
ADVICE SERVICES ALLIANCE

UNAUDITED TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**Company Number: 3533317 (England and Wales)
Charity Number: 1112627**

ADVICE SERVICES ALLIANCE

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ADVICE SERVICES ALLIANCE

Legal and administrative information

Trustees	Martin Barnes Julie Bishop John Edwards Ruth Hayes John Roberts
Co-opted Board Members:	Cassandra Harrison (from April 2020) Leanne Devine (from September 2020) Sean Conroy (from September 2020)
Officers	
Chair	Ruth Hayes (until July 2021)
Vice Chair	John Edwards
Treasurer	John Roberts
Company Secretary	Lindsey Poole
Chief Executive	Lindsey Poole
Staff	Dawn Draper Rachel Russell
Volunteers	David Pincott (Covid19 Campaign) Kani Kundu (Future workforce report)
Consultants	Tessa Awe Anita Sangha
Patron	Lord Low of Dalston
Company Number Charity Number	3533317 (England and Wales) 1112627
Registered Office	Tavis House 1-6 Tavistock Square London WC1H 9NA
Business Address	7 th Floor, Tavis House 1-6 Tavistock Square London WC1H 9NA
Independent Examiner	Catherine Biscoe Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitors	Russell-Cooke 2 Putney Hill Putney
Bankers	London SW15 6AB Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB

ADVICE SERVICES ALLIANCE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees of Advice Services Alliance present their report and the financial statements for the year ended 31 March 2021.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and equates to a directors' report for the purposes of company legislation.

The financial statements comply with current statutory requirements, the memorandum and articles of association and have been prepared in accordance with the accounting policies on pages 13 to 15 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission when reviewing our aims and objectives and in planning our future activities.

Objectives and activities

Charitable objects

The Charitable objects of the Advice Services Alliance as adopted on the 28th February 2020 by special resolution are as follows:

- (1) to promote for the benefit of the public the parts of the Voluntary Sector which provide advice services by providing training, services, support and assistance to enable Voluntary Sector advice organisations to provide high quality advice services and the public to access those services and by promoting co-operation between Voluntary Sector advice organisations and statutory authorities and other bodies;
- (2) to advance education for the benefit of the public in particular by the development of high quality advice services and by the provision of educational material including educational resources relating to advice services and an information service on the internet.

Activities

The activities of the Advice Services Alliance are:

“To promote voluntary sector advice services by providing members services, support and assistance, to enable advice organisations to provide high quality services and the public to access those services, by promoting cooperation between voluntary sector advice organisations, statutory authorities and other bodies. To advance education of the public through the development of high quality advice.”

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

The ASA Board of Trustees held their annual strategy day at the end of February 2020. By this time, it was becoming clear that the threat of Covid 19 was serious and that this would have a major impact of all parts of society including the ASA and our members.

This year represented the second year in our three year transformation strategy, representing the time when we planned to make the change towards a new structure and purpose. The Trustees therefore set the annual objectives for 2020-2021 as:

- Promote the whole advice sector with the public, with government, with funders and with other key stakeholders.
- Represent the body of the advice sector where independent and impartial voice is required.
- Provide a trusted and impartial point of contact for stakeholders seeking to engage with the advice sector.
- Support and engage with others (including the voluntary sector, the pro bono sector, government and funders) whose work will benefit the whole advice sector.
- Run an annual conference to bring the advice sector together to share learning and promote partnership and collaboration between services.
- Provide other events (such as regional forums, training) in relation to cross sector issues and to raise the profile of the advice sector, as identified by our membership.
- Act as an 'evidence champion' for the sector on issues relating to the provision of advice services, promoting research and sharing evidence on the sector.
- Provide a 'portal' for accessing information about the advice sector and the provision of advice including quality assurance.
- Undertake projects and provide services where there is a clear cross sector purpose and benefit.

When the national lockdown was announced a number of key decisions were taken by the trustees to secure the future of the Advice Services Alliance:

- The National Conference due to run on 1st April 2020 was cancelled;
- Two members of staff were placed on full time furlough for the period April – June 2020, leaving staff team of one; and
- The focus of the work was to support the advice sector in whatever way was possible in order to ensure its future through the pandemic.

