

REGISTERED COMPANY NUMBER: 06830503 (England and Wales)
REGISTERED CHARITY NUMBER: 1128718

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

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FOR THE YEAR ENDED 31 MARCH 2021**

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COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Principal aims

The Objects of the Charity are to promote any charitable purpose for the benefit of the public, including, the advancement of education, the protection of health, the relief of poverty, sickness, and distress, by the provision of social welfare law advice, information, representation and training and consultancy services.

This objective is achieved through the provision of Social Welfare advice, casework, representation, training and consultancy services currently in the fields of Welfare Benefits, Debt, Housing, Immigration and also through the provision of Fuel Poverty advice and support. We provide an end to end service to ensure the best possible outcome for clients. We deliver a range of services for local communities and have a diverse funding base with resources focused on supporting vulnerable client groups through a mixed model of service delivery aimed at promoting equality of access to our services. We have well developed partnerships and referral arrangements in place with a wide range of agencies across Northamptonshire.

Public benefit

The Trustees have regard to the Charity Commission's public benefit guidance in all their decision-making. This Annual Report contains details of how they have carried out the Charity's purposes for the public benefit. Community Law Service (Northampton & County) charitable activities are focused on enabling people to access social welfare advice to help them resolve problems that are affecting their quality of life. This is done through offering timely access to advice which can have benefits beyond the alleviation of specific financial or other problems. These include maintenance of physical and mental health and well-being; whereas an inability to access help and advice when it is needed can result in problems worsening and escalating at increasing cost to the individual and, often, to third parties and to the public purse.

Strategy & Plans

The Trustees review the Charity's objectives periodically in the context of updating their Strategic Plan. This is usually done annually. An Annual Plan reflecting the current Strategic Plan is made for each financial year in parallel with the setting of annual budgets. The Annual Plan is reviewed quarterly to assess performance against targets and the budget is subject to quarterly review of income against expenditure and a variance analysis.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE

This year saw the full impact of Covid-19 on communities and our services. Faced with lockdowns and other restrictions the organisation had to adapt throughout the year to enable continued delivery of our advice services. Although the offices were closed to the public for most of the year we continued to provide advice for people by telephone with staff working mainly from home. Our telephone lines remained open for enquiries and an additional line was added to increase access. Court closures and suspension of Housing possession proceedings led to some Housing staff being furloughed during the year and our Immigration Service which relies on face to face contact was closed for a large part of the year with the staff furloughed. However with only a small number of staff furloughed most services continued to be delivered albeit remotely. Although there was lower demand for Debt and Housing advice during this period most other services continued to see steady demand. Despite the impact of Covid-19 on our ability to deliver services as normal the staff engaged positively with the new working arrangements and achieved good outcomes for clients.

- 11,594	People provided with advice and information
- 4,972	People provided with specialist advice and casework
- £10,667,348	Additional Welfare Benefit income secured for people assisted
- £14,086,646	Debt was managed on behalf of clients
- 131	Debt Relief Orders administered
- 10	Bankruptcy petitions supported
- 2,371	People were provided with Welfare Benefits advice casework
- 63	People were provided with Social Security Appeal Tribunal
- 21	People provided with immigration casework
- 1,811	People provided with holistic fuel poverty advice
- 257	People were provided with Housing advice casework
- 1,494	People were supported with Debt casework
- 21	People were provided with Immigration casework
- 6,551	People contacted our services by phone

Client Profile

- 77% of clients were working age
- 38% of clients had dependent children
- 44% of clients lived in social housing
- 79% of clients experienced ill health and/or had a disability
- 23% of clients were from BME communities
- 50% of people advised lived in Northampton Borough
- 49% lived in other localities in the County
- 1% lived outside the County

Overview of the Year

The new working arrangement put in place due to Covid-19 which focused on telephone advice enabled us to respond effectively to demand across the County with 49% of local resident supported living in areas outside of Northampton Borough. This included 847 residents across Kettering, Corby, Daventry and South Northamptonshire, 600 in East Northamptonshire and 481 in the Borough of Wellingborough.

Welfare Benefits advice is consistently the area of highest demand across the County and Covid-19 has seen a significant increase in the numbers of people needing to access benefits often for the first time. During the year we provided Welfare Benefits advice for 2,371 people which represented 48% of our advice provision during the year.

During the year we participated in an Assisted Digital Support pilot scheme administered by Good Things Foundation through funding from Her Majesty's Court and Tribunal Service (HMCTS). This funding provided support for people with online applications Social Security appeals. The Service also provided people with advice and support in relation to the appeal through other funding.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Service has very limited funding for Welfare Benefits advice since the loss of the County Council funding and Welfare Benefits advice is primarily provided in the context of our Financial Health and Wellbeing Service and Northamptonshire Energy Saving Service which are both fuel poverty support projects. As there are eligibility requirements to access this support not all referrals for Welfare Benefits advice can be accommodated.

The Financial Health and Wellbeing Service funded by British Gas Energy Trust which commenced in December 2014 is now well established with 1,050 people supported during the year and income maximisation of over £5 million. Working in partnership with GP practices, Community Mental Health Teams and other health professionals this Project provides a holistic approach to tackling Fuel Poverty targeted at people with mental or physical health problems.

Northamptonshire Energy Saving Service (NESS) funded by National Grid's Warm Homes Fund commenced its third year of service delivery in June 2020. CLS are leading on NESS in partnership with 3 other VCS organisations and Northamptonshire County Council. NESS provides holistic fuel poverty support for households across the County. The Project services include Debt and Welfare Benefits advice, energy tariff switching, energy advice, Home Energy Assessments, energy saving measures in the home, emergency boiler installations and outreach promotion on a Rural information Centre vehicle across Northamptonshire. In this year NESS supported 1,142 households and secured increased income of over £3 million. Towards the end of the Year came the good news that the project was to be funded for a fourth year from June 2021.

