

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

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016  
FOR  
COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

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FOR THE YEAR ENDED 31 MARCH 2016**

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## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

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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 2016. 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### 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.

##### REFERENCE AND ADMINISTRATIVE DETAILS

###### Registered Company number

06830503 (England and Wales)

###### Registered Charity number

1128718

###### Registered office

49 - 53 Hazelwood Road  
Northampton  
NN1 1LG

###### Trustees

Ian Pears  
Alan John Maskell  
Sally Beardsworth  
James Rogers  
Kate Webster - resigned 1/1/16  
Morcea Walker  
Brenda Peers-Ross  
Nicholas Spoons - appointed 11/12/15

###### Company Secretary

Julie Silver

###### Auditors

DNG Dove Naish  
Chartered Accountants  
and Statutory Auditor  
Eagle House  
28 Billing Road  
Northampton  
NN1 5AJ

## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

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#### FINANCIAL REVIEW - TREASURER'S REPORT

Once again, it's my pleasure to present the year's annual accounts for the Community Law Service (Northampton & County). Set out below is my commentary on the results for the financial year ended 31 March 2016.

The financial year 2015/16 continued in the same austere financial climate as that of the previous financial year, which meant that available funding would continue to be tight and that every £ of finance would need to be hard fought for, in a fierce competitive environment. In line with previous financial years, funding sources were ever changing, creating some new opportunities but also leading to uncertainty and extreme caution. Our actual total available funding for the financial year was nearly £40,000 down on 2014/15, a reduction of some 3%.

As always, in my report below, I will concentrate on the financial results of the year; a year which has necessitated revised approaches to our funding and changed approaches to our service provision.

Despite the difficulties set out above, the Service has managed to record a small surplus on Unrestricted Funds for the year of just over £3,000 (1.3% on turnover). Consequently, we were able to add a little to our working balance (Accumulated Fund) which remains relatively healthy.

We began the Financial Year with an "Unrestricted Funds" balance of £176,173. "Unrestricted Funds" are those funds over which the Board of Trustees has total control, as opposed to "Restricted Funds" which may only be used for the purposes for which they are given, an issue which I will return to later.

Year on year, apart from the requirement to fund our core budget, "Unrestricted Funds" play a less significant part in our overall financial planning. Funding in 2015/16 continued with the trend of moving away from the availability of "Unrestricted" income and, instead, the Service had to rely more and more heavily on funds provided from specific sources for specific purposes or to fund specific projects.

Our most significant Restricted Funds providers during the year were; Northamptonshire County Council (Advice Service Contract) - £240,000; Wellingborough Homes - £105,000; East Midlands Money Advice Service -£263,356; British Gas Energy Trust - £172,000 and The Legal Aid Agency - £112,507. A full list of providers is recorded on pages 15 and 16 of these accounts. As previously mentioned, these projects are classified as "Restricted Funds" because the funds received have to be used specifically for the purpose for which they are provided, with balances effectively remaining under the "ownership" of the provider, until spent.

Overall, the accounts for the Community Law Service, for the year to 31 March 2016, show a tiny surplus on "Unrestricted Funds" of just £3,362 compared to the previous year's deficit of £2,986; a financial improvement of just £6,348. Given the current financial climate nationally, these figures have to be seen as very satisfactory.

When adding this surplus to the Accumulated Fund brought forward from the previous financial year of £176,173, we have an unrestricted Accumulated Surplus at 31st March 2016 of £179,535, which has to be seen as a relatively healthy financial position. However, with the total expenditure of the organisation, including "Restricted funds", remaining at around £1.25 million per annum, the balance at 31 March 2016 still only represents about seven weeks trading, well below a level of balances recommend by the Charity Commission.

## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

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#### FINANCIAL REVIEW (continued)

Looking at the Service as a whole, i.e. including Restricted Funds, our total income for the year was £1,258,929 and our total expenditure £1,267,127, confirming a net "deficit" on all activities for the year of £8,198.

Our balances on the various "Restricted Funds" at 31 March 2016 stood at just £7,619, indicating that most of our available funds from such sources during 2015/16 had, in fact, been spent during the financial year with a small amount carried forward to be spent in the next financial year.

A new Statement of Recommended Practice requires charities to split out costs incurred by the charity which are support activities rather than direct costs of carrying out charitable activities. The majority of the Charity's expenditure is direct costs (85%) and 80% of these direct costs are employee related. This year's direct salary related costs of £862,035 represents an increase in total of over £38,000 (4.6%) compared to the previous year's figure of £823,841. This comes however after several years of a reducing salary budget. Pay awards to most of our staff are only paid at the discretion of the Trustees and most staff were able to benefit this year from a small one off inflation payment. The organisation continues to have some contractual commitments to pay annual awards to some of its staff in line with public service guidelines, particularly to those members of staff who were originally employed on local government funded schemes.

Average staffing levels increased by one during the financial year, from 37 to 38, as reflected by the increase in total salary spending

The Community Law Service (CLS) is well established and continues to maintain its position and good name across the County. However, the financial climate in which it works remains extremely difficult, given the limited funding available and the ever increasing needs and demands of our clients. Demand for our services is, in fact, increasing and we recognise that the need for the services we provide will continue to increase still further, despite the shortage of funding.

Consequently, in this challenging financial climate, we have to remain alert constantly to any sources of additional revenue which might become available. It is greatly encouraging therefore that new contracts and grants continue to be won, not only due to the Organisation's past good name and success record across the County, but also due to the continuing hard work, reputation and diligence of the Chief Executive and her staff.

