

Company registration number: 04894491

Charity registration number: 1102276 (England & Wales) and SCO 45819 (Scotland)

Tax Volunteers

known as

Tax Help For Older People

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Tax Volunteers

Contents

Reference and Administrative Details	1
Chair's Report	2 to 3
Trustees' Report	4 to 11
Statement of Trustees' Responsibilities	12
Independent Auditor's Report	13 to 16
Statement of Financial Activities	17
Balance Sheet	18
Statement of Cash Flows	19
Notes to the Financial Statements	20 to 33

Tax Volunteers

Reference and Administrative Details

Trustees	P A Hamilton C W Tulloch (resigned 5 November 2020) A M Delorie S Mitha CBE J G Whitehead C S Muir A M Mollett B Chapman (appointed 5 March 2021)
Secretary	J W M Crump
Chief Executive Officer	V Boggs
Principal Office	Unit 10 Pineapple Business Park Salway Ash Bridport Dorset DT6 5DB
Registered Office	Unit 10 Pineapple Business Park Salway Ash Bridport Dorset DT6 5DB
Company Registration Number	04894491
Charity Registration Number	1102276 in England & Wales and SCO 45819 Scotland
Auditor	Thompson Jenner LLP Statutory Auditors 1 Colleton Crescent Exeter Devon EX2 4DG

Tax Volunteers

Chair's Report for the Year Ended 31 March 2021

This financial year started just after the United Kingdom went into lockdown. It might have been expected that this would curb our activities but, as can be seen from the Trustees' Report, that was not the case. Within days our staff were able to work from home and coped with a totally new way of working. Thanks to the organisational skills of our CEO and the Senior Management Team and the flexibility, adaptability and sheer determination of every member of our wonderful staff, it soon became "business as usual" and we were able to continue giving advice to vulnerable people who need help which they could not find elsewhere.

Even better, we were able to offer help in new areas in a new way. When the various Government support schemes were announced, we reached out to people adversely affected by COVID-19 who could not, or could no longer, afford an accountant to help them. This was not just a new area of business for us - we were able to develop a new way of working by combining our skills with those of our sister charity, TaxAid. We set up a triage line, operated by our staff, who were the first contact for all queries to both charities. Although our staff could deal with many of these themselves, they were able to pass on the more complex issues to a member of the TaxAid staff with specialist knowledge. By playing to the strengths of each charity, together our guidance and support enabled us to help over 6000 people in need.

Pivotal to our work have been two valuable additions to the Senior Management Team which we share with TaxAid: our Operations Director, Tahaba Mughal and our Advice Director, Gail Mackie. Both joined in November 2020 but it seems as if they have been with us for much longer. They have faced, and risen to, the challenge of getting to know the charities and our people while working remotely. I am looking forward to meeting them face to face.

We get many letters and cards from grateful clients and I should like to add my thanks on behalf of all the Trustees. We are very proud of our people and what they have been able to accomplish both in spite, and because, of the pandemic.

The restrictions we have faced have meant that we have had to rely less on our volunteers but they remain a valuable resource. The one-to-one professional advice they usually give in person has often had to be limited to contact online or the telephone, with the occasional conversation over the front gate, but we could not operate without them and we are continually thankful for their help.

Nothing we have been able to accomplish this year would have been possible without and the generosity of our donors, which always underpins the hard work of our staff and volunteers. As I have said before, if our staff and volunteers are the hands of the charity, our donors provide its lifeblood. I should like to thank HMRC, the Chartered Institute of Taxation, the Association of Tax Technicians, the Trusts and Foundations, the professional firms and the individual donors who have supported us financially, either directly or via Bridge the Gap. We were also delighted to receive a substantial legacy from a grateful client.

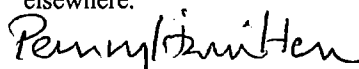
The generosity of our donors is not limited to money and I should also like to thank CIOT, Deloitte, PwC, Slaughter and May and Macfarlanes for their much-needed contributions in the form of staff, volunteers and consultancy services.

As you will see from the financial statements, notwithstanding the pandemic, we have achieved a good financial outcome but we are far from complacent. Our funding from HMRC remains steady for the next two years, but it is less than it has been in the past, and our corporate partnerships with Aviva Life Services, XPS Pensions Group, Rothesay Life, the Coal Pension Trustees, including Mineworkers' Pension Scheme and British Coal Staff Superannuation Scheme, have again given us a guaranteed source of income. Through them we can continue to help older people wrestle with the complexities of the taxation of pensions.

Tax Volunteers

Chair's Report for the Year Ended 31 March 2021

Given the constant financial pressure, we have continued to look at ways of stretching our precious human and financial resources. It is said that one should never waste a good crisis and, building on the experience and expertise gained from our response to the pandemic, we have continued to develop ways of working more closely with TaxAid in a way that makes the most of the particular skills of each charity and avoids duplication of effort. The project is governed by a Sub-Committee made up of two Trustees from each charity, chaired by the CEO, and supported by the Senior Management Team. We have entered into a Collaboration Agreement with TaxAid to provide a framework for this. Each charity will continue to be legally and functionally separate, with separate governance arrangements and its own client base, but we shall work together whenever it will enable us to make the most of our valuable resources. The arrangements are dependent on the introduction of a cloud-based system which will enable more effective client handling and record-keeping, and which is being rolled out as fast as remote working will allow. Once this has been accomplished, our charity will be even better placed to fulfill our objective of giving advice to vulnerable people who need help which they could not find elsewhere.