Despite lower than normal demand Debt advice continued to be one of the main areas of advice provided by CLS with 1,494 people provided with specialist Debt advice during the year. Since 2006 CLS has delivered the Money and Pensions Service (MaPS) face to face debt advice provision across Northamptonshire with funding for specialist Debt Advisors as part of East Midlands Money Advice. Whilst this is the main source of funding for the Service's Debt advice support for Debt advice is also provided through funding from East Northamptonshire Council and Debt advice is also delivered as part of our holistic fuel poverty services.

The Housing Advice Service is funded through Legal Aid contracts and primarily supports people facing court action for Housing Repossession and Eviction. Due to Covid-19 this year saw the closure of the courts and suspension of proceedings and therefore a significant down turn in the number of people advised and as a consequence a large reduction in the unrestricted income generated through this work. 257 people were provided with Housing casework service during the year compared to 1,519 in the previous year. Two Housing staff were furloughed during the year with some staff hours continued to support existing casework. Thanks to a grant secured from the Community Justice Fund the Housing staff were able to be retained and as the year progressed staff were gradually brought back from furlough. The Housing Possession Court Duty Schemes at the County Courts were also suspended during this year with a moratorium on evictions put in place by the Government so no representation took place in this year.

As restrictions at the courts due to Covid-19 are gradually reduced during 2021/22 and normal court procedures are re-instated the backlog of cases built up during the suspension of hearings will lead to potential unprecedented demand going forward. The loss of the long term grant funding from former Northamptonshire County Council which also supported Housing advice funding has meant that CLS is restricted to providing advice only to those who meet the eligibility requirements for Legal Aid. We continue to explore avenues for other funding to facilitate Housing advice for people on low incomes who are not eligible for Legal Aid

A new Housing Support Service commenced in April 2020 funded through a two year grant from Nationwide Building Society. This Project compliments the Legal Aid Housing Advice Service by providing advice and support with some of the underlying issues that cause people to have difficulties affording their housing costs and who face potential repossession of their homes. It supports Welfare Benefits advice, income maximisation and financial capability support. In this first year the Project supported 181 households and income maximisation of £573,171.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

In East Northants we continued our successful Debt Management and Benefit Take-up service funded by East Northants Council providing advice and support for 519 local residents. Through this funding source a total of £1,295,631 of additional benefit income was secured for local residents and £1,138,343 of Debt was managed. The provision funded by the Council is complimented by a range of other advice provision for local residents funded through other sources resulting in a total of 600 residents across the District provided with specialist advice during the year.

August 2019 saw the start of the third and final year of our 3 year grant from Children in Need. The funding supports a Children's Benefit Take-Up Project aimed at maximising income for disabled and ill children or young people and their families with take-up of the service far exceeding the numbers expected demonstrating the significant need for the services provided. In this year 250 children and young people and their families were supported and £1,423,705 of additional benefits were secured.

The Immigration fee paying service which provides free initial advice was suspended for most of the year due to Covid-19 with staff furloughed. Funding from the Community Justice Fund enabled staff to be retained and some staff hours were brought back from furlough to support a few cases as the year progressed.

Funding from Northamptonshire Carers continued in this year facilitating benefits advice for carers and their families. normally this would be provided on an outreach basis but due to Covid-19 advice and support was provided by telephone. 16 people were supported through this funding during the year.

The Trustees extend their thanks and appreciation to all the staff for their positive response to the new working arrangements and rising to the challenges presented by the pandemic and for their excellent work and the outcomes they achieve for clients. Without their commitment CLS could not deliver such important services for local communities.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Total income from all sources during this financial year was £1,213,264 compared to £1,239,262 in the previous year. £170,746 of the income was in respect of payments made to Northamptonshire Energy Saving Service project partners for their share of the project funding. Expenditure was £1,133,044 with the highest expenditure in respect of staff costs which represented 81 % of total CLS expenditure. At the year end unrestricted reserves stood at £138,271.

The organisation was pleased to receive continued funding through the grant agreements with Northampton Borough Council and East Northamptonshire Council. Northampton Borough Council increased their grant by £10,000 during this year taking their total grant to £71,800.

Unrestricted Housing Legal Aid income was significantly reduced this year due to the court closures and suspension of Housing possession and eviction proceedings. This affected both our Legal Help contracts and our Housing Possession Duty Schemes, none of which operated during the year except through some remote hearings as the year progressed. A total of £33,320 of income was generated compared with £154,905 in the previous year which was 78.5% reduction. Whilst the Furlough Scheme was able to support some staff costs to help maintain the Housing staff posts during the year, the main funding support for the Housing Service came through a grant of £100,000 from the Community Justice Fund. This Fund also partly supported retention of the Service's Immigration staff. The Community Justice Fund grant was provided through a multi-agency grant scheme which included funds from the Ministry of Justice. The aim was to maintain the provision of specialist advice across the Country in response to the financial difficulties faced by specialist advice providers due to Covid-19.

A number of other Covid support grants were gratefully received during the year. These included £10,000 from East Northamptonshire Council, £5,000 from Northampton Borough Council and in addition a small number of Covid-19 support grants from Northampton Borough Councillors. In addition Northamptonshire Community Foundation provided a grant of £3,000 to enable the organisation to purchase the necessary Covid safety measures for the offices to keep staff and service users safe. The landlords of our offices in Northampton and East Northants both assisted with reduced rents for the year from April 2020. This support has stabilised the organisations finances. These contributions combined with the Grant for the Community Justice Fund put the organisation in a relatively stable position as the year progressed.