The Charity's Trustees are well aware that, in the continuing austere financial environment, new sources of revenue are hard to come by, but, never-the-less, need to be found if we are to maintain the level of service to which our clients have become accustomed.

As already recognised in this report, the Trustees of the Organisation are well aware of the dangers of funding "shortfalls" and for the need to look for and to secure more diverse sources of funding. The Chief Executive and her staff are doing their very best to locate new funding opportunities through sponsorship, etc. Local and Central Government funding remains a vital contributor to the services we provide and we remain extremely grateful to these Authorities for their continuing support, in these extremely challenging financial times. Without additional funding sources however, the level of service that has hitherto been provided to the public must remain under threat.

In submitting this Financial Report for the Community Law Service (Northampton and County) for the year 2015/16, the underlying concerns for the future continue and remain obvious. We however remain optimistic and positive about the future and the Trustees look forward to facing the challenges ahead. The Charity remains committed to trying to continue to provide the level of service for which we have become renowned and to which our Clients have grown to expect. We remain confident that, with the continuing support of all concerned, we will see our way through the difficult times ahead and will continue to succeed.

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2016**

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**FINANCIAL REVIEW (continued)**

The Trustees meanwhile wish to thank, most sincerely, all of our funders and contract providers for their past and continued support and also to thank the staff for their invaluable and tireless work and commitment. As always, we give assurances that all will be done by us to try to ensure that sources of revenue for the Community Law Service are maintained and hopefully extended, so that its excellent service record may be continued and, hopefully, expanded.

It is my pleasure, once again, to submit this report along with the accounts and, on behalf of the Trustees, to thank all of our funders, providers and staff for their continued support, without whose help and support we could not exist.

Alan Maskell, CPFA  
Treasurer and Trustee

## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

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#### FINANCIAL REVIEW - CHIEF EXECUTIVE'S REPORT

##### Key Achievements

- 36,569 people were provided with advice and information
- 12,426 people were provided with specialist advice
- 962 repossession and eviction cases were represented in County Court
- 345 people were supported with Social Security Appeals
- 254 Debt Relief Orders were administered
- 70 bankruptcy petitions were supported
- £26,890,345 debt was managed on behalf of clients
- £14,251,519 of additional benefit income was claimed for local residents
- 488 home visits were undertaken for housebound clients
- 420 people were provided with Legal Aid Housing advice and representation
- 457 people were supported by the Emergency Fuel Payment Scheme
- 19,819 people accessed services through CLS Advice Shops and Centres
- 1909 people accessed services through CLS community outreach venues
- 13,120 people accessed CLS services by telephone

It has been another successful year for the Service with excellent outcomes achieved for residents by our experienced advice team.

A successful application was made to Children In Need and in August with the new funding we started a three year Children's Benefit Take-Up Project aimed at maximising income for disabled and ill children and their families. By March 2016 we had helped 157 children and their families to claim an additional £440,988 of welfare benefit income.

Our Countywide Housing Advice Service which includes casework and representation through Legal Aid and County Council funding and our Housing Possession Court Duty Schemes at the County Courts played a key role in homelessness prevention in the County. The CLS Housing team represented at 962 cases in the courts during the year with a success rate at keeping people in their homes of over 98%.

Holistic fuel poverty work incorporating specialist Debt, Welfare Benefits and Housing advice in addition to Energy efficiency work has now become a key focus area for the organisation. The Financial Health and Wellbeing Service funded by British Gas Energy Trust which was launched in December 2014 is now well established in Northampton and other parts of the County with 1,356 people supported during the year. Working in partnership with GP practices, Community Mental Health Teams and other health professionals this Project provides an holistic approach to tackling Fuel Poverty targeted at people with mental or physical health problems. The Project also linked in this year to the Emergency Fuel Payment Scheme administered on behalf of the County Council by CLS. However despite the success of the Fuel Scheme, which supported 457 people with advice and emergency fuel payments, the end of the year saw the bad news that the Council were withdrawing support for the Scheme due to their financial difficulties.

Since 2006 CLS has delivered the national Money Advice Services' (MAS) face to face debt advice across Northamptonshire with funding for 6 CLS Debt Advisors as part of East Midlands Money Advice. Delivered from our own Advice Centres and from community outreach venues including Citizen's Advice offices in Corby, Kettering and Daventry the funding has supported specialist debt advice for 1759 people across the County during the year.

## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

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#### FINANCIAL REVIEW (continued)

Wellingborough remained a key area of service delivery for the organisation with services delivered from our offices at the FISH in Wellingborough supported through significant funding by Wellingborough Homes and by a range of other funding streams. This included Legal Aid Housing advice, MAS funded Debt advice, Debt, Benefits, Housing and Employment Law advice through Northamptonshire County Council's Advice Services Contract and support at Court for local residents through our Housing Possession Court Duty Scheme. Our Big Lottery funding to deliver Benefit and Debt advice to vulnerable households in the community and to BME communities.

In East Northamptonshire services went from strength to strength supported by the grant from East Northamptonshire Council and through other funding streams such as the Money Advice Service to provide an holistic service to help meet demand for advice for local residents. Rockingham Forest Housing Association continued to provide funding for welfare benefits and debt advice for their tenants and in total across all funding streams residents in East Northamptonshire were assisted in managing over £4.7 million of personal debt and assisted to claim over £2 million of additional welfare benefit and grant income.