P A Hamilton

Chair of the Trustees

Dated: 11/10/21

Tax Volunteers

Trustees' Report

The charity is a company limited by guarantee and a registered charity, its governing documents are its Memorandum and Articles of Association. The trustees, who are directors for the purpose of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2021. The references and administrative information set out on page 1 form part of this report.

Public benefit and how our activities deliver it

We have a duty under s.4 of the Charities Act 2011 to report on the way in which we benefit the public. Having taken into consideration the Charity Commission guidance, we are confident that we meet those public benefit requirements.

In the year under review, the impact of the pandemic has been evident in a myriad of predictable and unpredictable ways. Throughout, Tax Volunteers has been responsive to changing beneficiary need and developed new ways to deliver its service to those in need. We reached out to our beneficiary groups: which are those in poverty, whether financial or by reference to other vulnerabilities, including digital poverty. In addition, we reached out to third sector partners, listened to their needs, provided information, education and referral routes, and supported our beneficiaries through our helpline, backed up by our digital materials and telephone appointments. We believe therefore that we have been able to meet the public benefit requirements through our ability to adapt our services and maintain our services throughout the pandemic.

We have worked closely with HMRC as the Coronavirus Support Schemes were launched, in order to maximise the benefit we could bring to the most vulnerable, who had to navigate the process of claiming support. We were able to provide feedback to HMRC on the issues our beneficiaries faced as they grappled with new HMRC processes. Additionally, from the perspective of our beneficiaries, the older, unrepresented taxpayers on low incomes, we provided unique insight to the Consultation Papers issued in respect of the government's 10-year strategy to build a trusted, modern tax administration system benefitting the wider public beyond those who made direct contact with us.

Objectives, activities and impact

Objectives

Tax Volunteers provides a unique service offering free, expert and independent tax help and advice direct to vulnerable, disadvantaged, older people in need, helping them to understand and manage their tax finances and releasing them from the stress and anxiety caused by unresolved tax problems. To meet this objective our resources are focused on providing a service that is easily accessible and meets the specific needs of older taxpayers. The activity we undertook to achieve this in the year ended 31 March 2021, and its impact, is detailed below.

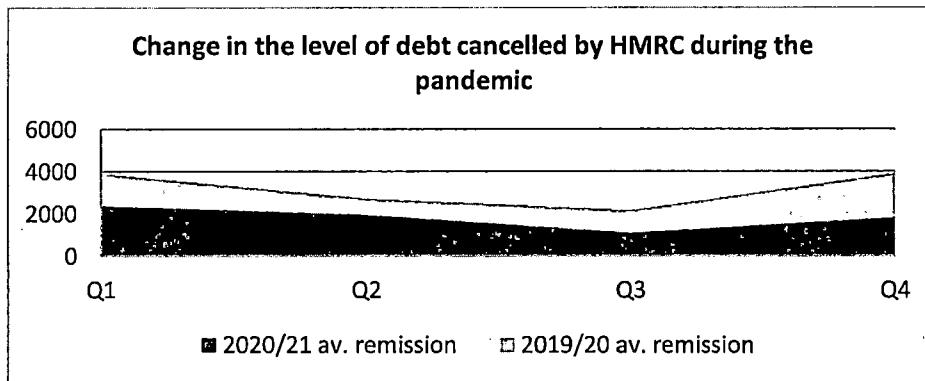
Our core activity

When the first lockdown was announced on 16 March 2020, our email support service continued without interruption and within two days our helpline was taking calls which were dealt with by home-based advisers, who answered calls from 9am – 5pm Monday to Friday, at the same service level as had been possible in the office. Some beneficiaries preferred to communicate by post and we maintained this service through post redirection. We had to following government guidance, to maintain the safety of our volunteers and beneficiaries, and so it was not possible to continue with our face-to-face appointments. However, when the guidance permitted, we were able to support some beneficiaries by meetings held outside the home, in the garden or by exchanging papers across the garden fence. We soon discovered how resourceful and flexible our beneficiaries and volunteers had become as they adapted to delivering services by telephone appointments and email. As a result, we were able to help 9,500 people in the year ended 31 March 2021.

Tax Volunteers

Trustees' Report

While the profile of the queries we received during the year largely remained in line with previous years, our data revealed a change in the level of debt cancelled by HMRC in the first two quarters of the year, as illustrated by the chart below, ie in the period from March 2020 to September 2020, the level of debt cancelled by HMRC increased by 89% when compared to the previous year. This is consistent with measures put in place by HMRC during the pandemic to consider the financial circumstances of taxpayers on a case-by-case basis and provide the appropriate support, the net effect being an increase in the average level of debt cancelled by HMRC per case.



During the year there was the prevalence of scams and Action Fraud reported a 400% increase in Coronavirus-related fraud reports just in the month of March 2020. We worked with our corporate partner XPS to highlight the dangers of pension fraud. Tax Volunteers receives calls from taxpayers who have been the victim of fraud. The cases which are particularly distressing are those cases where people have been convinced of the benefit of accessing their pension early and have incurred a tax charge of 45%. Often those who call have lost the majority of the funds transferred out of their pension funds to a dubious alternative investment, usually based offshore, and many years later are shocked to receive a tax demand from HMRC for 45% of the value of the fund. In these circumstance we work with the taxpayer and HMRC to find an equitable resolution.

