

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

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FOR THE YEAR ENDED 31 MARCH 2023**

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COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 2023. 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 Community Law Service (Northampton and County), hereafter referred to as Community Law Service or the Charity as appropriate, 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 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. An end-to-end service is provided to ensure the best possible outcome for clients. The Charity delivers a range of services for local communities and has a diverse funding base with resources focused on supporting vulnerable client groups through a mixed model of service delivery to promote equality of access. 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 Charity's 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. This includes maintenance of physical and mental health and well-being, as 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 Strategic Business Plan. This is done bi-annually. An Annual Plan reflecting the current Strategic 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 2023**

ACHIEVEMENT AND PERFORMANCE

This year, services mainly returned back to pre-pandemic delivery, with the exception of outreach in health settings. GP practices are still not wishing to have advice services in-house. As a result, alternative outreach locations have been established in community centres and family centres and are working well.

The Housing Possession Court Duty Scheme has seen a sharp upturn in hearings and clients seeking advice and representation. Additional administrative resources have been necessary to accommodate the demand. The Legal Aid Agency also went out to tender in December 2022, to replace the current Housing Possession Court Duty Scheme with a new Housing Loss Prevention Advice Service contract to deliver not only in-court representation, but also a new element of Early Legal Advice for housing, welfare benefits and debt advice available prior to substantive court hearings. Community Law Service has since been notified of successful tenders for Northampton, Milton Keynes and Peterborough courts with the new contract operational from 1 August 2023.

The Immigration Team have re-established their Services effectively since the suspension due to the pandemic. Community Law Service also joined other immigration advice colleagues in the East Midlands to form the East Midlands Immigration Network. As a network, a funding application was submitted to the Justice Together Initiative to deliver free immigration advice and to mentor new advisors. This was awarded and commences from 1 April 2023.

Community Law Service was pleased to have 12 months of funding from North and West Northamptonshire Councils to extend the fuel poverty advice service, Northamptonshire Energy Saving Service, securing funding until 31 July 2023.

The Debt Advice Team also saw the commencement of a new 26-month contract for Money and Pensions Service funding via the East Midlands Money Advice partnership, starting 1 February 2023 until 31 March 2025 giving excellent longer-term security for the Debt Team.

The crisis in the energy market, and now the cost-of-living crisis, have pushed demand for Community Law Service up significantly. The Charity saw a 17% increase in number of people given advice or information from 2021/22 - 2022/23. Staff have risen to the challenge and services adapted to cope with the increased demand. Additional resources will continue to be sought.

19,667 People provided with advice and information
6,244 People provided with specialist advice
£7,681,674 Additional Welfare Benefit income secured for clients
£20,904,697 Debt was managed for clients
£2,849,308 Debt written off
173 Debt Relief Orders administered
10 Bankruptcy petitions supported
2,156 People were provided with Welfare Benefits and Fuel poverty casework
46 People were supported with Social Security Appeal Tribunal
778 People were represented at court hearings for housing
975 People were provided with Housing advice casework
1,499 People were supported with Debt casework
345 People were provided with Immigration casework

Client Profile

46% of clients lived in social housing
77% of clients experienced ill health and/or had a disability
35% of clients had dependent children
28% of clients were from BME communities
58% of people advised lived in West Northamptonshire
33% of people advised lived in North Northamptonshire
9% of people advised lived outside of Northamptonshire

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Overview of the Year

As the challenges from the pandemic eased this year, services have largely returned to 'normal'. Demand has steadily increased across all departments as a result of the energy and cost of living crises.

The types of cases now being handled are almost always complex and comprise multiple enquiries, on average 3 enquiries per person. Delays continue within statutory organisations and private companies (such as energy suppliers), making decision-making and the conclusion of cases more protracted. As a result of these things, advisors are carrying higher numbers of cases as they work to bring cases to conclusion.

After the cessation of outreach advice sessions due to the COVID-19 pandemic, the Charity felt it important to get back out into communities to reach those in need of advice. Several community centres and family centres are now hosts of regular advice sessions with more to come in the next year.

