

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

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FOR THE YEAR ENDED 31 MARCH 2022**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022. 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 and the relief of poverty, sickness and distress, by the provision of social welfare law advice, information, representation, training and consultancy services.

The objectives are achieved through the provision of 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. An end-to-end service is provided 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 advice. Well developed partnerships and referral arrangements are 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 the Charity's purposes have been carried out for the public benefit. The charitable activities of Community Law Service (Northampton & County) (hereafter referred to as "Community Law Service" or "the Charity") 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. This includes maintenance of physical and mental health and well-being; an inability to access help and advice when it is needed can result in problems 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 Business Plan. This is done annually. An Annual Plan reflecting the current Business 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

ACHIEVEMENT AND PERFORMANCE

This year saw a gradual easing of Covid restrictions and by the end of the year staff were back working in the offices for most of the week, with face-to-face services being provided in addition to telephone advice across all services. Most outreach services however continued to be restricted due to the host agencies' Covid arrangements, particularly at health venues.

The suspension of Housing possession proceedings ended in May 2021 although there was lower demand for Housing advice initially, particularly at the Court Duty Schemes as the courts worked to re-establish hearings. As the year progressed there was a steady increase demand for Housing advice and representation and demand for debt advice also increased. The Fuel Poverty services continued to deliver at full capacity during this period and the Immigration advice service, which had been previously suspended due to Covid-19, was gradually re-established as the year progressed. Despite the impact of Covid-19 on the ability to deliver services as normal, particularly in the early part of the year, the staff engaged positively with various changes to working arrangements and achieved excellent outcomes for clients:

- 16,240	People provided with advice and/or information
- 5,630	People provided with specialist advice/casework
- £9,624,365	Additional Welfare Benefit income secured for people assisted
- £18,521,739	Debt was managed on behalf of people assisted
- £2,395,167	Debt written off for people assisted
- 155	Debt Relief Orders administered
- 10	Bankruptcy petitions supported
- 2,113	People were provided with Welfare Benefits casework
- 81	People were supported with Social Security Appeal Tribunal
- 1,676	People provided with holistic Fuel Poverty advice
- 316	People referred for Warm Home Discounts
- £150,862	Energy savings for people through Fuel Poverty support
- 519	People were provided with Housing casework
- 1,758	People were supported with Debt casework
- 106	People were provided with Immigration casework
- 9,025	People contacted our services by phone

Client Profile

44% of clients lived in social housing
79% of clients experienced ill health and/or had a disability
35% of clients had dependent children
25% of clients were from BME communities
52% of people advised lived in Northampton Borough
44% lived in other localities in the County.
4% lived outside the County

Overview of the Year

Welfare Benefits advice as in previous years remained the area of highest demand across the County. The Service, however, has very limited funding for Welfare Benefits advice since the County Council funding cuts to local advice services and benefits advice no longer being in scope for Legal Aid. Welfare Benefits advice was primarily provided during the year in the context of the Financial Health and Wellbeing Service and Northamptonshire Energy Saving Service which are both fuel poverty projects. As there are eligibility requirements to access this support not all referrals for Welfare Benefits advice can be accommodated. During the year we provided Welfare Benefits advice for 2,113 people and assisted people to secure over £9.6 million of additional benefit income. 81 people were supported with social security appeals but many more cases are still pending due to extensive delays in the tribunal system.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Financial Health and Wellbeing Service funded by British Gas Energy Trust (BGET) provided fuel poverty support services for 986 people during the year through the main project funding and also supported a further 56 people through additional BGET funding for a 6 month Carers Project which was complimented by the continued funding of £2,000 from Northamptonshire Carers' Association. During the year £3,398,765 of additional benefit income was secured for people supported by the Projects. Working in partnership with GP practices, Community Mental Health Teams and other health professionals the Project provides an holistic approach to tackling Fuel Poverty targeted at people with mental or physical health problems. Although outreach at surgeries was not possible due to their Covid restrictions referrals were still made by health services throughout the year and people were advised either by phone or in person at our offices with some home visits resuming toward the end of the year. At the end of the year came the good news of a successful application for a further two years continuation funding which will also incorporate further work with carers and will also target users of children's centres in the County.

