56,909
Transfer between funds		-	-	-	-
Net movement in funds		85,676	46,578	132,254	56,909
Fund balances at 1 April 2020		100,328	142,290	242,618	185,709
Fund balances at 31 March 2021	15 &16	186,004	188,868	374,872	242,618

All income and expenditure derive from continuing activities.

The statement of financial activities include all gains and losses recognised during the year.

** See page 14 for full breakdown of the prior year's statement of financial activity.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2021

Prior year financial statements	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income and endowments from:				
Donations and legacies		1,621	-	1,621
Charitable activities	2	215,217	3,323,270	3,538,487
Fundraising income		717	-	717
Total income		217,555	3,323,270	3,540,825
Expenditure on:				
Charitable activities	3	186,982	3,296,934	3,483,916
Total resources expended		186,982	3,296,934	3,483,916
Net movement in funds before transfer		30,573	26,336	56,909
Transfer between funds		(187)	187	-
Net movement in funds		30,386	26,523	56,909
Fund balances at 1 April 2019		69,942	115,767	128,800
Fund balances at 31 March 2020	16	100,328	142,290	185,709

All income and expenditure derive from continuing activities.

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

BALANCE SHEET
AS AT 31 MARCH 2021

	Notes		2021 £	2020 £
Fixed assets				
Tangible assets	9		47,413	13,428
Current assets				
Debtors	10	164,628		71,170
Cash at bank and in hand		545,594		280,515
		710,222		351,685
Creditors: amounts falling due within one year	11	(379,897)		(119,099)
Net current assets			330,325	232,586
Net assets excluding pension scheme liability			377,738	246,014
Defined benefit pension scheme liability			(2,866)	(3,396)
Net assets including pension scheme liability	14		374,872	242,618
Income funds	16			
Unrestricted funds			186,004	100,328
Restricted funds	15		188,868	142,290
Total funds			374,872	242,618

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

The financial statements were approved by the board of trustees and authorised for issue on 17 November 2021 and are signed on its behalf by:

C J Smith
Trustee

Company Registration No. 04096574

CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash generated/(used) in operating activities	19	307,617	90,748
Cash flows from investing activities			
Purchase of tangible fixed assets		(42,549)	(12,176)
Cash used in investing activities		(42,549)	78,572
Cash flows from financing activities			
Interest received		11	-
Cash generated by financing activities		11	-
Increase in cash and cash equivalents in the year		265,079	78,572
Cash and cash equivalents at the beginning of the year		280,515	201,943
Total cash and cash equivalents at the end of the year		545,594	280,515

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.1 General information and basis of preparation

The charity is a private company limited by guarantee without share capital. The charity is registered in England and Wales. The registered office is 1st Floor, Epic House, Charles Street, Leicester, LE1 3SH.

Accounting convention
The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Funds

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2021

Accounting policies cont'd

1.3 Income recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity, however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes salaries, expenses and overheads.
- Expenditure on charitable activities includes salaries, expenses and overheads.
- Other expenditure represents those items not falling into the categories above.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies cont'd

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life of four years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the income and expenditure account.

1.7 Cash and cash equivalents

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

1.8 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.9 Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

1.10 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.11 Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies cont'd

1.12 Employee benefits

When employees have rendered services to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.13 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes.

1.14 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

1.15 Judgement and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets.

(ii) Expenditure allocations:
Expenditure is apportioned where it relates to more than one cost category.

(iii) Pension liability:
The closing liability and annual pension charge is sensitive to the assumptions made by the pension scheme .

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Income from charitable activities

	2021	2020
	£	£
Contractual payments	4,045,451	3,429,782
Legal Aid income	18,486	39,568
Immigration income	52,565	60,087
Other	9,265	9,050
	4,125,767	3,538,487

3 Analysis of Expenditure

		Staff costs (Note 7)	Depreciation (Note 9)	Other costs (Note 4)	Total 2021	Total 2020
		£	£	£	£	£
Charitable activities						
Money advice	-general	959,521	8,288	232,228	1,200,037	894,253
	-financial capability	73,219	276	9,579	83,074	98,063
		1,032,740	8,564	241,807	1,283,111	992,316
Governance costs	(note 6)			6,045	6,045	5,325
Grants payable	(note 5)			2,706,780	2,706,780	2,486,275
		1,032,740	8,564	2,954,632	3,995,936	3,483,916

4 Other costs

Other costs include the following support costs: -

	Unrestricted funds		Restricted funds	
	2021	2020	2021	2020
	£	£	£	£
Establishment	2,967	7,431	39.665	35,188
Insurance	333	740	3,894	3,542
Project costs	5,721	8,345	69,757	6,047
Recruitment and training	121	1,007	16,516	6,211
Information technology	2,210	4,352	30,325	16,722
Equipment and supplies	685	3,099	8,597	8,156
Communication and marketing	1,162	4,249	15,773	19,560
Bank charges and loan interest	178	617	543	633
Legal and professional fees	1,106	1,370	24,565	4,890
Staff travel and subsistence	29	321	496	9,355
Sundry expenditure	-	7,431	17,164	19,230
	14,512	38,962	227,295	129,534

Costs specifically incurred on a particular project have been allocated against that fund, the balance of other costs are allocated according to the number hours worked on by each employee on each project.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Grants paid

Grants were payable during the year to 20 delivery partners involved in the East Midlands Money Advice project to provide face to face debt advice.