In a year of so much change and uncertainty, our beneficiaries were immensely grateful for the continued delivery of our core service and the reassurance we bring to anxious and distressed older taxpayers.

"I cannot thank [you] enough for the compassion and support given by [your staff]. [They] were quick to recognise that my lack of online access together with the state of my mental health was leaving me feeling extremely anxious and distressed and at a loss as to who to turn to or what to do next...the service you provide is an extremely valuable one and I am so very grateful that you were able to help me".

Tax Volunteers

Trustees' Report

Coronavirus Support Service

The HMRC Self Employment Support Scheme (SEISS) was announced on 26 March 2020. On 9th April 2020, working in collaboration with our sister charity, TaxAid, we launched our coronavirus support service to help our beneficiaries access the first and subsequent SEISS grants. The initial launch was accompanied by the production of training videos and we are very grateful for the support of our corporate partner, Deloitte, who assisted in the production of these videos. Cognisant of our need to maximise our use of digital channels, we extended our reach more quickly into our beneficiary group than ever before by increasing our use of social media with considerable success as shown below.

Increased engagement with beneficiaries on social media promoting the Coronavirus Support Line	Increase	%
Page likes		367%
Profile visits		400%
Tweets		1460%
Facebook reach		1761%
Tweet impressions		3072%

Our Coronavirus support service included providing guidance on whether the caller was eligible for support, what steps they needed to follow to make a SEISS claim, and how to dispute the outcome, where relevant, if they were unsuccessful.

In addition, we provided a tax return completion service for those who had not previously successfully submitted their 2018/2019 tax return, so that they could meet the deadline of 23rd April. We submitted 43 tax returns in two weeks from calls initiated on our coronavirus helpline line. We also provided guidance and support to many others to enable them to submit their own returns. We achieved this with our staff teams at Tax Volunteers and TaxAid who adapted quickly and enthusiastically to provide this essential service so that our beneficiaries could receive the SEISS grant. Across all communication media, the coronavirus support service reached 6,000 people in the first eight weeks.

We received a myriad of messages of appreciation, including the one below from a caller who had tried and failed to submit his return online. Our staff worked after hours to submit the return on the day of the deadline and the grateful beneficiary tweeted:

"I could never have done this without you, I had pretty much given up all hope before calling you"

Recognising the value of this service and rapidly changing needs, in September 2020 we launched our 2019/20 tax return completion service, which enables our beneficiaries to keep up to date with their tax return filing obligations and to plan for their tax liabilities as they fall due. To ensure that we maximised the numbers we could help, we ran a radio campaign focusing on regional stations in targeted areas in addition to our web-based publicity.

Tax Volunteers

Trustees' Report

Finally, we knew from HMRC data released about the SEISS grants that the over-65s had the lowest take up rate. We also knew from several studies during the pandemic that those without digital access were disadvantaged when accessing help during the crisis. Therefore, to ensure that all who needed help could access it, we contacted those frontline face-to-face centres which had remained open and took advantage of our usual digital newsletters to inform and advise our third sector partners.

Our wider activity to benefit society

The impact of our work is not limited to one-to-one interaction with our callers.

We produce a range of tax booklets specifically for older taxpayers. These are made available on our website as well as to our partners. We can provide them to third parties on request and distribute them to the third sector as needed.

We provide tax-awareness sessions to support our partners in the third sector so that they can make relevant referrals and provide regular newsletters to keep them updated on tax issues.

Using our knowledge to further benefit society, we attend various meetings with HMRC some of which, such as the Assisted Needs Working Group, have a particular focus on the problems faced by the demographic of our beneficiaries. In addition we respond to relevant consultations and to ad hoc requests for feedback from HMRC where it benefits our beneficiary group.

Volunteers

This year our work was only possible by the resilience and resourcefulness of our volunteers.

The opportunities for our volunteers to provide support to beneficiaries was significantly diminished during the year. Government restrictions prevented face-to-face meetings most of the year and many of our beneficiaries, and some volunteers, are in vulnerable groups and had to self-isolate for considerable periods of time.

Nonetheless we were able to help all who needed support, and to do so our volunteers adapted to new ways of working. We implemented cloud-based software for tax return preparation so that we could benefit from electronic transfer of information to beneficiaries and to HMRC and increase the security of our client data.

The extraordinary efforts of our volunteers was appreciated by our beneficiaries. For example:

*"While you are far away in England's Dorset your steadfast volunteers stood
steadfast beside a disabled old taxpayer in Scotland's Western Isles" Alf*

Tax Volunteers

Trustees' Report

Financial review

Summary of position

The statement of Financial Activities for the year on page 17 shows a surplus of income over expenditure in the year of £132,757 (2019/20 – surplus £6,818). This significant increase in the surplus reflects the success of the emergency appeal made to supporters in the first months of the pandemic, an unexpected legacy and increased corporate support. This increase to unrestricted reserves is particularly welcome because a Pro Bono Economics report published in January 2021 reveals that '83% of charities now forecast a decline in their income over the next 12 months'.

