

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

England & Wales · Charity number 1112999

Details

Other names SARC, SOUTHAMPTON ADVICE CENTRE

Status Registered

Legal form Charitable company

Company number [05582643](#)

Registered 2006-02-15

Register [View on the Charity Commission register](#)

Contact

Address 11 Porchester Road
Southampton
Hampshire
SO19 2JB

Phone 02380431435

Email admin@sarc.org.uk

Website www.sarc.org.uk

Activities

Objects: (A) THE RELIEF OF FINANCIAL HARDSHIP AMONG PEOPLE LIVING IN SOUTHAMPTON & EASTLEIGH, OR SUCH OTHER AREAS IN HAMPSHIRE AS THE DIRECTORS MAY FROM TIME TO TIME DEFINE. THIS WILL BE ACHIEVED BY PROVIDING SUCH PERSONS WITH ADVICE AND REPRESENTATION IN THE FIELDS OF WELFARE BENEFITS FOR ACTUAL OR POTENTIAL CLAIMANTS OR EMPLOYMENT LAW RIGHTS FOR EMPLOYEES. THIS ADVICE OR REPRESENTATION WILL BE OF A STANDARD THEY COULD NOT OTHERWISE ACCESS DUE TO FINANCIAL OR SOCIAL CONSTRAINTS. ALL SUPPORT MAY BE WITHDRAWN IF A BENEFICIARY REFUSES TO ABIDE BY SARC'S PROCEDURES INCLUDING SARC'S EQUAL OPPORTUNITY PROCEDURE.(B) EDUCATION IN RELATION TO RIGHTS & ENTITLEMENTS IN THE FIELDS OF WELFARE BENEFITS AND EMPLOYMENT LAW.

Activities: The provision of advice and representation in the fields of Welfare Benefits & Employment Law for residents of the Southampton and Eastleigh areas.

Classification

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

Geography

- **Area of benefit:** IN SOUTHAMPTON & EASTLEIGH OR SUCH OTHER AREAS IN HAMPSHIRE.
- Southampton City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£222,018	£212,903	-	-
2024-03-31	£257,115	£219,355	-	-
2023-03-31	£257,704	£265,186	-	-
2022-03-31	£251,638	£250,581	-	-
2021-03-31	£279,580	£252,213	-	-

Trustees

Name	Role	Appointed
Navtej Garewal	Chair	2026-05-13
Catherine McEwing		2018-09-12
DAVID GREGORY WRIGHTON		
DAVID IAN GOODALL		
Dr Joe Robert Atkinson		2023-12-06
Eamonn Francis Keogh		2025-11-12
JOHN BREAR		
Muhammad Safi		2023-12-06
ROBERT JOHN STOKES		2012-10-12

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

England & Wales - Charity number 1112999

Accounts

**SOUTHAMPTON ADVICE &
REPRESENTATION CENTRE**
(REGISTERED NUMBER : 05582643)

**REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025**

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The directors, who are also the trustees, present their report and the accounts for the year ended 31 March 2025.

Legal status

The company incorporated on 4 October 2005 and commenced its charitable activities on 1 April 2006. The registration number of the company is 5582643. The company is also a registered charity (number 1112999). The charity is constituted by its memorandum and articles of association.

The liability of the members is limited by their guarantee. In the event of the company being wound up during the period of their membership (or within a year following), members undertake to contribute such amounts as may be required, up to a maximum of £1.

Registered office

11 Porchester Road
Woolston
Southampton
SO19 2JB

Accountants

Knight Goodhead Limited
7 Bournemouth Road
Chandler's Ford
Eastleigh
Hampshire
SO53 3DA

Bank

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4JQ

Principal activity

The principal activity of the charity is the provision of advice and representation in the fields of employment law and welfare benefits to residents of Southampton.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Objectives and activities

Within the field of employment rights and welfare benefits, the charity aims to provide its clients with high quality, accurate advice and (where appropriate) representation at tribunals etc. This service is available to all who live within the area of Southampton and those from other areas such as trade unions and housing associations with which the charity has funding agreements.

The strategies for achieving these aims and objectives may be summarised as follows:

- a) Staff - all staff are encouraged to provide an exceptional level of commitment to the client group. The charity has a well developed training programme that ensures the quality of advice is sound, consistent and accurate;
- b) The Advice Service Alliance - adherence to the Quality Mark ensures that management and staff are committed to excellence based on a strong qualitative base;
- c) Centre of Excellence - the charity strives to be recognised as providing high quality advice and representation in its area of expertise;
- d) Specialists - the charity focuses only on its areas of expertise in welfare benefits and employment law;
- e) Outreach - in order to ensure that its services are available to all members of the community, the charity operated a number of outreach centres;
- f) Equality of opportunity - the charity's staff complement is intended to be broadly representative of the community which it serves.

Directors and trustees

The directors who served during the year were:

J Brear	Chair
R Stokes	Vice chair
DC Murray	Treasurer (resigned 12 November 2025)
DG Wrighton	Secretary
CL McEwing	
DI Goodall	Treasurer
J Atkinson	
M Safi	
E Keogh	(appointed 12 November 2025)

The Charity is managed by the board of Directors (trustees) who delegate day-to-day responsibility to the Centre Manager and the management team who have operational responsibility for service delivery. A new Centre Manager, James McCullough, was appointed in October 2025 on the retirement of Gary Edwards.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Appointment of trustees

Trustees are elected to post having been selected from suitable candidates to ensure that the board contains an appropriate balance of expertise. Trustees undergo an initial induction course.

The trustees normally meet bi-monthly but more frequently if needed to attend to the legal and administrative affairs of the company and to review and set the policy and long term strategies of the charity. There is one sub committee: Personnel and Development, which is charged with developing and monitoring delivery of the strategic plan and policy and personnel matters. We have completely advised and updated our safeguarding procedures, and this is a standing item at every board meeting.

Risk assessment

The trustees continue to assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and believe effective insurance, checks, controls, and procedures are in place to minimise those risks. Specific plans including our three years business plan 2024-27 and contingency planning for a range of outcomes from the review of contractual arrangements are in place. A Risk Register is compiled and reviewed at each Board meeting to ensure all necessary actions to minimise risk are in place. As required by the AQS Quality mark procedures there is a full set of office manuals including financial procedures. In March 2024 we had our AQS external audit which was again very positive. The auditor highlighted many areas where we exceeded national standards and identified our approach to Risk Reporting as an area of good practice. The next audit will take place within the first quarter of 2026.

Safeguarding is a standing item at every board meeting and a Board member has lead responsibility for safeguarding issues.

Review of Activities

We operate a five-day working week; we delivered over 5,000 client episodes and assisted at an average of 140 tribunal proceedings. A high proportion of our caseload is Personal Independence Appeals and Mandatory Reconsiderations. Sadly, due to the sheer volume within the Tribunal Service, appeals are now taking around 18-months to be heard. We have at any one time around 130 live Tribunal cases made up of both Employment and Benefit law. We are innovative in our delivery methods to meet the demands of our service. In the financial year no justified complaints were received, only compliments and donations.

Our website provides information on our workload and achievements for clients together with some positive endorsements from key stakeholders.

We generated over 5.7 times the financial benefit for our service users for every pound invested in our service, money that is spent in the local economy. In 2018, the City Council awarded an Advice, Information and Guidance Contract to a consortium led by Southampton CAS for an initial five years. This was extended in April 2023 to run until the end of January 2025 and has been further extended till 31st March 2026. We have sub-contracted with that organisation to provide the whole of the specialist advice and representation on employment and welfare matters funded under that contract. We are always looking for additional funding streams.

Our principal funding comes from two contractual sources. We hold the sub-contract administered by Southampton CAS to undertake the volume of specialist work (employment and welfare) provided for and funded in the Advice Information and Guidance contract let by Southampton City Council (SCC). The other Contract is held directly with SCC for Disability Welfare Advice which was due to expire at the end of January 2025 and has been extended till 31st March 2026. The latter contract complements the AIG contract but provides targeted support for clients with disabilities who are not covered within that contract. The City Council agreed. Both these contracts received an inflationary uplift of 4.5% on the contract values during 2025.

SCC intends to introduce a new Southampton Early Advice and Support (SEAS) contract due to come into effect on 1st April 2026 which will replace several existing advice contracts including those held by SARC. We are working with a range of advice partners to submit a bid for the new contract.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Financial review

A summary of the charity's financial performance is shown on page 7 of the accounts. The charity made a surplus of £9,115 (2024: £37,760). The total reserves of the charity at the year end were £212,358 (2024: £203,243).

New contractual arrangements and contract specifications are awaited and SARC will naturally seek to participate fully in the exercise with our partners making the case for our strategic contribution to the City's priorities and the need for this to be supported by fair and adequate levels of funding.

SARC is clear that support from the City Council is vital for us to develop our longer-term business plans and attract further external financial support but most fundamentally to ensure that SARC remains viable in the short to medium term.

For over a decade or more we have made sustained efforts to identify and secure fresh income sources to complement our Council funding and have significantly reduced the proportion of our income which is Council dependent. As always, with grant funding from external sources, funding is usually time limited and the "market" for such funding is characterised by an ever-larger number of organisations seeking to access the finite funding available.

We currently receive funding from the Alex Ferry Foundation and the National Lottery Community Fund and are actively pursuing a number of further funding applications. Donations from clients again exceeded our budget.

Reserves policy

The trustees' objective is to maintain sufficient reserves to fund;

- (i) Operating costs to enable the organisation to continue trading during any unusual disruption to income. This is estimated to represent at least 5% of annual income;
- (ii) Costs of closure including redundancy costs, staff notice pay, potential legal costs should TUPE apply, holiday pay and other final payments to creditors;
- (iii) Anticipated building repairs and maintenance to ensure compliance with contractual obligations in terms of the lease and for an ongoing programme of equipment replacement.

On the above basis it is currently estimated that between £105,000 and £110,000 is required to be held in reserve.

Due to the prudent cost reductions undertaken by SARC to preserve the viability of the centre, together with the success of the team in securing other sources of grant funding and an improvement in donations, SARC is holding higher reserves than anticipated. However due to the extremely uncertain financial environment SARC is currently operating in, the board believe it is appropriate to hold higher reserves until the situation with funding becomes clearer.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

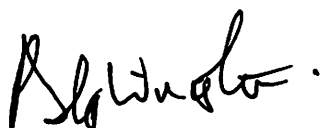
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board on
and signed on their behalf by

10/12/2025



D G Wrighton
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

I report to the trustees on my examination of the accounts of Southampton Advice & Representation Centre for the year ended 31 March 2025, which are set out on pages 7 to 16.

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 accounts in accordance with the requirements of the Companies Act 2006 (the "2006 Act").

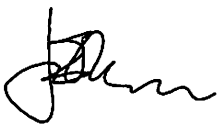
Having satisfied myself that the accounts of the charitable company are not required to be audited under the Charities Act 2011 and are eligible for an independent examination, I report in respect of my examination of the trustee's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities 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.



