

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 2022

Tax Volunteers

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Reference and Administrative Details

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

Tax Volunteers

Chair's Report for the Year Ended 31 March 2022

At the beginning of this financial year the charity was still facing the challenge of the Omicron variant and its possible implications. By the end, we had learned to live with the pandemic and were getting to grips with the “new normal”. In many ways the year has been one of consolidation as we got used to the new ways of working we had developed in response to the pandemic, in particular the efficiencies of working more closely with TaxAid. As ever, all we accomplished was thanks to the four pillars which support our vital work: our staff, our volunteers, our donors and our trustees.

The many letters and cards from grateful clients, whose lives have been changed by the help we have given, are testimony to the skill and compassion of our front-line staff, one of our four pillars. As you will see from the Trustees' Report, this year they dealt with 14,000 calls. The dedication and flexibility which all our staff displayed when the pandemic struck were just as apparent this year. In addition to operating the new triage service for TaxAid, they have had to learn to do their job in a different way, working mostly from home and using new cloud-based client-handling technology. Hybrid working is likely to continue in the longer term, with the accompanying challenge of retaining the ethos of teamwork and personal interaction which has always been a feature of the charity. It is thanks to our CEO and her Senior Management Team that, in spite of these changes, it has been very much “business as usual”.

Our band of 300 volunteers is the second pillar of the work of the charity, providing personal contact with individual clients. As one volunteer commented recently, the most rewarding part of the work is often being able to help lift the burden of a tax issue from the shoulders of someone who is already coping with many other problems. All our volunteers are tax professionals who want to give something back. Traditionally, they have been those towards, or at the end of, their professional lives. They have now been joined by an increasing number of younger practitioners whose firms can see the benefit of encouraging them to volunteer for us. We are grateful to all volunteers, young and old, for their commitment and effort. We could not operate without them.

Nothing we accomplished this year would have been possible without the generosity of third pillar, our donors, who underpin the hard work of our staff and volunteers. I should like to thank HMRC, The Chartered Institute of Taxation, The Association of Tax Technicians and The Worshipful Company of Tax Advisers for their annual donations, as well all the Trusts and Foundations, corporates, professional firms and individual donors who have supported us financially, either directly or via Bridge the Gap. The generosity of our donors is not limited to money and I should also like to thank the Chartered Institute of Taxation, Deloitte, Freshfields, KPMG, Norton Rose, PWC, Slaughter and May, RELX, MacFarlanes and individual tax professionals for their much-needed contributions in the form of staff volunteers, consultancy services, legal advice, and lectures.

The fourth pillar is our Board. I am grateful to my fellow trustees for their expertise, energy and enthusiasm in supporting the charity, in some cases as volunteers and donors as well. At the Annual General Meeting we shall be losing two valuable and long serving trustees, Alison Delorie and Sam Mitha. I should like to thank them for all the support they have given to the charity and their fellow Board members. Their contribution will be greatly missed.

Having looked back over the financial year, I should like to conclude by looking forward. Poverty is increasing, and is bound to create greater demand for our services. In addition, the current HMRC proposals for “Making Tax Digital”, which will impose compulsory electronic filing for the self employed and landlords from 2024, will affect digitally-challenged elderly people. One of our tasks in the coming year is to determine how we can best reach out to them.

Tax Volunteers

Chair's Report for the Year Ended 31 March 2022

There will may be other challenges to meet but, with the continuing support of all four pillars, Tax Help for Older People will continue to support vulnerable people who need tax advice but cannot afford to pay for it.



Penny Hamilton

Chair of the Trustees

Dated: 14.11.22

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 2022. 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 to report on our organisation's public benefit under s.4 of the Charities Act 2011. We are confident that we meet the public benefit requirements having taken into consideration the Charity Commission guidance.

Our vision is to: 'Provide tax help to all who need it'. During the year 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 both telephone and in person face to face appointments. We believe therefore that we have been able to meet the public benefit requirements through the comprehensive range of activities delivered through different channels to maximise the number of people we can help.

Our work with HMRC, as detailed below, illustrates the breadth of the benefit of our work across the wider public, beyond those who make 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.