In South Northants we continued to support residents in the area through continued funding from South Northants Volunteer Bureau as part of their Village Networks Project funded by the Big Lottery. CLS provided specialist welfare benefits and debt advice for 92 residents in rural villages through an outreach service on the Rural Information Vehicle which has on board interview and internet facilities. As part of this Project services were also extended to Daventry District during the year.

Funding from Northamptonshire Carers continued in this year facilitating outreach sessions providing benefits advice for carers and their families with 69 people supported and £97,452 of additional benefit income claimed for carers and those they are caring for. Other outreach provision included debt advice at Belling Community House in Northampton East and welfare benefits advice for the Bangladeshi Community at the Gateway Centre in Northampton.

The Northampton Advice Services Development Project funded by the Big Lottery Advice Services Transition Grant came to an end in July. The Project incorporated a partnership with 7 other local agencies including Dostiyo, NREC and CAB. Some of the activities supported by the funding include some ongoing funding for front line advisors, volunteer development, public legal education, IT development, development of CLS's Immigration fee paying and our Social Welfare law training services.

Our Advice Shops in Northampton and Rushden were highly successful in providing an Information and Access point for nearly 20,000 local residents, helping to raise the profile of our services and encouraging people to seek early advice about their problems. Our duty drop-in services at our Shops and at the FISH in Wellingborough helped to manage the significant increase in demand for advice in the current climate by providing triage, giving immediate assistance for urgent issues, and prioritising subsequent appointments for casework.

The Advice Services Contract funded by Northamptonshire County Council which was further extended for the year was successful in meeting advice needs of over 5000 people across the County. in the social welfare law areas of Welfare Benefits, Debt, Housing and Employment Law advice across the County. Clients were assisted by CLS and Citizens Advice sub-contracted partners with the management of £2,742,856 of debt and helped to claim £3,174,346 of additional income. In the coming year the County Council are proposing to novate the Advice Services Contract over to the new First For Wellbeing community interest company with expected re-commissioning of a number of merged contracts from April 2017. It will be important that specialist social welfare advice provision is included in any specification and CLS will aim to continue to be a provider.



## **COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

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#### **FINANCIAL REVIEW (continued)**

The Service, as with many charitable bodies faces the perennial problem of the short term nature of many funding streams and the reluctance of some funders to commit for the longer term which creates difficulties in sustaining services and with forward planning. It is encouraging that the local authority in East Northamptonshire commits to three year funding for advice and Northampton Borough Council are also proposing to do the same from April 2016. This longer term support from local authorities and national bodies such as MAS is essential if advice provision is to be sustained to support local communities and for our organisations' financial stability. Investment from health bodies such as the Clinical Commissioning Groups remains a key objective going forward and there are signs that access to social welfare advice for patients of GP practices and hospitals is recognised as playing an important part in improving health outcomes.

The Community Law Service, as an exclusively specialist advice agency in the County has an excellent reputation for delivering casework and representation and achieving good outcomes for clients. We have a highly experienced and dedicated team of specialist advisors and we need to ensure that this expertise continues to be recognised by both current and prospective funders and that we remain a key partner in local and regional commissioning strategies and the development of preventative and wellbeing services in Northamptonshire in the years ahead.

Julie Silver  
Chief Executive  
and Company Secretary

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2016**

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

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.

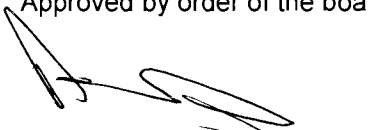
In so far as the trustees are aware:

- 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.

**AUDITORS**

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

Approved by order of the board of trustees on 30/11/15 ..... and signed on its behalf by:

  
.....  
Alan John Maskell - Trustee

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

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We have audited the financial statements of Community Law Service (Northampton and County) for the year ended 31 March 2016 on pages eleven to twenty six. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page eight, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

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 2016 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

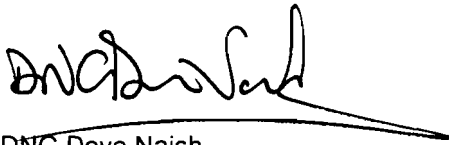
**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 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.



DNG Dove Naish  
Chartered Accountants  
and 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: 1 December 2016

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016

|   | Notes | Unrestricted funds<br>£ | Restricted funds<br>£ | Total 2016<br>funds<br>£ | Total 2015<br>funds<br>£ |
|---|-------|-------------------------|-----------------------|--------------------------|--------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>             |       |                         |                       |                          |                          |
| Donations and legacies                        | 2     | 2,368                   | -                     | 2,368                    | 1,649                    |
| <b>Charitable activities</b>                  |       |                         |                       |                          |                          |
| Incoming resources from charitable activities | 4     | 232,627                 | 1,005,968             | 1,238,595                | 1,283,267                |
| Investment income                             | 3     | 541                     | -                     | 541                      | 518                      |
| Other income                                  |       | <u>17,425</u>           | <u>-</u>              | <u>17,425</u>            | <u>10,053</u>            |
| <b>Total</b>                                  |       | 252,961                 | 1,005,968             | 1,258,929                | 1,295,487                |
| <b>EXPENDITURE ON</b>                         |       |                         |                       |                          |                          |
| <b>Charitable activities</b>                  |       |                         |                       |                          |                          |
| Charitable activities                         | 5     | <u>487,934</u>          | <u>779,193</u>        | <u>1,267,127</u>         | <u>1,292,721</u>         |
| <b>NET INCOME/(EXPENDITURE)</b>               |       | (234,973)               | 226,775               | (8,198)                  | 2,766                    |
| <b>Transfers between funds</b>                | 14    | <u>238,335</u>          | <u>(238,335)</u>      | <u>-</u>                 | <u>-</u>                 |
| <b>Net movement in funds</b>                  |       | 3,362                   | (11,560)              | (8,198)                  | 2,766                    |
| <b>RECONCILIATION OF FUNDS</b>                |       |                         |                       |                          |                          |
| <b>Total funds brought forward</b>            |       | <u>176,173</u>          | <u>19,179</u>         | <u>195,352</u>           | <u>192,586</u>           |
| <b>TOTAL FUNDS CARRIED FORWARD</b>            |       | <u><u>179,535</u></u>   | <u><u>7,619</u></u>   | <u><u>187,154</u></u>    | <u><u>195,352</u></u>    |