During the year there was continuity of funding in respect of the Financial Health and Wellbeing Service funded by British Gas Energy Trust, the Children's Benefit Take-Up Project funded by Children in Need, and Northamptonshire Energy Saving Service funded by National Grid Warm Homes Fund. In April a new Housing Support Service commenced funded by a £50,000 grant over two years from Nationwide Building Society.

The organisation welcomed further extension of funding as part of East Midlands Money Advice from the Money and Pensions Service which supports face to face Debt advice across the County. This funding of £267,000 per annum supports 5.3 full time specialist Debt Advisors. The MaPS funding is one of the main sources of funding for the organisations Debt Advice Service along with the funding from East Northamptonshire Council. In addition to this main grant funded by MaPS, November 2020 saw an additional MaPS' Increasing Debt Advice Capacity' (IDAC) grant to support the training of two further full-time Debt advisors to assist with the expected rise in demand for Debt advice due to the impact of Covid-19.

Donations received from clients during the year totalled £1,172 for which are greatly appreciated given that these are invariably given to us by people on low incomes.

The ongoing support from existing funders and the additional support provided by a number of funders in response to Covid-19 are greatly appreciated and the Trustees extend wholehearted thanks to all of the funders. Their support enable the organisation to retain the experienced staff team and to remain financially stable throughout the year despite the impact of Covid-19. As the next year approached the organisation was in a good position to continue to respond to the ongoing challenge of the pandemic.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Reserves Policy

The Charity holds reserves of £138,271 in unrestricted funds. These are general reserves held to adapt to changing circumstances which are inevitable within the Charity Sector. The total amount of funds held at 31.03.21 is £191,011 of which £52,740 are restricted. Funds held in reserve are in line with the organisations reserves policy.

FUTURE PLANS

As the pandemic eases through 2021/22 Housing Legal Aid income is expected to gradually increase to enable the Housing Advice Service to become self-sustainable as in previous years. A further grant was received from the Community Justice fund to assist with this transition. The organisation's Immigration Service recommenced as 2021 progressed and all the organisations other grant and contract funding was maintained with the organisation's finances in good shape for 2020/21.

The challenge for 2021/22 however will be to address the loss of various funding sources as some Project funding comes to an end. New funding applications will continue to be submitted as suitable opportunities arise. One of the most pressing issues from April 2022 will be the loss of the current MAPS funding which is the main source of funding for the Debt Advice Service and which has been in place for over 14 years. This is a consequence of new MaPS tender plans for face to face Debt advice which has precluded the current lead agency who subcontracts CLS from being able to bid as the geographical area is too large for them to manage having been extended to cover the whole of the Midlands and not just the East. Other funding will actively be sought to maintain our Debt advice provision and it remains to be seen whether we will have any involvement in any successful bid for the new MaPS funded service. It will also be a priority to secure further funds from May 2022 when the National Grid Warm Homes Fund contract comes to an end to enable continuation of the important fuel poverty work currently being delivered under NESS and to maintain the experienced staff currently working on this Project.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Structure and History

Legal structure

Community Law Service (Northampton & County) is a company limited by guarantee and a registered charity. It is referred to in the overview of the Year as 'CLS'.

History

The organisation was formed in 1983. Originally constituted as an unincorporated association, it became a registered charity in 1992 and a company limited by guarantee in 2009. Originally called Welfare Rights Advice Group the name of the organisation was changed to Welfare Rights Advice Service in 1988 and then to Community Law Service (Northampton & County) in 2009 to reflect an increase in the social welfare law advice areas provided by the Charity.

Membership structure

The members of the Charity are the Trustees.

Governance and Management

The Board of Trustees

The affairs of the Charity are governed by a Board of Trustees who are the members and Directors of the Company for the purposes of the Companies Act 2006 and the trustees of the Charity for the purposes of charity legislation. They are all volunteers. They are referred to collectively in this report as "the Trustees" or "the Board". The Trustees are the only members of the Charity.

Trustee Appointment, Induction and Terms of Office

Most new Trustees will already be familiar with the Charity, with its activities and with charitable operations in general. However, all new trustees are offered a programme of induction to enable them to be fully conversant with the organisation. This normally covers the operation of the Board, obligations under charity and company law, the Articles, staff and the staffing structure, current finances, future plans, the way the Charity and its members operate and their operating environments and familiarisation with the Charity's policies and procedures. Trustees normally serve for terms of three years and may serve more than one term.

Governance

The Board usually meets at least 6 times per year. It meets quarterly to monitor financial and operational activity and on 2 or 3 other occasions during the year to approve an annual budget and plan, to review policies and services and to plan for the future. The Board occasionally creates sub-committees when there is a focus on needed on issue or a new development. A Chief Executive is appointed by the Trustees to manage the operations of the Charity. The Chief Executive also currently serves as the Company Secretary.

Operations

The Chief Executive is responsible for the Charity's operations through a scheme of delegated authority. The scheme is reviewed annually. Within the delegations defined by the scheme the Chief Executive is authorised to act. She may delegate areas of operation to senior managers and, through them, to the wider staff group. In relation to those matters within the scheme on which the Board holds decisions to itself, for example approval of plans and budgets, the Chief Executive will prepare reports and make recommendations for consideration by the Trustees.