Our core activity

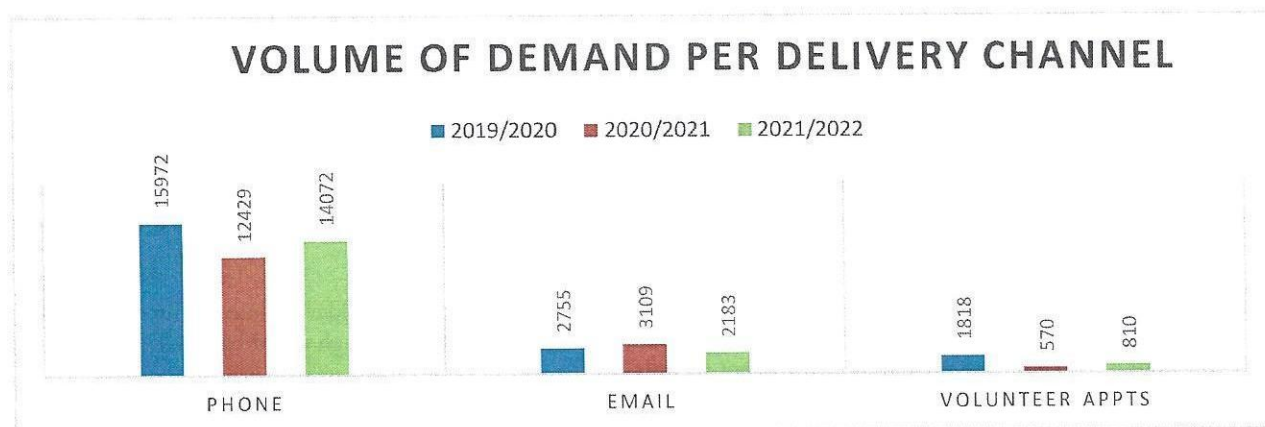
Joan called our helpline agitated and distressed because she had a bill from HMRC for £560. She had been recently widowed and without her husband's pension she was trying to manage on a lower income than in the past and didn't have any savings to pay the bill. Neither could she understand why she had received the bill. The helpline adviser was able to explain that following the death of her husband and the change in pension entitlement, a tax liability had arisen and the bill was correct. However the adviser got in touch with HMRC detailing Joan's financial circumstances and as a result HMRC cancelled the debt.

Joan, in common with many of our callers is over 85. Research shows that 'older consumers who are vulnerable are at risk of harm as a result of access barriers, insufficiently tailored customer service and financial exclusion. The older old (aged over 85) are potentially subject to higher risks of exclusion and harm than other groups.'¹ Our helpline took over 14,000 calls in 2021/22 from people just like Joan and the advisers are therefore experienced at providing the reassurance and support that Joan and others need. As Tax Help specialize in providing a service only for older people, the delivery of the service is tailored to the specific needs of older, vulnerable people the demand for which is expected to grow as the population of older people increases. According to the 'The Health Foundation 2021 report on 'Our ageing population: how ageing affects health and care need in England', in the next 25 years, the number of people older than 85 will double.

¹ FCA:Occasional Paper 8

Our service is delivered primarily through our telephone helpline, a format that our beneficiaries are familiar with and are confident using. Nevertheless, some of our beneficiaries continue to send letters and complete paper tax returns, and where this is the format that best suits their needs we provide the necessary support. We also provide digital support using email and, working with our volunteers, provide face to face meetings.

In 2021/22 our group of over 300 volunteers, based throughout the UK, needed to become increasingly adaptable as we had to adjust how we delivered our service to manage our resources through the impact of the pandemic. The volunteers provided exceptional support when we sought their help to answer emails as well as post and, when restrictions allowed, returned to face to face support when that was the support that our beneficiaries needed.