Funding from The Trussell Trust enabled Weston Favell Foodbank to provide Community Law Service a grant to work from the foodbank offering advice on benefits, debt and financial capability to those visiting the foodbank. This is a 3-year project and is another great example of community-based work, especially as residents in the east of Northampton can find travelling into the town centre problematic. This was complimented by Re-Store approaching Community Law Service to deliver an advice service from within their hub in the town centre. Both are proving to be highly successful with good uptake and engagement.

Demand for welfare benefits advice has continued to be very high, a real challenge in the context of limited resources for this area of work. There is scope to pick much of this work up through the fuel poverty projects as problems with benefits are regularly the root cause of households facing difficulties affording their essential energy costs. The promise of some emergency funding for this area of advice from West Northamptonshire Council late in the year also brings positive news and will help with capacity. £7,681,674 in additional benefit income was secured for clients, a 20% drop from 2021/22. With no reduction in the number of people receiving benefit advice, this is a reflection of the huge number of cases which are open but not yet concluded due to delays in decision making. The same can be said of the low numbers of social security tribunals dealt with. 46 is the lowest number for many years and is symptomatic of long delays within HM Courts and Tribunals Service, with many tribunal cases pending a hearing.

The fuel poverty project, Northamptonshire Energy Saving Service entered its 5th year of delivery thanks to funding from the Public Health team in North and West Northamptonshire. Community Law Service leads on delivery of this voluntary and community sector (VCS) project, working with 3 VCS partners. This delivers holistic fuel poverty services including advice and practical home measures, all aimed at reducing fuel poverty, keeping homes warmer and helping households to afford their essential energy costs.

Fuel poverty advice also continues to be delivered through the Financial Health and Wellbeing Service, funded by the British Gas Energy Trust (BGET). This funds 4 full time energy advisors and a part time administrator. Community Law Service has a long-standing relationship with BGET and are very grateful for their continued support.

Debt advice continued to be a significant area of advice for Community Law Service with 1,499 people provided with specialist Debt advice during the year and just under £21million of debt managed for households. The majority of this work is funded by the Money and Pensions Service, with the Charity receiving this funding since 2006 as part of the East Midlands Money Advice Partnership.

North Northamptonshire Council also funds a Benefit and Debt Advice Take-Up Service for residents of East Northamptonshire District, enabling the Charity to support people living in that area of the county. As a very rural area, this dedicated funding is most welcome and enables the Charity to undertake regular publicity and promotion activities and to offer advice within the locality.

Having worked closely within West Northamptonshire's Anti-Poverty Oversight Group, Community Law Service has been well placed to feed in what is being faced by local residents. It has also given the opportunity to share the high demand and challenges meeting the local need. West Northamptonshire Council are giving Community Law Service some emergency funding for benefit and debt advice to help deal with the increasing demand which is anticipated to be in place by the start of 2023/24.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

A contract with the Legal Aid Agency continues to be the source of funding for the Housing Advice Service, facilitating advice for households at risk of possession or eviction. This not only funds housing casework but also on the day representation at court. This in-court service is delivered by Community Law Service at Northampton, Milton Keynes and Peterborough Court. As previously stated above, the in-court duty scheme was adapted and put out to tender. Community Law Service was very pleased to be successful in securing the new contract for all three courts. This brings with it much needed provision for casework prior to a substantive court hearing, so as to try and resolve the matter without the need to go to court. As this new contract is non-means tested, it enables those who do not meet the financial eligibility for the main Legal Aid work to still be advised and assisted as well as broadening the scope of work that can be done. Demand for housing advice has risen significantly in 2022/23, Community Law Service provided representation at a total of 778 hearings compared to 519 the previous year. It is expected that demand will continue to rise with predicted interest rate rises on mortgages and the additional pressures on households due to the cost of living.

The Immigration Team has long been funded via a low-cost fee-paying service. It provides free initial advice and then charges for ongoing work. When the opportunity presented to be part of a new East Midlands Immigration Network, this was taken up and has already brought about funding for 21 hours of free immigration advice. This commences in April 2023 and will complement the fee-paying service, with some activities being delivered for free and others retaining a charge. Community Law Service was fortunate to welcome 2 volunteers to the Immigration Team this year, one as an advisor and one as an administrator. This has made a very positive difference to the team. During the year 345 people were provided with Immigration advice and casework.