Management and Staffing

Operations are co-ordinated by a Senior Management Team comprising the Chief Executive and 5 senior managers. Average monthly staffing throughout the year was 34 employees. Total staffing has remained relatively stable during the year.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Key Management Personnel Remuneration

Senior management remuneration is reviewed annually, in the same way as remuneration of all other employees, by a Committee of Trustees making recommendations to the Board. Non-salary terms and conditions for all employees are standard. Salary levels are reviewed with regard to market rates, inflation and affordability.

Staffing Policies

The Board reviews its personnel policies and procedures at least annually, including current salary levels.

Employee Involvement

The Charity seeks to fully engage its staff in pursuit of its objectives. Routine communication methods includes management meetings, team meetings and internal e-mails.

Health and Safety

The Charity has a Health and Safety policy which is reviewed annually. Staff supervision incorporates feedback from staff on any health and safety issues which are reported to the Chief Executive regarding any necessary actions.

Environmental Policy

The Charity has an Environmental Policy which is reviewed annually. All staff are active in reducing waste and recycling in line with the environmental policy and associated procedures.

Principal Risks and Uncertainties

The Trustees have a risk management strategy involving an annual review of the major risks to which the Charity is exposed and approval of systems and actions for managing and mitigating them. A Risk Register is produced, updated and reviewed at least annually. The Charity has always operated at risk of failing to achieve adequate income to pursue its objectives. Many funders do not commit to long term funding but at the present time the Charity has a number of funders who are providing grants or contracts for three years giving more security than in some previous years. None of its income sources can be regarded as secure in the long term however and the Charity has to continually seek out new sources of funding. The known risks are continually monitored and actively managed by the Senior Management Team and the Trustees. The key elements in the management of the risk to income have been diversification of income sources. Day to day risks are relatively minor. Financial risks are minimised by the procedures in place for authorisation of expenditure and commitments. All relevant Insurance cover is in place.

Financial Control

The Board monitors all aspects of financial performance and financial management through its quarterly meetings. It sets annual budgets and requires reporting against them at least quarterly. It reviews internal financial management and reporting arrangements at least annually. In terms of day to day financial control a comprehensive and robust set of financial procedures is in place. The Charity employs a Finance Officer and a Finance Assistant who manage the Charity's finances on a day to day basis. The accounts and financial operations are overseen by the Chief Executive and the Charity's Treasurer who is a qualified accountant.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06830503 (England and Wales)

Registered Charity number

1128718

Registered office

49 - 53 Hazelwood Road
Northampton
NN1 1LG

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

Ian Pears (Chair) Chair
Sally Beardsworth
Morcea Walker
Oladapo Sulaimon (Treasurer) (resigned 1/1/21)
Carmel Young
Keith Moffit
Elizabeth Holland (appointed 3/8/21)

Auditors

DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

Company Secretary and Chief Executive Officer (CEO)

Julie Silver - the Trustees have delegated day to day management of the charity to the CEO

Bankers

Unity Trust Bank Plc
Nine Brindleyplace
Birmingham
B1 2HB

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 30 November 2021 and signed on its behalf by:



Ian Pears (Chair) - Trustee

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

The trustees (who are also the directors of Community Law Service (Northampton and County) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

Opinion

We have audited the financial statements of Community Law Service (Northampton and County) (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of grants and contractual income, posting of unusual journals along with complex transactions and manipulating the Charitable Company's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of income, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DNG Dove Naish LLP

DNG Dove Naish LLP, Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Eagle House
28 Billing Road
Northampton
NN1 5AJ

Date: 2 December 2021

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	94,194	-	94,194	3,235
Charitable activities					
Incoming resources from charitable activities	3	270,030	837,398	1,107,428	1,220,984
Other income		<u>11,642</u>	<u>-</u>	<u>11,642</u>	<u>15,043</u>
Total		375,866	837,398	1,213,264	1,239,262
EXPENDITURE ON					
Charitable activities	4	422,034	711,010	1,133,044	1,281,095
Charitable activities		<u>422,034</u>	<u>711,010</u>	<u>1,133,044</u>	<u>1,281,095</u>
NET INCOME/(EXPENDITURE)		(46,168)	126,388	80,220	(41,833)
Transfers between funds	14	<u>138,642</u>	<u>(138,642)</u>	<u>-</u>	<u>-</u>
Net movement in funds		92,474	(12,254)	80,220	(41,833)
RECONCILIATION OF FUNDS					
Total funds brought forward		45,797	64,994	110,791	152,624
TOTAL FUNDS CARRIED FORWARD		<u>138,271</u>	<u>52,740</u>	<u>191,011</u>	<u>110,791</u>

The notes form part of these financial statements

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Debtors	11	37,549	27,321	64,870	82,266
Cash at bank and in hand		<u>129,065</u>	<u>90,531</u>	<u>219,596</u>	<u>130,231</u>
		166,614	117,852	284,466	212,497
CREDITORS					
Amounts falling due within one year	12	(28,343)	(65,112)	(93,455)	(101,706)
		<u>138,271</u>	<u>52,740</u>	<u>191,011</u>	<u>110,791</u>
NET CURRENT ASSETS					
		<u>138,271</u>	<u>52,740</u>	<u>191,011</u>	<u>110,791</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>138,271</u>	<u>52,740</u>	<u>191,011</u>	<u>110,791</u>
NET ASSETS					
		<u>138,271</u>	<u>52,740</u>	<u>191,011</u>	<u>110,791</u>
FUNDS	14				
Unrestricted funds				138,271	45,797
Restricted funds				<u>52,740</u>	<u>64,994</u>
TOTAL FUNDS				<u>191,011</u>	<u>110,791</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