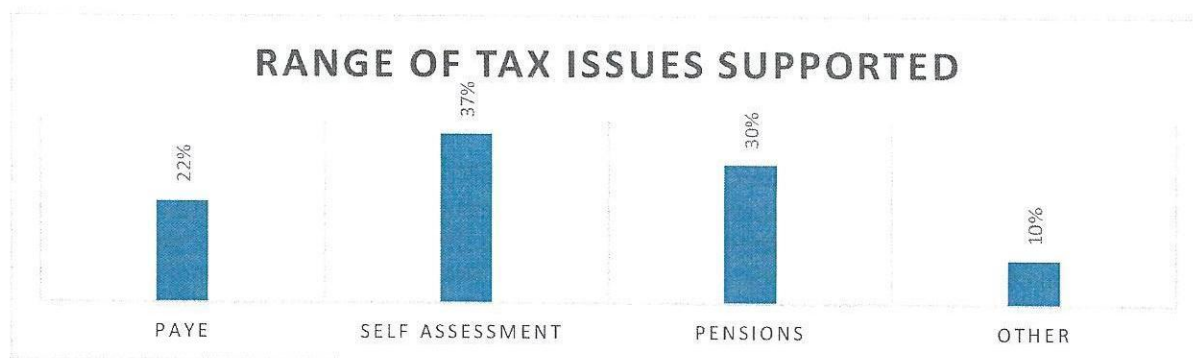
The benefit of being digitally connected was clearly demonstrated throughout the pandemic, yet also evidenced was the challenge of digital interaction for older people. A report published by the Centre for Ageing Better,² notes that 'Digital inclusion is not just about being online, it's also about building skills and confidence.' Being able to contact your grandchildren on zoom is not the same as logging in to your personal tax account.

To ensure that the needs of not only our beneficiaries, but also the wider and growing population of older people, are effectively communicated to HMRC as they develop digital services, we attend multiple meetings and forums, sharing our experience of meeting the needs of older people. In addition we feedback more formally in our responses to HMRC and OTS consultations during the year.

Our feedback is not confined to the reasonable adjustments that are needed to meet the needs of the older old, but also the tax issues that are frequently associated with older people. Some of the issues for our beneficiaries are related to the life events that can give rise to increased vulnerability. We know from ONS data that the most common age at death is 86.7 for males and 89.3 for females and therefore, frequently we provide support and reassurance to widows when they have to manage financial challenges following the death of their husband. The tax issue that can arise follows when their state pension is uplifted and they become entitled to a surviving spouse's private pension. What this means in the year of change is that the tax code has to change and, dependent on timing and the accuracy of the information HMRC has, a tax underpayment can occur. In addition to which, if marriage allowance was applicable, it will not be available after the year of death. These changes can result in a bill from HMRC at a time of financial hardship, when the costs of running the home may remain the same but there is an overall reduction in income.

Supporting our callers with tax issues arising from pension income and completing the necessary self-assessment return are the most frequent tax issues we advise on.

² on 'Covid-19, the digital divide' published by the Centre for Ageing Better,



The need for support of income tax issues is not driven by complexity, but by the vulnerability and poverty that can occur in older age. 'Pensioner Poverty rates are rising and poverty among older females is rising slightly faster than poverty among older males. Older females have higher poverty rates as they generally live longer than males and more often have a less complete national insurance contribution history and more gaps in their employment history.'³

To continue to be able to provide our essential, beneficiary focused service to older people we have worked to reduce our costs decreasing our office space and facilitating hybrid working through cloud based IT solutions for managing our calls, and maintaining our client records.

The focus on our beneficiary need is recognized by our callers who consistently get in touch in gratitude:

'We cannot thank your organisation enough for solving our seemingly insurmountable problem (which has caused us both a great deal of stress, and possibly contributed to my recent stroke). We hope you will accept, once again, our most sincere thanks!'

Financial review

Summary of position

The statement of Financial Activities for the year on page 14 shows a surplus of income over expenditure in the year of £40,143 (2020/21 – surplus £132,757). The maintenance of the surplus was achieved by managing costs, despite a fall in income. The year end position showed an increase in unrestricted reserves to 9 months cash expenditure.

Income

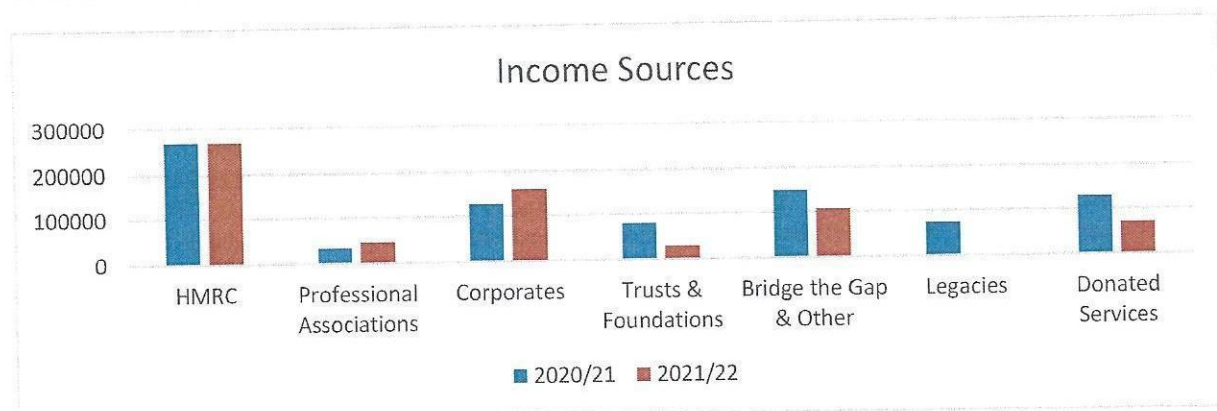
The total cash income amounted to £616,687 (2020/21 £738,944, of which £74,920 arose from the legacy received in 2020/21). The reduction, discounting the legacy, amounting to £47,337, reflected the increased difficulty of continuing to raise funds directly from supporters through virtual events and appeals in the second year of the pandemic.