Northamptonshire Energy Saving Service (NESS), funded by National Grid's Warm Homes Fund, commenced its 4th year of service delivery in June 2021 following a further one-year funding award from the Warm Homes Fund. Community Law Service leads on NESS in partnership with 3 other VCS organisations and North Northamptonshire 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 provided fuel poverty support services and secured £2,998,351 of additional income for 943 households. As the year progressed discussions took place with Northamptonshire's Public Health department with a view to the provision of funding to continue NESS after the Warm Homes Fund support ended in June 2022. Underspends during the year were utilised to extend NESS to the end of July 2022 and a further year's funding was awarded by Public Health to support NESS from August 2022.

Debt advice continued to be one of the main areas of advice provided by Community Law Service with 1,758 people provided with specialist Debt advice during the year and over £14 million of Debt managed for households. Since 2006 Community Law Service 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, funding for Debt advice is also provided through funding from what was originally East Northamptonshire Council (now part of North Northamptonshire Council) and as part of the Community Law Service holistic fuel poverty services. During the year, funding of face-to-face advice by MaPS came under threat with MaPS new commissioning plans set to significantly reduce face to face advice across the country from April 2022. A successful campaign against MaPS plans however saw the commissioning plans withdrawn and the continuation of face-to-face funding from April 2022.

The Housing Advice Service is funded through Legal Aid contracts and primarily supports people facing court action for Housing Repossession and Eviction. This year saw the easing and gradual withdrawal of Covid restrictions in the courts and a return to more normal access for our Duty Schemes and the hearings at Northampton County Court. The moratorium on evictions ended in May 2021 and demand for representation saw a gradual rise during the year to 519 cases supported compared to 257 in the previous year. The appointment of a new Housing Solicitor in September saw a new focus on income generation through certificated work but income generation overall remained lower than pre-Covid levels due to reduced listing by the courts and poor client attendance rates. Thanks to a further grant from the Community Justice Fund the Housing Service remained fully funded and as the year progressed there was a gradual upturn in demand which looked set to continue into the next financial year.

The Housing Support Service funded through a two-year grant from Nationwide Building Society from April 2020 provided 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 supported people with Welfare Benefits advice, income maximisation and financial capability. In this second and final year of the Project 121 households were supported giving a total of 302 households assisted over the two years of the Project.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

In East Northamptonshire district we continued our successful Debt Management and Benefit Take-up service funded by the former East Northants Council (now North Northamptonshire Council) providing advice and support for 489 local residents. Through this funding source a total of £1,332,178 of additional benefit income was secured for local residents and £1,221,460 of Debt was managed. The provision funded by the Council is complemented by a range of other advice provision for local residents funded through other sources. Although due to rising costs it had been intended to close our Advice Centre in East Northants in March 2021 we received assistance from the landlord by way of a rent free period and subsequently secured a Lottery Community Fund grant to support the rent and running costs of the offices to the end of March 2022. We will be closing the offices during the next financial year and re-locating to our Wellingborough office. Services in East Northamptonshire will continue to be delivered through outreach provision.

The Immigration fee paying service which provides free initial advice had been suspended for most of the previous year and for the early part of this year due to Covid-19 with staff furloughed. However, as restrictions eased the year saw a return to normal service delivery and income generation with some assistance also through the Community Justice Fund grant. During the year 106 people were provided with Immigration advice and casework.

The Children's Benefit Take-Up Project funded by a three-year grant from Children in Need came to an end in July 2021. The Project aimed to maximise income for disabled and ill children and their families. Over the three years 833 children and young people were supported to access an additional £4,607,988 of welfare benefit income and grants. These outcomes exceeded the target amounts for the Project by over 35% demonstrating the high levels of underclaiming by children and young people and their families.

The Trustees extend their thanks and appreciation to all the staff for their positive response to challenges presented by Covid-19 and for their excellent work and the outcomes they achieved for people throughout the year. Without their commitment Community Law Service could not deliver such important services for local communities.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

FINANCIAL REVIEW

Total income from all sources during this financial year was £1,170,949 compared to £1,213,264 in the previous year. £135,676 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 £1,121,485 with the highest expenditure in respect of staff costs, which represented 71% of total Community Law Service expenditure. At the year-end unrestricted reserves stood at £203,559.