Income

Tax Volunteers responded to the pandemic by making a direct appeal to its supporters through the Bridge that Gap campaign which is run in conjunction with TaxAid. This received terrific support, providing confidence to the charity in the early months of the pandemic.

By contrast, the face-to-face events programme was cancelled throughout the year, eliminating this source of income. However we capitalised on the opportunity to secure a new income stream in the form of virtual CPD events, made possible by the generosity of the CIOT (Chartered Institute of Taxation).

Tax Volunteers were successful in their bid to secure funding from the competitive HMRC Grant in Aid funding made available to the voluntary sector. In contrast to previous years, the funding covers a 3 year period enabling us to plan the delivery of our services through to the end of March 2024, however the amount to be received annually has fallen by 14%.

Funding from The Julia and Hans Rausing Trust enabled us to continue to deliver front-line services throughout the pandemic. In addition Tax Volunteers received funding from the CIOT & ATT (Association of Taxation Technicians) with the specific purpose of advancing tax education in a year when understanding the taxation of changing sources of income was never more necessary.

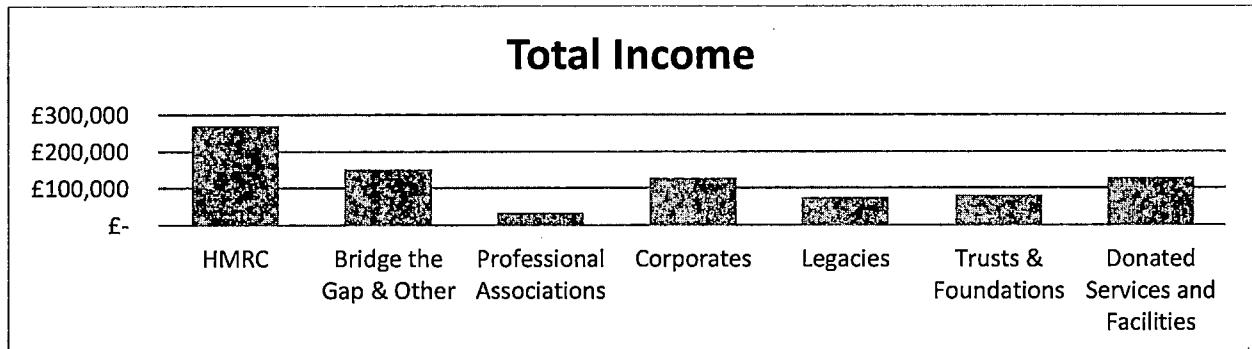
The support from our corporate partners increased by 29%, enabling us to help to demystify the taxation of pensions. We could also ensure that pensioners had claimed all their allowances, and so helping those on the lowest incomes to maximise their pensions.

Tax professionals have remained dedicated in their support of Tax Volunteers during the year, maintaining their regular support of our work, responding to our emergency funding appeal and supporting us in the time they gave to our beneficiaries in new and imaginative ways. The value of both monetary and time donations accounts for 32% of our total incoming resources.

The total income from each source is shown below.

Tax Volunteers

Trustees' Report



Expenditure

Expenditure in the year ended 31 March 2021 (excluding donated services and facilities) amounted to £606,187, just over 1% less than the previous year. The move to home working resulted in increased telephone and IT costs which showed a rise of 8% but savings were realised as a result of reduced office utility expenses and travel expenses while we delivered the same service level to beneficiaries while working at home. We were also fortunate to benefit from the donation of laptops by Deloitte, which significantly reduced the spend that would otherwise have been needed to facilitate home working.

Reserves

The free reserves at 31 March 2021 are £425,987 (2019/20 £289,070) which is more than eight months expected expenditure for the current year. This position is in line with our reserves policy which is to:

- Provide stability and the means for the development of the charity's principal objects; and
- In the long term, achieve a sufficient level of readily realisable fixed assets investments to provide a cushion equivalent to six months' operating expenditure.

Risk

The risks are managed by the periodic monitoring of the risk register which identifies the key risks and plans their mitigation.

The primary risk facing the charity is financial instability created by the uncertainty around medium- to long-term funding. This arises from receiving substantial funding from one source, HMRC, but this is mitigated by diversifying income streams.

Our financial management procedures include the preparation of an annual budget and forecast with quarterly reporting against budget provided to the Board.

Tax Volunteers

Trustees' Report

Plans for the future

Our objective is 'To provide tax advice to all those who need it'. Because of the immediate financial insecurity at the start of the pandemic, our plans to develop a new advice model to meet this objective were accelerated, so that we could bring forward the potential cost efficiencies. However, prioritising fundamental changes to our operating model did require us to postpone some planned operational changes, which have been rescheduled in the next financial year. Future plans are concentrated on increasing our capacity, and therefore the impact we can have on the most vulnerable, with a particular focus on ensuring that older people are not disadvantaged by HMRC's drive to deliver services digitally.

Going forward, our priority is our beneficiaries, who are at the core of our decision making, and we are in the initial stages of undertaking research, and working with our third-sector partners, to ensure that our referral routes and services meet their needs. The older population is statistically more likely to suffer from digital exclusion and our objective is to ensure that this demographic is not disadvantaged because of digital exclusion.