The main achievements of the year April 2020 to March 2021 are therefore split into the first quarter, followed by the remaining three financial year quarters:

First Quarter:

- Actioned Business Continuity Plan to set up 'working from home' arrangements including securing paper documents in safe storage and closing office space.
- Re-negotiating the terms of the AQS assessment visits with the Framework owners (Welsh Government and the Money and Pensions Service) and with passported organisations (Citizens Advice and Age UK) to ensure Covid19 compliance.
- Undertook survey of advice services which was used in negotiations with the Ministry of Justice and formed the backbone of a communication strategy, focusing on the role of advice services in the Covid 19 recovery.

Achievements and performance (continued)

First Quarter (continued):

- Engaged in and contributed to consultations with Ministry of Justice, the Money and Pensions Service, the Access to Justice Roundtables and contributed to Lord Low's speech in House of Lords
- Undertook regular meetings aimed at health and well-being of staff, particularly those on furlough.

Last Three Quarters

The focus of the last three quarters of the year again was on highlighting issues and problems for the voluntary social welfare advice sector. This included:

- Undertook a research project on Future of the Advice Sector Workforce, examining the loss experienced advisors and the succession plans for bringing in new (younger) advice workers. The report was published and launched at an on line event.
- Met with the London Funders regarding the workforce issues identified and the impact this may have on the future of the sector.
- Held an on-line Standing Committee of Advice Research and Evaluation, highlighting research and evaluation from the lockdown period.
- Contributed to a range of cross sector meetings including the Access to Justice Roundtables, and which we have subsequently joined the Steering Group.
- Continued to promote the work on quality assurance issues including considering the adaptations required to the Advice Quality Standard, supporting the assessor body and the assessors, and liaising with the Framework owners regarding assessments.
- Held an on-line event looking at the issues in relation to quality assurance in the advice sector.
- Progressing work with the Welsh Government and with the Welsh Independent Advice Providers Forum.
- Highlighted the issues facing organisations working with Black, Asian and Minority Ethnic Groups in article published in LAG and then latterly secured funding for research to support such organisations.
- Represented the advice sector on the Administrative Justice Council, working with the Advice Sector Panel on the DWP Costs of Poor First Instance decision Making (with Pro Bono Economics) and with the Academic Panel on the work regarding the impact of Covid 19 on the advice sector and the benefits of Advice in health settings.
- Re-designed web site and added additional functionality in order to reflect new approaches to advice.

Despite the uncertainty created around Covid 19, the year ended with greater optimism about the role of advice in the recovery from the pandemic and with a good outlook for new partnerships and projects into the next year.

We would like to pay tribute to the staff team (Dawn and Rachel) for their incredible endurance during the most difficult year and our consultants who have stuck with us (Samuel, Tessa and Anita). An enormous thank you to the incredible volunteers, David and Kani who supported the ASA so generously with their time and expertise. Without our people we are nothing and all our achievements belong to you.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Financial report for the year

The charity had expenditure on unrestricted funds of £76,130 (2020 – £68,876) and £88,217 of income on unrestricted funds (2020 – £80,116) which resulted in a surplus for the year of £12,117 (2020 –surplus of £11,240). Together with the accumulated surplus brought forward from previous years, the charity now has an accumulated surplus on unrestricted funds in the sum of £118,599 (2020 – £106,482).

The charity received £47,714 of restricted funding (2020 - £81,419) for two projects, as detailed in note 10, and at 31 March 2021 all restricted funds had been fully spent (2020 – unspent restricted funds of £nil).

Reserves policy

The trustees have established a policy whereby the charity's 'free' reserves, being total unrestricted funds excluding designated funds, should be between three and six months of the charity's operational expenditure, in order to provide the charity with sufficient working capital to fund its existing charitable commitments . Based on the financial performance for 2020/21, free reserves should be in the range of £31,000 and £62,000.

At this level, the Trustees feel that they would be able to continue the activities of the charity in the event of a significant drop in funding. In such circumstances, the Board would consider how funding would be replaced or activities changed. At present the free reserves as represented by the General Fund amount to £73,959 and are in excess of the upper range set by the Trustees.