J E Harris FCCA
Knight Goodhead Limited
Chartered Accountants

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

12 NOVEMBER 2025

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
INCOME					
Donations and legacies		7,541	-	7,541	8,612
Charitable activities	3	183,026	26,673	209,699	244,579
Investment income		4,778	-	4,778	3,924
TOTAL INCOME		195,345	26,673	222,018	257,115
EXPENDITURE					
Charitable activities	5	185,462	27,441	212,903	219,355
TOTAL EXPENDITURE		185,462	27,441	212,903	219,355
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		9,883	(768)	9,115	37,760
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		9,883	(768)	9,115	37,760
FUND BALANCES BROUGHT FORWARD		201,707	1,536	203,243	165,483
FUND BALANCES CARRIED FORWARD		211,590	768	212,358	203,243

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

REGISTERED NUMBER : 05582643

(Company limited by guarantee and not having share capital)

BALANCE SHEET AT 31 MARCH 2025

	Notes	£	2025 £	2024 £
FIXED ASSETS				
Tangible assets	6		526	333
CURRENT ASSETS				
Debtors	7	12,601	23,085	
Cash at bank and in hand		216,217	190,636	
		<u>228,818</u>	<u>213,721</u>	
CREDITORS: amounts falling due within one year	8	<u>(16,986)</u>	<u>(10,811)</u>	
NET CURRENT ASSETS			211,832	202,910
NET ASSETS			<u>212,358</u>	<u>203,243</u>
FUNDS				
Restricted funds	9		768	1,536
General funds			211,590	201,707
TOTAL FUNDS			<u>212,358</u>	<u>203,243</u>

For the financial year ended 31 March 2025, the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records, which comply with section 386, and preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the year and of its surplus or deficit for the financial year, in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on
and signed on their behalf by

10/12/2025



D Goodall
Treasurer

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

1 ACCOUNTING POLICIES

(a) Accounting convention

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

Southampton Advice and Representation Centre meets the definition of the 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 note.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

(b) Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT paid.

Costs are apportioned in line with the income received from that source during the year.

Charitable activities expenditure comprises of 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

1 ACCOUNTING POLICIES (continued)

(e) Fixed assets

Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £100.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Leasehold improvements	33% straight line
Office equipment	33% straight line
Furniture and fittings	33% straight line

(f) Pension costs

Contributions in respect of the company's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

(g) Basic financial instruments

The charitable company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash at bank and creditors. These basic financial instruments are measured and transaction price. Financial assets and liabilities classified as due within one year are not amortised.

2 LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 4 October 2005 in England and Wales and was registered on 15 February 2006 with the Charity Commission in England and Wales.

The registered office of the charitable company is 11 Porchester Road, Woolston, Southampton, SO19 2JB.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
Funding contracts and grants:				
Southampton City Council	106,498	-	106,498	105,499
Southampton Citizens Advice	71,728	-	71,728	71,728
SVS	3,600	-	3,600	14,864
Henry Smith Charity	-	-	-	35,667
Alex Ferry Foundation	-	6,673	6,673	9,902
The Access to Justice Foundation	-	-	-	5,469
Community Fund	-	20,000	20,000	-
Other small grants	1,200	-	1,200	950
Other income:				
Training income	-	-	-	500
	<u>183,026</u>	<u>26,673</u>	<u>209,699</u>	<u>244,579</u>

The restricted fund grants analysed above form part of the relevant funds as detailed in note 9.

4 STAFF COSTS

	2025 £	2024 £
Wages and salaries	154,504	156,240
Social security costs	8,509	9,542
Pension	7,727	7,727
	<u>170,740</u>	<u>173,509</u>

The average number of staff employed during the year was 7 (2024: 6). No employee received emoluments of £60,000 or more during this year or the prior year.

Key management personnel were paid a total of £49,877 (2024: £49,082).

During the year or the prior year no trustees received any emolument, were paid any expenses nor were reimbursed for expenditure incurred on behalf of the charity.

Total pension contributions of £7,727 (2024: £7,727) were paid by the charity and are included in the SOFA. The outstanding contributions payable at the end of this year was £506 (2024: £nil).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

5 EXPENDITURE	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
Costs directly allocated to activities				
Direct staff costs (see note 4)	170,740	-	170,740	173,509
Staff and volunteer expenses	896	-	896	839
Staff welfare	93	-	93	776
Training and recruitment	136	-	136	352
	171,865	-	171,865	175,476
Support costs allocated to activities				
Rent and rates	4,970	9,676	14,646	12,696
Utilities	1,290	4,483	5,773	6,420
Cleaning	50	-	50	406
Computer costs	1,327	4,729	6,056	10,689
Publications and subscriptions	1,069	-	1,069	1,432
Telephone	1,014	3,207	4,221	4,212
Postage, printing and stationery	672	1,738	2,410	2,344
Insurance	1,036	1,219	2,255	2,308
Maintenance	1,400	-	1,400	595
Bank charges	61	-	61	61
Depreciation	347	-	347	167
	13,236	25,052	38,288	41,330
Governance costs				
Accountancy and examination fees	361	1,621	1,982	1,793
Quality mark monitoring fees	-	768	768	756
	361	2,389	2,750	2,549
	185,462	27,441	212,903	219,355

Included within accountancy and examinations fees above are amounts due to the independent examiners in relation to independent examination of £1,560 (2024: £1,440) and £422 for other work (2024: £353).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

6 TANGIBLE ASSETS	Leasehold	Office furniture	Total
	improvements	& equipment	
	£	£	£
COST			
At beginning of year	40,489	18,061	58,550
Additions	-	540	540
Disposals	-	(3,588)	(3,588)
At end of year	<u>40,489</u>	<u>15,013</u>	<u>55,502</u>
DEPRECIATION			
At beginning of year	40,489	17,728	58,217
Charge for year	-	347	347
Eliminated on disposals	-	(3,588)	(3,588)
At end of year	<u>40,489</u>	<u>14,487</u>	<u>54,976</u>
NET BOOK VALUE			
At end of year	-	526	526
At beginning of year	-	333	333
7 DEBTORS	2025		2024
	£		£
Prepayments	2,723		3,453
Accrued income	8,833		18,666
Other debtors	1,045		966
	<u>12,601</u>		<u>23,085</u>
8 CREDITORS: amounts falling due within one year	2025		2024
	£		£
Accruals and deferred income	15,393		10,811
Other creditors	1,593		-
	<u>16,986</u>		<u>10,811</u>

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

9 RESTRICTED FUNDS

<i>Year ended 31 March 2025</i>	Funds b/fwd	Income	Expenditure	Transfers	Funds c/fwd
	£	£	£	£	£
Henry Smith grant	1,536	-	(768)	-	768
Alex Ferry Foundation	-	6,673	(6,673)	-	-
Community Fund	-	20,000	(20,000)	-	-
	1,536	26,673	(27,441)	-	768
<i>Year ended 31 March 2024</i>					
SVS - SO18 Big Local	-	14,864	(14,864)	-	-
Henry Smith grant	-	35,667	(32,931)	(1,200)	1,536
Alex Ferry Foundation	-	9,902	(9,902)	-	-
The Access to Justice Foundation	-	5,469	(4,969)	(500)	-
	-	65,902	(62,666)	(1,700)	1,536

Henry Smith Grant

This funds the outreach worker post shared across the Advice Southampton Partnership. The £768 fund balance represents funding used to pay for the Quality Mark monitoring fees for the next year. The prior year transfer represents costs accrued in previous years as unrestricted expenditure which in reality was spent from this grant.

Alex Ferry Foundation and Community Fund

This funding enables SARC to continue to run a service with the same staff establishment, this funding is vital to the running of the centre, as this covers part of our overheads. SARC has suffered cutbacks in funding over many years, and it is vital to continue to find fresh funding every year to enable SARC to continue the same level of service, and fill the shortfall in funding year on year.

SVS - SO18 Big Local

SO18 Big Local commissioned grant award to fully fund an outreach service, providing two advice sessions per month in Townhill Park for the local community.

The Access to Justice Foundation

This grant supports free legal advice to enable the poorest in our society to fight injustice and deprivation. The £500 transfer represents fixed assets purchased from the fund during the year.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds 2025 £
<i>Year ended 31 March 2025</i>			
Tangible fixed assets	526	-	526
Debtors	11,833	768	12,601
Bank and cash	206,217	10,000	216,217
Creditors	(6,986)	(10,000)	(16,986)
	<u>211,590</u>	<u>768</u>	<u>212,358</u>

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
<i>Year ended 31 March 2024</i>			
Tangible fixed assets	333	-	333
Debtors	21,549	1,536	23,085
Bank and cash	183,963	6,673	190,636
Creditors	(4,138)	(6,673)	(10,811)
	<u>201,707</u>	<u>1,536</u>	<u>203,243</u>

11 DEFERRED INCOME

An element of grant income received by the charity during the year has been deferred as it relates to later accounting periods. The movement in the year is detailed below:

	£
Income deferred in year	10,000
Amounts released from previous years	<u>(6,673)</u>
Net movement in the Statement of Financial Activities	<u>3,327</u>

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during this year or the prior year.

13 OPERATING LEASES

At 31 March 2025, the charity had annual commitments under non-cancellable operating leases for rent of the office building. This lease is due to expire on 31 March 2029 and the annual commitment is £14,250. The total amount payable until the end of the lease is £57,000 (2024: £71,250).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

14 PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
INCOME			
Donations and legacies	8,612	-	8,612
Charitable activities	178,677	65,902	244,579
Investment income	3,924	-	3,924
TOTAL INCOME	191,213	65,902	257,115
EXPENDITURE			
Charitable activities	156,689	62,666	219,355
TOTAL EXPENDITURE	156,689	62,666	219,355
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS	34,524	3,236	37,760
Transfers between funds	1,700	(1,700)	-
NET MOVEMENT IN FUNDS	36,224	1,536	37,760
FUND BALANCES BROUGHT FORWARD	165,483	-	165,483
FUND BALANCES CARRIED FORWARD	201,707	1,536	203,243

Accounts

**SOUTHAMPTON ADVICE &
REPRESENTATION CENTRE**
(REGISTERED NUMBER : 05582643)

**REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024**

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The directors, who are also the trustees, present their report and the accounts for the year ended 31 March 2024.

Legal status

The company incorporated on 4 October 2005 and commenced its charitable activities on 1 April 2006. The registration number of the company is 5582643. The company is also a registered charity (number 1112999). The charity is constituted by its memorandum and articles of association.

The liability of the members is limited by their guarantee. In the event of the company being wound up during the period of their membership (or within a year following), members undertake to contribute such amounts as may be required, up to a maximum of £1.

Registered office

11 Porchester Road
Woolston
Southampton
SO19 2JB

Accountants

Knight Goodhead Limited
7 Bournemouth Road
Chandler's Ford
Eastleigh
Hampshire
SO53 3DA

Bank

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4JQ

Principal activity

The principal activity of the charity is the provision of advice and representation in the fields of employment law and welfare benefits to residents of Southampton.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Objectives and activities

Within the field of employment rights and welfare benefits, the charity aims to provide its clients with high quality, accurate advice and (where appropriate) representation at tribunals etc. This service is available to all who live within the area of Southampton and those from other areas such as trade unions and housing associations with which the charity has funding agreements.

The strategies for achieving these aims and objectives may be summarised as follows:

- a) Staff - all staff are encouraged to provide an exceptional level of commitment to the client group. The charity has a well developed training programme that ensures the quality of advice is sound, consistent and accurate;
- b) The Advice Service Alliance - adherence to the Quality Mark ensures that management and staff are committed to excellence based on a strong qualitative base;
- c) Centre of Excellence - the charity strives to be recognised as providing high quality advice and representation in its area of expertise;
- d) Specialists - the charity focuses only on its areas of expertise in welfare benefits and employment law;
- e) Outreach - in order to ensure that its services are available to all members of the community, the charity operated a number of outreach centres;
- f) Equality of opportunity - the charity's staff complement is intended to be broadly representative of the community which it serves.