During the year, as planned, Tax Volunteers and TaxAid worked increasingly together to provide the best service to the most vulnerable, using resources cost efficiently and effectively. To facilitate the sharing of resources, the two charities entered into a collaboration agreement. Going forward the intention is that this agreement advantages the beneficiaries of both charities.

Learning from our experience in the last year we are planning to move to a hybrid working model, with our staff operating partly in the office and partly at home, which will support staff preferences while not diminishing our service delivery.

Structure, governance and management

The charity is managed by the Board of Trustees which meets quarterly. The Board delegates day to day management to the Chief Executive and the Senior Management Team.

The directors of the charitable company are its trustees for the purposes of charity law. The names of the trustees who were in office during the year are listed on page 1. All members of the Trustee Board gave their time voluntarily and received no benefits from the charity. No trustee received any reimbursed expenses from the charity during the year.

The total number of trustees must not be less than three but is not subject to any maximum. New trustees are identified with the necessary specialist expertise and appropriate charitable, commercial, tax and legal experience to enrich the standing Board and are given induction and training by the current post holders. Trustees retire by rotation in accordance with the provisions of the Memorandum and Articles of association but someone who retires can be eligible for reappointment as a trustee.

Day-to-day management is delegated to our Chief Executive, Valerie Boggs, who is supported by the Senior Management Team whose responsibility is to work to the strategic plan which contains business, financial and service objectives.

Tax Volunteers continues to work closely with TaxAid. The two charities share the same Senior Management Team and during the year the charities entered into a collaboration agreement which not only achieves cost-efficiencies through sharing back office services, but it also facilitates synergy between the two charities.

Remuneration for key management is set with reference to market rates for similar roles and responsibilities in the charitable sector, taking account of geographical differences.

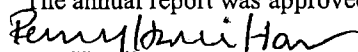
Tax Volunteers

Trustees' Report

Disclosure of information to auditor

Each trustee has taken the required steps to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 11/10/21 and signed on its behalf by:



P A Hamilton

Trustee

Tax Volunteers

Statement of Trustees' Responsibilities

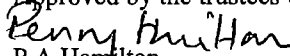
The trustees (who are also the directors of Tax Volunteers for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 11/10/21 and signed on its behalf by:


P A Hamilton
Trustee

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

Opinion

We have audited the financial statements of Tax Volunteers (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its results 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

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.

Opinion 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 Chair's Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Report and Trustees' Report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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.

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

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 extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the charities sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing licenses, certificates and relevant correspondence including the inspection of legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this 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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Thompson Jenner LLP

.....
Mr Neil Curtis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Date: 20/10/21.....

Tax Volunteers

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2021	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	368,973	385,174	754,147
Charitable activities	4	-	116,158	116,158
Investment income	5	52	-	52
Total Income		<u>369,025</u>	<u>501,332</u>	<u>870,357</u>
Expenditure on:				
Raising funds		(55,686)	-	(55,686)
Charitable activities		<u>(176,422)</u>	<u>(505,492)</u>	<u>(681,914)</u>
Total Expenditure	6	<u>(232,108)</u>	<u>(505,492)</u>	<u>(737,600)</u>
Net income/(expenditure)		<u>136,917</u>	<u>(4,160)</u>	<u>132,757</u>
Net movement in funds		136,917	(4,160)	132,757
Reconciliation of funds				
Total funds brought forward		<u>289,070</u>	<u>5,231</u>	<u>294,301</u>
Total funds carried forward	18	<u>425,987</u>	<u>1,071</u>	<u>427,058</u>
2020				
	Note	Unrestricted £	Restricted £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	387,268	351,120	738,388
Charitable activities	4	-	87,300	87,300
Investment income	5	217	-	217
Total Income		<u>387,485</u>	<u>438,420</u>	<u>825,905</u>
Expenditure on:				
Raising funds		(53,440)	-	(53,440)
Charitable activities		<u>(285,651)</u>	<u>(479,996)</u>	<u>(765,647)</u>
Total Expenditure	6	<u>(339,091)</u>	<u>(479,996)</u>	<u>(819,087)</u>
Net income/(expenditure)		<u>48,394</u>	<u>(41,576)</u>	<u>6,818</u>
Net movement in funds		48,394	(41,576)	6,818
Reconciliation of funds				
Total funds brought forward		<u>240,676</u>	<u>46,807</u>	<u>287,483</u>
Total funds carried forward	18	<u>289,070</u>	<u>5,231</u>	<u>294,301</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 18.

The notes on pages 20 to 33 form an integral part of these financial statements.

Tax Volunteers

(Registration number: 04894491)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	<u>5,566</u>	<u>8,450</u>
		<u>5,566</u>	<u>8,450</u>
Current assets			
Debtors	13	94,547	90,093
Cash at bank and in hand	14	<u>416,318</u>	<u>226,809</u>
		510,865	316,902
Creditors: Amounts falling due within one year	15	<u>(89,373)</u>	<u>(31,051)</u>
Net current assets		<u>421,492</u>	<u>285,851</u>
Net assets		<u>427,058</u>	<u>294,301</u>
Funds of the charity:			
Restricted		1,071	5,231
Unrestricted income funds			
Unrestricted		<u>425,987</u>	<u>289,070</u>
Total funds	18	<u>427,058</u>	<u>294,301</u>

The financial statements on pages 17 to 33 were approved by the trustees, and authorised for issue on 11/10/21 and signed on their behalf by:

J G Whitehead
J G Whitehead
Trustee

P A Hamilton
P A Hamilton
Trustee

The notes on pages 20 to 33 form an integral part of these financial statements.