Designated funds

The funds of the charity include the following designated funds that have been set aside out of unrestricted funds by the Trustees for a specific purpose.

- ◆ The staff costs fund has been set up to provide for unexpected staff costs arising from redundancy, maternity and long term sickness, and to enable the organisation to be able to continue to provide its services by engaging temporary staff.
- ◆ The computer upgrading fund has been set aside to ensure that the quality of computer equipment is maintained and has been assigned for purposes of all computer equipment including software upgrades, hardware, plus printers and other associated equipment.
- ◆ The website development fund relates to the requirement to maintain two up-to-date websites with maximum functionality. To achieve this, the websites need to be redesigned on a regular basis and occasionally more frequently in emergencies for example website crashes.

The amount of the fund and movements in the year are shown in note 10 in the accounts.

Fund raising

The charity does not fundraise directly with individuals and therefore is not registered with the Fundraising Regulator. No fundraising activities are undertaken.

Investment policy and performance

Cash reserves are monitored and any funds not required to fund current operations will be held in a high-interest deposit account.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Constitution

Advice Services Alliance is constituted as a charity and a company limited by guarantee. Advice Services Alliance governing document is its Memorandum and Articles of Association which was recently updated and approved by the Board of Trustees on 28th February 2020. The makes a clear distinction between the membership and the Board of Trustees in order to avoid real or perceived conflicts of interest. Member organisations do not automatically gain seats on the Board, although member organisations are entitled to nominate people to stand as Trustees.

Membership

Advice Services Alliance was established in 1980 and is the umbrella body for voluntary advice and information services. Our members are national networks for independent advice services in England and Wales, some of which also cover other countries within the UK. Together, the members represent some 1,800 advice organisations, most of which provide services locally. The membership for the year 2020-2021 comprised of the following network bodies:

- ◆ Age UK
- ◆ Citizens Advice
- ◆ Law Centres Network
- ◆ Macmillan Cancer Support
- ◆ Shelter
- ◆ Shelter Cymru
- ◆ Youth Access

Relationship with members

Advice Services Alliance works closely with its member organisations in a number of ways:

- ◆ consults members on policy proposals and initiatives relating to the provision of advice services;
- ◆ represents members' views in discussions with government, funders of advice services and other organisations concerned with advice provision;
- ◆ works with members, including through working groups and day-to-day contact with policy, development and managerial staff of the networks;
- ◆ provides information and policy advice to members; and
- ◆ provides some direct services to advice organisations belonging to member networks.

This year, our contact with members has primarily focused on the impact of Covid19 on the sector and the issues this presents to our clients and to our communities' recovery from the pandemic.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

Risk management

The Trustees have assessed the major risks to which Advice Services Alliance is exposed and this is presented in the form of a Risk Assessment document. The key risk for all voluntary organisations during this year was:

- Impact of the global pandemic on our clients, our services, our communities and on our ability to raise funds, particularly during the recovery period

However, the other main risks which we had identified in previous years still remain. These are:

- ♦ Loss of key personnel that would severely limit the ability to perform activities and meet objectives;
- ♦ Loss of income, particularly unrestricted income based on Advice Quality Standard licence fees; and
- ♦ Catastrophic failure of IT systems including lap tops and access to internet (websites, cloud based storage etc).

The Board review the Risk Assessment on a quarterly basis and adjust strategy accordingly including reviewing the mitigating actions. For the three risks identified here, the following mitigation is in place:

- ♦ Designated funds have been assigned to cover the cost of the Chief Executive's salary and her replacement during an unexpected long absence. Involvement of Trustees in the business plan and good quarterly financial reporting ensures Trustees are well informed of work plans and work progress.
- ♦ A priority of the Chief Executive is to focus on growth within the Advice Quality Standard by increasing the numbers of holders and initiate new products and processes to support the development of the Standard.
- ♦ Strong back up systems are already in place for IT, together with procedures to ensure IT support contracts are in place and that IT equipment is renewed on a regular basis, prior to need.

The Board is satisfied that there are adequate systems in place to mitigate exposure to the main risks.