Directors and trustees

The directors who served during the year were:

J Brear	Chair
R Stokes	Vice chair
DC Murray	Treasurer
DG Wrighton	Secretary
CL McEwing	
DI Goodall	
J Atkinson	(appointed 6 December 2023)
M Safi	(appointed 6 December 2023)

The charity is managed by the trustees, who delegate day to day responsibility to Gary Edwards, manager, and the management team who have operational responsibility for service delivery.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Appointment of trustees

Trustees are elected to post having been selected from suitable candidates to ensure that the board contains an appropriate balance of expertise. Trustees undergo an initial induction course.

The trustees normally meet bi-monthly but more frequently if needed to attend to the legal and administrative affairs of the company and to review and set the policy and long term strategies of the charity. There is one sub committee: Personnel and Development, which is charged with developing and monitoring delivery of the strategic plan and policy and personnel matters. We have completely advised and updated our safeguarding procedures, and this is a standing item at every board meeting.

Risk assessment

The trustees continue to assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and believe effective insurance, checks, controls, and procedures are in place to minimise those risks. Specific plans including our three years business plan 2024-27 and contingency planning for a range of outcomes from the review of contractual arrangements are in place. A Risk Register is compiled and reviewed at each Board meeting to ensure all necessary actions to minimise risk are in place. As required by the AQS Quality mark procedures there is a full set of office manuals including financial procedures. In March 2024 we had our AQS external audit which was again very positive. The auditor highlighted many areas where we exceeded national standards and identified our approach to Risk Reporting as an area of good practice. The next audit will take place within the first quarter of 2026.

Safeguarding is a standing item at every board meeting and a Board member has lead responsibility for safeguarding issues.

Review of Activities

We operate a five day working week, again we delivered around 6,000 client episodes and assisted at over 200 tribunal proceedings. A high proportion of our caseload is Personal Independence Appeals and Mandatory Reconsideration. Sadly, due to the sheer volume within the Tribunal Service, appeals are now taking around 1 year to 18 months to be heard. We have at any one time around 160 live Tribunal cases made up of both Employment and Benefit law. We are innovative in our delivery methods to meet the demands of our service. In the financial year no justified complaints were received, only compliments and donations. We published a very detailed annual report on our website and included feedback from clients, politicians and health professionals.

We generated over 7 times the financial benefit for our service users for every pound invested in our service, money that is spent in the local economy. In 2018 the City Council awarded an Advice, Information and Guidance Contract to a consortium led by Southampton CAS for an initial five years. This was extended in April 2023 to run until the end of January 2025. We have subcontracted with that organisation to provide the whole of the specialist advice and representation on employment and welfare matters funded under that contract. During the year we received final funding from the Henry Smith Charity and with this were able to employ and professionally support a welfare benefit worker who operates across several advice agencies. That has now finished as they cannot support an individual charity for more than nine years, we are always looking for additional funding streams.

Our principal funding comes from two contractual sources. We hold the sub-contract administered by Southampton CAS to undertake the volume of specialist work (employment and welfare) provided for and funded in the Advice Information and Guidance contract let by Southampton City Council. The other Contract is direct with SCC for Disability Welfare Advice which again expires at the end of January 2025. We await decisions as to extension or revisions from SCC for future provision of Advice Services in the City.

Financial review

A summary of the charity's financial performance is shown on page 7 of the accounts. The charity made a surplus of £37,760 (2023: £7,482 deficit). The total reserves of the charity at the year end were £203,243 (2023: £165,483).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Financial review (continued)

The latter contract complements the AIG contact but provides targeted support for clients with disabilities who are not covered within that contract. The City Council agreed. Both these contracts received an inflationary uplift of 6% on the contract values in 2023.

Both contracts are due to expire in January 2025 and our expectation is that the City Council will commission new arrangements in line with its Early Intervention & Prevention Strategy. New contractual arrangements and contracts specifications are awaited and we expect these to reflect both the difficult financial position of the local authority and a concentration on delivering against the core statutory responsibilities of the Council. SARC will naturally seek to participate fully in the exercise making the case for strategic contribution to the City's priorities and the need for this to be supported by fair and adequate levels of funding.

SARC is clear that support from the City Council is vital for us to develop our longer-term business plans and attract further external financial support but most fundamentally to ensure that SARC remains viable in the short to medium term.

For over a decade or more we have made sustained efforts to identify and secure fresh income sources to complement our Council funding and have significantly reduced the proportion of our income which is Council dependent. As always, with grant funding from external sources, funding is usually time limited and the "market" for such funding is characterised by an ever larger number of organisations seeking to access the finite funding available.

We currently receive funding from the Alex Ferry Foundation and the National Lottery Community Fund and are actively pursuing a number of further funding applications. Donations from clients again exceeded our budget.

Reserves policy

The trustees' objective is to maintain sufficient reserves to fund;

- (i) Operating costs to enable the organisation to continue trading during any unusual disruption to income. This is estimated to represent at least 5% of annual income;
- (ii) Costs of closure including redundancy costs, staff notice pay, potential legal costs should TUPE apply, holiday pay and other final payments to creditors;
- (iii) Anticipated building repairs and maintenance to ensure compliance with contractual obligations in terms of the lease and for an ongoing programme of equipment replacement.

On the above basis it is currently estimated that between £105,000 and £110,000 is required to be held in reserve.

Due to the prudent cost reductions undertaken by SARC to preserve the viability of the centre, together with the success of the team in securing other sources of grant funding and an improvement in donations, SARC is holding higher reserves than anticipated. However due to the extremely uncertain financial environment SARC is currently operating in, the board believe it is appropriate to hold higher reserves until the situation with funding becomes clearer.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

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

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board on
and signed on their behalf by

9 October 2024



D G Wrighton
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

I report to the trustees on my examination of the accounts of Southampton Advice & Representation Centre for the year ended 31 March 2024, which are set out on pages 7 to 16.

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 accounts in accordance with the requirements of the Companies Act 2006 (the "2006 Act").

Having satisfied myself that the accounts of the charitable company are not required to be audited under the Charities Act 2011 and are eligible for an independent examination, I report in respect of my examination of the trustee's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities 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.



J E Harris FCCA
Knight Goodhead Limited
Chartered Accountants

7 October 2024

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
INCOME					
Donations and legacies		8,612	-	8,612	6,562
Charitable activities	3	178,677	65,902	244,579	249,921
Investment income		3,924	-	3,924	1,221
TOTAL INCOME		191,213	65,902	257,115	257,704
EXPENDITURE					
Charitable activities	5	156,689	62,666	219,355	265,186
TOTAL EXPENDITURE		156,689	62,666	219,355	265,186
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		34,524	3,236	37,760	(7,482)
Transfers between funds		1,700	(1,700)	-	-
NET MOVEMENT IN FUNDS		36,224	1,536	37,760	(7,482)
FUND BALANCES BROUGHT FORWARD		165,483	-	165,483	172,965
FUND BALANCES CARRIED FORWARD		201,707	1,536	203,243	165,483

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

**PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2023**

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2023 £
INCOME				
Donations and legacies		6,562	-	6,562
Charitable activities		168,068	81,853	249,921
Investment income		1,221	-	1,221
TOTAL INCOME		175,851	81,853	257,704
EXPENDITURE				
Charitable activities		183,333	81,853	265,186
TOTAL EXPENDITURE		183,333	81,853	265,186
NET EXPENDITURE BEFORE TRANSFERS		(7,482)	-	(7,482)
Transfers between funds		-	-	-
NET MOVEMENT IN FUNDS		(7,482)	-	(7,482)
FUND BALANCES BROUGHT FORWARD		172,965	-	172,965
FUND BALANCES CARRIED FORWARD		165,483	-	165,483

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
(Company limited by guarantee and not having share capital)

REGISTERED NUMBER : 05582643

BALANCE SHEET AT 31 MARCH 2024

	Notes	£	2024 £	2023 £
FIXED ASSETS				
Tangible assets	6		333	-
CURRENT ASSETS				
Debtors	7	23,085	11,013	
Cash at bank and in hand		<u>190,636</u>	<u>190,354</u>	
		213,721	201,367	
CREDITORS: amounts falling due within one year				
	8	<u>(10,811)</u>	<u>(35,884)</u>	
NET CURRENT ASSETS			202,910	165,483
NET ASSETS			<u>203,243</u>	<u>165,483</u>
FUNDS				
Restricted funds	9		1,536	-
General funds			201,707	165,483
TOTAL FUNDS			<u>203,243</u>	<u>165,483</u>

For the financial year ended 31 March 2024, the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records, which comply with section 386, and preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the year and of its surplus or deficit for the financial year, in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on *09-10-24*
and signed on their behalf by


D Murray
Treasurer

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES

(a) Accounting convention

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

Southampton Advice and Representation Centre meets the definition of the 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 note.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

(b) Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

1 ACCOUNTING POLICIES (continued)

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT paid.

Costs are apportioned in line with the income received from that source during the year.

Charitable activities expenditure comprises of 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

(e) Fixed assets

Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £100.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Leasehold improvements	33% straight line
Office equipment	33% straight line
Furniture and fittings	33% straight line

(f) Pension costs

Contributions in respect of the company's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

(g) Basic financial instruments

The charitable company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash at bank and creditors. These basic financial instruments are measured and transaction price. Financial assets and liabilities classified as due within one year are not amortised.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

2 LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 4 October 2005 in England and Wales and was registered on 15 February 2006 with the Charity Commission in England and Wales.

The registered office of the charitable company is 11 Porchester Road, Woolston, Southampton, SO19 2JB.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Funding contracts and grants:				
Southampton City Council	105,499	-	105,499	100,000
Southampton Citizens Advice	71,728	-	71,728	67,668
SVS	-	14,864	14,864	13,004
Henry Smith Charity	-	35,667	35,667	52,725
Alex Ferry Foundation	-	9,902	9,902	9,397
The Access to Justice Foundation	-	5,469	5,469	6,727
Other small grants	950	-	950	400
Other income:				
Training income	500	-	500	-
	<u>178,677</u>	<u>65,902</u>	<u>244,579</u>	<u>249,921</u>

The restricted fund grants analysed above form part of the relevant funds as detailed in note 9.

4 STAFF COSTS

	2024	2023
	£	£
Wages and salaries	156,240	196,773
Social security costs	9,542	12,167
Pension	7,727	7,114
	<u>173,509</u>	<u>216,054</u>

The average number of staff employed during the year was 6 (2023: 8). No employee received emoluments of £60,000 or more during this year or the prior year.

Key management personnel were paid a total of £49,082 (2023: £48,791).

During the year or the prior year no trustees received any emolument, were paid any expenses nor were reimbursed for expenditure incurred on behalf of the charity.