The Charity was pleased to receive continued funding through grant agreements with West Northamptonshire Council and North Northamptonshire Council receiving £50,000 from each of the authorities plus an additional £11,800 from West Northants Council to pay for use of their premises at the One Stop Shop at the Guildhall in Northampton. North Northamptonshire Council have confirmed funding for a further year from 2023. West Northamptonshire Council are in the process of reviewing local advice needs and their funding from 2023 in light of their developing Anti-Poverty Strategy.

Unrestricted Housing Legal Aid income remained lower than pre-Covid levels due to the suspension of Housing possession and eviction proceedings until May 2021 and the reduced number of hearings subsequently. The Duty Scheme resumed fully as the year progressed but reduced listings and poor attendance reduced income generation across all courts. However, income generation during the year rose to £63,302 compared to £33,320 in the previous year. A further grant of £48,500 from the Community Justice Fund helped to fully fund the Housing Service during the year and also helped with the small shortfall in Immigration income generation. 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.

During the year there was continuity of funding in respect of the Financial Health and Wellbeing Service funded by British Gas Energy Trust with a total of £208,240 received from the Trust including an additional £21,470 to support a short-term Carers' Project. A successful funding application during the year saw an award of £330,916 for extension of the Project from May 2022 until March 2024.

Northamptonshire Energy Saving Service (NESS) funded by National Grid Warm Homes Fund continued for a fourth year following the award of a further year's funding of £381,318 with Community Law Service share of the funding totalling £185,914. Discussions with Northamptonshire's Public Health department have resulted in a commitment for funding of £299,170 to continue NESS after the Warm Homes Fund support ends until July 2023. A review of advice services by the local authority in the context of its emerging Anti-Poverty Strategy will inform further funding of NESS from August 2023.

The Charity 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 £271,270 continued to support 5.3 full time specialist Debt Advisors and the associated support costs of delivering the service. The MaPS funding is one of the main sources of funding for the Charity's Debt Advice Service along with the funding from North Northamptonshire Council. In addition to the main grant funded by MaPS November 2020 saw an additional MaPS "Increasing Debt Advice Capacity" (IDAC) grant of £50,330 awarded 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.

Although the funding of MaPS face to face Debt advice came under threat due to MaPS new commissioning plans, the campaign against these plans was successful and funding continued at the same level from April 2022.

A successful application to the Lottery Community fund saw a grant of £10,000 awarded to support the Community Law Service offices in East Northamptonshire allowing the office to remain operational for a further period while costs were reviewed to establish the financial viability of occupation from April 2022.

A grant of £18,690 was received during the year from the Institute of Money Advisors (IMA) of which the Charity is a member. The donation which is unrestricted funds is a contribution to the Charity's debt service delivery and general running costs.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Donations received from clients during the year totalled £1,360 and are greatly appreciated given that these are invariably given to us by people on low incomes. A legacy of £4,000 was also welcomed.

The Trustees extend wholehearted thanks to all of the funders both in terms of the sustained support from existing funders and in respect of other funders who provided resources during the year. The Community Justice Fund grants received during both this and the previous year have been instrumental in maintaining the financial stability of the Service in light of the impact of Covid-19. Community Law Service has been able to retain the experienced staff team and has remained financially stable throughout the year ending the year in a relatively healthy financial position and adding to unrestricted reserves which will hold the Charity in good stead in the event of future financial uncertainty. As the next year commenced Community Law Service was in a good position to continue to deliver the full range of services to local communities which in light of the rising cost of living will be greatly needed.

Reserves Policy

The Charity holds reserves of £203,559 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 31.03.22 is £240,475 of which £36,916 are restricted. Funds held in reserve are in line with Community Law Service's reserves policy.

Impact of Covid-19

Support from the Charity's key funders was not affected by Covid-19. Most services continued to be delivered by staff working from home providing advice by telephone until restrictions eased over the past year and staff returned to the office and face to face delivery re-commenced. The only service areas affected were the Housing and Immigration Services both of which rely on payment for the numbers and types of cases supported. Although income was significantly reduced due to office closures in 2020/2021 and reduced delivery in 2021/22, grants from the Community Justice Fund aimed at sustaining specialist advice during the pandemic mitigated the financial impact of Covid-19 on the Charity's finances and the Charity ended both 2020/21 and 2021/22 in a relatively healthy position adding to the Charity's unrestricted reserves.