Key management personnel

The Trustees consider that the Board of Trustees and the Chief Executive comprise the key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis.

The Trustees give their time freely and no trustees received remuneration in the year (2019 - £nil).

The pay of the Chief Executive is reviewed annually. The review is undertaken by the Trustees at the end of the financial year. Any changes to pay and benefits are determined by reference to average local authority pay settlements.

Trustees

In accordance with the Articles of Association, each member has the right (but not an obligation) to appoint two Trustees to the organisation. The Trustees have the power to appoint co-opted Trustees.

The Trustees perform the role of Directors in company law and are the Trustees in charity law.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

Trustees (continued)

Those who served during the year and to the date of this report were:

Trustee	Appointed/Resigned in the year
Martin Barnes (independent trustee)	
Julie Bishop (member representative LCN)	
Alice Copping (independent trustee)	Resigned July 2021
John Edwards (member representative Age UK)	
Ruth Hayes (independent trustee)	
John Roberts (independent trustee)	

Trustee training and induction

Trustees are inducted by the Board and the Advice Services Alliance Chief Executive, who together provide induction sessions as appropriate. Most Trustees are either senior staff in organisations providing advice services (some of which are also members of the Advice Services Alliance) or independent trustees with a strong personal or professional interest in advice work. Most trustees have worked closely with Advice Services Alliance in the past and are therefore familiar with the work of the organisation when they join the Board.

Officers

The Trustees must appoint one of themselves as Chair of the organisation. The Trustees appointed Ruth Hayes as Chair in March 2020. The Trustees may also appoint one of themselves as Vice-Chair, and may appoint a Treasurer or other officers. The Trustees appointed John Roberts as Treasurer in December 2016. The Trustees must appoint a Secretary, who need not be a Trustee. The Company Secretary is Lindsey Poole.

Decision making

The Board of Trustees meets quarterly, and is responsible for the governance and strategic management of the organisation. This includes:

- ♦ setting overall objectives for the organisation;
- ♦ identifying priority areas for the work of the organisation;
- ♦ taking policy decisions on issues likely to have a major impact on the organisation or its member networks; and
- ♦ approving and monitoring the organisation's budget.

Responsibility for the operational management of the organisation is delegated to the Chief Executive. This includes responsibility for:

- ♦ financial management;
- ♦ planning, provision and management of services to members and other activities;
- ♦ consultation with members on policy matters; and
- ♦ the content of policy responses, reports, briefings and other published materials.

The Chief Executive's delegated decision making powers are exercised in accordance with agreed policies, procedures and protocols (for example relating to financial management and working with members).

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

Trustees (continued)

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

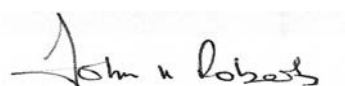
- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom 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 operation.

The trustees are responsible for keeping proper accounting records that 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies including the exemption from preparing a strategic report.

Signed on behalf of the trustees by:



Trustee

Approved by the trustees on 9 December 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ADVICE SERVICES ALLIANCE

I report to the charity trustees on my examination of the financial statements of the charitable company for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charitable company and also its directors for the purposes of company law, you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe in any material respect:

- ◆ accounting records were not kept in respect of the charitable company as required by section 386 of the Companies Act 2006; or
- ◆ the financial statements do not accord with those records; or
- ◆ the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- ◆ the financial statements have not been prepared in accordance with the methods and principles of the for "Accounting and Reporting by Charities: the 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)"

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Buzzacott LLP

Catherine Biscoe
Buzzacott LLP
Chartered Accountants
130 Wood Street
London EC2V 6DL

Date: 21 December 2021

ADVICE SERVICES ALLIANCE

STATEMENT OF FINANCIAL ACTIVITIES

(Including Income and Expenditure Account)

For the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Year to 31 March 2021 Total £	Unrestricted funds £	Restricted funds £	Year to 31 March 2020 Total £
Income							
Charitable activities	1	88,217	47,714	135,931	80,116	81,419	161,535
Total income		88,217	47,714	135,931	80,116	81,419	161,535
Expenditure							
Charitable activities	2	76,130	47,684	123,814	68,876	91,480	160,356
Total expenditure		76,130	47,684	123,814	68,876	91,480	160,356
Net income / (expenditure) for the year		12,117	—	12,117	11,240	(10,061)	1,179
Net movement in funds					11,240	(10,061)	1,179
Balance brought forward at 1 April 2020		106,482	—	106,482	95,242	10,061	105,303
Balance carried forward at 31 March 2021	10	118,599	—	118,599	106,482	—	106,482

All activities derive from continuing operations.