The notes form part of these financial statements

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**BALANCE SHEET  
AT 31 MARCH 2016**

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2016<br>funds<br>£ | Total<br>2015<br>funds<br>£ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>CURRENT ASSETS</b>                        |       |                            |                          |                             |                             |
| Debtors                                      | 11    | 75,500                     | 985                      | 76,485                      | 60,127                      |
| Cash at bank and in hand                     |       | <u>141,909</u>             | <u>64,720</u>            | <u>206,629</u>              | <u>221,672</u>              |
|  |       | 217,409                    | 65,705                   | 283,114                     | 281,799                     |
| <b>CREDITORS</b>                             |       |                            |                          |                             |                             |
| Amounts falling due within one year          | 12    | (37,873)                   | (58,087)                 | (95,960)                    | (86,447)                    |
|  |       | <u>179,536</u>             | <u>7,618</u>             | <u>187,154</u>              | <u>195,352</u>              |
| <b>NET CURRENT ASSETS</b>                    |       |                            |                          |                             |                             |
|  |       | <u>179,536</u>             | <u>7,618</u>             | <u>187,154</u>              | <u>195,352</u>              |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                            |                          |                             |                             |
|  |       | <u>179,536</u>             | <u>7,618</u>             | <u>187,154</u>              | <u>195,352</u>              |
| <b>NET ASSETS</b>                            |       |                            |                          |                             |                             |
|  |       | <u>179,536</u>             | <u>7,618</u>             | <u>187,154</u>              | <u>195,352</u>              |
| <b>FUNDS</b>                                 |       |                            |                          |                             |                             |
| Unrestricted funds                           | 14    |                            |                          | 179,536                     | 176,173                     |
| Restricted funds                             |       |                            |                          | <u>7,618</u>                | <u>19,179</u>               |
| <b>TOTAL FUNDS</b>                           |       |                            |                          |                             |                             |
|  |       |                            |                          | <u>187,154</u>              | <u>195,352</u>              |

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

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1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**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.

**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.

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.

2. DONATIONS AND LEGACIES

|           | 2016         | 2015         |
|-----------|--------------|--------------|
|           | £            | £            |
| Donations | <u>2,368</u> | <u>1,649</u> |

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

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3. INVESTMENT INCOME

|                          | 2016       | 2015       |
|--------------------------|------------|------------|
|                          | £          | £          |
| Deposit account interest | <u>541</u> | <u>518</u> |

4. INCOME FROM CHARITABLE ACTIVITIES

|   | 2016             | 2015             |
|---|------------------|------------------|
|   | £                | £                |
| Legal Aid Agency fixed fee income                               | 60,820           | 62,653           |
| Legal Aid Agency certificated work                              | 8,399            | 10,210           |
| Legal Aid Agency Housing Possession Court Duty Scheme income    | 43,288           | 40,640           |
| Immigration Advice Service fixed fees                           | 65,067           | 51,027           |
| Northamptonshire County Council - Emergency Fuel Support Scheme | 35,000           | 33,395           |
| Northamptonshire County Council - Advice Services Contract      | 240,000          | 240,000          |
| Grants and contracts (detailed below)                           | 786,021          | 845,342          |
|   | <u>1,238,595</u> | <u>1,283,267</u> |



**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**4. INCOME FROM CHARITABLE ACTIVITIES - continued**

Grants and contracts, included in the above, are as follows:

|   | 2016<br>£      | 2015<br>£      |
|---|----------------|----------------|
| East Midlands Money Advice Service (Money Advice Service)                 | 263,356        | 280,028        |
| British Gas Energy Trust (BGET)   | 172,000        | 57,333         |
| Wellingborough Homes  | 105,000        | 102,000        |
| Northampton Borough Council   | 52,940         | 54,690         |
| East Northamptonshire Council   | 50,000         | 50,000         |
| Big Lottery Advice Services Transition Fund Grant (Northampton)           | 43,752         | 188,710        |
| Wellingborough Homes (Big Lottery)  | 36,409         | 35,732         |
| South Northants Volunteer Bureau (SNVB) (Big Lottery)                     | 16,305         | 15,975         |
| Big Lottery Advice Services Transition Fund Grant (East Northamptonshire) | 11,963         | 28,710         |
| Rockingham Forest Housing Association                                     | 8,400          | 8,400          |
| Northamptonshire Carers   | 2,112          | 2,112          |
| Citizen Advice  | 1,800          | 1,200          |
| Children in Need  | 17,684         | -              |
| Spurgeons   | 4,300          | -              |
| Wellingborough Homes (Supported Living Project)                           | -              | 10,000         |
| Blackthorn Good Neighbours  | -              | 2,667          |
| Ecton Brook Children's Centre   | -              | 2,667          |
| Community First   | -              | 2,500          |
| Northamptonshire County Council Library Services                          | -              | 1,333          |
| Vernon Terrace Primary School and Children's Centre                       | -              | 1,285          |
|   | <u>786,021</u> | <u>845,342</u> |