The amounts payable to each partner were as follows:

	Paid in year £	Reserved at year end £	Total £
Citizens Advice Ashfield	107,734	(4,763)	102,971
Citizens Advice Bassetlaw	117,898	9,895	127,793
Citizens Advice Broxtowe	69,878	2,984	72,862
Citizens Advice Chesterfield	93,667	1,222	94,889
Community Law Service Northampton and County	288,568	9,794	298,362
Citizens Advice Derbyshire Districts	181,491	(1,448)	180,043
Derbyshire Law Centre	91,750	8,158	99,908
Citizens Advice Leicestershire	179,822	(684)	179,138
Citizens Advice Lincoln	69,873	2,934	72,807
Citizens Advice Lindsay	128,378	(7,280)	121,098
Citizens Advice Mansfield	114,798	3,851	118,649
Citizens Advice Mid Lincolnshire	79,825	2,464	82,289
Citizens Advice North East Derbyshire	123,915	3,189	127,104
Citizens Advice Nottingham and District	326,230	624	326,854
Nottingham Law Centre	48,827	1,157	49,984
Saffron Resource Centre	39,932	1,883	41,815
Citizens Advice Sherwood and Newarke	74,872	3,093	77,965
Citizens Advice South Derbyshire	289,162	12,819	301,981
St Ann's Advice Centre	104,193	6,398	110,591
Citizens Advice South Lincolnshire	116,024	3,653	119,677
	2,646,837	**59,943**	**2,706,780**

6 Analysis of governance costs

	2021 £	2020 £
Audit fee	4,500	4,200
Other governance costs	1,545	1,125
	6,045	5,325

Governance costs include expenses associated with the Trustees board meetings, AGM, and external audit fees. None of the trustees (or any person connected with them) received any remuneration during the year and none of the trustees receive any expenses.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

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7 Employees

	2021	2020
Number of employees		
The average monthly number of employees during the year was:	38	28

Employment costs	2021 £	2020 £
Wages and salaries	922,700	728,871
Social security costs	73,349	57,182
Other pension costs	36,691	35,940
	1,032,740	821,993

No employee received total employee benefits of more than £60,000. The charity considers its key management personnel to consist of the Executive Officer.

The total remuneration benefits of the key management personnel of the charity were £46,527 (2020: £61,239).

8 Taxation

The company being a registered charity, is exempt from corporation tax on its charitable activities.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

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9 **Tangible fixed assets**

	Fixtures fittings & equipment £
Cost	
At 1 April 2020	111,815
Additions	42,549
Disposals	(92,589)
At 31 March 2021	61,775
Depreciation	
At 1 April 2020	98,387
Charge for the period	8,564
Disposals	(92,589)
At 31 March 2021	14,362
Net book value	
At 31 March 2021	£47,413
At 31 March 2020	£13,428

10 Debtors

	2021	2020
	£	£
Trade debtors	22,614	23,326
Prepayments	20,219	19,895
Other debtors	121,795	27,949
	164,628	71,170

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	60,134	15,378
Taxes and social security costs	29,465	23,354
Other creditors	8,647	5,547
Grants creditors	87,544	20,044
Accruals	194,107	54,776
	379,897	119,099

12 Changes in the company's resources available for charity use

	Unrestricted Funds	Restricted Funds
	£	£
Net incoming resources for the year	85,676	46,578
Net (increase)/decrease in tangible fixed assets	2,363	(36,348)
Net movement in funds available for future activities	88,039	10,230

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

13 Pension costs

The company participates in 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 classified as a 'last man standing arrangement'. Therefore, the company is potentially liable for other participating employer's obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out 30 September 2017 showing a deficit and the trustees asked the participating employers to pay additional contributions.

Section 28.11A of FRS 102 requires deficit recovery payments to be recognised as a liability. The movement in the provision is set out below.

	2021 £	2020 £
Balance sheet liability at 1 April 2020	3,396	4,120
Deficit contribution paid	(704)	(684)
Interest cost (SoFA)	76	52
Impact of any change in assumptions	98	(92)
Balance sheet liability	2,866	3,396

This liability represents the net present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	March 2021	March 2020	March 2019	March 2018	March 2017
Discount rate applied to future recovery plan contributions due	0.66%	2.53%	1.39%	1.71%	1.32%

On the basis that it would not be practical to split the cost of the deficit reduction payments between current and historical restricted and unrestricted funds all of the costs have been charged to unrestricted funds for this year and for previous years.