Tax Volunteers

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		132,757	6,818
Adjustments to cash flows from non-cash items			
Depreciation		3,550	2,566
Investment income	5	<u>(52)</u>	<u>(217)</u>
		136,255	9,167
Working capital adjustments			
Increase in debtors	13	(4,454)	(10,945)
Increase in creditors	15	<u>58,322</u>	<u>19,530</u>
Net cash flows from operating activities		<u>190,123</u>	<u>17,752</u>
Cash flows from investing activities			
Interest receivable and similar income	5	52	217
Purchase of tangible fixed assets	12	<u>(666)</u>	<u>(1,653)</u>
Net cash flows from investing activities		<u>(614)</u>	<u>(1,436)</u>
Net increase in cash and cash equivalents		189,509	16,316
Cash and cash equivalents at 1 April		<u>226,809</u>	<u>210,493</u>
Cash and cash equivalents at 31 March		<u><u>416,318</u></u>	<u><u>226,809</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 20 to 33 form an integral part of these financial statements.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The company was incorporated in England and Wales and also registered as a charity in Scotland, its registered office is Unit 10, Pineapple Business Park, Salway Ash, Bridport, Dorset, DT6 5DB.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

The trustees have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements. In addition, the trustees do not consider it to cast any significant doubt upon the charity's ability to continue as a going concern.

The trustees have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 including managing cash flow to ensure that debts can be paid when they fall due, managing staffing levels and monitoring key donor and supplier activity. The trustees have implemented a robust system of procedures and controls in order to deal with any associated risks.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income derived from the provision of goods/services is stated after trade discounts, other sales taxes and net of VAT.

Grants receivable, which include grants of a general nature provided by government, are accounted for when evidence of unconditional entitlement is received except when they are subject to donor-imposed conditions. Grants received which impose regional restrictions are treated as contributing to the cost of providing free tax advice in that specified area and costs are apportioned on a quarterly basis commencing in the quarter following the quarter in which the grant was received. Income earned for the provision of tax services under agreement with commercial organisations is invoiced on a quarterly basis in arrears following the delivery of the service.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services, professional qualified tax personnel or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Donations of gifts, services and facilities include seconded employees, IT software and office space. Seconded staff's services are provided free of charge to the charity and the cost of their salary is incurred by a third party. IT software and office space are included at their estimate market value when donated.

Investment income

Bank interest is recognised once the interest has been received.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of the personnel involved with each activity.

	2021	2020
Advice services	81%	84%
Tax education	6%	5%
Cost of raising funds	10%	9%
Governance costs	3%	2%

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Straight line over the life of the lease
Office equipment	4 years straight line
Computer equipment	4 years straight line
Call-centre equipment	4 years straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

3 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2021 £	Total 2020 £
HM Revenue & Customs	-	270,000	270,000	314,160
Sobell Foundation	-	-	-	1,800
Chartered Institute of Taxation	-	20,000	20,000	20,000
Association of Taxation Technicians	-	10,000	10,000	10,000
CSIS Charity Fund	-	-	-	10,000
Moondance Foundation	-	-	-	4,160
XPS	12,000	-	12,000	12,000
The Julia and Hans Rausing Trust	-	80,000	80,000	-
Tax Advisers' Charitable Trust	4,000	-	4,000	4,000
29th May 1961 Charitable Trust	-	-	-	1,000
Estate of Mr F B Clowes	74,920	-	74,920	-
HMRC CJRS	-	5,174	5,174	-
Gift aid and other donations	146,640	-	146,640	142,167
Donated facilities and services	131,413	-	131,413	219,101
Total income 2021	<u>368,973</u>	<u>385,174</u>	<u>754,147</u>	<u>738,388</u>
Total income 2020	<u>387,268</u>	<u>351,120</u>	<u>738,388</u>	

Other donations includes 50% of the following amounts greater than £3,000 received through Bridge The Gap. This is a joint initiative set up by Tax Volunteers and TaxAid UK, whereby amounts received are split equally between the two charities.

	2021 £	2020 £
A & O Foundation	-	10,000
BDO LLP	12,647	18,363
Deloitte	11,831	17,279
Freshfields	9,920	10,000
Kathleen Beryl Sleigh Charitable Trust	20,000	20,000
London Legal Support	-	6,025
Pump Court Tax Chambers	-	7,500
Pure Recruitment Ltd	-	5,000
Slaughter and May	4,950	10,000
Smith and Williamson	-	10,000
Tax Advisers' Charitable Trust (the Worshipful Company of Tax Advisers)	4,000	4,000

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Income from charitable activities

	Restricted funds £	Total 2021 £	Total 2020 £
AVIVA Life Services Ltd	32,650	32,650	37,548
Rothsay Life	52,500	52,500	42,000
Mineworkers Pension Scheme & British Coal Staff Superannuation Scheme	31,008	31,008	7,752
	<u>116,158</u>	<u>116,158</u>	<u>87,300</u>

Income from charitable activities in 2020 was £87,300 all of which was restricted.