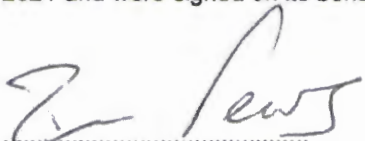
These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

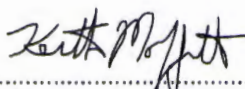
STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30 November 2021 and were signed on its behalf by:



.....
Ian Pears (Chair) - Trustee



.....
Keith Moffit - Trustee

The notes form part of these financial statements

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	90,218	(59,896)
Interest paid		<u>(853)</u>	<u>(1,115)</u>
Net cash provided by/(used in) operating activities		<u>89,365</u>	<u>(61,011)</u>
Change in cash and cash equivalents in the reporting period		89,365	(61,011)
Cash and cash equivalents at the beginning of the reporting period		<u>130,231</u>	<u>191,242</u>
Cash and cash equivalents at the end of the reporting period		<u>219,596</u>	<u>130,231</u>

The notes form part of these financial statements

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	80,220	(41,833)
Adjustments for:		
Interest paid	853	1,115
Decrease in debtors	17,396	7,844
Decrease in creditors	<u>(8,251)</u>	<u>(27,022)</u>
Net cash provided by/(used in) operations	<u>90,218</u>	<u>(59,896)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	<u>130,231</u>	<u>89,365</u>	<u>219,596</u>
	<u>130,231</u>	<u>89,365</u>	<u>219,596</u>
Total	<u>130,231</u>	<u>89,365</u>	<u>219,596</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Community Law Service (Northampton and County) is an incorporated charity, registered in England and Wales. The charity's number and registered office address can be found on the Company Information page.

The presentation currency for the financial statements is the Pound Sterling (£).

Going concern

No material uncertainties regarding going concern exist.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Government grant income is recognised within the Statement of Financial Activities once it is received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Costs are allocated and apportioned on an activity basis.

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

All other costs are allocated to the charity's core activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Community Law Service (Northampton & County) is a participating employer with the Pensions Trust's Growth Plan providing benefits based on final pensionable pay. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives at the charity.

Financial instruments

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

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

Where the contractual obligations of financial instruments are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the SOFA. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Work in progress

Work in progress is work carried out at the year end but not invoiced prior to the balance sheet date. Work in progress is valued at the lower of net realisable value and cost.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	1,172	3,235
Grants	<u>93,022</u>	<u>-</u>
	<u>94,194</u>	<u>3,235</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****2. DONATIONS AND LEGACIES - continued**

Grants received, included in the above, are as follows:

	2021 £	2020 £
HMRC - Job Retention Scheme	73,410	-
East Northamptonshire Council (ENC) - COVID Support	10,000	-
Northamptonshire Carers	2,112	-
Northampton Borough Council - COVID Support	5,000	-
Northampton Borough Council - Counsellors Fund COVID Support	2,000	-
Northampton Borough Council - Counsellors Fund	500	-
	<u>93,022</u>	<u>-</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2021 Incoming resources from charitable activities £	2020 Total activities £
Legal Aid Agency fixed fee income	28,772	86,399
Legal Aid Agency certificated work	(221)	2,823
Legal Aid Agency Housing Possession		
Court Duty Scheme income	4,769	65,683
Immigration Advice Service fixed fees	12,410	56,814
Grants and contracts	<u>1,061,698</u>	<u>1,009,265</u>
	<u>1,107,428</u>	<u>1,220,984</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
National Grid Warm Homes Fund	356,283	351,321
Money and Pensions Service (MaPS)	257,905	248,800
British Gas Energy Trust (BGET)	185,237	182,738
Community Justice Fund	100,000	-
Northampton Borough Council	71,800	61,800
East Northamptonshire Council (ENC)	50,000	50,000
Children in Need	33,223	31,335
Northamptonshire Community Fund - Covid 19	3,000	-
Corby Borough Council	2,500	-
Good Things Foundation - HM Courts and Tribunal Service	1,750	4,525
Northamptonshire Carers	-	2,437
Nationwide Building Society	-	49,940
Green Star Energy	-	21,369
Northamptonshire Community Foundation (NCF) - St Giles Charitable Trust	-	5,000
	<u>1,061,698</u>	<u>1,009,265</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Charitable activities	<u>993,801</u>	<u>139,243</u>	<u>1,133,044</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	763,686	822,573
Telephone	5,449	7,346
Postage and stationery	7,606	13,556
Staff training and welfare	4,665	6,880
Staff and volunteer travel	10,006	18,765
Venue hire	-	9,741
Subscriptions	5,798	4,571
Payments to partners	170,746	175,380
Reference books and literature	2,107	2,174
Home energy assessments	1,492	2,206
Boiler replacement and energy saving measures	20,683	31,510
Fuel top up payments	<u>1,563</u>	<u>2,990</u>
	<u>993,801</u>	<u>1,097,692</u>

6. SUPPORT COSTS

	Management £	Information technology £	Human resources £	Governance costs £	Totals £
Charitable activities	<u>108,305</u>	<u>19,975</u>	<u>5,024</u>	<u>5,939</u>	<u>139,243</u>

Support costs, included in the above, are as follows:

Management

	2021 Charitable activities £	2020 Total activities £
Wages	22,465	28,787
Employer National Insurance		
Contributions	676	673
Pensions	1,123	1,093
Rates and water	4,433	3,943
Insurance	6,301	6,481
Light and heat	6,148	7,363
Advertising	3,750	7,305
Sundries	1,924	2,118
Rent	35,928	60,800
Repairs and renewals	479	5,778
Premises expenses	<u>22,000</u>	<u>25,840</u>
Carried forward	105,227	150,181