An invitation to tender by West Northamptonshire Council to facilitate and manage a training programme for staff and volunteers working with those in hardship brought an opportunity to diversify and develop our collaboration with voluntary sector partners. Working in partnership with The Hope Centre (Hope as the lead) a tender was submitted to deliver this. Late in the year we learned our tender was successful and we look into 2023/24 with optimism that this programme can bring real benefit to communities by upskilling front line workers and cohesion to the voluntary sector through improved networking and clear referral pathways. Now named the Community Training Partnership, this is an exciting and innovative project that Community Law Service is pleased to be working on.

The Trustees extend their thanks and appreciation to all the staff for their continued commitment to the Charity and the great outcomes achieved. Without the staff team, Community Law Service could not continue to deliver such high-quality advice to our local community.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW

Total income from all sources during this financial year was £1,100,257, almost identical to the previous year. Expenditure was £1,132,453. Having had recommendation for a VAT health check at the last Audit, a VAT specialist was commissioned. Unfortunately, this identified a problem with the way VAT was being reclaimed. As such errors have to go back over 4 years, this led to a VAT underpayment of £52,124 which had to be paid. Community Law Service also paid £150,309 to partners on our NESS project as set out in the project agreement. The highest single expenditure remained as staff costs (£715,965). At the year-end unrestricted reserves stood at £189,199.

The organisation 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. Both have confirmed funding for a further year from 2023. West Northamptonshire Council expect to be providing an additional £69,545 for 2023 to help with capacity in light of huge demand for benefit and debt advice.

Unrestricted income from Legal Aid was higher than expected, largely due to a focus on certificated work and the increase in the Housing Possession Court Duty Scheme. These achieved income at 127.5% and 155.61% of predicted level respectively. Additional staff resources have been invested to build on this success.

Funding of £168,765 from the British Gas Energy Trust provides for 4 full time advisors and a part time administrator. This year is the first 11 months of a 23-month project delivering specialist fuel poverty advice.

The Northamptonshire Energy Saving Service brought in funding from National Grid's Warm Homes Fund (£83,989) to fund the service until 31 July 2022, after which time the local authority's Public Health Team provided funding of £199,447 to cover the remainder of the year. Of this £133,129 was for Community Law Service use, with the balance being paid to partners for their role on the project.

The grant from the Money and Pensions Service (as part of the EMMA partnership) brought in £276,680 to fund 5.3 full time equivalent debt advisors and associated overheads and administrative costs. Although a new grant agreement came into place in February which reduced the funding to 4.85 full time equivalent advisors, the longer duration of the agreement (to March 2025) gives some security to the Charity and to staff.

The Immigration Team generated income of £41,667, almost 88% of the budget target. This is encouraging considering this was the first full year post pandemic and the team look forward to the funding from the Justice Together Initiative commencing in 2023/24. The supervisor has also spent time mentoring immigration advisors from another VCS organisation, and the costs of this has been covered by the other organisation. This, combined with the fee-paying income, enabled the department to achieve revenue to meet the cost of service delivery.

A new 3-year grant from Weston Favell Foodbank commenced in February 2023 so brought in £11,424 in this financial year, although this was a payment to also cover April and May 2023. This funds a 28 hour post.

The Institute of Money Advice provided two unrestricted grants this year, one of £28,980 in June and another of £20,482 in December to support the ongoing work of the Debt Team and the provision of Debt Relief Orders. This has been used to fund additional administration support to help with triaging and booking appointments as well as general administrative support.

An unrestricted grant of £12,196 was received from wave 3 of the Community Justice Fund. This is to be spent from 1 April 2023 and will be used towards the core costs of the organisation.

Northamptonshire Carers Association have continued their long-standing support of Community Law Service by providing funding of £2,112 which enables us to work with their carers to provide benefit advice, for which the Charity is most grateful.

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The Charity also received some funding towards overheads for supporting the delivery of the Household Support Fund 3. West Northamptonshire Council awarded £5,444 via Northamptonshire Community Foundation. North Northamptonshire Council gave £5,000 to Community Law Service but this was to be used for vouchers for clients in hardship, less £250 for administration.

Donations received from clients during the year totalled £2,171, up from £1,360 in the previous year. This is so appreciated given the significant financial hardship many clients find themselves in.