All recognised gains and losses are included in the statement of financial activities.

ADVICE SERVICES ALLIANCE

Balance sheet 31 March 2021

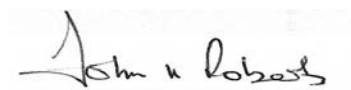
	Notes	31 March 2021 £	31 March 2020 £
Current assets			
Debtors	8	18,022	37,952
Cash at bank and in hand		119,472	81,866
		137,494	119,818
Creditors: amounts falling due within one year	9	(18,895)	(13,336)
Net assets		118,599	106,482
The funds of the charity:			
Funds			
Restricted funds		—	—
Unrestricted funds			
. Designated funds		45,000	45,000
. General fund		73,599	61,482
	10	118,599	106,482

For the year ended 31 March 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006, relating to small companies.

- a. Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- b. The trustees, as directors, acknowledge their responsibility for:
- ensuring the company keeps accounting records which comply with section 386 of the Companies Act 2006, and
 - preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006.

Approved by the board of trustees and signed on its behalf by:



Trustee

Company registration number 3533317 (England and Wales)

Approved on 9 December 2021

Principal accounting policies 31 March 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2021.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policies below.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling, the charity's functional currency, and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

Other than noted in the "assessment of going concern" the Trustees do not consider that there are any sources of estimation uncertainty or key judgements made in the preparation of the financial statements.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The full impact of the global coronavirus pandemic is still unknown and it is therefore not currently possible to evaluate all the future implications for the charity's activities, funders and the wider economy. An immediate impact was the furlough of staff and a temporary loss of income however the trustees are satisfied that the business continuity measures put in place, together with the charity's cash reserves, would allow the charity to continue to operate for the ensuing year.

The Trustees having considered the future impact of the pandemic on the charity's future funding commitments, have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern.

Principal accounting policies 31 March 2021

Fund accounting

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

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

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

Income

Income from charitable activities includes income received under contracts for the provision of services and grant funding which is subject to specific performance conditions. Income from the provision of services is recognised as earned as the related services are provided and is stated after discounts and net of Value Added Tax.

Grant income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Grant income from charitable activities is only deferred when:

- ◆ The donor or grantor specified that the grant or donation must only be used in future accounting periods; or
- ◆ The donor or grantor has imposed conditions which must be met before the company has unconditional entitlement.

Training and subscription income is deferred when received in advance of the training taking place or the subscription being used.

License income represents an assignment of rights for a fixed fee and permits the licensee to exploit those rights freely. The charity, as licensor, has no remaining obligations to perform under the terms of the license agreement and revenue is recognised at the time the license is sold.

Expenditure

Expenditure is recognised once there is a legal and constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities comprises:

- a. Costs of generating funds incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- b. The direct and support costs relating to charitable activities.
- c. Governance costs include the cost of an Independent Examination of the statutory financial statements, the costs of trustees meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Principal accounting policies 31 March 2021

Expenditure (continued)

- d. Support costs include central functions and have been allocated to activity cost categories on the basis of staff involved in the activity.
- e. The amount of any unrecoverable Value Added Tax is charged to the activity on which it is incurred.

Pensions

The charity operates a group personal pension scheme for its employee and contributes to the personal pension scheme. The pension charge, based on 6% of gross salary represents the amounts payable by the charity to the funds in respect of the year.

Financial instruments

The charity only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities and their measurement basis is as follows:

Financial assets –other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 8. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities –accruals are financial instruments and are measured at amortised cost as detailed in note 9. Taxation and social security are not included in the financial instrument disclosure definition.