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

6. SUPPORT COSTS - continued

Management - continued

	2021 Charitable activities £	2020 Total activities £
Brought forward	105,227	150,181
Office equipment	2,225	577
Bank interest	<u>853</u>	<u>1,115</u>
	<u>108,305</u>	<u>151,873</u>

Information technology

	2021 Charitable activities £	2020 Total activities £
Computing expenses	<u>19,975</u>	<u>22,387</u>

Human resources

	2021 Charitable activities £	2020 Total activities £
Payroll processing and recruitment	<u>5,024</u>	<u>2,586</u>

Governance costs

	2021 Charitable activities £	2020 Total activities £
Auditors' remuneration	3,565	3,465
Auditors' remuneration for non audit work	648	1,853
Professional fees	<u>1,726</u>	<u>1,239</u>
	<u>5,939</u>	<u>6,557</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	3,565	3,465
Auditors' remuneration for non audit work	<u>648</u>	<u>1,853</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

9. STAFF COSTS

	2021 £	2020 £
Wages and salaries	703,102	765,766
Social security costs	52,419	53,271
Other pension costs	<u>32,429</u>	<u>34,089</u>
	<u>787,950</u>	<u>853,126</u>

The average monthly number of employees during the year was as follows:

	2021 <u>34</u>	2020 <u>38</u>
Advisory and support		

No employees received emoluments in excess of £60,000.

The key management personnel are the trustees and the Chief Executive. The salaries paid to key management personnel in the year amounted to £49,661.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,235	-	3,235
Charitable activities			
Incoming resources from charitable activities	278,556	942,428	1,220,984
Other income	<u>13,489</u>	<u>1,554</u>	<u>15,043</u>
Total	295,280	943,982	1,239,262
EXPENDITURE ON			
Charitable activities	510,177	770,918	1,281,095
NET INCOME/(EXPENDITURE)	(214,897)	173,064	(41,833)
Transfers between funds	<u>145,156</u>	<u>(145,156)</u>	<u>-</u>
Net movement in funds	(69,741)	27,908	(41,833)

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	115,539	37,085	152,624
TOTAL FUNDS CARRIED FORWARD	<u>45,798</u>	<u>64,993</u>	<u>110,791</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Work in progress	26,811	44,993
Other debtors	1,850	2,531
VAT	67	-
Prepayments and accrued income	<u>36,142</u>	<u>34,742</u>
	<u>64,870</u>	<u>82,266</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	7,387	5,103
Social security and other taxes	13,635	14,282
VAT	-	9,088
Other creditors	280	3,027
Pension account	298	288
Accruals and deferred income	<u>71,855</u>	<u>69,918</u>
	<u>93,455</u>	<u>101,706</u>

Included within accruals and deferred income is deferred income of £61,258 (2020: £61,302) that relates to contracted income invoiced in 2020/21 relating to work to be carried out during 2021/22.

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	46,004	32,875
Between one and five years	<u>10,000</u>	<u>8,750</u>
	<u>56,004</u>	<u>41,625</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	45,797	(172,808)	265,282	138,271
Immigration Advice Service fixed fees	-	6,053	(6,053)	-
Northampton Borough Council	-	71,167	(71,167)	-
Community Justice Fund	-	27,315	(27,315)	-
East Northamptonshire Service (ENC)	-	22,105	(22,105)	-
	45,797	(46,168)	138,642	138,271
Restricted funds				
Money and Pensions Service (MaPS)	-	42,129	(42,129)	-
Financial Health and Wellbeing Service (BGET)	-	39,080	(39,048)	32
Children's Benefit Take Up Project (Children In Need)	2,477	5,371	(5,384)	2,464
Northampton Energy Savings Service (National Grid Warm Homes Fund)	11,842	54,604	(43,070)	23,376
Good Things Foundation - HM Courts and Tribunal Service	735	1,750	(2,240)	245
Nationwide Building Society	49,940	(18,317)	(5,000)	26,623
MaPS Increasing Debt Advice Capacity (IDAC)	-	1,771	(1,771)	-
	64,994	126,388	(138,642)	52,740
TOTAL FUNDS	110,791	80,220	-	191,011

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	94,981	(267,789)	(172,808)
Immigration Advice Service fixed fees	44,085	(38,032)	6,053
Northampton Borough Council	76,800	(5,633)	71,167
Community Justice Fund	100,000	(72,685)	27,315
East Northamptonshire Service (ENC)	60,000	(37,895)	22,105
	375,866	(422,034)	(46,168)
Restricted funds			
Money and Pensions Service (MaPS)	239,011	(196,882)	42,129
Financial Health and Wellbeing Service (BGET)	185,237	(146,157)	39,080
Children's Benefit Take Up Project (Children In Need)	33,223	(27,852)	5,371
Northampton Energy Savings Service (National Grid Warm Homes Fund)	356,283	(301,679)	54,604
Good Things Foundation - HM Courts and Tribunal Service	1,750	-	1,750
Nationwide Building Society	-	(18,317)	(18,317)
Northamptonshire Community Fund - COVID 19	3,000	(3,000)	-
MaPS Increasing Debt Advice Capacity (IDAC)	18,894	(17,123)	1,771
	837,398	(711,010)	126,388
TOTAL FUNDS	<u>1,213,264</u>	<u>(1,133,044)</u>	<u>80,220</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
General fund	115,539	(271,061)	201,319	45,797
Northampton Borough Council	-	56,163	(56,163)	-
	115,539	(214,898)	145,156	45,797
Restricted funds				
Money and Pensions Service (MaPS)	-	41,556	(41,556)	-
Financial Health and Wellbeing Service (BGET)	1,443	37,897	(39,340)	-
East Northamptonshire Service (ENC)	-	10,549	(10,549)	-
Children's Benefit Take Up Project (Children In Need)	2,990	4,138	(4,651)	2,477
Northampton Energy Savings Service (National Grid Warm Homes Fund)	5,865	44,118	(38,141)	11,842
Cozy Homes Project Green Star Energy	26,787	(17,778)	(9,009)	-
Good Things Foundation - HM Courts and Tribunal Service	-	1,925	(1,190)	735
Nationwide Building Society	-	49,940	-	49,940
Northamptonshire Community Foundation - St Giles Charitable Trust	-	720	(720)	-
	37,085	173,065	(145,156)	64,994
TOTAL FUNDS	152,624	(41,833)	-	110,791