Total pension contributions of £7,727 (2023: £7,114) were paid by the charity and are included in the SOFA. There were no outstanding contributions payable at the end of this year or the prior year.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

5 EXPENDITURE	Unrestricted	Restricted	2024	2023
	£	£	£	£
Costs directly allocated to activities				
Direct staff costs (see note 4)	134,576	38,933	173,509	216,054
Staff and volunteer expenses	205	634	839	431
Staff welfare	117	659	776	1,393
Training and recruitment	352	-	352	333
	<u>135,250</u>	<u>40,226</u>	<u>175,476</u>	<u>218,211</u>
Support costs allocated to activities				
Rent and rates	3,452	9,244	12,696	13,029
Utilities	3,737	2,683	6,420	2,505
Cleaning	406	-	406	825
Computer costs	5,818	4,871	10,689	11,484
Publications and subscriptions	465	967	1,432	934
Telephone	4,212	-	4,212	4,140
Postage, printing and stationery	687	613	1,300	1,694
Insurance	1,343	2,009	3,352	2,547
Maintenance	335	260	595	4,733
Legal and professional fees	-	-	-	1,200
Bank charges	61	-	61	74
Depreciation	167	-	167	1,242
	<u>20,683</u>	<u>20,647</u>	<u>41,330</u>	<u>44,407</u>
Governance costs				
Accountancy and examination fees	-	1,793	1,793	1,812
Quality mark monitoring fees	756	-	756	756
	<u>756</u>	<u>1,793</u>	<u>2,549</u>	<u>2,568</u>
	<u><u>156,689</u></u>	<u><u>62,666</u></u>	<u><u>219,355</u></u>	<u><u>265,186</u></u>

Included within accountancy and examinations fees above are amounts due to the independent examiners in relation to independent examination of £1,440 (2023: £1,440) and £353 for other work (2023: £372).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

6 TANGIBLE ASSETS	Leasehold improvements £	Office furniture & equipment £	Total £
COST			
At beginning of year	40,489	17,561	58,050
Additions	-	500	500
At end of year	<u>40,489</u>	<u>18,061</u>	<u>58,550</u>
DEPRECIATION			
At beginning of year	40,489	17,561	58,050
Charge for year	-	167	167
At end of year	<u>40,489</u>	<u>17,728</u>	<u>58,217</u>
NET BOOK VALUE			
At end of year	<u>-</u>	<u>333</u>	<u>333</u>
At beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
7 DEBTORS	2024		2023
	£		£
Prepayments	3,453		2,555
Accrued income	18,666		8,333
Other debtors	966		125
	<u>23,085</u>		<u>11,013</u>
8 CREDITORS: amounts falling due within one year	2024		2023
	£		£
Accruals and deferred income	10,811		35,807
Other creditors	-		77
	<u>10,811</u>		<u>35,884</u>

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

9 RESTRICTED FUNDS	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
SVS - SO18 Big Local	-	14,864	(14,864)	-	-
Henry Smith grant	-	35,667	(32,931)	(1,200)	1,536
Alex Ferry Foundation	-	9,902	(9,902)	-	-
The Access to Justice Foundation	-	5,469	(4,969)	(500)	-
	-	65,902	(62,666)	(1,700)	1,536

SVS - SO18 Big Local

SO18 Big Local commissioned grant award to fully fund an outreach service, providing two advice sessions per month in Townhill Park for the local community.

Henry Smith Grant

This funds the outreach worker post shared across the Advice Southampton Partnership. Continuation funding was approved for a further three years in September 2020. The transfer represents costs accrued in the prior year as unrestricted expenditure which in reality was spent from this grant. The £1,536 fund balance represents funding used to pay for the Quality Mark monitoring fees for the next two years.

Alex Ferry Foundation

Funding towards the purchase of a laptop and to cover the company's computer service contract.

The Access to Justice Foundation

This grant supports free legal advice to enable the poorest in our society to fight injustice and deprivation. The £500 transfer represents fixed assets purchased from the fund during the year.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

<i>Year ended 31 March 2024</i>	Unrestricted £	Restricted £	2023 £
Tangible fixed assets	333	-	333
Debtors	21,549	1,536	23,085
Bank and cash	183,963	6,673	190,636
Creditors	(4,138)	(6,673)	(10,811)
	201,707	1,536	203,243
	Unrestricted £	Restricted £	2022 £
<i>Year ended 31 March 2023</i>			
Tangible fixed assets	-	-	-
Debtors	11,013	-	11,013
Bank and cash	170,593	19,761	190,354
Creditors	(16,123)	(19,761)	(35,884)
	165,483	-	165,483

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

11 DEFERRED INCOME

An element of grant income received by the charity during the year has been deferred as it relates to later accounting periods. The movement in the year is detailed below:

	£
Income deferred in year	6,673
Amounts released from previous years	<u>(19,761)</u>
Net movement in the Statement of Financial Activities	<u><u>(13,088)</u></u>

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during this year or the prior year.

13 OPERATING LEASES

At 31 March 2024, the charity had annual commitments under non-cancellable operating leases for rent of the office building. This lease is due to expire on 31 March 2029 and the annual commitment is £14,250. The total amount payable until the end of the lease is £71,250 (2023: £12,325).

Accounts

**SOUTHAMPTON ADVICE &
REPRESENTATION CENTRE**
(REGISTERED NUMBER : 05582643)

**REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors, who are also the trustees, present their report and the accounts for the year ended 31 March 2023.

Legal status

The company incorporated on 4 October 2005 and commenced its charitable activities on 1 April 2006. The registration number of the company is 5582643. The company is also a registered charity (number 1112999). The charity is constituted by its memorandum and articles of association.

The liability of the members is limited by their guarantee. In the event of the company being wound up during the period of their membership (or within a year following), members undertake to contribute such amounts as may be required, up to a maximum of £1.

Registered office

11 Porchester Road
Woolston
Southampton
SO19 2JB

Accountants

Knight Goodhead Limited
7 Bournemouth Road
Chandler's Ford
Eastleigh
Hampshire
SO53 3DA

Bank

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4JQ

Principal activity

The principal activity of the charity is the provision of advice and representation in the fields of employment law and welfare benefits to residents of Southampton.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Objectives and activities

Within the field of employment rights and welfare benefits, the charity aims to provide its clients with high quality, accurate advice and (where appropriate) representation at tribunals etc. This service is available to all who live within the area of Southampton and those from other areas such as trade unions and housing associations with which the charity has funding agreements.

The strategies for achieving these aims and objectives may be summarised as follows:

- a) Staff - all staff are encouraged to provide an exceptional level of commitment to the client group. The charity has a well developed training programme that ensures the quality of advice is sound, consistent and accurate;
- b) The Advice Service Alliance - adherence to the Quality Mark ensures that management and staff are committed to excellence based on a strong qualitative base;
- c) Centre of Excellence - the charity strives to be recognised as providing high quality advice and representation in its area of expertise;
- d) Specialists - the charity focuses only on its areas of expertise in welfare benefits and employment law;
- e) Outreach - in order to ensure that its services are available to all members of the community, the charity operated a number of outreach centres;
- f) Equality of opportunity - the charity's staff complement is intended to be broadly representative of the community which it serves.

Advice is available daily by telephone, email or by appointment at the main Woolston centre. Special arrangements were in place to ensure continuity of service and client and staff safety during the Covid 19 pandemic. During the pandemic we worked smartly to incorporate safe home working using technology to create effective home offices and were able to see limited numbers of face to face clients using a secure area. We continued to attend Tribunal Hearings by video and phone links. Outreach sessions were suspended but reopening is now being reviewed.

We had success in attracting grants to facilitate the additional IT cost of home working. All team members were fully included and supported through supervisions and regular team meetings. We continued to explore service arrangements to ensure we are fully accessible by all the members of the local community and client preferences for more varied forms of service access have been addressed by incorporating learning gained during the pandemic on our return to office-based working.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Directors and trustees

The directors who served during the year were:

J Brear	Chair
R Stokes	Vice chair
DC Murray	Treasurer
DG Wrighton	Secretary
CL McEwing	
Dr SD Reeve	(resigned 9 August 2022)
DI Goodall	

The charity is managed by the trustees, who delegate day to day responsibility to Gary Edwards, manager, and the management team who have operational responsibility for service delivery.

Appointment of trustees

Trustees are elected to post having been selected from suitable candidates to ensure that the board contains an appropriate balance of expertise. Trustees undergo an initial induction course.

The trustees normally meet bi-monthly but more frequently if needed to attend to the legal and administrative affairs of the company and to review and set the policy and long term strategies of the charity. There is one sub committee: Personnel and Development, which is charged with developing and monitoring delivery of the strategic plan and policy and personnel matters.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and believe effective insurance, checks, controls and procedures are in place to manage those risks. A Risk Register is compiled and reviewed at each Board meeting to ensure all necessary actions to minimise risk are in place. As required by the AQS Quality Mark procedures, there is a full set of office manuals including financial procedures. In March 2022 we had our AQS external audit which was very positive. The auditor highlighted many areas where we exceeded the national standards. The next audit will take place within the first quarter of 2024.

We have completely advised and updated our safeguarding procedures and this is a standing item at every board meeting. During remote working in this period we were extra vigilant to support clients and staff through these difficult times.

Review of Activities

We operate a five day working week, achieved 6,000 client episodes and assisted at over 200 tribunal proceedings. Once again there has been an increase in demand for welfare benefit advice and representation as the welfare reform agenda continues to impact on our client base. We are innovative in our delivery methods to meet the demands of our service. In the financial year no justified complaints were received, only compliments and donations. We generated over 4 times the financial benefit for our service users for every pound invested in our service, money that is spent in the local economy. In 2018 the City Council awarded an Advice, Information and Guidance Contract (which started in 2018) to a consortium led by Southampton CAS. We have subcontracted with that organisation for a five year period to provide the whole of the specialist advice and representation on employment and welfare matters funded under that contract. We received funding from the Henry Smith Charity and with this were able to employ and professionally support a welfare benefit worker who operates across several advice agencies.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Financial review

A summary of the charity's financial performance is shown on page 7 of the accounts. The charity made a deficit of £7,482 (2022: £1,057 surplus). The total reserves of the charity at the year end were £165,483 (2022: £172,965).

As mentioned above we entered into a five year sub-contract to undertake the volume of specialist work provided for and funded in the AIG contract. In addition we hold a contract from Southampton City Council, our principal funder, to provide a Welfare Reform Disability and Benefit Advice Service for an agreed number of clients and interventions. This contract complements the AIG contract but provides targeted support for clients with disabilities who are not covered within that contract. The AIG contract was extended for another two years. Both the contracts we hold received an inflationary uplift of 6% on the contract values in 2023. We have been advised that there will a review of contractual arrangements for advice funded by the City Council in 2024 to decide what provision will be in place as these contracts expire in January 2025. As always we continued to explore every avenue of potential funding but clearly secure council funding is vital for us to develop both our longer term business plans and strengthen our ability to attract further external financial support. We were successful in attracting fresh income streams in the form of donations and grants. We also secured income from fresh sources such as the Access to Justice scheme and Alex Ferry Foundation . Donations from clients again exceeded our budget.

Reserves policy

The trustees' objective is to maintain sufficient reserves to fund;

- (i) Operating costs to enable the organisation to continue trading during any unusual disruption to income. This is estimated to represent at least 5% of annual income;
- (ii) Costs of closure including redundancy costs, staff notice pay, potential legal costs should TUPE apply, holiday pay and other final payments to creditors;
- (iii) Anticipated building repairs and maintenance to ensure compliance with contractual obligations in terms of the lease and for an ongoing programme of equipment replacement.

On the above basis it is currently estimated that between £105,000 and £110,000 is required to be held in reserve.

Due to the prudent cost reductions undertaken by SARC to preserve the viability of the centre, together with the success of the team in securing other sources of grant funding and an improvement in donations, SARC is holding higher reserves than anticipated. However due to the extremely uncertain financial environment SARC is currently operating in, the board believe it is appropriate to hold higher reserves until the situation with funding becomes clearer.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

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

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board on 8 NOVEMBER 2023
and signed on their behalf by



D G Wrighton
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

I report to the trustees on my examination of the accounts of Southampton Advice & Representation Centre for the year ended 31 March 2023, which are set out on pages 7 to 16.