**5. CHARITABLE ACTIVITIES COSTS**

|                       | Direct costs<br>(See note 6)<br>£ | Support<br>costs<br>(See note 7)<br>£ | Totals<br>£      |
|-----------------------|-----------------------------------|---------------------------------------|------------------|
| Charitable activities | <u>1,072,732</u>                  | <u>194,395</u>                        | <u>1,267,127</u> |

**6. DIRECT COSTS OF CHARITABLE ACTIVITIES**

|                                | 2016<br>£        | 2015<br>£        |
|--------------------------------|------------------|------------------|
| Staff costs                    | 862,035          | 823,841          |
| Telephone                      | 19,525           | 14,390           |
| Postage and stationery         | 17,529           | 15,758           |
| Staff training and welfare     | 7,352            | 6,895            |
| Staff and volunteer travel     | 26,681           | 25,912           |
| Venue hire                     | 10,340           | 10,286           |
| Subscriptions                  | 5,064            | 6,895            |
| Payments to subcontractors     | 121,930          | 191,392          |
| Reference books and literature | 2,157            | 5,234            |
| Translation and interpreting   | 119              | 60               |
|                                | <u>1,072,732</u> | <u>1,100,663</u> |

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

7. SUPPORT COSTS

|                       | Management<br>£ | Information<br>technology<br>£ | Human<br>resources<br>£ | Governance<br>costs<br>£ | Totals<br>£    |
|-----------------------|-----------------|--------------------------------|-------------------------|--------------------------|----------------|
| Charitable activities | <u>161,338</u>  | <u>23,660</u>                  | <u>4,447</u>            | <u>4,950</u>             | <u>194,395</u> |

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

**Management**

|   | 2016<br>Charitable<br>activities<br>£ | 2015<br>Total<br>activities<br>£ |
|---|---------------------------------------|----------------------------------|
| Wages                                     | 46,641                                | 47,021                           |
| Employer National Insurance Contributions | 1,866                                 | 1,774                            |
| Pensions                                  | 2,145                                 | 1,661                            |
| Rates and water                           | 2,127                                 | 3,001                            |
| Insurance                                 | 8,188                                 | 7,906                            |
| Light and heat                            | 8,553                                 | 5,936                            |
| Advertising                               | 7,294                                 | 10,592                           |
| Sundries                                  | 1,734                                 | 1,557                            |
| Rent                                      | 62,300                                | 65,970                           |
| Repairs and renewals                      | 1,233                                 | 53                               |
| Premises expenses                         | 18,743                                | 14,218                           |
| Office equipment                          | 471                                   | 3,856                            |
| Bad debts                                 | -                                     | 11                               |
| Bank interest                             | 43                                    | 56                               |
|   | <u>161,338</u>                        | <u>163,612</u>                   |

**Information technology**

|                    | 2016<br>Charitable<br>activities<br>£ | 2015<br>Total<br>activities<br>£ |
|--------------------|---------------------------------------|----------------------------------|
| Computing expenses | <u>23,660</u>                         | <u>19,438</u>                    |

**Human resources**

|                         | 2016<br>Charitable<br>activities<br>£ | 2015<br>Total<br>activities<br>£ |
|-------------------------|---------------------------------------|----------------------------------|
| Payroll and recruitment | <u>4,447</u>                          | <u>4,694</u>                     |

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

7. SUPPORT COSTS - continued

Governance costs

|                             | 2016<br>Charitable<br>activities<br>£ | 2015<br>Total<br>activities<br>£ |
|-----------------------------|---------------------------------------|----------------------------------|
| Auditors' remuneration      | 3,900                                 | 3,850                            |
| Legal and professional fees | <u>1,050</u>                          | <u>464</u>                       |
|                             | <u>4,950</u>                          | <u>4,314</u>                     |

8. NET INCOME/(EXPENDITURE)

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

|                        | 2016<br>£    | 2015<br>£    |
|------------------------|--------------|--------------|
| Auditors' remuneration | <u>3,900</u> | <u>3,850</u> |

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2016 nor for the year ended 31 March 2015.

10. STAFF COSTS

|                       | 2016<br>£      | 2015<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 810,634        | 779,083        |
| Social security costs | 69,575         | 66,949         |
| Other pension costs   | <u>32,478</u>  | <u>28,265</u>  |
|                       | <u>912,687</u> | <u>874,297</u> |

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

|                      | 2016      | 2015      |
|----------------------|-----------|-----------|
| Advisory and support | <u>38</u> | <u>37</u> |

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

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

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11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                               | 2016          | 2015          |
|-------------------------------|---------------|---------------|
|                               | £             | £             |
| Trade debtors                 | 41,653        | 24,499        |
| Prepayments and other debtors | <u>34,832</u> | <u>35,628</u> |
|                               | <u>76,485</u> | <u>60,127</u> |

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                              | 2016          | 2015          |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Bank loans and overdrafts    | 900           | 4,199         |
| Trade creditors              | 3,777         | 12,003        |
| Taxation and social security | 31,138        | 22,664        |
| Accruals and deferred income | <u>60,145</u> | <u>47,581</u> |
|                              | <u>95,960</u> | <u>86,447</u> |

13. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

|                            | 2016          | 2015          |
|----------------------------|---------------|---------------|
|                            | £             | £             |
| Expiring:                  |               |               |
| Within one year            | -             | 13,500        |
| Between one and five years | <u>57,836</u> | <u>47,836</u> |
|                            | <u>57,836</u> | <u>61,336</u> |

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

14. MOVEMENT IN FUNDS

|   | At 1/4/15<br>£ | Net<br>movement in<br>funds<br>£ | Transfers<br>between<br>funds<br>£ | At 31/3/16<br>£ |
|---|----------------|----------------------------------|------------------------------------|-----------------|
| <b>Unrestricted funds</b>   |                |                                  |                                    |                 |
| General fund  | 124,971        | (300,039)                        | 238,335                            | 63,267          |
| Immigration Advice Service fixed fees                                 | <u>51,202</u>  | <u>65,067</u>                    | <u>-</u>                           | <u>116,269</u>  |
|   | 176,173        | (234,972)                        | 238,335                            | 179,536         |
| <b>Restricted funds</b>   |                |                                  |                                    |                 |
| Wellingborough Homes Service  | -              | 20,038                           | (20,038)                           | -               |
| East Midlands Money Advice Service (MAS)                              | -              | 61,924                           | (61,924)                           | -               |
| SNVB Village Network Project (Big Lottery)                            | -              | 7,686                            | (7,686)                            | -               |
| Financial Health and Wellbeing Service (BGET)                         | 3,033          | 27,979                           | (27,623)                           | 3,389           |
| East Northamptonshire Service (ENC)                                   | -              | 10,862                           | (10,862)                           | -               |
| NCC Advice Services Contract  | -              | 60,791                           | (60,791)                           | -               |
| Rockingham Forest Housing Association Service                         | -              | 2,379                            | (2,379)                            | -               |
| Northampton Advice Services Development Project (Big Lottery)         | 10,604         | (2,354)                          | (8,250)                            | -               |
| Advice Services Transition Fund - East Northamptonshire (Big Lottery) | 766            | 3,666                            | (4,432)                            | -               |
| NCC - Emergency Fuel Support Scheme                                   | -              | 21,655                           | (21,655)                           | -               |
| Citizens Advice Training Service                                      | -              | 1,793                            | (1,793)                            | -               |
| Benefit and Debt Outreach Project (Wellingborough Homes)              | 2,635          | 6,062                            | (6,062)                            | 2,635           |
| Supported Living Project (Wellingborough Homes)                       | 2,894          | (899)                            | (401)                              | 1,594           |
| Children's Benefit Take Up Project (Children In Need)                 | (753)          | 3,787                            | (3,034)                            | -               |
| Children's Centres Outreach Service (Spurgeons)                       | <u>-</u>       | <u>1,405</u>                     | <u>(1,405)</u>                     | <u>-</u>        |
|   | 19,179         | 226,774                          | (238,335)                          | 7,618           |
| <b>TOTAL FUNDS</b>  | <u>195,352</u> | <u>(8,198)</u>                   | <u>-</u>                           | <u>187,154</u>  |

COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

14. MOVEMENT IN FUNDS - continued

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

|   | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|---|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>   |                            |                            |                           |
| General fund  | 187,893                    | (487,932)                  | (300,039)                 |
| Immigration Advice Service fixed fees                                 | <u>65,067</u>              | <u>-</u>                   | <u>65,067</u>             |
|   | 252,960                    | (487,932)                  | (234,972)                 |
| <b>Restricted funds</b>   |                            |                            |                           |
| Wellingborough Homes Service  | 105,001                    | (84,963)                   | 20,038                    |
| East Midlands Money Advice Service (MAS)                              | 263,356                    | (201,432)                  | 61,924                    |
| SNVB Village Network Project (Big Lottery)                            | 16,306                     | (8,620)                    | 7,686                     |
| Financial Health and Wellbeing Service (BGET)                         | 172,000                    | (144,021)                  | 27,979                    |
| East Northamptonshire Service (ENC)                                   | 50,001                     | (39,139)                   | 10,862                    |
| NCC Advice Services Contract  | 240,000                    | (179,209)                  | 60,791                    |
| Rockingham Forest Housing Association Service                         | 8,400                      | (6,021)                    | 2,379                     |
| Northampton Advice Services Development Project (Big Lottery)         | 43,753                     | (46,107)                   | (2,354)                   |
| Advice Services Transition Fund - East Northamptonshire (Big Lottery) | 11,963                     | (8,297)                    | 3,666                     |
| NCC - Emergency Fuel Support Scheme                                   | 35,000                     | (13,345)                   | 21,655                    |
| Citizens Advice Training Service                                      | 1,800                      | (7)                        | 1,793                     |
| Benefit and Debt Outreach Project (Wellingborough Homes)              | 36,408                     | (30,346)                   | 6,062                     |
| Supported Living Project (Wellingborough Homes)                       | -                          | (899)                      | (899)                     |
| Children's Benefit Take Up Project (Children In Need)                 | 17,681                     | (13,894)                   | 3,787                     |
| Children's Centres Outreach Service (Spurgeons)                       | <u>4,300</u>               | <u>(2,895)</u>             | <u>1,405</u>              |
|   | 1,005,969                  | (779,195)                  | 226,774                   |
| <b>TOTAL FUNDS</b>  | <u>1,258,929</u>           | <u>(1,267,127)</u>         | <u>(8,198)</u>            |

## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2016

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#### 14. MOVEMENT IN FUNDS - continued

- 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, Kettering, Banbury, Boston and Lincoln County Courts.