The Trustees are extremely grateful to all funders, many of whom have financially supported Community Law Service for a number of years. The Charity has, for the most part, been able to retain the experienced staff team and has remained financially stable throughout the year. The year ended in a relatively positive financial position in spite of the large VAT bill. As 2023/24 commences, there are new funding agreements in place, some for multiple years, and new opportunities expected which in light of the continuing cost of living crisis and high levels of demand will be very much necessary.

Reserves Policy

The Charity holds reserves of £189,199 in unrestricted funds. These are held as a contingency to accommodate changing circumstances and give some flexibility to cope with short-term funding, which are inevitable within the Charity Sector. The total amount of funds held at 31.03.23 is £208,279 of which £19,080 are restricted. Funds held in reserve are in line with the organisations reserves policy.

FUTURE PLANS

Moving into 2023/24, the Charity has new funding to utilise. West Northamptonshire Council's much welcomed focus on anti-poverty work should bring in new funding to support demand, creating new employment opportunities for trainees in the benefit and debt team.

Funding from the Justice Together Initiative will fund some free immigration advice for 3 years. The recently commenced work at Weston Favell Foodbank and Re-store will no doubt go from strength to strength.

The successful tender for the new Housing Loss Prevention Advice Service (HLPAS) gives scope for delivery of a really effective service with much broader scope than previously seen from either the Housing and Debt Legal Aid Agency Contract or the Housing Possession Court Duty Scheme. This also brings with it the potential for increased income generation.

The diversification into delivery of the training programme commissioned by West Northamptonshire Council will bring new opportunities and cohesion within the VCS as well as affording advice staff the opportunity to try out delivery of bitesize training courses to colleagues working in both statutory and voluntary sectors, for the benefit of local residents.

Outreach work will be developed further to ensure Community Law Service reaches those who need the Charity's services.

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 2023

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 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. They 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 3 senior managers, who work the equivalent of 1.5 managers full time working hours, within their management roles. Average monthly staffing throughout the year was 31 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 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.

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 coupled with an annual staff meeting.

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. Bulk waste collection is now separated into recyclable and non-recyclable waste with waste bins in the organisation also separated in this way. 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.

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 2023**

Trustees

Ian Pears (Chair) Chair
Sally Beardsworth
Morcea Walker
Carmel Young
Keith Moffitt
Elizabeth Holland (resigned 14/6/22)
Helen Reay
Stephen Hibbert

Auditors

Shaw Gibbs (Audit) Limited
Statutory Auditor
264 Banbury Road
Oxford
Oxfordshire
OX2 7DY

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, Shaw Gibbs (Audit) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 2nd November 2023 and signed on its behalf by:



Ian Pears (Chair) - Trustee

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023**

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 2023 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 2023 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

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.

A handwritten signature in black ink that reads "Shaw Gibbs (Audit) Limited". The script is cursive and somewhat informal, with the words "Shaw", "Gibbs", "(Audit)", and "Limited" written in a continuous flow.

Shaw Gibbs (Audit) Limited
Chartered Certified Accountants
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
264 Banbury Road
Oxford
Oxfordshire
OX2 7DY

Date: 15 November 2023

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,581	-	5,581	18,663
Charitable activities					
Incoming resources from charitable activities	3	336,627	750,751	1,087,378	1,145,696
Other income		<u>7,298</u>	<u>-</u>	<u>7,298</u>	<u>6,590</u>
Total		<u>349,506</u>	<u>750,751</u>	<u>1,100,257</u>	<u>1,170,949</u>
EXPENDITURE ON					
Raising funds	4	13,275	-	13,275	-
Charitable activities					
Charitable activities	5	<u>461,143</u>	<u>658,035</u>	<u>1,119,178</u>	<u>1,121,485</u>
Total		<u>474,418</u>	<u>658,035</u>	<u>1,132,453</u>	<u>1,121,485</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	15	(124,912) <u>110,552</u>	92,716 <u>(110,552)</u>	(32,196) <u>-</u>	49,464 <u>-</u>
Net movement in funds		(14,360)	(17,836)	(32,196)	49,464
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>203,559</u>	<u>36,916</u>	<u>240,475</u>	<u>191,011</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>189,199</u></u>	<u><u>19,080</u></u>	<u><u>208,279</u></u>	<u><u>240,475</u></u>