In 2022/23 services will be delivered as they were pre Covid with the only exception being a slow return to some outreach provision due to host ongoing access restrictions. Safety measures remain in place in terms of hygiene and glass safety screens in reception areas and in advice interview rooms. The Charity provided advice by telephone during the main Covid-19 pandemic period and in the event of any future problem is able to revert to this tried and tested alternative model of service delivery. Investment in a new telephone system has also enabled the ability for remote access in the event that it was not possible to deliver from the offices.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

FUTURE PLANS

The Charity is moving forward into 2022/23 in a strong position financially and in terms of the potential funding opportunities on the horizon.

With the exception of limited outreach work, until hosts such as GP surgeries lift their access restrictions, the Charity will be delivering services as it did pre-Covid in the coming year. Staff are back working in the office with one day of home working and face to face services will be delivered unless telephone advice is more appropriate.

Funding support is confirmed for all services for 2022/23 and the Housing Advice Service and Immigration Service are forecast to be self-sustaining in the coming year. A new tender for the Housing Possession Duty Scheme will be published in 2023 and the Charity is in a good position for a successful application for continuation of delivery of these Schemes.

The Charity will be seeking to be a partner in an East Midlands consortia focused on securing funds from Justice Together which if successful will enable the Charity to access funding to deliver free immigration advice for people who are unable to afford the Charity's Not-For-Profit fee charges. West Northamptonshire Council's focus on anti-poverty work supporting Debt, Welfare Benefits and Immigration advice may give rise to other funding opportunities particularly in light of the cost of living and energy price crisis.

North Northamptonshire Council have committed to further funding for two years from April 2022 and although the Charity, due to rising costs, will vacate its own premises in East Northamptonshire and re-locate staff to its other offices, services there will continue through a range of outreach services.

The Charity's funding for both the Financial Health and Wellbeing Service and Northamptonshire Energy Saving Service is secure for this year and for most of next year. With the focus on addressing fuel poverty, given the current fuel crisis, it is expected that demand for these services will increase significantly and it will be a matter of urgency to seek additional funding to support Welfare Benefits advice which is often one of the main areas of advice needed for people experiencing financial difficulty.

Although MaPS are still in the process of determining funding for 2023 onward the Charity's excellent track record in terms of delivering the face-to-face provision in Northamptonshire puts the Charity in a strong position for future funding support from MaPS.

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 2022

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 'the Charity'.

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 ("the Board") 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 in this report as "Trustees". 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 need to focus in on one 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 in respect of the day-to-day operation of the Charity. They may delegate areas of operation to senior managers and, through them, to the wider staff group. In relation to matters within The Scheme on which the Board of Trustees holds decision making authority (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 33 employees. Total staffing remained relatively stable during the year.

Key Management Personnel Remuneration

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

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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 include 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. During 2020/21 and 2021/22 the Charity also operated a separate Covid-19 Risk Assessment detailing safety and operational activities in place in response to the pandemic. 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 robust 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.

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 2022**

Trustees

Ian Pears (Chair)
Sally Beardsworth
Morcea Walker
Carmel Young
Keith Moffit
Elizabeth Holland (appointed 3/8/21) (resigned 14/6/22)
Helen Reay (appointed 7/12/21)
Stephen Hibbert (appointed 7/12/21)

Auditors

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

Company Secretary and Chief Executive Officer (CEO)

The Trustees have delegated day to day management of the charity to the CEO
Julie Silver - resigned 14 June 2022
Sarah Hayle - appointed 14 June 2022

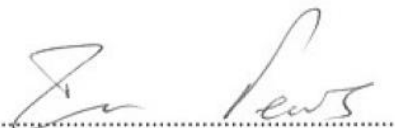
Bankers

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 8/11/22 and signed on its behalf by:



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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022 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 2022 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.