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	233,480	(504,541)	(271,061)
Northampton Borough Council	<u>61,800</u>	<u>(5,637)</u>	<u>56,163</u>
	295,280	(510,178)	(214,898)
Restricted funds			
Money and Pensions Service (MaPS)	250,354	(208,798)	41,556
Financial Health and Wellbeing Service (BGET)	182,737	(144,840)	37,897
East Northamptonshire Service (ENC)	49,999	(39,450)	10,549
Children's Benefit Take Up Project (Children In Need)	31,337	(27,199)	4,138
Northampton Energy Savings Service (National Grid Warm Homes Fund)	351,321	(307,203)	44,118
Cozy Homes Project Green Star Energy	21,369	(39,147)	(17,778)
Good Things Foundation - HM Courts and Tribunal Service	1,925	-	1,925
Nationwide Building Society	49,940	-	49,940
Northamptonshire Community Foundation - St Giles Charitable Trust	<u>5,000</u>	<u>(4,280)</u>	<u>720</u>
	<u>943,982</u>	<u>(770,917)</u>	<u>173,065</u>
TOTAL FUNDS	<u>1,239,262</u>	<u>(1,281,095)</u>	<u>(41,833)</u>

i) **Unrestricted funds** comprise those funds, which the Board of Trustees are free to use in accordance with the charitable objectives.

The trustees would like to acknowledge the following funders:

The Legal Aid Agency provided contracts to deliver Legal Aid services in the social welfare law area of Housing and Debt and also to provide a Housing Possession Court Duty Scheme at Northampton, Milton Keynes, Cambridge and Peterborough County Courts.

Northampton Borough Council provided a grant for core funding for our advice services in Northampton and for the license fee in respect of occupation of offices at the Guildhall One Stop Shop. Northampton Borough Council also provided a further £5,000 Covid Support Grant in this year and several Borough Councillors also provided further small grants from their own funds to help with the impact of Covid-19.

East Northamptonshire Council provided a £10,000 Covid Support Grant as a contribution to the organisations general running costs and overheads. The East Northamptonshire Service is also funded by East Northamptonshire Council and is aimed at preventing and reducing debt across East Northamptonshire through the provision of Debt advice, financial education and awareness and income maximisation.

Corby Borough Council provided funds to support the Service's administration of Winter Covid support grants for residents in Corby Borough.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS - continued

The Community Justice Fund provided a grant to support the shortfall in the Service's normal unrestricted income generation which was significantly reduced in this year due to Covid-19 particularly in respect of Legal Aid income.

(ii) **Restricted funds** are funds, which have been given for particular purposes and projects. (N.B. The financial year of the life of a project does not necessarily correspond with the financial year of CLS)

The Money and Pensions Service main grant funding supports the East Midlands Money Advice Service (EMMA) led by Community Advice and Law Service (CALS) in Leicester. EMMA provides a regional face to face Debt advice service and Community Law Service is sub-contracted by CALS to deliver the Service across Northamptonshire. This Service provides face to face and some telephone Debt advice to residents across the County Normally this includes outreach at Citizens Advice offices in Corby, Kettering, Daventry and at other community based venues but due to Covid-19 restrictions the service was primarily delivered by telephone during this year

The Money and Pensions Service (MaPs) provided a further Increasing Debt Advice Capacity grant during this year to support funding for two additional Trainee Debt Advisors. Additional funds for the MaPs trainees was received in the year and increased the capacity for Debt Advice (IDAC).

The Financial Health and Wellbeing Service is funded by British Gas Energy Trust and is in partnership with GP surgeries, local hospitals and other health services aimed at providing an holistic approach to tackling fuel poverty. Targeted at people experiencing mental or physical health problems the Service which supports 4 full-time specialist advisors provides specialist Benefits, Debt, Energy efficiency advice and access to grants.

The East Northamptonshire Service is funded by East Northamptonshire Council and is aimed at preventing and reducing debt across East Northamptonshire through the provision of Debt advice, financial education and awareness and income maximisation.

The Children's Benefit Take Up Project commenced in July 2016 and is funded through a three-year grant from Children in Need. It provides a welfare rights service for disabled and ill children focussed on take-up of welfare benefits and grant income for the children and their families.

Northamptonshire Energy Saving Service (NESS) was a 3-year Project which commenced in June 2018 following a successful bid to National Grid Warm Homes Fund. It has now been extended to a fourth year to May 2022. CLS is the Lead Delivery Partner for the Project which is a partnership with Care and Repair Northamptonshire, South Northants Volunteer Bureau and Citizens Advice Corby and Kettering. Northamptonshire County Council who submitted the bid on behalf of the VCS partnership are the strategic lead partner for the Project.