The notes form part of these financial statements

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
CURRENT ASSETS					
Debtors	12	46,886	12,352	59,238	67,490
Cash at bank and in hand		<u>180,926</u>	<u>32,271</u>	<u>213,197</u>	<u>271,047</u>
		227,812	44,623	272,435	338,537
CREDITORS					
Amounts falling due within one year	13	(38,613)	(25,543)	(64,156)	(98,062)
		<u>189,199</u>	<u>19,080</u>	<u>208,279</u>	<u>240,475</u>
NET CURRENT ASSETS					
		<u>189,199</u>	<u>19,080</u>	<u>208,279</u>	<u>240,475</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>189,199</u>	<u>19,080</u>	<u>208,279</u>	<u>240,475</u>
NET ASSETS					
		<u>189,199</u>	<u>19,080</u>	<u>208,279</u>	<u>240,475</u>
FUNDS	15				
Unrestricted funds				189,199	203,559
Restricted funds				<u>19,080</u>	<u>36,916</u>
TOTAL FUNDS				<u>208,279</u>	<u>240,475</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

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 2023

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 2nd November 2023 and were signed on its behalf by:


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

 1/11/23.
.....
Keith Moffitt - 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 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(57,850)	52,277
Interest paid		<u>-</u>	<u>(826)</u>
Net cash (used in)/provided by operating activities		<u>(57,850)</u>	<u>51,451</u>
Change in cash and cash equivalents in the reporting period		(57,850)	51,451
Cash and cash equivalents at the beginning of the reporting period		<u>271,047</u>	<u>219,596</u>
Cash and cash equivalents at the end of the reporting period		<u><u>213,197</u></u>	<u><u>271,047</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(32,196)	49,464
Adjustments for:		
Interest paid	-	826
Decrease/(increase) in debtors	8,252	(2,618)
(Decrease)/increase in creditors	(33,906)	4,605
Net cash (used in)/provided by operations	<u>(57,850)</u>	<u>52,277</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	<u>271,047</u>	<u>(57,850)</u>	<u>213,197</u>
	<u>271,047</u>	<u>(57,850)</u>	<u>213,197</u>
Total	<u>271,047</u>	<u>(57,850)</u>	<u>213,197</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 2023

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

	2023	2022
	£	£
Donations	2,169	1,360
Legacies	-	4,000
Grants	<u>3,412</u>	<u>13,303</u>
	<u>5,581</u>	<u>18,663</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES - continued

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

	2023 £	2022 £
HMRC - Job Retention Scheme	-	10,691
Northamptonshire Carers	2,112	2,112
West Northamptonshire Council - Counsellors Fund	1,300	500
	<u>3,412</u>	<u>13,303</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2023 Incoming resources from charitable activities £	2022 Total activities £
Legal Aid Agency fixed fee income	58,362	42,724
Legal Aid Agency certificated work	15,300	-
Legal Aid Agency Housing Possession		
Court Duty Scheme income	50,729	20,578
Immigration Advice Service fixed fees	41,667	46,188
Grants and contracts	921,320	1,036,206
	<u>1,087,378</u>	<u>1,145,696</u>

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

	2023 £	2022 £
National Grid's Warm Homes Fund	83,989	306,272
Money and Pensions Service (MaPS)	276,680	321,602
British Gas Energy Trust (BGET)	168,767	208,240
West Northamptonshire Council (Formerly Northampton Borough Council)	61,800	61,800
North Northamptonshire Council	50,000	-
Institute of Money Advisers	49,462	18,690
Weston Favell Foodbank	11,424	-
Northamptonshire Rights and Equality Council	7,353	-
Northamptonshire Community Foundation	5,444	-
North Northamptonshire Council - HSF	5,000	-
Restore Northampton	1,954	-
East Northamptonshire Council	-	50,000
Community Justice Fund	-	48,500
Children in Need	-	11,102
National Lottery	-	10,000
Public Health NESS	199,447	-
	<u>921,320</u>	<u>1,036,206</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