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 accounts in accordance with the requirements of the Companies Act 2006 (the "2006 Act").

Having satisfied myself that the accounts of the charitable company are not required to be audited under the Charities Act 2011 and are eligible for an independent examination, I report in respect of my examination of the trustee's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities 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.



J E Harris FCCA
Knight Goodhead Limited
Chartered Accountants

24 OCTOBER 2023

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
INCOME					
Donations and legacies		6,562	-	6,562	4,363
Charitable activities	3	168,068	81,853	249,921	247,246
Investment income		1,221	-	1,221	29
TOTAL INCOME		175,851	81,853	257,704	251,638
EXPENDITURE					
Charitable activities	5	183,333	81,853	265,186	250,581
TOTAL EXPENDITURE		183,333	81,853	265,186	250,581
NET (EXPENDITURE)/INCOME BEFORE TRANSFERS		(7,482)	-	(7,482)	1,057
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		(7,482)	-	(7,482)	1,057
FUND BALANCES BROUGHT FORWARD		172,965	-	172,965	171,908
FUND BALANCES CARRIED FORWARD		165,483	-	165,483	172,965

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

**PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022**

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £
INCOME				
Donations and legacies		4,363	-	4,363
Charitable activities		168,818	78,428	247,246
Investment income		29	-	29
TOTAL INCOME		173,210	78,428	251,638
EXPENDITURE				
Charitable activities		170,641	79,940	250,581
TOTAL EXPENDITURE		170,641	79,940	250,581
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		2,569	(1,512)	1,057
Transfers between funds		-	-	-
NET MOVEMENT IN FUNDS		2,569	(1,512)	1,057
FUND BALANCES BROUGHT FORWARD		170,396	1,512	171,908
FUND BALANCES CARRIED FORWARD		172,965	-	172,965

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

REGISTERED NUMBER : 05582643

BALANCE SHEET AT 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	6		-		1,242
CURRENT ASSETS					
Debtors	7	11,013		19,707	
Cash at bank and in hand		190,354		164,433	
		<u>201,367</u>		<u>184,140</u>	
CREDITORS: amounts falling due within one year					
	8	<u>(35,884)</u>		<u>(12,417)</u>	
NET CURRENT ASSETS			165,483		171,723
NET ASSETS			<u>165,483</u>		<u>172,965</u>
FUNDS					
Restricted funds	9		-		-
General funds			165,483		172,965
TOTAL FUNDS			<u>165,483</u>		<u>172,965</u>

For the financial year ended 31 March 2023, the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records, which comply with section 386, and preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the year and of its surplus or deficit for the financial year, in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 08.11.23
and signed on their behalf by



D Murray
Treasurer

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

(a) Accounting convention

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

Southampton Advice and Representation Centre meets the definition of the 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 note.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

(b) Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

1 ACCOUNTING POLICIES (continued)

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT paid.

Costs are apportioned in line with the income received from that source during the year.

Charitable activities expenditure comprises of 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

(e) Fixed assets

Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £100.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Leasehold improvements	33% straight line
Office equipment	33% straight line
Furniture and fittings	33% straight line

(f) Pension costs

Contributions in respect of the company's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

(g) Basic financial instruments

The charitable company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash at bank and creditors. These basic financial instruments are measured and transaction price. Financial assets and liabilities classified as due within one year are not amortised.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

2 LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 4 October 2005 in England and Wales and was registered on 15 February 2006 with the Charity Commission in England and Wales.

The registered office of the charitable company is 11 Porchester Road, Woolston, Southampton, SO19 2JB.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Funding contracts and grants:				
Southampton City Council	100,000	-	100,000	100,000
Southampton Citizens Advice	67,668	-	67,668	67,668
SVS	-	13,004	13,004	12,600
Henry Smith Charity	-	52,725	52,725	54,300
Alex Ferry Foundation	-	9,397	9,397	11,528
The Access to Justice Foundation	-	6,727	6,727	-
Other small grants	400	-	400	600
Other income	-	-	-	550
	<u>168,068</u>	<u>81,853</u>	<u>249,921</u>	<u>247,246</u>

The restricted fund grants analysed above form part of the relevant funds as detailed in note 9.

4 STAFF COSTS

	2023	2022
	£	£
Wages and salaries	196,773	186,932
Social security costs	12,167	13,079
Pension	7,114	6,914
	<u>216,054</u>	<u>206,925</u>

The average number of staff employed during the year was 8 (2022: 8). No employee received emoluments of £60,000 or more during this year or the prior year.

Key management personnel were paid a total of £48,791 (2022: £48,978).

During the year or the prior year no trustees received any emolument, were paid any expenses nor were reimbursed for expenditure incurred on behalf of the charity.

Total pension contributions of £7,114 (2022: £6,914) were paid by the charity and are included in the SOFA. There were no outstanding contributions payable at the end of this year or the prior year.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

5 EXPENDITURE	Unrestricted	Restricted	2023	2022
	£	£	£	£
Costs directly allocated to activities				
Direct staff costs (see note 4)	170,054	46,000	216,054	206,925
Staff and volunteer expenses	334	97	431	1,241
Staff welfare	642	751	1,393	85
Training and recruitment	173	160	333	688
	<u>171,203</u>	<u>47,008</u>	<u>218,211</u>	<u>208,939</u>
Support costs allocated to activities				
Rent and rates	56	12,973	13,029	12,684
Light and heat	354	2,151	2,505	3,973
Cleaning	405	420	825	253
Computer costs	3,085	8,399	11,484	6,803
Publications and subscriptions	891	43	934	1,432
Telephone	153	3,987	4,140	4,034
Postage, printing and stationery	390	1,304	1,694	4,018
Insurance	910	1,637	2,547	1,940
Maintenance	3,250	1,483	4,733	2,042
Legal and professional fees	1,200	-	1,200	-
Sundry COVID-19 costs	-	-	-	304
Bank charges	74	-	74	98
Depreciation	1,242	-	1,242	1,559
	<u>12,010</u>	<u>32,397</u>	<u>44,407</u>	<u>39,140</u>
Governance costs				
Accountancy and examination fees	120	1,692	1,812	1,752
Quality mark monitoring fees	-	756	756	750
	<u>120</u>	<u>2,448</u>	<u>2,568</u>	<u>2,502</u>
	<u>183,333</u>	<u>81,853</u>	<u>265,186</u>	<u>250,581</u>

Included within accountancy and examinations fees above are amounts due to the independent examiners in relation to independent examination of £1,440 (2022: £1,320) and £372 for other work (2022: £432).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

6 TANGIBLE ASSETS

	Leasehold improvements £	Office furniture & equipment £	Total £
COST			
At beginning and end of year	40,489	17,561	58,050
DEPRECIATION			
At beginning of year	40,489	16,319	56,808
Charge for year	-	1,242	1,242
At end of year	40,489	17,561	58,050
NET BOOK VALUE			
At end of year	-	-	-
At beginning of year	-	1,242	1,242

7 DEBTORS

	2023 £	2022 £
Prepayments	2,555	2,916
Accrued income	8,333	16,666
Other debtors	125	125
	<u>11,013</u>	<u>19,707</u>

8 CREDITORS: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	35,807	12,340
Other creditors	77	77
	<u>35,884</u>	<u>12,417</u>

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

9 RESTRICTED FUNDS	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
SVS - SO18 Big Local	-	13,004	(13,004)	-	-
Henry Smith grant	-	52,725	(53,481)	-	(756)
Alex Ferry Foundation	-	9,397	(9,397)	-	-
The Access to Justice Foundation	-	6,727	(6,727)	-	-
	-	81,853	(82,609)	-	(756)

SVS - SO18 Big Local

SO18 Big Local commissioned grant award to fully fund an outreach service, providing two advice sessions per month in Townhill Park for the local community.

Henry Smith Grant

This funds the outreach worker post shared across the Advice Southampton Partnership. Continuation funding was approved for a further three years in September 2020.

Alex Ferry Foundation

Funding towards the purchase of a laptop and to cover the company's computer service contract.

The Access to Justice Foundation

This grant supports free legal advice to enable the poorest in our society to fight injustice and deprivation.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2022 £
<i>Year ended 31 March 2023</i>			
Tangible fixed assets	-	-	-
Debtors	11,013	-	11,013
Bank and cash	171,349	19,005	190,354
Creditors	(16,123)	(19,761)	(35,884)
	166,239	(756)	165,483
<i>Year ended 31 March 2022</i>			
Tangible fixed assets	1,242	-	1,242
Debtors	19,707	-	19,707
Bank and cash	153,819	10,614	164,433
Creditors	(1,803)	(10,614)	(12,417)
	172,965	-	172,965

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

11 DEFERRED INCOME

An element of grant income received by the charity during the year has been deferred as it relates to later accounting periods. The movement in the year is detailed below:

	£
Income deferred in year to 31 March 2023	(19,761)
Amounts released from previous years	10,614
Net movement in the Statement of Financial Activities	<u>(9,147)</u>

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during this year or the prior year.

13 OPERATING LEASES

At 31 March 2023, the charity had annual commitments under non-cancellable operating leases for rent of the office building. This lease is due to expire on 31 March 2024 and the annual commitment is £12,325. The total amount payable until the end of the lease is £12,325 (2022: £24,650).

Accounts

**SOUTHAMPTON ADVICE &
REPRESENTATION CENTRE**
(REGISTERED NUMBER : 05582643)

**REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors, who are also the trustees, present their report and the accounts for the year ended 31 March 2022.

Legal status

The company incorporated on 4 October 2005 and commenced its charitable activities on 1 April 2006. The registration number of the company is 5582643. The company is also a registered charity (number 1112999). The charity is constituted by its memorandum and articles of association.

The liability of the members is limited by their guarantee. In the event of the company being wound up during the period of their membership (or within a year following), members undertake to contribute such amounts as may be required, up to a maximum of £1.

Registered office

11 Porchester Road
Woolston
Southampton
SO19 2JB

Accountants

Knight Goodhead Limited
7 Bourmemouth Road
Chandler's Ford
Eastleigh
Hampshire
SO53 3DA

Bank

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4JQ

Principal activity

The principal activity of the charity is the provision of advice and representation in the fields of employment law and welfare benefits to residents of Southampton.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Objectives and activities

Within the field of employment rights and welfare benefits, the charity aims to provide its clients with high quality, accurate advice and (where appropriate) representation at tribunals etc. This service is available to all who live within the area of Southampton and those from other areas such as trade unions and housing associations with which the charity has funding agreements.

The strategies for achieving these aims and objectives may be summarised as follows:

- a) Staff - all staff are encouraged to provide an exceptional level of commitment to the client group. The charity has a well developed training programme that ensures the quality of advice is sound, consistent and accurate;
- b) The Advice Service Alliance - adherence to the Quality Mark ensures that management and staff are committed to excellence based on a strong qualitative base;
- c) Centre of Excellence - the charity strives to be recognised as providing high quality advice and representation in its area of expertise;
- d) Specialists - the charity focuses only on its areas of expertise in welfare benefits and employment law;
- e) Outreach - in order to ensure that its services are available to all members of the community, the charity operated a number of outreach centres;
- f) Equality of opportunity - the charity's staff complement is intended to be broadly representative of the community which it serves.

Advice is normally available daily by telephone, email or by appointment at the main Woolston centre and drop in arrangements are in place at outreach sites. Special arrangements were in place to ensure continuity of service and client and staff safety during the Covid 19 pandemic. SARC has continued to operate a full service remotely for our clients. During the pandemic we worked smartly to incorporate safe home working using technology to create effective home offices and were able to see limited numbers of face to face clients using the secure area. We continued to attend Tribunal Hearings by video and phone links. Outreach sessions were suspended but reopening is now being reviewed.