Debtors

Other debtors are initially recognised at their settlement amount and subsequently at amortised cost or their recoverable amount. Impairment provisions are recognised when there is objective evidence, such as significant financial difficulties on the part of the counterparty or default or a significant delay in payment, that the charity will be unable to collect the amount due.

Prepayments and accrued income are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

ADVICE SERVICES ALLIANCE

Notes to the financial statements 31 March 2021

1. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Peer Review	—	28,524	28,524	—	10,676	10,676
Membership	2,225	—	2,225	5,546	—	5,546
Quality Monitoring	72,720	—	72,720	74,570	—	74,570
Greater London Authority	—	—	—	—	65,743	65,743
Size of the Sector	—	—	—	—	5,000	5,000
BAME advice project	—	19,190	19,190	—	—	—
Covid-19 Grants	13,272	—	13,272	—	—	—
Total funds	88,217	47,714	135,931	80,116	81,419	161,535

Covid 19 grants represent furlough income.

2. Expenditure on charitable activities

	Fees and salaries £	Direct costs £	Support costs £	2021 £
Peer Review	19,575	—	8,230	27,805
Membership	11,957	—	5,144	17,101
Quality Monitoring	23,691	1,120	9,809	34,620
Design and development	5,247	—	3,060	8,307
BAME Advice Project	12,370	525	—	12,895
External Stakeholders	14,495	—	6,119	20,614
Website development costs	—	—	2,472	2,472
Total funds	87,335	1,645	34,834	123,814

	Fees and salaries £	Direct costs £	Support costs £	2020 £
Peer Review	16,447	709	14,610	31,766
Membership	7,307	42	2,841	10,190
Quality Monitoring	41,006	319	20,562	61,887
Design and development	7,307	—	2,841	10,148
Protocols	7,395	38,970	—	46,365
Total funds	79,462	40,040	40,854	160,356

	Fees and salaries £	Direct costs £	Support costs £	2021 £
Allocated between:				
Unrestricted funds	53,151	1,120	21,859	76,130
Restricted funds	34,184	525	12,975	47,684
	87,335	1,645	34,834	123,814

	Fees and salaries £	Direct costs £	Support costs £	2020 £
Allocated between:				
Unrestricted funds	42,271	361	26,244	68,876
Restricted funds	37,191	39,679	14,610	91,480
	79,462	40,040	40,854	160,356

ADVICE SERVICES ALLIANCE

Notes to the financial statements 31 March 2021

3. Support costs

Support costs are allocated to the projects or activity on the basis of staff and consultants involved in the projects or activity.

	General office £	Premises costs £	Governance costs £	Support staff costs £	2021 £
Membership	2,108	320	467	2,249	5,144
Quality Monitoring	3,600	654	956	4,599	9,809
Design and development	1,245	191	280	1,344	3,060
Peer review	3,349	515	751	3,615	8,230
External Stakeholders	2,490	382	559	2,688	6,119
Website development costs	2,472	—	—	—	2,472
2021 Total funds	15,264	2,062	3,013	14,495	34,834

	General office £	Premises costs £	Governance costs £	Support staff costs £	2020 £
Membership	2,072	289	290	190	2,841
Quality Monitoring	14,797	2,062	2,074	1,629	20,562
Design and development	2,072	289	290	190	2,841
Peer review	10,654	1,485	1,493	978	14,610
2020 Total funds	29,595	4,125	4,147	2,987	40,854

Governance costs included within support costs consist of:

	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Independent examiner's fees	3,000	—	3,000	2,600	—	2,600
Other	13	—	13	1,547	—	1,547
Total funds	3,013	—	3,013	4,147	—	4,147

4. Grants receivable

Grants receivable in the year were:

	2021 £	2020 £
Peer Review	28,524	10,676
Greater London Authority	—	65,743
Size of the Sector	—	5,000
BAME Advice Project	19,190	—
Covid-19 Job Retention Scheme Grants	13,272	—
Total	60,986	81,419

ADVICE SERVICES ALLIANCE

Notes to the financial statements 31 March 2021

5. Net expenditure for the year

Net expenditure is stated after charging:

	2021 £	2020 £
Operating lease rentals		
. land and buildings	2,062	4,125

The charity is party to a licence agreement to occupy office space. The licence is renewed annually.