4. RAISING FUNDS

Raising donations and legacies

	2023 £	2022 £
Staff costs	<u>13,275</u>	<u>-</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Charitable activities	<u>871,112</u>	<u>248,066</u>	<u>1,119,178</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	659,438	768,678
Telephone	7,577	5,865
Postage and stationery	8,499	10,488
Staff training and welfare	10,322	8,309
Staff and volunteer travel	12,416	13,330
Subscriptions	4,470	3,887
Payments to partners	150,309	135,676
Reference books and literature	1,400	988
Home energy assessments	-	700
Boiler replacement and energy saving measures	16,519	23,580
Fuel top up payments	<u>162</u>	<u>843</u>
	<u>871,112</u>	<u>972,344</u>

7. SUPPORT COSTS

	Management £	Finance £	Information technology £
Charitable activities	<u>146,443</u>	<u>973</u>	<u>21,352</u>
	Human resources £	Other £	Governance costs £
Charitable activities	<u>4,660</u>	<u>59,234</u>	<u>15,404</u>
			Totals £
			<u>248,066</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. SUPPORT COSTS - continued

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

Management

	2023 Charitable activities £	2022 Total activities £
Wages	39,220	22,465
Employer National Insurance		
Contributions	2,261	659
Pensions	1,771	1,123
Rates and water	1,997	3,694
Insurance	6,453	6,096
Light and heat	10,959	7,590
Advertising	4,632	4,528
Sundries	2,491	1,355
Rent	43,753	45,655
Repairs and renewals	762	1,314
Premises expenses	31,825	24,840
Office equipment	319	687
Bank interest	-	826
	<u>146,443</u>	<u>120,832</u>

Finance

	2023 Charitable activities £	2022 Total activities £
Bank charges	<u>973</u>	<u>-</u>

Information technology

	2023 Charitable activities £	2022 Total activities £
Computing expenses	<u>21,352</u>	<u>20,996</u>

Human resources

	2023 Charitable activities £	2022 Total activities £
Payroll processing and recruitment	<u>4,660</u>	<u>1,200</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. **SUPPORT COSTS - continued**
Other

	2023 Charitable activities £	2022 Total activities £
Non recoverable VAT	<u>59,234</u>	<u>-</u>

Governance costs

	2023 Charitable activities £	2022 Total activities £
Auditors' remuneration	5,200	3,740
Auditors' remuneration for non audit work	613	573
Professional fees	<u>9,591</u>	<u>1,800</u>
	<u>15,404</u>	<u>6,113</u>

8. **NET INCOME/(EXPENDITURE)**

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

	2023 £	2022 £
Auditors' remuneration	5,200	3,740
Auditors' remuneration for non-audit work	<u>613</u>	<u>573</u>

9. **TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. **STAFF COSTS**

	2023 £	2022 £
Wages and salaries	643,618	707,600
Social security costs	42,082	53,529
Other pension costs	<u>30,265</u>	<u>31,796</u>
	<u>715,965</u>	<u>792,925</u>

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

	2023	2022
Advisory and support	<u>31</u>	<u>33</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**10. STAFF COSTS - continued**

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 £52,823.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

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

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Work in progress	14,265	15,956
Trade debtors	20,571	13,048
Other debtors	272	255
VAT	994	-
Prepayments and accrued income	<u>23,136</u>	<u>38,231</u>
	<u>59,238</u>	<u>67,490</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	1,617	4,891
Social security and other taxes	12,558	11,768
Other creditors	1,916	4,728
Pension account	306	250
Accruals and deferred income	<u>47,759</u>	<u>76,425</u>
	<u>64,156</u>	<u>98,062</u>

Included within accruals and deferred income is deferred income of £40,803 (2022: £70,966) that relates to contracted income invoiced in 2022/23 relating to work to be carried out during 2023/24.