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	<u>52</u>	<u>52</u>
Total for 2021	<u>52</u>	<u>52</u>
Total for 2020	<u>217</u>	<u>217</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

6 Expenditure on charitable activities

	Cost of raising funds £	Tax advice £	Tax education £	Governance costs £	Support costs £	Total 2021 £	Total 2020 £
Staff costs	29,937	243,899	17,904	10,860	165,534	468,134	439,809
Gifts in kind	-	131,413	-	-	-	131,413	219,101
Depreciation	-	-	-	-	3,550	3,550	2,566
Telephone	-	31,868	-	-	-	31,868	24,881
Postage and stationery	-	1,888	-	-	3,037	4,925	9,153
Advertising	-	1,500	-	-	-	1,500	-
Legal and professional fees	-	-	-	3,790	427	4,217	4,564
Volunteer expenses	-	1,563	-	-	-	1,563	9,314
Rent, rates and services	-	-	-	-	46,977	46,977	53,062
Bank charges	-	-	-	-	307	307	319
Audit	-	-	-	4,987	-	4,987	5,880
Insurance	-	-	-	408	2,497	2,905	2,551
Repairs and maintenance	-	-	-	-	1,527	1,527	1,639
Staff travel and training	-	90	-	-	1,727	1,817	13,660
Computer costs	-	-	-	-	31,090	31,090	27,816
Bridge The Gap event expenses	-	-	-	-	-	-	2,791
Sundry	-	-	-	-	820	820	1,981
	29,937	412,221	17,904	20,045	257,493	737,600	819,087
Support costs	25,749	208,570	15,450	7,724	(257,493)	-	-
Total expenditure 2021	55,686	620,791	33,354	27,769	-	737,600	-
Total expenditure 2020	53,440	717,035	26,699	21,913	-	819,087	-

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Operating leases - other assets	(39,223)	(46,591)
Audit fees	(4,987)	(5,880)
Depreciation of fixed assets	<u>(3,550)</u>	<u>(2,566)</u>

8 Trustees' remuneration and expenses

No trustees, nor any persons connected with any trustee, has received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	425,926	390,770
Social security costs	28,083	29,477
Pension costs	14,617	8,283
Other staff costs	<u>(492)</u>	<u>11,279</u>
	<u>468,134</u>	<u>439,809</u>

The monthly average number of persons employed by the charity or working for the benefit of the charity, including those employed by Tax Volunteers Service Company Limited ((Note 21) which includes the senior management team) was 24 (2020 - 23).

The monthly average number of persons employed by the charity or working for the benefit of the charity, including those employed by Tax Volunteers Service Company Limited ((Note 21) which includes the senior management team) and working for the benefit of the charity, expressed as full-time equivalents was as follows:

	2021 No	2020 No
Raising funds	1.0	1.0
Advice services	8.3	9.3
Tax education	0.6	0.5
Support	5.6	4.3
Governance	<u>0.4</u>	<u>0.2</u>
	<u>15.9</u>	<u>15.3</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £42,024 (2020 - £51,959) which includes the grossing up of costs to cover travelling between two places of work.

10 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>6,000</u>	<u>5,880</u>

11 Taxation

The charity is a registered charity and is therefore exempt from corporation tax on its income.

12 Tangible fixed assets

	Leasehold improvements £	Office equipment £	Computer equipment £	Call-centre equipment £	Total £
Cost					
At 1 April 2020	10,905	31,374	38,589	19,136	100,004
Additions	<u>-</u>	<u>59</u>	<u>515</u>	<u>92</u>	<u>666</u>
At 31 March 2021	<u>10,905</u>	<u>31,433</u>	<u>39,104</u>	<u>19,228</u>	<u>100,670</u>
Depreciation					
At 1 April 2020	10,281	30,770	32,695	17,808	91,554
Charge for the year	<u>356</u>	<u>279</u>	<u>2,354</u>	<u>561</u>	<u>3,550</u>
At 31 March 2021	<u>10,637</u>	<u>31,049</u>	<u>35,049</u>	<u>18,369</u>	<u>95,104</u>
Net book value					
At 31 March 2021	<u>268</u>	<u>384</u>	<u>4,055</u>	<u>859</u>	<u>5,566</u>
At 31 March 2020	<u>624</u>	<u>604</u>	<u>5,894</u>	<u>1,328</u>	<u>8,450</u>

13 Debtors

	2021 £	2020 £
Trade debtors	22,000	7,934
Prepayments	4,596	2,754
Other debtors	<u>67,951</u>	<u>79,405</u>
	<u>94,547</u>	<u>90,093</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>416,318</u>	<u>226,809</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,842	1,860
Other taxation and social security	18,222	9,509
Other creditors	63,107	12,029
Accruals	<u>6,202</u>	<u>7,653</u>
	<u>89,373</u>	<u>31,051</u>

16 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2021 £	2020 £
Land and buildings		
Within one year	26,920	43,071
Between one and five years	<u>-</u>	<u>32,304</u>
	<u>26,920</u>	<u>75,375</u>
Other		
Within one year	3,840	3,840
Between one and five years	<u>3,840</u>	<u>7,679</u>
	<u>7,680</u>	<u>11,519</u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £14,617 (2020 - £8,283).