Northampton Borough Council provided a grant to support advice services in Northampton Borough.

- (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 Wellingborough Homes Service is funded by Wellingborough Homes and is a partnership initiative providing Welfare Benefits and Debt advice for tenants and other local residents and also consultancy services for the Housing Association's staff.

East Midlands Money Advice Service is supported by lead agency Community Advice and Law Service in Leicester through funding for a regional Debt advice service from the national Money Advice Service. This service provides face to face and telephone Debt advice to residents across the County and includes outreach at Citizens Advice offices in Corby, Kettering, Daventry and other community based venues.

SNVB Village Networks Project is funded by the Big Lottery. SNVB provides Community Law Service with funding to support Welfare Benefits and Debt advice for residents in rural areas in South Northamptonshire via a Rural Information Centre Vehicle.

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, Housing, Energy efficiency advice and access to grants.

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

The Advice Services Contract is a County wide service providing mainly specialist advice to local residents in the areas of Welfare Benefits, Debt, Housing and Employment Law. Funded through a contract by Northamptonshire County Council the Community Law Service provides specialist services across the County and sub contracts some services to local Citizens Advice Services.

Rockingham Forest Housing Association Service is funded by the Housing Association and provides for Debt and Welfare Benefits advice for their tenants and prospective tenants and also consultancy services for the Housing Association staff.

The Northampton Advice Services Development Project was funded by the Big Lottery Advice Services Transition Fund Grant. It was a partnership project with the Northamptonshire Rights and Equality Council, CAN, Women's Aid, The Lowdown, Dostiyo, Northamptonshire Association For the Blind and Central and East Northamptonshire Citizens Advice Bureau. The Project incorporated a range of activities aimed at improving the sustainability of the advice sector in Northampton and was a two year project which ended August 2015.

## COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2016

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#### 14. MOVEMENT IN FUNDS - continued

The Advice Services Transition Fund Project in East Northamptonshire was funded by the Big Lottery and was a partnership with Central and East Northamptonshire Citizen's Advice Bureau, Northamptonshire Rights and Equality Council and Nene Valley Community Action. The Project provided funding to the Community Law Service for the continuance of a Welfare Benefits Advisor post in East Northamptonshire for two years which ended September 2015.

Funded by Northamptonshire County Council until March 2016 the Emergency Fuel Support Scheme provided advice, assistance and grants for people in Northamptonshire who were having difficulty in meeting their fuel payments.

The Citizens Advice Training Service funded by national Citizen's Advice provided for 6 fuel poverty presentations for people in local communities in Northamptonshire.

The Benefit and Debt Outreach Service commenced on 1st April 2014 and is part of a 3 year Support Wellingborough Project funded by the Big Lottery which is led by Wellingborough Homes. The Community Law Service receives funding for a full-time specialist advisor who provides Welfare Benefits and Debt advice through outreach at local community venues and includes advice for BME communities. During 2016, further funding was provided to provide energy advice and energy awareness events.

The Wellingborough Homes Supported Living Benefit Take-Up Project funded by Wellingborough Homes supported advisor hours to maximise Welfare Benefit and other income for people living in supported accommodation.

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.

The Children's Centres Outreach Service commenced in January 2016 and is funded by Spurgeons. It provides specialist welfare benefits advice for users of Northampton West Children's Centres.

#### 15. PENSION COMMITMENTS

Community Law Service (Northampton & County) participates in the Pensions Trust's Growth Plan (the Scheme). The Scheme is 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.

As at the balance sheet date there were 27 active members of the Scheme employed by Community Law Service (Northampton & County) and the charity continues to offer membership of the Scheme to its employees.



NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

15. PENSION COMMITMENTS - continued

The Charity makes pension contributions on behalf of most of its employees. All employees are entitled to a 5% employer contribution in return for a matching employee contribution. The charge for the year was £32,478 (2015: £28,265).

The Trustee commissions an actuarial valuation of the Scheme every three years. A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Total deficit contributions receivable from participating employers:**

Series 1 £12,945,440 per annum  
From 1 April 2016 to 30 September 2025 (payable monthly and increasing by 3% each on 1 April)

Series 2 £54,560 per annum  
From 1 April 2016 to 30 September 2028 (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 recognises 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 due from the charity:**

|                            | 31 March 2016<br>(£s) | 31 March 2015<br>(£s) | 31 March 2014<br>(£s) |
|----------------------------|-----------------------|-----------------------|-----------------------|
| Present value of provision | 15,354                | 10,852                | 11,373                |

**Reconciliation of opening and closing provision due from the charity:**

|  | Period Ending<br>31 March 2016<br>(£s) | Period Ending<br>31 March 2015<br>(£s) |
|--|--|--|
| Provision at start of period                             | 10,852                                 | 11,373                                 |
| Unwinding of the discount factor (interest expense)      | 177                                    | 302                                    |
| Deficit contribution paid                                | (1,309)                                | (1,271)                                |
| Remeasurements - impact of any change in assumptions     | (240)                                  | 448                                    |
| Remeasurements - amendments to the contribution schedule | 5,874                                  | -                                      |
| Provision at end of period                               | 15,354                                 | 10,852                                 |

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**15. PENSION COMMITMENTS - continued**

**Income and Expenditure impact:**

|  | <b>Period Ending<br/>31 March 2016<br/>(£s)</b> | <b>Period Ending<br/>31 March 2015<br/>(£s)</b> |
|--|---|---|
| Interest expense   | 177   | 302   |
| Remeasurements – impact of any change in assumptions     | (240)   | 448   |
| Remeasurements – amendments to the contribution schedule | 5,874   | -   |
| 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**

|                  | <b>31 March 2016<br/>% per annum</b> | <b>31 March 2015<br/>% per annum</b> | <b>31 March 2014<br/>% per annum</b> |
|------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Rate of discount | 2.07                                 | 1.74                                 | 2.82                                 |

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.