Tax Volunteers had been successful in receiving strong support for its appeal for funding in the first year of the pandemic, and in the 2021/22 financial year were again supported strongly by the Chartered Institute of Taxation (CIOT), and the Association of Taxation Technicians (ATT), focussing on the objective to advance tax education. We were also successful in receiving continuation funding from the Julia and Hans Rausing Trust as well as continued support from the Worshipful Company of Tax Advisers.

In this, the second year of the pandemic, it was still not possible to plan or attend face to face fundraising events and the fundraising campaign, run for the joint benefit of Tax Volunteers and TaxAid, also found that the enthusiasm to run and attend virtual fundraising events had diminished. This trend applied not only to charity organised events, but also to those of our corporate supporters. However, the routine of delivering a programme of virtual CPD events, started in 2020/21 was continued successfully in 2021/22. As a result of these factors the net position was an overall reduction in the income to the Bridge the Gap campaign,

³ Joseph Rowntree Poverty Report 2022

The total income from each source is shown below.



Expenditure

Expenditure in the year ended 31 March 2022 (excluding donated services and facilities) amounted to £576,544, 4.9% less than the previous year. This reduction in expenditure was planned and expenditure on recruitment frozen in the second six months of the year when the difficulty of hitting targets from virtual events other than CPD events was clear. This maintained the surplus position but delayed anticipated development in the charity.

As the hybrid working model developed the decision was taken to reduce the size of the office, and a new lease was arranged from August 2022 to occupy one floor rather than the two that had previously been rented at Unit 1, Pineapple Business Park. While the impact of this cost saving was not realised in 2021/22, the move to a new phone supplier to further facilitate the hybrid working model did reduce spend on phone charges by 50% in 2021/22. It should also be noted that during the year the continued COVID restrictions continued to limit volunteer support and pro bono support from the tax profession, reflected in the decreased Gift in Kind value.

Supporting staff during the pandemic and recognising the value of their critical contribution to the success of the charity was a key objective and as result Tax Volunteers became a Living Wage Employer in 2022, joining over 11,000 UK businesses who believe their staff deserve a wage which meets everyday needs - like the weekly shop, or a surprise trip to the dentist. In addition, Tax Volunteers also established a career pathway to provide staff with support to take the first steps in a career in tax. The cost of these initiatives was included in the budgeted costs.

Reserves

The free reserves at 31 March 2022 are £466,130 (2020/21 £425,987) which is more than nine 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.

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. 1 trustee received reimbursed expenses from the charity during the year as detailed in note 9.

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 subject to charity good practice 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.

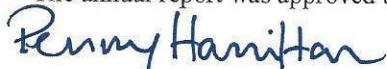
Tax Volunteers continues to work closely with TaxAid. The two charities share the same Senior Management Team and work together under a collaboration agreement which not only achieves cost-efficiencies through sharing back-office services, but also facilitates synergy between the two charities.

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.

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 14.11.22..... and signed on its behalf by:



P A Hamilton
Trustee

Tax Volunteers

Statement of Trustees' Responsibilities

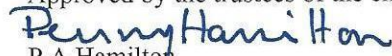
The trustees (who are also the directors of Tax Volunteers for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable 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 14.11.22 and signed on its behalf by:


P A Hamilton
Trustee

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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 2022, 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 2022 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 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 charity 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 9), 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 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.
- reading the minutes of meetings of those charged with governance; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

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.

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.