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

18 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted				
<i>General</i>				
General fund	289,070	369,025	(232,108)	425,987
Total Unrestricted	<u>289,070</u>	<u>369,025</u>	<u>(232,108)</u>	<u>425,987</u>
Restricted				
HM Revenue & Customs	-	270,000	(270,000)	-
Aviva Life Services Ltd	-	32,650	(32,650)	-
Chartered Institute of Taxation	-	20,000	(20,000)	-
Association of Taxation Technicians	-	10,000	(10,000)	-
HMRC CJRS	-	5,174	(5,174)	-
Esmée Fairbairn	1,071	-	-	1,071
Julia and Hans Rausing Trust	-	80,000	(80,000)	-
Rothsay Life	-	52,500	(52,500)	-
Mineworkers Pension Scheme & British Coal Staff Superannuation Scheme	-	31,008	(31,008)	-
The Moondance Foundation	4,160	-	(4,160)	-
Total restricted	<u>5,231</u>	<u>501,332</u>	<u>(505,492)</u>	<u>1,071</u>
Total funds	<u><u>294,301</u></u>	<u><u>870,357</u></u>	<u><u>(737,600)</u></u>	<u><u>427,058</u></u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted				
<i>General</i>				
General fund	240,676	387,485	(339,091)	289,070
Total unrestricted	<u>240,676</u>	<u>387,485</u>	<u>(339,091)</u>	<u>289,070</u>
Restricted				
HM Revenue & Customs	-	314,160	(314,160)	-
Sobell Foundation	-	1,800	(1,800)	-
Aviva Life Services Ltd	-	37,548	(37,548)	-
Chartered Institute of Taxation	20,000	20,000	(40,000)	-
Association of Taxation Technicians	6,000	10,000	(16,000)	-
Valentine Charitable Trust	7,500	-	(7,500)	-
Esmée Fairbairn	1,157	-	(86)	1,071
XPS	9,000	-	(9,000)	-
Hobson Charity Trust	3,150	-	(3,150)	-
Rothsay Life	-	42,000	(42,000)	-
Mineworkers Pension Scheme & British Coal Staff Superannuation Scheme	-	7,752	(7,752)	-
The Moondance Foundation	-	4,160	-	4,160
The 29th May 1961 Charitable Trust	-	1,000	(1,000)	-
Total restricted	<u>46,807</u>	<u>438,420</u>	<u>(479,996)</u>	<u>5,231</u>
Total funds	<u><u>287,483</u></u>	<u><u>825,905</u></u>	<u><u>(819,087)</u></u>	<u><u>294,301</u></u>

The specific purposes for which the funds are to be applied are as follows:

Advice services

This fund represents income which is for delivering the main charitable purpose of Tax Volunteers, that of advising older low income clients and the generalist voluntary sector on tax matters.

Tax education

This fund represents income provided to improve access to information on tax so that older people on low incomes are aware of their rights and responsibilities under the tax system. It is delivered through conferences, seminars, training and the Tax Volunteers website. The funds from the Chartered Institute of Taxation and the Association of Tax Technicians are exclusively for tax education. Other restricted and unrestricted funds deliver both advice services and tax education.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2021

19 Analysis of net assets between funds

	Unrestricted		Total funds at 31 March 2021
	General £	Restricted £	£
Tangible fixed assets	5,566	-	5,566
Current assets	509,794	1,071	510,865
Current liabilities	(89,373)	-	(89,373)
Total net assets	<u>425,987</u>	<u>1,071</u>	<u>427,058</u>

	Unrestricted		Total funds at 31 March 2020
	General £	Restricted £	£
Tangible fixed assets	8,450	-	8,450
Current assets	311,671	5,231	316,902
Current liabilities	(31,051)	-	(31,051)
Total net assets	<u>289,070</u>	<u>5,231</u>	<u>294,301</u>

20 Analysis of net funds

	At 1 April 2020 £	Cash flow £	At 31 March 2021 £
Cash at bank and in hand	<u>226,809</u>	<u>189,509</u>	<u>416,318</u>
Net debt	<u>226,809</u>	<u>189,509</u>	<u>416,318</u>

21 Related party transactions

Tax Volunteers and TaxAid UK have established a service company Tax Volunteers Service Company Limited to provide staff resources (including the senior management team) who operate across both charities. Each charity contributes a percentage of the staff costs based on allocation of the staff. During the year, costs of £151,553 (2020 - £153,792) in relation to remuneration, travel and other expenses, and £1,096 were recharged from Tax Volunteers Service Company Limited, a related party by virtue of J G Whitehead and P A Hamilton being directors of both companies. The balance owed to Tax Volunteers Service Company Limited at the year end was £2,936 (2020 - £1,841).

During the year, net income totalling £120,000 (2020 - £118,298) was collected by TaxAid UK, a related party by virtue of shared CEO, Valerie Boggs, on behalf of Tax Volunteers in connection with the Bridge The Gap fundraising initiative. At the year end, the amount due from TaxAid UK, included in other debtors in the financial statements, was £30,000 (2020 - £68,298). A further £6,950 (2020 - £7,934) included within trade debtors is due from TaxAid UK in relation to recharged shared costs and £60,172 (2020 - £9,000) included within other creditors is due to TaxAid UK.