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

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.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, United Kingdom Generally Accepted Accounting Practice and relevant Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, assessment of the ability to continue as a going concern and the understatement of revenue. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing meeting minutes, regulatory correspondence and professional fees, review of budgets and post year end financial statements, detailed substantive testing on the completeness of income, and reviewing accounting estimates for biases. We will also review the regulatory correspondence with the Charity Commission.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

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: 20 November 2022

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	18,663	-	18,663	94,194
Charitable activities					
Incoming resources from charitable activities	3	239,980	905,716	1,145,696	1,107,428
Other income		<u>6,590</u>	<u>-</u>	<u>6,590</u>	<u>11,642</u>
Total		265,233	905,716	1,170,949	1,213,264
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		<u>345,619</u>	<u>775,866</u>	<u>1,121,485</u>	<u>1,133,044</u>
NET INCOME/(EXPENDITURE)		(80,386)	129,850	49,464	80,220
Transfers between funds	14	<u>145,674</u>	<u>(145,674)</u>	<u>-</u>	<u>-</u>
Net movement in funds		65,288	(15,824)	49,464	80,220
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>138,271</u>	<u>52,740</u>	<u>191,011</u>	<u>110,791</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>203,559</u></u>	<u><u>36,916</u></u>	<u><u>240,475</u></u>	<u><u>191,011</u></u>

The notes form part of these financial statements

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF FINANCIAL POSITION
31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
CURRENT ASSETS					
Debtors	11	39,009	28,481	67,490	64,870
Cash at bank and in hand		<u>191,646</u>	<u>79,401</u>	<u>271,047</u>	<u>219,596</u>
		230,655	107,882	338,537	284,466
CREDITORS					
Amounts falling due within one year	12	(27,096)	(70,966)	(98,062)	(93,455)
		<u>203,559</u>	<u>36,916</u>	<u>240,475</u>	<u>191,011</u>
NET CURRENT ASSETS					
		<u>203,559</u>	<u>36,916</u>	<u>240,475</u>	<u>191,011</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>203,559</u>	<u>36,916</u>	<u>240,475</u>	<u>191,011</u>
NET ASSETS					
		<u>203,559</u>	<u>36,916</u>	<u>240,475</u>	<u>191,011</u>
FUNDS	14				
Unrestricted funds				203,559	138,271
Restricted funds				<u>36,916</u>	<u>52,740</u>
TOTAL FUNDS				<u>240,475</u>	<u>191,011</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

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.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2022

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*3/4/22*..... and were signed on its behalf by:


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


.....
Keith Moffit - Trustee

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	52,277	90,218
Interest paid		<u>(826)</u>	<u>(853)</u>
Net cash provided by operating activities		<u>51,451</u>	<u>89,365</u>
Change in cash and cash equivalents in the reporting period		51,451	89,365
Cash and cash equivalents at the beginning of the reporting period		<u>219,596</u>	<u>130,231</u>
Cash and cash equivalents at the end of the reporting period		<u><u>271,047</u></u>	<u><u>219,596</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	49,464	80,220
Adjustments for:		
Interest paid	826	853
(Increase)/decrease in debtors	(2,620)	17,396
Increase/(decrease) in creditors	<u>4,607</u>	<u>(8,251)</u>
Net cash provided by operations	<u><u>52,277</u></u>	<u><u>90,218</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	<u>219,596</u>	<u>51,451</u>	<u>271,047</u>
	<u>219,596</u>	<u>51,451</u>	<u>271,047</u>
Total	<u><u>219,596</u></u>	<u><u>51,451</u></u>	<u><u>271,047</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

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

	2022	2021
	£	£
Donations	1,360	1,172
Legacies	4,000	-
Grants	<u>13,303</u>	<u>93,022</u>
	<u>18,663</u>	<u>94,194</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES - continued

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

	2022 £	2021 £
HMRC - Job Retention Scheme	10,691	73,410
East Northamptonshire Council (ENC) - COVID Support	-	10,000
Northamptonshire Carers	2,112	2,112
Northampton Borough Council - COVID Support	-	5,000
Northampton Borough Council - Counsellors Fund COVID Support	-	2,000
Northampton Borough Council - Counsellors Fund	500	500
	<u>13,303</u>	<u>93,022</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2022 Incoming resources from charitable activities £	2021 Total activities £
Legal Aid Agency fixed fee income	42,724	28,772
Legal Aid Agency certificated work	-	(221)
Legal Aid Agency Housing Possession		
Court Duty Scheme income	20,578	4,769
Immigration Advice Service fixed fees	46,188	12,410
Grants and contracts	1,036,206	1,061,698
	<u>1,145,696</u>	<u>1,107,428</u>