	£
Balance as at 31 March 2022	70,966
Amount released to incoming resources	(70,966)
Amount deferred in year	<u>40,803</u>
Balance as at 31 March 2023	<u>40,803</u>

14. LEASING AGREEMENTS

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

	2023	2022
	£	£
Within one year	45,000	43,750
Between one and five years	<u>56,250</u>	<u>101,250</u>
	<u>101,250</u>	<u>145,000</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

15. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	203,559	(205,168)	110,552	108,943
Immigration Advice Service fixed fees	-	7,805	-	7,805
West Northamptonshire Council (formally NBC)	-	61,800	-	61,800
North Northamptonshire Council (formally ENC)	-	10,028	-	10,028
Restore	-	623	-	623
	203,559	(124,912)	110,552	189,199
Restricted funds				
Money and Pensions Service (MaPS)	-	38,638	(38,638)	-
Financial Health and Wellbeing Service (BGET)	6,637	17,751	(23,986)	402
Northampton Energy Savings Service (National Grid's Warm Homes Fund)	27,960	(10,111)	(14,185)	3,664
Nationwide Building Society	2,319	(1,325)	-	994
BGET Local Response Fund	-	190	-	190
Weston Favell Foodbank	-	6,593	(853)	5,740
Public Health NESS	-	36,980	(32,640)	4,340
NNC Household Support Fund	-	4,000	(250)	3,750
	36,916	92,716	(110,552)	19,080
TOTAL FUNDS	<u>240,475</u>	<u>(32,196)</u>	<u>-</u>	<u>208,279</u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

15. 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	186,731	(391,899)	(205,168)
Immigration Advice Service fixed fees	49,021	(41,216)	7,805
West Northamptonshire Council (formally NBC)	61,800	-	61,800
North Northamptonshire Council (formally ENC)	50,000	(39,972)	10,028
Restore	<u>1,954</u>	<u>(1,331)</u>	<u>623</u>
	349,506	(474,418)	(124,912)
Restricted funds			
Money and Pensions Service (MaPS)	276,680	(238,042)	38,638
Financial Health and Wellbeing Service (BGET)	167,225	(149,474)	17,751
Northampton Energy Savings Service (National Grid's Warm Homes Fund)	83,989	(94,100)	(10,111)
Nationwide Building Society	-	(1,325)	(1,325)
BGET Local Response Fund	1,540	(1,350)	190
Weston Favell Foodbank	11,424	(4,831)	6,593
Public Health NESS	199,447	(162,467)	36,980
NCF (WNC) Household Support Fund	5,446	(5,446)	-
NNC Household Support Fund	<u>5,000</u>	<u>(1,000)</u>	<u>4,000</u>
	<u>750,751</u>	<u>(658,035)</u>	<u>92,716</u>
TOTAL FUNDS	<u><u>1,100,257</u></u>	<u><u>(1,132,453)</u></u>	<u><u>(32,196)</u></u>

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

15. MOVEMENT IN FUNDS - continued

Comparatives for 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)	-
West Northamptonshire Council (formally NBC)	-	58,285	(58,285)	-
North Northamptonshire Council (formally ENC)	-	8,789	(8,789)	-
	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's 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	-			-
	52,740	129,850	(145,674)	36,916
TOTAL FUNDS	<u>191,011</u>	<u>49,464</u>	<u>-</u>	<u>240,475</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

15. 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	100,001	(249,529)	(149,528)
Immigration Advice Service fixed fees	53,433	(51,365)	2,068
West Northamptonshire Council (formally NBC)	61,800	(3,515)	58,285
North Northamptonshire Council (formally 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's 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	<u>1,170,949</u>	<u>(1,121,485)</u>	<u>49,464</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.

15. 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.

NNC Household Support Fund provided fund to support residents with valuable goods and services, offer small awards to deserving residents who are unable to pay for food, heat their homes, or are in danger of losing access to their energy source.

Restore provided payment to support the CLS staff member for their attendance during the restore weekly family hub sessions to deliver a benefit advice service.

(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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

15. MOVEMENT IN FUNDS - continued

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 Advice Project provided fund for awareness sessions to those working with carers, to enable them to identify those who could benefit from the project. It is expected that Community Law Service will learn more about the carers they support, provide One-to-one holistic advice and support in relation to benefits, debt and energy.

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

The Weston Favell Food bank provided a grant for financial health and wellbeing advice and casework service. The service for those accessing emergency food provision from Weston Favell Centre Foodbank and those whom Weston Favell Centre Foodbank identify as facing destitution.

The Public Health Ness 5 Year is a grant to deliver holistic fuel poverty advice to residents across Northamptonshire.