Green Star Energy provided funding from October 2018 to deliver holistic fuel poverty services for residents in Northamptonshire The Project also included spot purchase of Home Energy Assessments and energy measures in the home from Care and Repair Northamptonshire. This Project ended on 31st March 2019.

Good Things Foundation provided a grant through funding from Her Majesty's Court and Tribunal Service (HMCTS) to support our organisation's participation in an Assisted Digital Support pilot scheme. This funding provided support for people with online applications for Social Security appeals. The Service also provided people with advice and support in relation to the appeal through other funding.

Northamptonshire Community Foundation provided a Coronavirus Response and Recovery Fund Grant to support the costs of Covid safety support measures in the Service's offices.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS - continued

Nationwide Building Society provided a grant for the delivery of a new Housing Support Service. This is a two year funded project which commenced in April 2020 which aims to support people with issues affecting people which put them at risk of housing repossession and eviction.

Transfers between funds

Fund transfers from restricted to unrestricted funds are to cover management and overhead costs as per grant agreements.

15. EMPLOYEE BENEFIT OBLIGATIONS

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £799m, liabilities of £832m and a deficit of £33m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 March 2022:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2022 to 31 January 2025	£3,980,000 per annum	(payable monthly with no annual increase)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 September 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognizes a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

PRESENT VALUES OF PROVISION

	31 March 2021	31 March 2020	31 March 2019
	£	£	£
Present value of provision	7,690	9,112	11,054

This has not been included as a provision in the balance sheet as it is immaterial to the charity.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period ending 31 March 2021	Period ending 31 March 2020
	£	£
Provision at start of period	9,112	11,054
Unwinding of the discount factor (interest expense)	204	139
Deficit contribution paid	(1,889)	(1,834)
Remeasurements - impact of any change in assumptions	263	(247)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	7,690	9,112

INCOME AND EXPENDITURE IMPACT

	Period ending 31 March 2021	Period ending 31 March 2020
	£	£
Interest expense	204	139
Remeasurements - impact of any change in assumptions	263	(247)
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e.excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

ASSUMPTIONS

	31 March 2021	31 March 2020	31 March 2019
	% per annum	% per annum	% per annum
Rate of discount	0.66	2.53	1.39

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following table details the deficit contributions agreed between the company and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

	31 March 2021	31 March 2020	31 March 2019
	£	£	£
Year 1	1,946	1,889	1,834
Year 2	2,005	1,946	1,889
Year 3	2,065	2,005	1,946
Year 4	1,772	2,065	2,005
Year 5	-	1,772	2,065
Year 6	-	-	1,772

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

16. FUNDS RECEIVED AS AGENT

During the year funds of £3,535 (2020: £17,600) were received by the charity acting as an agent. These funds were received on behalf of others and paid out in full within the year, directly to the beneficiaries. No balance was held or due out at the year end.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021 nor the year ended 31 March 2020.

18. ULTIMATE CONTROLLING PARTY

The Charity has been under the control of its Management Committee throughout the year. Details of the Management Committee are shown within the report of the trustees.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,172	3,235
Grants	<u>93,022</u>	<u>-</u>
	94,194	3,235
Charitable activities		
Legal Aid Agency fixed fee income	28,772	86,399
Legal Aid Agency certificated work	(221)	2,823
Legal Aid Agency Housing Possession		
Court Duty Scheme income	4,769	65,683
Immigration Advice Service fixed fees	12,410	56,814
Grants and contracts	<u>1,061,698</u>	<u>1,009,265</u>
	1,107,428	1,220,984
Other income		
Other income	<u>11,642</u>	<u>15,043</u>
Total incoming resources	1,213,264	1,239,262
EXPENDITURE		
Charitable activities		
Wages and salaries	680,637	736,979
Employer National Insurance Contributions	51,743	52,598
Pensions	31,306	32,996
Telephone	5,449	7,346
Postage and stationery	7,606	13,556
Staff training and welfare	4,665	6,880
Staff and volunteer travel	10,006	18,765
Venue hire	-	9,741
Subscriptions	5,798	4,571
Payments to partners	170,746	175,380
Reference books and literature	2,107	2,174
Home energy assessments	1,492	2,206
Boiler replacement and energy saving measures	20,683	31,510
Fuel top up payments	<u>1,563</u>	<u>2,990</u>
	993,801	1,097,692
Support costs		
Management		
Wages	22,465	28,787
Carried forward	22,465	28,787

This page does not form part of the statutory financial statements

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Management		
Brought forward	22,465	28,787
Employer National Insurance Contributions	676	673
Pensions	1,123	1,093
Rates and water	4,433	3,943
Insurance	6,301	6,481
Light and heat	6,148	7,363
Advertising	3,750	7,305
Sundries	1,924	2,118
Rent	35,928	60,800
Repairs and renewals	479	5,778
Premises expenses	22,000	25,840
Office equipment	2,225	577
Bank interest	853	1,115
	<u>108,305</u>	<u>151,873</u>
Information technology		
Computing expenses	19,975	22,387
Human resources		
Payroll processing and recruitment	5,024	2,586
Governance costs		
Auditors' remuneration	3,565	3,465
Auditors' remuneration for non audit work	648	1,853
Professional fees	1,726	1,239
	<u>5,939</u>	<u>6,557</u>
Total resources expended	<u>1,133,044</u>	<u>1,281,095</u>
Net income/(expenditure)	<u>80,220</u>	<u>(41,833)</u>

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