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

	2022 £	2021 £
National Grid Warm Homes Fund	306,272	356,283
Money and Pensions Service (MaPS)	321,602	257,905
British Gas Energy Trust (BGET)	208,240	185,237
Northampton Borough Council	61,800	71,800
East Northamptonshire Council (ENC)	50,000	50,000
Community Justice Fund	48,500	100,000
Institute of Money Advisers	18,690	-
Children in Need	11,102	33,223
National Lottery	10,000	-
Northamptonshire Community Fund - Covid 19	-	3,000
Corby Borough Council	-	2,500
Good Things Foundation - HM Courts and Tribunal Service	-	1,750
	<u>1,036,206</u>	<u>1,061,698</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Charitable activities	<u>972,344</u>	<u>149,141</u>	<u>1,121,485</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	768,678	763,686
Telephone	5,865	5,449
Postage and stationery	10,488	7,606
Staff training and welfare	8,309	4,665
Staff and volunteer travel	13,330	10,006
Subscriptions	3,887	5,798
Payments to partners	135,676	170,746
Reference books and literature	988	2,107
Home energy assessments	700	1,492
Boiler replacement and energy saving measures	23,580	20,683
Fuel top up payments	<u>843</u>	<u>1,563</u>
	<u>972,344</u>	<u>993,801</u>

6. SUPPORT COSTS

	Management £	Information technology £	Human resources £	Governance costs £	Totals £
Charitable activities	<u>120,832</u>	<u>20,996</u>	<u>1,200</u>	<u>6,113</u>	<u>149,141</u>

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

Management

	2022 Charitable activities £	2021 Total activities £
Wages	22,465	22,465
Employer National Insurance		
Contributions	659	676
Pensions	1,123	1,123
Rates and water	3,694	4,433
Insurance	6,096	6,301
Light and heat	7,590	6,148
Advertising	4,528	3,750
Sundries	1,355	1,924
Rent	45,655	35,928
Repairs and renewals	1,314	479
Premises expenses	24,840	22,000
Office equipment	<u>687</u>	<u>2,225</u>
Carried forward	120,006	107,452

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

6. SUPPORT COSTS - continued

Management - continued

	2022 Charitable activities £	2021 Total activities £
Brought forward	120,006	107,452
Bank interest	<u>826</u>	<u>853</u>
	<u>120,832</u>	<u>108,305</u>

Information technology

	2022 Charitable activities £	2021 Total activities £
Computing expenses	<u>20,996</u>	<u>19,975</u>

Human resources

	2022 Charitable activities £	2021 Total activities £
Payroll processing and recruitment	<u>1,200</u>	<u>5,024</u>

Governance costs

	2022 Charitable activities £	2021 Total activities £
Auditors' remuneration	3,740	3,565
Auditors' remuneration for non audit work	573	648
Professional fees	<u>1,800</u>	<u>1,726</u>
	<u>6,113</u>	<u>5,939</u>

7. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	3,740	3,565
Auditors' remuneration for non audit work	<u>573</u>	<u>648</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	707,600	703,102
Social security costs	53,529	52,419
Other pension costs	<u>31,796</u>	<u>32,429</u>
	<u>792,925</u>	<u>787,950</u>

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

	2022 <u>33</u>	2021 <u>34</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 £46,622.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	94,194	-	94,194
Charitable activities			
Incoming resources from charitable activities	270,030	837,398	1,107,428
Other income	<u>11,642</u>	<u>-</u>	<u>11,642</u>
Total	375,866	837,398	1,213,264
EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>422,034</u>	<u>711,010</u>	<u>1,133,044</u>
NET INCOME/(EXPENDITURE)	(46,168)	126,388	80,220
Transfers between funds	<u>138,642</u>	<u>(138,642)</u>	<u>-</u>
Net movement in funds	92,474	(12,254)	80,220