NCF (WNC) Household Support Fund - Northamptonshire Community Foundation provide a grant to support organisational capacity for delivery of phase 3 of household support fund.

Transfers between funds

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

16. 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

From 1 April 2022 to 31 January 2025	£3,312,000 per annum	(payable monthly)
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**16. EMPLOYEE BENEFIT OBLIGATIONS - continued**

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 30 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.

PRESENT VALUES OF PROVISION

	31 March 2023	31 March 2022	31 March 2021
	£	£	£
Present value of provision	1,389	2,178	7,690

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 2023	Period ending 31 March 2022
	£	£
Provision at start of period	2,178	7,690
Unwinding of the discount factor (interest expense)	42	44
Deficit contribution paid	(794)	(1,946)
Remeasurements - impact of any change in assumptions	(37)	(50)
Remeasurements - amendments to the contribution schedule	-	(3,560)
Provision at end of period	1,389	2,178

INCOME AND EXPENDITURE IMPACT

	Period ending 31 March 2023	Period ending 31 March 2022
	£	£
Interest expense	42	44
Remeasurements - impact of any change in assumptions	(37)	(50)
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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

ASSUMPTIONS

	31 March 2023 % per annum	31 March 2022 % per annum	31 March 2021 % per annum
Rate of discount	5.52	2.35	0.66

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 2023 £	31 March 2022 £	31 March 2021 £
Year 1	794	794	1,946
Year 2	661	794	2,005
Year 3	-	661	2,065
Year 4	-	-	1,772

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023 nor the year ended 31 March 2022.

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 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,169	1,360
Legacies	-	4,000
Grants	<u>3,412</u>	<u>13,303</u>
	5,581	18,663
Charitable activities		
Legal Aid Agency fixed fee income	58,362	42,724
Legal Aid Agency certificated work	15,300	-
Legal Aid Agency Housing Possession		
Court Duty Scheme income	50,729	20,578
Immigration Advice Service fixed fees	41,667	46,188
Grants and contracts	<u>921,320</u>	<u>1,036,206</u>
	1,087,378	1,145,696
Other income		
Other income	<u>7,298</u>	<u>6,590</u>
Total incoming resources	1,100,257	1,170,949
EXPENDITURE		
Raising donations and legacies		
Wages	11,418	-
Social security	1,287	-
Pensions	<u>570</u>	<u>-</u>
	13,275	-
Charitable activities		
Wages and salaries	592,980	685,135
Employer National Insurance Contributions	38,534	52,870
Pensions	27,924	30,673
Telephone	7,577	5,865
Postage and stationery	8,499	10,488
Staff training and welfare	10,322	8,309
Staff and volunteer travel	12,416	13,330
Subscriptions	4,470	3,887
Payments to partners	150,309	135,676
Reference books and literature	1,400	988
Home energy assessments	-	700
Boiler replacement and energy saving measures	16,519	23,580
Carried forward	870,950	971,501

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COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Charitable activities		
Brought forward	870,950	971,501
Fuel top up payments	<u>162</u>	<u>843</u>
	871,112	972,344
Support costs		
Management		
Wages	39,220	22,465
Employer National Insurance Contributions	2,261	659
Pensions	1,771	1,123
Rates and water	1,997	3,694
Insurance	6,453	6,096
Light and heat	10,959	7,590
Advertising	4,632	4,528
Sundries	2,491	1,355
Rent	43,753	45,655
Repairs and renewals	762	1,314
Premises expenses	31,825	24,840
Office equipment	319	687
Bank interest	<u>-</u>	<u>826</u>
	146,443	120,832
Finance		
Bank charges	973	-
Information technology		
Computing expenses	21,352	20,996
Human resources		
Payroll processing and recruitment	4,660	1,200
Other		
Non recoverable VAT	59,234	-
Governance costs		
Auditors' remuneration	5,200	3,740
Auditors' remuneration for non audit work	613	573
Professional fees	<u>9,591</u>	<u>1,800</u>
	<u>15,404</u>	<u>6,113</u>
Total resources expended	<u>1,132,453</u>	<u>1,121,485</u>
Net (expenditure)/income	<u>(32,196)</u>	<u>49,464</u>

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