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

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Date: 18 January 2023

Tax Volunteers

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2022	Note	Unrestricted £	Restricted £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	197,189	343,300	540,489
Charitable activities	4	-	147,658	147,658
Investment income	5	20	-	20
Total Income		<u>197,209</u>	<u>490,958</u>	<u>688,167</u>
Expenditure on:				
Raising funds		(36,724)	-	(36,724)
Charitable activities		<u>(120,342)</u>	<u>(490,958)</u>	<u>(611,300)</u>
Total Expenditure	6	<u>(157,066)</u>	<u>(490,958)</u>	<u>(648,024)</u>
Net income		<u>40,143</u>	<u>-</u>	<u>40,143</u>
Net movement in funds		40,143	-	40,143
Reconciliation of funds				
Total funds brought forward		<u>425,987</u>	<u>1,071</u>	<u>427,058</u>
Total funds carried forward	18	<u>466,130</u>	<u>1,071</u>	<u>467,201</u>
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>

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

The funds breakdown for 2021 is shown in note 18.

The notes on pages 17 to 31 form an integral part of these financial statements.

Tax Volunteers

(Registration number: 04894491)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	<u>4,703</u>	<u>5,566</u>
		<u>4,703</u>	<u>5,566</u>
Current assets			
Debtors	13	93,539	94,547
Cash at bank and in hand	14	<u>414,586</u>	<u>416,318</u>
		508,125	510,865
Creditors: Amounts falling due within one year	15	<u>(45,627)</u>	<u>(89,373)</u>
Net current assets		<u>462,498</u>	<u>421,492</u>
Net assets		<u>467,201</u>	<u>427,058</u>
Funds of the charity:			
Restricted		1,071	1,071
Unrestricted income funds			
Unrestricted		<u>466,130</u>	<u>425,987</u>
Total funds	18	<u>467,201</u>	<u>427,058</u>

The financial statements on pages 14 to 31 were approved by the trustees, and authorised for issue on ~~14.11.22~~ and signed on their behalf by:



.....
J G Whitehead
Trustee



.....
P A Hamiton
Trustee

The notes on pages 17 to 31 form an integral part of these financial statements.

Tax Volunteers

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		40,143	132,757
Adjustments to cash flows from non-cash items			
Depreciation		3,438	3,550
Investment income	5	<u>(20)</u>	<u>(52)</u>
		43,561	136,255
Working capital adjustments			
Decrease/(increase) in debtors	13	1,008	(4,454)
(Decrease)/increase in creditors	15	<u>(43,746)</u>	<u>58,322</u>
Net cash flows from operating activities		<u>823</u>	<u>190,123</u>
Cash flows from investing activities			
Interest receivable and similar income	5	20	52
Purchase of tangible fixed assets	12	(3,510)	(666)
Sale of tangible fixed assets		<u>935</u>	<u>-</u>
Net cash flows from investing activities		<u>(2,555)</u>	<u>(614)</u>
Net (decrease)/increase in cash and cash equivalents		(1,732)	189,509
Cash and cash equivalents at 1 April		<u>416,318</u>	<u>226,809</u>
Cash and cash equivalents at 31 March		<u><u>414,586</u></u>	<u><u>416,318</u></u>

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

The notes on pages 17 to 31 form an integral part of these financial statements.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

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 2022

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 2022

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.

	2022	2021
Advice services	83%	81%
Tax education	6%	6%
Cost of raising funds	7%	10%
Governance costs	4%	3%

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 2022

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 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 2022

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 2022

3 Income from donations and legacies

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds £	2022 £	2021 £
HM Revenue & Customs	-	270,000	270,000	270,000
Chartered Institute of Taxation	-	30,000	30,000	20,000
Association of Taxation Technicians	-	13,300	13,300	10,000
XPS	15,000	-	15,000	12,000
The Julia and Hans Rausing Trust	-	30,000	30,000	80,000
Tax Advisers' Charitable Trust	4,000	-	4,000	4,000
Estate of Mr F B Clowes	-	-	-	74,920
HMRC CJRS	-	-	-	5,174
Gift aid and other donations	106,709	-	106,709	146,640
Donated facilities and services	71,480	-	71,480	131,413
Total income 2022	<u>197,189</u>	<u>343,300</u>	<u>540,489</u>	<u>754,147</u>
Total income 2021	<u>368,973</u>	<u>385,174</u>	<u>754,147</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.