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	45,797	64,994	110,791
TOTAL FUNDS CARRIED FORWARD	<u>138,271</u>	<u>52,740</u>	<u>191,011</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Work in progress	29,004	26,811
Other debtors	255	1,850
VAT	-	67
Prepayments and accrued income	<u>38,231</u>	<u>36,142</u>
	<u>67,490</u>	<u>64,870</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	4,891	7,387
Social security and other taxes	11,768	13,635
Other creditors	4,728	280
Pension account	250	298
Accruals and deferred income	<u>76,425</u>	<u>71,855</u>
	<u>98,062</u>	<u>93,455</u>

Included within accruals and deferred income is deferred income of £70,966 (2021: £61,258) that relates to contracted income invoiced in 2021/22 relating to work to be carried out during 2022/23.

	£
Balance as at 31 March 2021	61,258
Amount released to incoming resources	(61,258)
Amount deferred in year	<u>70,966</u>
Balance as at 31 March 2022	<u>70,966</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

13. LEASING AGREEMENTS

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

	2022 £	2021 £
Within one year	43,750	46,004
Between one and five years	<u>101,250</u>	<u>10,000</u>
	<u>145,000</u>	<u>56,004</u>

14. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	138,271	(149,528)	214,816	203,559
Immigration Advice Service fixed fees	-	2,068	(2,068)	-
Northampton Borough Council	-	58,285	(58,285)	-
East Northamptonshire Service (ENC)	-	<u>8,789</u>	<u>(8,789)</u>	-
	138,271	(80,386)	145,674	203,559
Restricted funds				
Money and Pensions Service (MaPS)	-	34,939	(34,939)	-
Financial Health and Wellbeing Service (BGET)	32	43,394	(36,789)	6,637
Children's Benefit Take Up Project (Children In Need)	2,464	(914)	(1,550)	-
Northampton Energy Savings Service (National Grid Warm Homes Fund)	23,376	46,884	(42,300)	27,960
Good Things Foundation - HM Courts and Tribunal Service	245	(245)	-	-
Nationwide Building Society	26,623	(19,304)	(5,000)	2,319
MaPS Increasing Debt Advice	-	3,878	(3,878)	-
Capacity (IDAC)	-	12,123	(12,123)	-
Community Justice Fund	-	8,870	(8,870)	-
BGET Carers Project	-	225	(225)	-
BGET Local Response Fund	-	<u>225</u>	<u>(225)</u>	-
	<u>52,740</u>	<u>129,850</u>	<u>(145,674)</u>	<u>36,916</u>
TOTAL FUNDS	<u>191,011</u>	<u>49,464</u>	<u>-</u>	<u>240,475</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

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	100,001	(249,529)	(149,528)
Immigration Advice Service fixed fees	53,433	(51,365)	2,068
Northampton Borough Council	61,800	(3,515)	58,285
East Northamptonshire Service (ENC)	49,999	(41,210)	8,789
	265,233	(345,619)	(80,386)
Restricted funds			
Money and Pensions Service (MaPS)	271,273	(236,334)	34,939
Financial Health and Wellbeing Service (BGET)	184,282	(140,888)	43,394
Children's Benefit Take Up Project (Children In Need)	11,102	(12,016)	(914)
Northampton Energy Savings Service (National Grid Warm Homes Fund)	306,271	(259,387)	46,884
Good Things Foundation - HM Courts and Tribunal Service	-	(245)	(245)
Nationwide Building Society	-	(19,304)	(19,304)
MaPS Increasing Debt Advice			
Capacity (IDAC)	50,330	(46,452)	3,878
Lottery Community fund	10,000	(10,000)	-
Community Justice Fund	48,500	(36,377)	12,123
BGET Carers Project	21,470	(12,600)	8,870
BGET Local Response Fund	2,488	(2,263)	225
	905,716	(775,866)	129,850
TOTAL FUNDS	1,170,949	(1,121,485)	49,464

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

Comparatives for 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	<u>110,791</u>	<u>80,220</u>	<u>-</u>	<u>191,011</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

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	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>

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.

East Northamptonshire Council provided a £50,000 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.

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.

14. MOVEMENT IN FUNDS - continued

(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 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.

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. .

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.

The Lottery Community fund was income provided to cover the costs of rent and utilities of the Rushden office so it could remain open.