We had success in attracting grants to facilitate the additional IT cost of home working. All team members were fully included and supported through supervisions and regular team meetings. We continued to explore service arrangements to ensure we are fully accessible by all the members of the local community and client preferences for more varied forms of service access have been addressed by incorporating learning gained during the pandemic on our return to office-based working.

Governance of the Charity during the pandemic restrictions was exercised by virtual Board meetings via appropriate platforms and undertaken in accordance with Charity Commission Guidance. We have now returned to in person Board meetings.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Directors and trustees

The directors who served during the year were:

J Brear	Chair
R Stokes	Vice chair
DC Murray	Treasurer
DG Wrighton	Secretary
CL McEwing	
Dr SD Reeve	(resigned 9 August 2022)
DI Goodall	

The charity is managed by the trustees, who delegate day to day responsibility to Gary Edwards, manager, and the management team.

Appointment of trustees

Trustees are elected to post having been selected from suitable candidates to ensure that the board contains an appropriate balance of expertise. Trustees undergo an initial induction course.

The trustees meet monthly to attend to the legal and administrative affairs of the company and to review and set the policy and long term strategies of the charity. There is one sub committee: Personnel and Development, which is charged with developing and monitoring delivery of the strategic plan and policy and personnel matters.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and believe effective insurance, checks, controls and procedures are in place to manage those risks. As required by the AQS Quality Mark procedures, there is a full set of office manuals including financial procedures. In March 2022 we had our AQS external audit which was very positive. The auditor highlighted many areas where we exceeded the national standards. The next audit will take place within the first quarter of 2024.

We have completely advised and updated our safeguarding procedures and this is a standing item at every board meeting. As we have been remote working in this period we have been extra vigilant to support clients and staff through these difficult times.

Review of Activities

We operate a five day working week, achieved 6,000 client episodes and assisted at over 200 tribunal proceedings. Once again there has been an increase in demand for welfare benefit advice and representation as the welfare reform agenda continues to impact on our client base. We are innovative in our delivery methods to meet the demands of our service. We have successfully adapted to remote Covid safe homeworking with continued success for clients at telephone and Video Tribunal hearings. In the financial year no justified complaints were received, only compliments and donations. We generated over 4 times the financial benefit for our service users for every pound invested in our service, money that is spent in the local economy. In 2018 the City Council awarded an Advice, Information and Guidance Contract (which started in 2018) to a consortium led by Southampton CAS. We have subcontracted with that organisation for a five year period to provide the whole of the specialist advice and representation on employment and welfare matters funded under that contract. We received funding from the Henry Smith Charity and with this are able to employ and professionally support a welfare benefit worker who operates across several advice agencies.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Financial review

A summary of the charity's financial performance is shown on page 7 of the accounts. The charity made a surplus of £1,057 (2021: £27,367 surplus). The total reserves of the charity at the year end were £172,965 (2021: £171,908) including restricted funds of £nil (2021: £1,512).

As mentioned above we have entered into a five year sub-contract to undertake the volume of specialist work provided for and funded in the AIG contract. In addition we hold a contract from Southampton City Council, our principal funder, to provide a Welfare Reform Disability and Benefit Advice Service for an agreed number of clients and interventions. This contract complements the AIG contract but provides targeted support for clients with disabilities who are not covered within that contract. The AIG contract was extended for another two years. We have been advised that there will be further extensions until February 2025 and discussions regarding inflationary increases continue at the time the accounts are signed off. Our Welfare contract was due to expire in January 2023 and again will be extended until February 2025, again we await to find out if there is an inflationary increase. As always we continued to explore every avenue of potential funding but clearly secure council funding is vital for us to develop both our longer term business plans and strengthen our ability to attract further external financial support. We were successful in attracting fresh income streams in the form of donations and grants. We also secured income from fresh sources such as the Access to Justice scheme and Alex Ferry Foundation . Donations from clients again exceeded our budget.

Reserves policy

The trustees' objective is to maintain sufficient reserves to fund;

- (i) Operating costs to enable the organisation to continue trading during any unusual disruption to income. This is estimated to represent at least 5% of annual income;
- (ii) Costs of closure including redundancy costs, staff notice pay, potential legal costs should TUPE apply, holiday pay and other final payments to creditors;
- (iii) Anticipated building repairs and maintenance to ensure compliance with contractual obligations in terms of the lease and for an ongoing programme of equipment replacement.

On the above basis it is currently estimated that between £105,000 and £110,000 is required to be held in reserve.

Due to the prudent cost reductions undertaken by SARC to preserve the viability of the centre, together with the success of the team in securing other sources of grant funding and an improvement in donations, SARC is holding higher reserves than anticipated. However due to the extremely uncertain financial environment SARC is currently operating in, the board believe it is appropriate to hold higher reserves until the situation with funding becomes clearer.

Impact of COVID-19

Like all organisations the charity asked staff to work from home where it is possible to do so and, thanks to their efforts, they were able to do so with no drop in service level indeed an increase in client episodes is reported. The charity had to spend a small amount of funds on equipment to enable home-working as well as to equip a room in their building to be "Covid secure" in the event that face-to-face appointments were essential and this has worked well. Despite tribunals being closed for a time early in the pandemic there was no drop in workload and the charity did not expect to see any. We were delighted to increase our capacity with funding from Access to Justice. Face to Face interviews have been reinstated as Government restrictions have altered and a cautious prudent approach to full re-opening was overseen by the Charity Trustees and Manager. As mentioned above we have been able to incorporate new ways of working on full service reopening to reflect client preferences for accessing our services.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

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

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board on
and signed on their behalf by

8th December, 2022.



D G Wrighton
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

I report to the trustees on my examination of the accounts of Southampton Advice & Representation Centre for the year ended 31 March 2022, which are set out on pages 7 to 16.

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 accounts in accordance with the requirements of the Companies Act 2006 (the "2006 Act").

Having satisfied myself that the accounts of the charitable company are not required to be audited under the Charities Act 2011 and are eligible for an independent examination, I report in respect of my examination of the trustee's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities 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.



J E Harris FCCA
Knight Goodhead Limited
Chartered Accountants

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

7 DECEMBER 2022

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
INCOME					
Donations and legacies		4,363	-	4,363	6,168
Charitable activities	3	168,818	78,428	247,246	273,341
Investment income		29	-	29	71
TOTAL INCOME		173,210	78,428	251,638	279,580
EXPENDITURE					
Charitable activities	5	170,641	79,940	250,581	252,213
TOTAL EXPENDITURE		170,641	79,940	250,581	252,213
NET INCOME BEFORE TRANSFERS		2,569	(1,512)	1,057	27,367
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		2,569	(1,512)	1,057	27,367
FUND BALANCES BROUGHT FORWARD		170,396	1,512	171,908	144,541
FUND BALANCES CARRIED FORWARD		172,965	-	172,965	171,908

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2021

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £
INCOME				
Donations and legacies		6,168	-	6,168
Charitable activities		181,493	91,848	273,341
Investment income		71	-	71
TOTAL INCOME		187,732	91,848	279,580
EXPENDITURE				
Charitable activities		163,669	88,544	252,213
TOTAL EXPENDITURE		163,669	88,544	252,213
NET INCOME BEFORE TRANSFERS		24,063	3,304	27,367
Transfers between funds		1,792	(1,792)	-
NET MOVEMENT IN FUNDS		25,855	1,512	27,367
FUND BALANCES BROUGHT FORWARD		144,541	-	144,541
FUND BALANCES CARRIED FORWARD		170,396	1,512	171,908

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

REGISTERED NUMBER : 05582643

BALANCE SHEET AT 31 MARCH 2022

	Notes	£	2022 £	2021 £
FIXED ASSETS				
Tangible assets	6		1,242	2,801
CURRENT ASSETS				
Debtors	7	19,707		19,496
Cash at bank and in hand		164,433		163,735
		<u>184,140</u>		<u>183,231</u>
CREDITORS: amounts falling due within one year				
	8	<u>(12,417)</u>		<u>(14,124)</u>
NET CURRENT ASSETS			171,723	169,107
NET ASSETS			<u>172,965</u>	<u>171,908</u>
FUNDS				
Restricted funds	9		-	1,512
General funds			172,965	170,396
TOTAL FUNDS			<u>172,965</u>	<u>171,908</u>

For the financial year ended 31 March 2022, the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records, which comply with section 386, and preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the year and of its surplus or deficit for the financial year, in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 8th December 2022
and signed on their behalf by

D Murray
Treasurer

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1 ACCOUNTING POLICIES

(a) Accounting convention

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

Southampton Advice and Representation Centre meets the definition of the 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 note.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

(b) Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

1 ACCOUNTING POLICIES (continued)

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT paid.

Costs are apportioned in line with the income received from that source during the year.

Charitable activities expenditure comprises of 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

(e) Fixed assets

Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £100.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Leasehold improvements	33% straight line
Office equipment	33% straight line
Furniture and fittings	33% straight line

(f) Pension costs

Contributions in respect of the company's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

(g) Basic financial instruments

The charitable company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash at bank and creditors. These basic financial instruments are measured and transaction price. Financial assets and liabilities classified as due within one year are not amortised.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

2 LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 4 October 2005 in England and Wales and was registered on 15 February 2006 with the Charity Commission in England and Wales.

The registered office of the charitable company is 11 Porchester Road, Woolston, Southampton, SO19 2JB.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Funding contracts and grants:				
Southampton City Council	100,000	-	100,000	100,000
Southampton Citizens Advice	67,668	-	67,668	67,668
SVS	-	12,600	12,600	12,400
Henry Smith Charity	-	54,300	54,300	46,183
Alex Ferry Foundation	-	11,528	11,528	2,500
The Access to Justice Foundation	-	-	-	27,865
Coronavirus Community Support Fund	-	-	-	2,900
Southampton City Council COVID support	-	-	-	10,000
Other small grants	600	-	600	3,825
Other income	550	-	550	-
	<u>168,818</u>	<u>78,428</u>	<u>247,246</u>	<u>273,341</u>

The restricted fund grants analysed above form part of the relevant funds as detailed in note 9.

4 STAFF COSTS

	2022	2021
	£	£
Wages and salaries	186,932	186,937
Social security costs	13,079	12,612
Pension	6,914	7,070
	<u>206,925</u>	<u>206,619</u>

The average number of staff employed during the year was 8 (2021: 8). No employee received emoluments of £60,000 or more during this year or the prior year.

Key management personnel were paid a total of £48,978 (2021: £46,642).

During the year or the prior year no trustees received any emolument, were paid any expenses or were reimbursed for expenditure incurred on behalf of the charity.