	2022 £	2021 £
BDO LLP	-	12,647
Deloitte	13,146	11,831
Freshfields	9,986	9,920
Kathleen Beryl Sleigh Charitable Trust	5,000	20,000
London Legal Support	4,176	-
Slaughter and May	-	4,950
Tax Advisers' Charitable Trust (the Worshipful Company of Tax Advisers)	4,000	4,000
Virtual CPD Events	25,210	-

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

4 Income from charitable activities

	Restricted funds £	Total 2022 £	Total 2021 £
AVIVA Life Services Ltd	32,650	32,650	32,650
Rothsay Life	84,000	84,000	52,500
Mineworkers Pension Scheme & British Coal Staff Superannuation Scheme	31,008	31,008	31,008
	<u>147,658</u>	<u>147,658</u>	<u>116,158</u>

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	20	20
Total for 2022	<u>20</u>	<u>20</u>
Total for 2021	<u>52</u>	<u>52</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

6 Expenditure on charitable activities

	Cost of raising funds £	Tax advice £	Tax education £	Governance costs £	Support costs £	Total 2022 £	Total 2021 £
Staff costs	18,132	230,044	15,298	11,049	164,883	439,406	468,134
Gifts in kind	-	71,480	-	-	-	71,480	131,413
Depreciation	-	-	-	-	3,438	3,438	3,550
Telephone	-	15,895	-	-	-	15,895	31,868
Postage and stationery	-	1,498	-	-	3,324	4,822	4,925
Advertising	-	972	-	-	-	972	1,500
Legal and professional fees	-	-	-	7,643	428	8,071	4,217
Volunteer expenses	-	1,871	-	56	-	1,927	1,563
Rent, rates and services	-	-	-	-	47,034	47,034	46,977
Bank charges	-	-	-	-	307	307	307
Audit	-	-	-	6,910	-	6,910	4,987
Insurance	-	-	-	408	2,400	2,808	2,905
Repairs and maintenance	-	-	-	-	1,431	1,431	1,527
Staff travel and training	-	1,172	-	-	5,314	6,486	1,817
Computer costs	-	-	-	-	35,825	35,825	31,090
Bridge The Gap event expenses	-	-	-	-	455	455	-
Sundry	-	-	-	-	757	757	820
	18,132	322,932	15,298	26,066	265,596	648,024	737,600
Support costs	18,592	220,444	15,936	10,624	(265,596)	-	-
Total expenditure 2022	36,724	543,376	31,234	36,690	-	648,024	-
Total expenditure 2021	55,686	620,791	33,354	27,769	-	737,600	-

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Operating leases - other assets	(37,264)	(39,223)
Audit fees	(6,910)	(4,987)
Depreciation of fixed assets	<u>(3,438)</u>	<u>(3,550)</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.

The trustees' travelling expenses are reimbursed in respect of expenses incurred on charity business. In the year 1 trustee claimed reimbursement of travelling expenses totalling £56 (2021 - £nil).

9 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	396,005	425,926
Social security costs	23,840	28,083
Pension costs	18,646	14,617
Other staff costs	<u>915</u>	<u>(492)</u>
	<u>439,406</u>	<u>468,134</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 or on joint employment contracts with TaxAid UK ((Note 21) which includes the senior management team), was 24 (2021 - 24).

The monthly average number of persons employed by the charity or working for the benefit of the charity, expressed as full-time equivalents was as follows:

	2022 No	2021 No
Raising funds	0.6	1.0
Advice services	8.1	8.3
Tax education	0.5	0.6
Support	5.8	5.6
Governance	<u>0.4</u>	<u>0.4</u>
	<u>15.4</u>	<u>15.9</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

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 £39,816 (2021 - £42,024) which includes the grossing up of costs to cover travelling between two places of work.