The Community Justice fund was income provided to increase the range of services which are offered by Community law.

The BGET Carers Project fund was income provided to....

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

The BEGET Local Response fund was income to support the public and avoid the burden of energy debt.

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 £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

£3,312,000 per annum (payable monthly)

From 1 April 2022 to 31 January 2025

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

PRESENT VALUES OF PROVISION

	31 March 2022	31 March 2021	31 March 2020
	£	£	£
Present value of provision	2,178	7,690	9,112

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 2022	Period ending 31 March 2021
	£	£
Provision at start of period	7,690	9,112
Unwinding of the discount factor (interest expense)	44	204
Deficit contribution paid	(1,946)	(1,889)
Remeasurements - impact of any change in assumptions	(50)	263
Remeasurements - amendments to the contribution schedule	(3,560)	-
Provision at end of period	2,178	7,690

INCOME AND EXPENDITURE IMPACT

	Period ending 31 March 2022	Period ending 31 March 2021
	£	£
Interest expense	44	204
Remeasurements - impact of any change in assumptions	(50)	263
Remeasurements - amendments to the contribution schedule	(3,560)	*
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 2022 % per annum	31 March 2021 % per annum	31 March 2020 % per annum
Rate of discount	2.35	0.66	2.53

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 2022	31 March 2021	31 March 2020
	£	£	£
Year 1	794	1,946	1,889
Year 2	794	2,005	1,946
Year 3	661	2,065	2,005
Year 4	-	1,772	2,065
Year 5	-	-	1,772

16. FUNDS RECEIVED AS AGENT

During the year funds of £5,140 (2021: £3,535) were received by the charity acting as an agent. These funds were received on behalf of others and paid out within the year, directly to the beneficiaries. A balance of £680 was held and due out at the year end.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022 nor the year ended 31 March 2021.

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 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,360	1,172
Legacies	4,000	-
Grants	<u>13,303</u>	<u>93,022</u>
	18,663	94,194
Charitable activities		
Legal Aid Agency fixed fee income	42,724	28,772
Legal Aid Agency certificated work	-	(221)
Legal Aid Agency Housing Possession		
Court Duty Scheme income	20,578	4,769
Immigration Advice Service fixed fees	46,188	12,410
Grants and contracts	<u>1,036,206</u>	<u>1,061,698</u>
	1,145,696	1,107,428
Other income		
Other income	<u>6,590</u>	<u>11,642</u>
Total incoming resources	1,170,949	1,213,264
EXPENDITURE		
Charitable activities		
Wages and salaries	685,135	680,637
Employer National Insurance Contributions	52,870	51,743
Pensions	30,673	31,306
Telephone	5,865	5,449
Postage and stationery	10,488	7,606
Staff training and welfare	8,309	4,665
Staff and volunteer travel	13,330	10,006
Subscriptions	3,887	5,798
Payments to partners	135,676	170,746
Reference books and literature	988	2,107
Home energy assessments	700	1,492
Boiler replacement and energy saving measures	23,580	20,683
Fuel top up payments	<u>843</u>	<u>1,563</u>
	972,344	993,801
Support costs		
Management		
Wages	22,465	22,465
Carried forward	22,465	22,465

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 2022**

	2022 £	2021 £
Management		
Brought forward	22,465	22,465
Employer National Insurance Contributions	659	676
Pensions	1,123	1,123
Rates and water	3,694	4,433
Insurance	6,096	6,301
Light and heat	7,590	6,148
Advertising	4,528	3,750
Sundries	1,355	1,924
Rent	45,655	35,928
Repairs and renewals	1,314	479
Premises expenses	24,840	22,000
Office equipment	687	2,225
Bank interest	826	853
	<u>120,832</u>	<u>108,305</u>
Information technology		
Computing expenses	20,996	19,975
Human resources		
Payroll processing and recruitment	1,200	5,024
Governance costs		
Auditors' remuneration	3,740	3,565
Auditors' remuneration for non audit work	573	648
Professional fees	<u>1,800</u>	<u>1,726</u>
	<u>6,113</u>	<u>5,939</u>
Total resources expended	<u>1,121,485</u>	<u>1,133,044</u>
Net income	<u><u>49,464</u></u>	<u><u>80,220</u></u>