6. Staff costs including key management personnel and Trustees' remuneration

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	83,637	88,361
Social security costs	3,905	5,622
Pension costs	3,917	3,180
	91,459	97,163

The average number of employees during the year was 2.5 (2020 – 2.5).

No employee received emoluments of £60,000 or more (2020 – nil).

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the charity and are represented by the Trustees and Chief Executive. The total remuneration paid to the Chief Executive including National Insurance and pension costs was £56,125 (2020 – £57,090).

No Trustee received any emoluments.

No travel expenses of were reimbursed to any trustee (2020 – £107 to one trustee).

7. Taxation

Advice Services Alliance is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

ADVICE SERVICES ALLIANCE

Notes to the financial statements 31 March 2021

8. Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	13,234	2,859
Accrued income	4,788	35,093
	18,022	37,952

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Social security and other taxes	9,709	7,336
Accruals	9,186	6,000
	18,895	13,336

10. Statement of funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	61,482	88,217	(76,130)	73,599
Designated funds				
· Computer upgrading	5,000	—	—	5,000
· Staff costs	30,000	—	—	30,000
· Website development	10,000	—	—	10,000
Total unrestricted funds	106,482	88,217	(76,130)	118,599
Restricted funds				
Peer Review	—	28,524	(28,524)	—
BAME advice project	—	19,190	(19,190)	—
Total restricted funds	—	47,714	(47,714)	—
Total funds	106,482	135,931	(123,814)	118,599

ADVICE SERVICES ALLIANCE

Notes to the financial statements 31 March 2021

10. Statement of funds (continued)

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	50,242	80,116	(68,876)	61,482
Designated funds				
· Computer upgrading	5,000	—	—	5,000
· Staff costs	30,000	—	—	30,000
· Website development	10,000	—	—	10,000
Total unrestricted funds	95,242	80,116	(68,876)	106,482
Restricted funds				
Peer Review	10,061	10,676	(20,737)	—
Greater London Authority	—	65,743	(65,743)	—
Size of the Sector	—	5,000	(5,000)	—
Total restricted funds	10,061	81,419	(91,480)	—
Total funds	105,303	161,535	(160,356)	106,482

Restricted funds

Peer Review

This fund represented a grant received from Legal Education to fund a trial project. The project's current phase was completed in 2020/21 and the grant funding was fully spent at 31 March 2021.

BAME advice project

Funding was provided in 2020/21 by Trust for London to undertake a research project on Black, Asian and Minority Ethnic advice services and the funding was fully spent at 31 March 2021.

Greater London Authority

Funding was provided in 2019/20 to undertake a research project, "Advising Londoners". The project was completed by 31 March 2020.

Size of the Sector

Funding was received in 2019 to undertake a feasibility study on the size of the Advice Sector in England and Wales. The study had been completed by 31 March 2020.

Designated funds

The computer upgrading fund has been set aside to ensure that the quality of computer equipment is maintained and has been assigned for purposes of all computer equipment including software upgrades, hardware plus printers and other associated equipment.

The staff costs fund has been set up to provide for unexpected staff costs which could include long term sickness and the provision of temporary staff during absences of up to 4 months.

The website development fund relates to the requirement to maintain two up to date websites with maximum functionality. To achieve this, the websites need to be redesigned on a regular basis and occasionally more frequently in emergencies for example website crashes.

ADVICE SERVICES ALLIANCE

Notes to the financial statements 31 March 2021

11. Analysis of net assets between funds

	Designated funds £	General funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2021 are represented by				
Current assets	45,000	92,494	—	137,494
Current liabilities	—	(18,895)	—	(18,895)
	<u>45,000</u>	<u>73,599</u>	<u>—</u>	<u>118,599</u>
	Designated funds £	General funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2020 are represented by				
Current assets	45,000	74,818	—	119,818
Current liabilities	—	(13,336)	—	(13,336)
	<u>45,000</u>	<u>61,482</u>	<u>—</u>	<u>106,482</u>