Total pension contributions of £6,914 (2021: £7,070) were paid by the charity and are included in the SOFA. There were no outstanding contributions payable at the end of this year or the prior year.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

5 EXPENDITURE	Unrestricted	Restricted	2022	2021
	£	£	£	£
Costs directly allocated to activities				
Direct staff costs (see note 4)	140,025	66,900	206,925	206,619
Staff and volunteer expenses	1,241	-	1,241	16
Staff welfare	85	-	85	20
Training and recruitment	688	-	688	393
	<u>142,039</u>	<u>66,900</u>	<u>208,939</u>	<u>207,048</u>
Support costs allocated to activities				
Rent and rates	3,437	9,247	12,684	12,325
Light and heat	3,973	-	3,973	4,904
Cleaning	253	-	253	64
Computer costs	3,010	3,793	6,803	7,872
Publications and subscriptions	1,432	-	1,432	1,353
Telephone	4,034	-	4,034	3,802
Postage, printing and stationery	4,018	-	4,018	1,292
Insurance	1,940	-	1,940	1,884
Maintenance	2,042	-	2,042	1,858
Sundry COVID-19 costs	304	-	304	5,332
Bank charges	98	-	98	69
Depreciation	1,559	-	1,559	1,560
	<u>26,100</u>	<u>13,040</u>	<u>39,140</u>	<u>42,315</u>
Governance costs				
Accountancy and examination fees	1,752	-	1,752	2,100
Quality mark monitoring fees	750	-	750	750
	<u>2,502</u>	<u>-</u>	<u>2,502</u>	<u>2,850</u>
	<u>170,641</u>	<u>79,940</u>	<u>250,581</u>	<u>252,213</u>

Included within accountancy and examinations fees above are amounts due to the independent examiners in relation to independent examination of £1,320 (2021: £1,260) and £432 for other work (2021: £840).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

6 TANGIBLE ASSETS

	Leasehold improvements £	Office furniture & equipment £	Total £
COST			
At beginning and end of year	40,489	17,561	58,050
DEPRECIATION			
At beginning of year	40,489	14,760	55,249
Charge for year	-	1,559	1,559
At end of year	40,489	16,319	56,808
NET BOOK VALUE			
At end of year	-	1,242	1,242
At beginning of year	-	2,801	2,801

7 DEBTORS

	2022 £	2021 £
Prepayments	2,916	2,830
Accrued income	16,666	16,666
Other debtors	125	-
	<u>19,707</u>	<u>19,496</u>

8 CREDITORS: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	12,340	14,124
Other creditors	77	-
	<u>12,417</u>	<u>14,124</u>

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

9 RESTRICTED FUNDS

	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
SVS - SO18 Big Local	-	12,600	(12,600)	-	-
Henry Smith grant	-	54,300	(54,300)	-	-
Alex Ferry Foundation	1,512	11,528	(13,040)	-	-
	<u>1,512</u>	<u>78,428</u>	<u>(79,940)</u>	<u>-</u>	<u>-</u>

SVS - SO18 Big Local

SO18 Big Local commissioned grant award to fully fund an outreach service, providing two advice sessions per month in Townhill Park for the local community.

Henry Smith Grant

This funds the outreach worker post shared across the Advice Southampton Partnership. Continuation funding was approved for a further three years in September 2020.

Alex Ferry Foundation

Funding towards the purchase of a laptop and to cover the company's computer service contract.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

<i>Year ended 31 March 2022</i>	Unrestricted £	Restricted £	2021 £
Tangible fixed assets	1,242	-	1,242
Debtors	19,707	-	19,707
Bank and cash	153,819	10,614	164,433
Creditors	(1,803)	(10,614)	(12,417)
	<u>172,965</u>	<u>-</u>	<u>172,965</u>
<i>Year ended 31 March 2021</i>	Unrestricted £	Restricted £	2020 £
Tangible fixed assets	2,801	-	2,801
Debtors	19,496	-	19,496
Bank and cash	150,281	13,454	163,735
Creditors	(2,182)	(11,942)	(14,124)
	<u>170,396</u>	<u>1,512</u>	<u>171,908</u>

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

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

11 DEFERRED INCOME

An element of grant income received by the charity during the year has been deferred as it relates to later accounting periods. The movement in the year is detailed below:

	£
Income deferred in year to 31 March 2022	(10,614)
Amounts released from previous years	11,942
Net movement in the Statement of Financial Activities	<u>1,328</u>

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during this year or the prior year.

13 OPERATING LEASES

At 31 March 2022, the charity had annual commitments under non-cancellable operating leases for rent of the office building. This lease is due to expire on 31 March 2024 and the annual commitment is £12,325. The total amount payable until the end of the lease is £24,650 (2021: £36,975).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

England & Wales - Charity number 1112999

Accounts

**SOUTHAMPTON ADVICE &
REPRESENTATION CENTRE**
(REGISTERED NUMBER : 05582643)

**REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors, who are also the trustees, present their report and the accounts for the year ended 31 March 2021.

Legal status

The company incorporated on 4 October 2005 and commenced its charitable activities on 1 April 2006. The registration number of the company is 5582643. The company is also a registered charity (number 1112999). The charity is constituted by its memorandum and articles of association.

The liability of the members is limited by their guarantee. In the event of the company being wound up during the period of their membership (or within a year following), members undertake to contribute such amounts as may be required, up to a maximum of £1.

Registered office

11 Porchester Road
Woolston
Southampton
SO19 2JB

Accountants

Knight Goodhead Limited
7 Bournemouth Road
Chandler's Ford
Eastleigh
Hampshire
SO53 3DA

Bank

CAF Bank Ltd
Kings Hill
West Malling
Kent
ME19 4JQ

Principal activity

The principal activity of the charity is the provision of advice and representation in the fields of employment law and welfare benefits to residents of Southampton.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Objectives and activities

Within the field of employment rights and welfare benefits, the charity aims to provide its clients with high quality, accurate advice and (where appropriate) representation at tribunals etc. This service is available to all who live within the area of Southampton and those from other areas such as trade unions and housing associations with which the charity has funding agreements.

The strategies for achieving these aims and objectives may be summarised as follows:

- a) Staff - all staff are encouraged to provide an exceptional level of commitment to the client group. The charity has a well developed training programme that ensures the quality of advice is sound, consistent and accurate;
- b) The Advice Service Alliance - adherence to the Quality Mark ensures that management and staff are committed to excellence based on a strong qualitative base;
- c) Centre of Excellence - the charity strives to be recognised as providing high quality advice and representation in its area of expertise;
- d) Specialists - the charity focuses only on its areas of expertise in welfare benefits and employment law;
- e) Outreach - in order to ensure that its services are available to all members of the community, the charity operated a number of outreach centres;
- f) Equality of opportunity - the charity's staff complement is intended to be broadly representative of the community which it serves.

Advice is normally available daily by telephone, email or by appointment at the main Woolston centre and drop in arrangements are in place at outreach sites. Special arrangements are currently in place to ensure continuity of service and client and staff safety during the Covid 19 pandemic. SARC has continued to operate a full service remotely for our clients. We have worked smartly to incorporate safe home working using technology to create effective home offices. We can see limited numbers of face to face clients using the secure area. We continue to attend Tribunal Hearings by video and phone links. Outreach sessions have been suspended.

We have had success in attracting grants to facilitate the additional IT cost. All team members have been fully included and supported through supervisions and regular team meetings. We continue to explore service arrangements to ensure we are fully accessible all the members of the local community. We have complied with government guidance and our service is one that can be performed remotely.

Governance of the Charity is at present given pandemic restrictions exercised by virtual Board meetings via appropriate platforms and is undertaken in accordance with Charity Commission Guidance.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Directors and trustees

The directors who served during the year were:

J Brear	Chair
R Stokes	Vice chair
DC Murray	Treasurer
DG Wrighton	Secretary
CL McEwing	
Dr SD Reeve	
DI Goodall	

The charity is managed by the trustees, who delegate day to day responsibility to Gary Edwards, manager, and the management team.

Appointment of trustees

Trustees are elected to post having been selected from suitable candidates to ensure that the board contains an appropriate balance of expertise. Trustees undergo an initial induction course.

The trustees meet monthly to attend to the legal and administrative affairs of the company and to review and set the policy and long term strategies of the charity. There is one subcommittee: Personnel and Development, which is charged with developing and monitoring delivery of the strategic plan and policy and personnel matters.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and believe effective insurance, checks, controls and procedures are in place to manage those risks. As required by the AQS Quality Mark procedures, there is a full set of office manuals including financial procedures. In March 2020 we had our AQS external audit which was the most positive we have ever received. The auditor highlighted many areas where we exceeded the national standards. The next audit will take place within the first quarter of 2022. We have completely advised and updated our safeguarding procedures and this is a standing item at every board meeting. As we have been remote working in this period we have been extra vigilant to support clients and staff through these difficult times.

Review of Activities

We operate a five day working week, achieved 6,000 client episodes and assisted at over 200 tribunal proceedings. Once again there has been an increase in demand for welfare benefit advice and representation as the welfare reform agenda continues to impact on our client base. We are innovative in our delivery methods to meet the demands of our service. We have successfully adapted to remote Covid safe homeworking with continued success for clients at telephone and Video Tribunal hearings. In the financial year no justified complaints were received, only compliments and donations. We generated over 4 times the financial benefit for our service users for every pound invested in our service, money that is spent in the local economy. In 2018 the City Council awarded an Advice, Information and Guidance Contract (which started in 2018) to a consortium led by Southampton CAS. We have subcontracted with that organisation for a five year period to provide the whole of the specialist advice and representation on employment and welfare matters funded under that contract. We received funding from the Henry Smith Charity and with this are able to employ and professionally support a welfare benefit worker who operates across several advice agencies.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Financial review

A summary of the charity's financial performance is shown on page 7 of the accounts. The charity made a surplus of £27,367 (2020: £20,086). The total reserves of the charity at the year end were £171,908 (2020: £144,541) including restricted funds of £1,512 (2020: £nil).

As mentioned above we have entered into a five year sub-contract to undertake the volume of specialist work provided for and funded in the AIG contract. In addition we hold a contract from Southampton City Council, our principal funder, to provide a Welfare Reform Disability and Benefit Advice Service from 2019 to March 2021 for an agreed number of clients and interventions. This contract complements the AIG contract but provides targeted support for clients with disabilities who are not covered within that contract. The council have recently confirmed that this contract will be extended to January 2023. Once again we continued to explore every avenue of potential funding but clearly secure council funding is vital for us to develop both our longer term business plans and strengthen our ability to attract further external financial support. We were successful in attracting fresh income streams in the form of donations and grants. We also secured income from fresh sources such as the Access to Justice scheme. Donations from clients continued to exceed our budget.

Reserves policy

The trustees' objective is to maintain sufficient reserves to fund;

- (i) Operating costs to enable the organisation to continue trading during any unusual disruption to income. This is estimated to represent at least 5% of annual income;
- (ii) Costs of closure including redundancy costs, staff notice pay, potential legal costs should TUPE apply, holiday pay and other final payments to creditors;
- (iii) Anticipated building repairs and maintenance to ensure compliance with contractual obligations in terms of the lease and for an ongoing programme of equipment replacement.

On the above basis it is currently estimated that between £105,000 and £110,000 is required to be held in reserve.

Due to the prudent cost reductions undertaken by SARC to preserve the viability of the centre, together with the success of the team in securing other sources of grant funding and an improvement in donations, SARC is holding higher reserves than anticipated. However due to the extremely uncertain financial environment SARC is currently operating in, the board believe it is appropriate to hold higher reserves until the situation with funding becomes clearer.

Impact of COVID-19

Like all organisations the charity has asked staff to work from home where it is possible to do so and, thanks to their efforts, they have been able to do so with no drop in service level indeed and increase in client episodes is reported. The charity has had to spend a small amount of funds on equipment to enable home-working as well as to equip a room in their building to be "Covid secure" in the event that face-to-face appointments are essential and this has worked well. Despite tribunals being closed for a time early in the pandemic there has been no drop in workload and the charity doesn't expect to see any, in fact there may be an increase particularly in the employment side of the service offering. We were delighted to increase our capacity with funding from Access to Justice. Face to Face interviews are increasing as Government restrictions have altered and cautious prudent approach to full re-opening will be overseen by the Charity Trustees and Manager.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

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

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board on *25 November 2021*
and signed on their behalf by



D G Wrighton
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

I report to the trustees on my examination of the accounts of Southampton Advice & Representation Centre for the year ended 31 March 2021, which are set out on pages 7 to 16.