10 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>6,000</u>	<u>6,000</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 2021	10,905	31,433	39,104	19,228	100,670
Additions	-	-	2,822	688	3,510
Disposals	-	-	(935)	-	(935)
At 31 March 2022	<u>10,905</u>	<u>31,433</u>	<u>40,991</u>	<u>19,916</u>	<u>103,245</u>
Depreciation					
At 1 April 2021	10,637	31,049	35,049	18,369	95,104
Charge for the year	268	230	2,368	572	3,438
At 31 March 2022	<u>10,905</u>	<u>31,279</u>	<u>37,417</u>	<u>18,941</u>	<u>98,542</u>
Net book value					
At 31 March 2022	<u>-</u>	<u>154</u>	<u>3,574</u>	<u>975</u>	<u>4,703</u>
At 31 March 2021	<u>268</u>	<u>384</u>	<u>4,055</u>	<u>859</u>	<u>5,566</u>

13 Debtors

	2022 £	2021 £
Trade debtors	38,622	22,000
Prepayments	17,446	4,596
Other debtors	<u>37,471</u>	<u>67,951</u>
	<u>93,539</u>	<u>94,547</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

14 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	<u>414,586</u>	<u>416,318</u>

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,917	1,842
Other taxation and social security	6,873	18,222
Other creditors	5,587	63,107
Accruals	<u>30,250</u>	<u>6,202</u>
	<u>45,627</u>	<u>89,373</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:

	2022 £	2021 £
Land and buildings		
Within one year	<u>11,964</u>	<u>26,920</u>
Other		
Within one year	3,840	3,840
Between one and five years	<u>-</u>	<u>3,840</u>
	<u>3,840</u>	<u>7,680</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 £18,646 (2021 - £14,617).

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

18 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
<i>General</i>				
General fund	425,987	197,209	(157,066)	466,130
Restricted funds				
HM Revenue & Customs	-	270,000	(270,000)	-
Aviva Life Services Ltd	-	32,650	(32,650)	-
Chartered Institute of Taxation	-	30,000	(30,000)	-
Association of Taxation Technicians	-	13,300	(13,300)	-
Esmée Fairbairn	1,071	-	-	1,071
Julia and Hans Rausing Trust	-	30,000	(30,000)	-
Rothsay Life	-	84,000	(84,000)	-
Mineworkers Pension Scheme & British Coal Staff Superannuation Scheme	-	31,008	(31,008)	-
Total restricted funds	<u>1,071</u>	<u>490,958</u>	<u>(490,958)</u>	<u>1,071</u>
Total funds	<u><u>427,058</u></u>	<u><u>688,167</u></u>	<u><u>(648,024)</u></u>	<u><u>467,201</u></u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
<i>General</i>				
General fund	289,070	369,025	(232,108)	425,987
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 funds	<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>

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 2022

19 Analysis of net assets between funds

	Unrestricted		Total funds at 31 March 2021
	General £	Restricted £	£
Tangible fixed assets	4,703	-	4,703
Current assets	507,054	1,071	508,125
Current liabilities	(45,627)	-	(45,627)
Total net assets	<u>466,130</u>	<u>1,071</u>	<u>467,201</u>

	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>

20 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>416,318</u>	<u>(1,732)</u>	<u>414,586</u>
Net debt	<u>416,318</u>	<u>(1,732)</u>	<u>414,586</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2022

21 Related party transactions

TaxAid UK, a related party by virtue of shared CEO, Valerie Boggs, operated the payroll on behalf of Tax Volunteers during the year in relation to employees held on joint employment contracts. Payroll costs for the year and recharged from TaxAid UK to Tax Volunteers totalled £437,297 (2021 - £nil). No amounts were outstanding at the year end in respect of payroll costs.

Tax Volunteers and TaxAid UK had previously recharged remuneration in relation to some staff with duties and responsibilities for both Tax Volunteers and TaxAid UK through the service company Tax Volunteers Service Company Limited, a related party by virtue of J G Whitehead and P A Hamilton being directors of both companies. This arrangement ceased as of 31 March 2021 and no salary costs were recharged in this way in the year ended 31 March 2022 (2021 - £151,553). The balance owed to Tax Volunteers Service Company Limited at the year end was £500 (2021 - £2,936). Tax Volunteers Service Company Limited ceased operation during the period.

During the year, net income totalling £87,224 (2021 - £120,000) was collected by TaxAid UK on behalf of Tax Volunteers in connection with the Bridge The Gap fundraising initiative. Expenses totalling £455 (2021 - £nil) were also incurred by TaxAid UK in connection with the project. At the year end, the amount due from TaxAid UK, included in other debtors in the financial statements, was £10,693 (2021 - £30,000). A further £3,157 (2021 - £6,950) included within other debtors is due from TaxAid UK in relation to recharged shared costs and £8,674 (2021 - £60,172) included within other creditors is due to TaxAid UK in relation to recharged shared costs.