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	11,065	36,348	47,413	13,428
Current assets	191,484	518,738	710,222	351,685
Creditors: amounts falling due within one year	(13,679)	(366,218)	(379,897)	(119,099)
Creditors: amounts falling due over one year	-	-	-	-
Provisions for liabilities and charges	(2,866)	-	(2,866)	(3,396)
	186,004	188,868	374,872	242,618

15 Restricted funds

2021

	Opening balance 1 April 2020	Income	Expenditure	Balance at 31 March 2021	Transfer between funds	Balance at 31 March 2021
	£	£	£	£	£	£
MaPS	-	3,595,741	(3,561,848)	33,893	(3,204)	30,689
Moneywise Plus	-	83,487	(83,073)	414	-	414
Big Lottery Fund	16,339	58,833	(58,957)	16,215	-	16,215
Energy Redress	-	100,478	(96,564)	3,914	-	3,914
MaPS (Redundancy Cost)	125,951	-	-	125,951	3,204	129,155
Leicester Community Fund	-	5,000	(3,724)	1,276	-	1,276
Access to Justice Fund	-	95,400	(88,195)	7,205	-	7,205
	142,290	3,938,939	(3,892,361)	188,868	-	188,868

An amount of £3,204 was transferred from the MaPS fund to the MaPs redundancy fund in order to fund any future costs.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Restricted funds
2020

	Opening balance 1 April 2019	Income	Expenditure	Transfers between funds	Transfer from unrestricted funds	Balance at 31 March 2020
	£	£	£	£	£	£
MaPS	-	3,165,270	(3,154,394)	(10,876)	-	-
Moneywise Plus	527	97,818	(98,532)	-	187	-
Big Lottery Fund	-	60,182	(43,843)	-	-	16,339
Severn Trent Trust Fund	165	-	(165)	-	-	-
MaPS (Redundancy Cost)	115,075	-	-	10,876	-	125,951
	115,767	3,323,270	(3,296,934)	-	187	142,290

Money Advice and Pensions Service (MaPS)
Community Advice and Law Service (CALS) is the lead agency for this East Midland wide project. There are 20 delivery partner organisations over 5 counties; Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. As well as managing the project, CALS is also a delivery partner within the project. This service provides face-to-face debt advice through a range of local venues.

Moneywise Plus
The project is targeted at people who are generally difficult to engage with, and in order to address some of the exclusion issues. Moneywise Plus has an engagement team, the staff members of which work to build relationships and engage with individuals allowing them to move forward and receive support to build financial and digital skills, that moves them towards education, training and work.

Big Lottery Fund
The fund is akin to the Moneywise Plus project and sets out to improve the on-going digital and financial skills of people in Leicester to support them in moving towards employment.

Severn Trent Trust Fund
This funding is to provide welfare benefit advice to customers of Severn Trent, particularly where they also have debt problems.

MaPS (Redundancy Costs)
This income is to meet future, potential redundancy costs of staff directly involved in the delivery of MaPS funded services where participant organisations face reduced funding; not only from MaPS but other funders where staff delivering MaPS funded services are affected when included in a redundancy pool, and ultimately selected for redundancy.

Energy Redress
This fund is to provide support to the Energy Project, which aims to tackle fuel poverty by the provision of specialist energy advice plus generalist – level welfare benefit, income maximization and money management advice and support.

Leicester Community Fund
This fund is used to provide telephone interpreting services for clients whose first language is not English.

Access to Justice Fund
This fund is to provide support for immigration advice services, in addition to also supporting the transition to home working for advisers during the COVID pandemic and safety measures when staff returned to the office after lockdown.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

16 Unrestricted funds

2021	Balance 1 April 2020	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2021
	£	£	£	£	£
Unrestricted	100,328	189,251	103,575	-	186,004
	100,328	189,251	103,575	-	186,004

2020	Balance 1 April 2019	Incoming Resources	Resource Expended	Transfers to restricted funds	Balance 31 March 2020
	£	£	£	£	£
Unrestricted	69,942	217,555	(186,982)	(187)	100,328
	69,942	217,555	(186,982)	(187)	100,328

17 Leasing commitments

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows;

	2021	2020
	£	£
Not later than one year	31,635	31,635
Later than one year and not later than five years	18,454	50,089
	50,089	81,724

18 Related Party Transactions

During the year there were no related party transactions.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

19 Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds	132,254	56,909
Add back depreciation charge	8,564	1,827
Interest receivable	(11)	-
Decrease/(Increase) in debtors	(93,458)	6,069
Increase/(decrease) in creditors	260,798	26,667
Pension movement	(530)	(724)
	307,617	90,748

20 Events after the reporting date

Subsequent to the year end, and following a planned recommissioning of the debt advice provision funded by the Money and Pensions Service (effective from 1 April 2022), the trustees have taken the decision not to submit a bid as a lead/prime contractor for the new contract. Instead, the trustees have agreed to seek involvement in the recommissioned provision as a sub-contractor.

As funding from the Money and Pensions Service is the charity's largest single source of funding, the move from being a prime contractor to potentially a sub-contractor will impact upon the level of funding received and consequently, the scale of the charity's operations from 1 April 2022.