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 accounts in accordance with the requirements of the Companies Act 2006 (the "2006 Act").

Having satisfied myself that the accounts of the charitable company are not required to be audited under the Charities Act 2011 and are eligible for an independent examination, I report in respect of my examination of the trustee's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

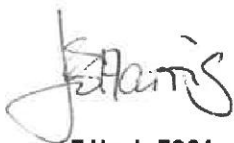
INDEPENDENT EXAMINER'S STATEMENT

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities 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.



J E Harris FCCA
Knight Goodhead Limited
Chartered Accountants

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire, SO53 3DA

1 November 2021

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
INCOME					
Donations and legacies		6,168	-	6,168	12,553
Charitable activities	3	181,493	91,848	273,341	244,186
Investment income		71	-	71	218
TOTAL INCOME		187,732	91,848	279,580	256,957
EXPENDITURE					
Charitable activities	5	163,669	88,544	252,213	236,871
TOTAL EXPENDITURE		163,669	88,544	252,213	236,871
NET INCOME BEFORE TRANSFERS		24,063	3,304	27,367	20,086
Transfers between funds		1,792	(1,792)	-	-
NET MOVEMENT IN FUNDS		25,855	1,512	27,367	20,086
FUND BALANCES BROUGHT FORWARD		144,541	-	144,541	124,455
FUND BALANCES CARRIED FORWARD		170,396	1,512	171,908	144,541

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

**PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2020**

(Including Income and Expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2020 £
INCOME				
Donations and legacies		12,553	-	12,553
Charitable activities		177,124	67,062	244,186
Investment income		218	-	218
TOTAL INCOME		189,895	67,062	256,957
EXPENDITURE				
Charitable activities		169,809	67,062	236,871
TOTAL EXPENDITURE		169,809	67,062	236,871
NET INCOME FOR YEAR		20,086	-	20,086
FUND BALANCES BROUGHT FORWARD		124,455	-	124,455
FUND BALANCES CARRIED FORWARD		144,541	-	144,541

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE
(Company limited by guarantee and not having share capital)

REGISTERED NUMBER : 05582643

BALANCE SHEET AT 31 MARCH 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	6		2,801		639
CURRENT ASSETS					
Debtors	7	19,496		25,886	
Cash at bank and in hand		<u>163,735</u>		<u>143,901</u>	
		183,231		169,787	
CREDITORS: amounts falling due within one year					
	8	<u>(14,124)</u>		<u>(25,885)</u>	
NET CURRENT ASSETS			169,107		143,902
NET ASSETS			<u>171,908</u>		<u>144,541</u>
FUNDS					
Restricted funds	9		1,512		-
General funds			170,396		144,541
TOTAL FUNDS			<u>171,908</u>		<u>144,541</u>

For the financial year ended 31 March 2021, the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records, which comply with section 386, and preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the year and of its surplus or deficit for the financial year, in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 25/11/21
and signed on their behalf by

D Murray
Treasurer

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

(a) Accounting convention

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

Southampton Advice and Representation Centre meets the definition of the 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 note.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

(b) Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

1 ACCOUNTING POLICIES (continued)

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT paid.

Costs are apportioned in line with the income received from that source during the year.

Charitable activities expenditure comprises of 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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

(e) Fixed assets

Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £100.

Depreciation is provided on fixed assets to spread the cost over the estimated useful lives of the relevant assets at the following rates:

Leasehold improvements	33% straight line
Office equipment	33% straight line
Furniture and fittings	33% straight line

(f) Pension costs

Contributions in respect of the company's defined contribution scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

(g) Basic financial instruments

The charitable company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, cash at bank and creditors. These basic financial instruments are measured and transaction price. Financial assets and liabilities classified as due within one year are not amortised.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

2 LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. The charitable company was incorporated on 4 October 2005 in England and Wales and was registered on 15 February 2006 with the Charity Commission in England and Wales.

The registered office of the charitable company is 11 Porchester Road, Woolston, Southampton, SO19 2JB.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Funding contracts and grants:				
Southampton City Council	100,000	-	100,000	100,000
Southampton Citizens Advice	67,668	-	67,668	67,678
SVS	-	12,400	12,400	14,137
Henry Smith Charity	-	46,183	46,183	40,400
Alex Ferry Foundation	-	2,500	2,500	-
Thornhill You Plus	-	-	-	3,358
The Access to Justice Foundation	-	27,865	27,865	9,167
Coronavirus Community Support Fund	-	2,900	2,900	-
Southampton City Council COVID support	10,000	-	10,000	-
Other small grants	3,825	-	3,825	9,446
	<u>181,493</u>	<u>91,848</u>	<u>273,341</u>	<u>244,186</u>

The restricted fund grants analysed above form part of the relevant funds as detailed in note 9.

4 STAFF COSTS

	2021	2020
	£	£
Wages and salaries	186,937	179,815
Social security costs	12,612	12,641
Pension	7,070	6,946
	<u>206,619</u>	<u>199,402</u>

The average number of staff employed during the year was 8 (2020: 8). No employee received emoluments of £60,000 or more during this year or the prior year.

Key management personnel were paid a total of £46,642 (2020: £45,778).

During the year or the prior year no trustees received any emolument, were paid any expenses or were reimbursed for expenditure incurred on behalf of the charity.

Total pension contributions of £7,070 (2020: £6,946) were paid by the charity and are included in the SOFA. There were no outstanding contributions payable at the end of this year or the prior year.

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

5 EXPENDITURE	Unrestricted	Restricted	2021	2020
	£	£	£	£
Costs directly allocated to activities				
Direct staff costs (see note 4)	135,073	71,546	206,619	199,402
Staff and volunteer expenses	16	-	16	1,762
Staff welfare	20	-	20	137
Training and recruitment	393	-	393	966
	<u>135,502</u>	<u>71,546</u>	<u>207,048</u>	<u>202,267</u>
Support costs allocated to activities				
Rent and rates	4,259	8,066	12,325	11,366
Light and heat	4,904	-	4,904	4,589
Cleaning	64	-	64	280
Computer costs	4,297	3,575	7,872	6,745
Publications and subscriptions	613	740	1,353	1,648
Telephone	3,802	-	3,802	2,970
Postage, printing and stationery	1,292	-	1,292	2,217
Insurance	1,884	-	1,884	1,866
Maintenance	1,858	-	1,858	419
Sundry COVID-19 costs	715	4,617	5,332	-
Bank charges	69	-	69	60
Depreciation	1,560	-	1,560	374
	<u>25,317</u>	<u>16,998</u>	<u>42,315</u>	<u>32,534</u>
Governance costs				
Accountancy and examination fees	2,100	-	2,100	1,380
Quality mark monitoring fees	750	-	750	690
	<u>2,850</u>	<u>-</u>	<u>2,850</u>	<u>2,070</u>
	<u><u>163,669</u></u>	<u><u>88,544</u></u>	<u><u>252,213</u></u>	<u><u>236,871</u></u>

Included within accountancy and examinations fees above are amounts due to the independent examiners in relation to independent examination of £1,260 (2020: £1,260) and £840 for other work (2020: £120).

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

6 TANGIBLE ASSETS	Leasehold	Office furniture	Total
	improvements	& equipment	
	£	£	£
COST			
At beginning of year	40,489	13,839	54,328
Additions	-	3,722	3,722
At end of year	<u>40,489</u>	<u>17,561</u>	<u>58,050</u>
DEPRECIATION			
At beginning of year	40,489	13,200	53,689
Charge for year	-	1,560	1,560
At end of year	<u>40,489</u>	<u>14,760</u>	<u>55,249</u>
NET BOOK VALUE			
At end of year	<u>-</u>	<u>2,801</u>	<u>2,801</u>
At beginning of year	<u>-</u>	<u>639</u>	<u>639</u>
7 DEBTORS			
	2021	2020	
	£	£	
Prepayments	2,830	3,580	
Accrued income	<u>16,666</u>	<u>22,306</u>	
	<u>19,496</u>	<u>25,886</u>	
8 CREDITORS: amounts falling due within one year			
	2021	2020	
	£	£	
Accruals and deferred income	<u>14,124</u>	<u>25,885</u>	

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

9 RESTRICTED FUNDS	Funds b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
SVS - SO18 Big Local	-	12,400	(12,400)	-	-
Henry Smith grant	-	46,183	(46,183)	-	-
Alex Ferry Foundation	-	2,500	(330)	(658)	1,512
Coronavirus Community Support Fund	-	2,900	(1,766)	(1,134)	-
The Access to Justice Foundation	-	27,865	(27,865)	-	-
	-	91,848	(88,544)	(1,792)	1,512

SVS - SO18 Big Local

SO18 Big Local commissioned grant award to fully fund an outreach service, providing two advice sessions per month in Townhill Park for the local community.

Henry Smith Grant

This funds the outreach worker post shared across the Advice Southampton Partnership. Continuation funding was approved for a further three years in September 2020.

Alex Ferry Foundation

Funding towards the purchase of a laptop and to cover the company's computer service contract.

Coronavirus Community Support Fund

Funding to support the costs of specific Covid related adaptations including two laptops, deep cleaning of premises and PPE.

The Access to Justice Foundation

This grant supports free legal advice to enable the poorest in our society to fight injustice and deprivation.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2021 £
<i>Year ended 31 March 2021</i>			
Tangible fixed assets	2,801	-	2,801
Debtors	19,496	-	19,496
Bank and cash	150,281	13,454	163,735
Creditors	(2,182)	(11,942)	(14,124)
	170,396	1,512	171,908
	Unrestricted £	Restricted £	2020 £
<i>Year ended 31 March 2020</i>			
Tangible fixed assets	639	-	639
Debtors	25,886	-	25,886
Bank and cash	119,926	23,975	143,901
Creditors	(1,910)	(23,975)	(25,885)
	144,541	-	144,541

SOUTHAMPTON ADVICE & REPRESENTATION CENTRE

(Company limited by guarantee and not having share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

11 DEFERRED INCOME

An element of grant income received by the charity during the year has been deferred as it relates to later accounting periods. The movement in the year is detailed below:

	£
Income deferred in year to 31 March 2021	(11,942)
Amounts released from previous years	23,975
Net movement in the Statement of Financial Activities	<u>12,033</u>

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during this year or the prior year.

13 OPERATING LEASES

At 31 March 2021, the charity had annual commitments under non-cancellable operating leases for rent of the office building. This lease is due to expire on 31 March 2024 and the annual commitment is £12,325. The total amount payable until the end of the lease is £36,975 (2020: £49,300).

14 POST BALANCE SHEET EVENT - COVID-19

We have worked hard to provide a seamless remote advice service for our clients. We utilise homeworking for the advisers, they have been able to do so with no drop in service level. The charity has had to spend a small amount of funds on equipment to enable home-working as well as to equip a room in their building to be "Covid secure". This face to face interview facility has been well received and works well. Despite tribunals being physically closed for there has been no drop in workload and the charity doesn't expect to see any, in fact there may be an increase particularly in the employment side. We have attended over 80 remote Tribunal Hearings in the phone and video format. All staff have taken up the vaccination offer.