Community Law Service (Northampton & County) has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2015. As of this date the estimated employer debt for Community Law Service (Northampton & County) was £181,040 (2015: £211,127) and the contribution for the year 1 April 2016 to 31 March 2017 will be £1,569.

**16. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2016.

**17. ULTIMATE CONTROLLING PARTY**

The Charity has been under the control of its Management Committee throughout the year. Details of the Management Committee are shown on page 1 of the accounts.

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

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**18. OUTREACH VENUE FACILITIES PROVIDED BY THE FOLLOWING ORGANISATIONS:**

- Northampton Bangladeshi Association
- Northampton, Kettering and Banbury, Boston and Lincoln County Courts
- Bellinge Community Centre
- Maple Access Practice
- Campbell House
- Greenview Surgery
- Leicester Terrace Healthcare Centre
- Berrywood Hospital
- Abbey Medical Centre
- Community Mental Healthcare Teams in Thrapston and Wellingborough

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016**

|   | 2016<br>£        | 2015<br>£        |
|---|------------------|------------------|
| <b>INCOME AND ENDOWMENTS</b>                                    |                  |                  |
| <b>Donations and legacies</b>                                   |                  |                  |
| Donations   | 2,368            | 1,649            |
| <b>Investment income</b>  |                  |                  |
| Deposit account interest  | 541              | 518              |
| <b>Charitable activities</b>                                    |                  |                  |
| Legal Aid Agency fixed fee income                               | 60,820           | 62,653           |
| Legal Aid Agency certificated work                              | 8,399            | 10,210           |
| Legal Aid Agency Housing Possession Court Duty Scheme income    | 43,288           | 40,640           |
| Immigration Advice Service fixed fees                           | 65,067           | 51,027           |
| Grants and contracts  | 786,018          | 845,342          |
| Northamptonshire County Council - Advice Services Contract      | 240,000          | 240,000          |
| Northamptonshire County Council - Emergency Fuel Support Scheme | 35,000           | 33,395           |
|   | <u>1,238,592</u> | <u>1,283,267</u> |
| <b>Other income</b>   |                  |                  |
| Other income  | <u>17,428</u>    | <u>10,053</u>    |
| <b>Total incoming resources</b>                                 | <b>1,258,929</b> | <b>1,295,487</b> |
| <b>EXPENDITURE</b>  |                  |                  |
| <b>Charitable activities</b>                                    |                  |                  |
| Wages and salaries  | 763,993          | 732,062          |
| Employer National Insurance Contributions                       | 67,709           | 65,175           |
| Pensions  | 30,333           | 26,604           |
| Telephone   | 19,525           | 14,390           |
| Postage and stationery  | 17,529           | 15,758           |
| Staff training and welfare                                      | 7,352            | 6,895            |
| Staff and volunteer travel                                      | 26,681           | 25,912           |
| Venue hire  | 10,340           | 10,286           |
| Subscriptions   | 5,064            | 6,895            |
| Payments to subcontractors                                      | 121,930          | 191,392          |
| Reference books and literature                                  | 2,157            | 5,234            |
| Translation and interpreting                                    | 119              | 60               |
|   | <u>1,072,732</u> | <u>1,100,663</u> |

**COMMUNITY LAW SERVICE (NORTHAMPTON AND COUNTY)****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016**

|   | 2016<br>£             | 2015<br>£           |
|---|-----------------------|---------------------|
| <b>Support costs</b>                      |                       |                     |
| <b>Management</b>                         |                       |                     |
| Wages                                     | 46,641                | 47,021              |
| Employer National Insurance Contributions | 1,866                 | 1,774               |
| Pensions                                  | 2,145                 | 1,661               |
| Rates and water                           | 3,985                 | 3,001               |
| Insurance                                 | 8,188                 | 7,906               |
| Light and heat                            | 6,695                 | 5,936               |
| Advertising                               | 7,294                 | 10,592              |
| Sundries                                  | 1,734                 | 1,557               |
| Rent                                      | 62,300                | 65,970              |
| Repairs and renewals                      | 1,233                 | 53                  |
| Premises expenses                         | 18,743                | 14,218              |
| Office equipment                          | 471                   | 3,856               |
| Bad debts                                 | -                     | 11                  |
| Bank interest                             | 43                    | 56                  |
|   | <u>161,338</u>        | <u>163,612</u>      |
| <b>Information technology</b>             |                       |                     |
| Computing expenses                        | 23,660                | 19,438              |
| <b>Human resources</b>                    |                       |                     |
| Payroll and recruitment                   | 4,447                 | 4,694               |
| <b>Governance costs</b>                   |                       |                     |
| Auditors' remuneration                    | 3,900                 | 3,850               |
| Legal and professional fees               | <u>1,050</u>          | <u>464</u>          |
|   | <u>4,950</u>          | <u>4,314</u>        |
| <b>Total resources expended</b>           | <u>1,267,127</u>      | <u>1,292,721</u>    |
| <b>Net (expenditure)/income</b>           | <u><u>(8,198)</u></u> | <u><u>2,766</u></u> |