

Company registration number: 04894491

Charity registration number: 1102276 (England & Wales) and SCO 45819 (Scotland)

Tax Volunteers

known as

Tax Help For Older People

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2019

Tax Volunteers

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Reference and Administrative Details

Trustees	C W Tulloch, Chairman (resigned as Chairman 15 May 2019 and appointed Deputy Chairman 15 May 2019) L W Shaw (resigned 14 November 2018) A M Delorie A Muzammal (resigned 4 July 2019) J Jesty (died 31 December 2018) S Mitha CBE J G Whitehead C S Muir P A Hamilton (appointed 27 November 2018; Chairman from 15 May 2019) A M Mollet (appointed 23 May 2019)
Secretary	J W M Crump
Chief Executive Officer	G R Millner
Principal Office	Unit 10 Pineapple Business Park Salway Ash Bridport Dorset DT6 5DB
Registered Office	Unit 10 Pineapple Business Park Salway Ash Bridport Dorset DT6 5DB
Company Registration Number	04894491
Charity Registration Number	1102276 in England & Wales and SCO 45819 Scotland
Auditor	Thompson Jenner LLP Statutory Auditors 1 Colleton Crescent Exeter Devon EX2 4DG

Tax Volunteers

Chairman's Report for the Year Ended 31 March 2019

I am very pleased to report that, this year we carried out 22,015 tax advice sessions across the UK with 11,753 clients. We identified additional tax liability of £465,444, negotiated the reduction of the tax liability (including repayments) of our clients by £662,662, and agreed with HMRC tax debt written off or waived of £190,989. All these figures show an increase in our charitable activities. I should like to thank all our staff and volunteers, who deal with distressed people in difficult situations, and who provide comfort, support and reassurance to our clients so that they can be confident that the tax they are paying is the right amount. Our volunteers are key in the delivery of our services and we are grateful for all the time and effort they have given over the year.

We have been working on a new volunteering and operating model, which will allow us to reach more people in a more cost-effective way by making greater use of volunteers and utilising our in-house resources and expertise to support a more efficient workflow management process. The new model will be rolled out during 2019-2020, thanks to the generous pro bono consultancy provided by Deloitte LLP which is helping us develop and build our new IT platform. That platform is shaped to our needs and provides the capability and capacity to help more of those in need of our support. It will also provide an improved risk-based quality control system.

The last eighteen months have also seen pilots for a number of other volunteer initiatives which we have trialled in our sister charity TaxAid, these will continue until they are implemented over the coming year and integrated into a new model that works across both charities.

The Chartered Institute of Taxation and the Association of Tax Technicians have continued to give us use of their facilities and staff. Thanks to their invaluable help, we have been able to expand our reach well beyond what would normally be expected of a charity of our size.

All our activity is dependent on our ability to raise funds. We have continued our service agreement with Aviva Life Services UK Limited to provide tax advice services to their customers on a referral basis and have developed a new relationship with XPS Pensions Group to provide tax advice about pensions. The year also saw us complete a large educational project for the Money and Pensions Service (formerly the Money Advice Service).

Our financial performance for the year left us with a surplus against budgeted income and expenses. This was partly due to our inability to recruit a suitable candidate for a role that we had advertised and budgeted for in 2018 but were unable to fill.

In March 2018 our three-year funding arrangement with HMRC ended and we have had to negotiate a new agreement. As a result of the continuing political uncertainty surrounding Brexit, and HMRC's ongoing strategic review of how they interact with the voluntary sector, our current agreement is only for one year. The level of HMRC funding has also continued the trend of decreased funding with each grant award, despite there having been little change in the demand for our services. The resulting uncertainty about the level of any future funding inevitably affects our ability to plan for the longer term, and to allocate funding for our new volunteering and operating model, as quickly as we would like.

In order to replace the cut in funding by HMRC we are looking to more financial help from Trusts and Foundations and our commercial partners, for which we are grateful. We are also relying increasingly on help from the tax profession, who have continued to support, and are becoming ever more engaged in supporting, the Bridge the Gap campaign. During 2018-2019, we shared just under £200,000 with our sister charity TaxAid. This would not have been possible without the generosity of some of the large legal and accounting firms, sets of Tax Chambers and of individuals who have not only contributed financially and in kind but have also opened doors for us to spread the word more widely.

We also wish to thank those who have raised funds for us in different ways: organising quizzes, running the London marathon and other shorter distances, walking in the London Legal Walk, hosting yoga sessions and bake-offs. Their efforts make a real difference to the number of people we can help.

Tax Volunteers

Chairman's Report for the Year Ended 31 March 2019

There have been changes in our Board of Trustees. We would particularly also like to acknowledge the many years of service offered to the charity by Jean Jesty, who died suddenly last December. Jean, was well known across the profession and her understanding of tax and her commitment to the charity will be sorely missed. We have also seen the retirement of Les Shaw, whose contribution will also be missed but who will continue to be involved with the work of the charity as one of our volunteers. Asad Muzammal has also resigned from the trustee board because of pressure of his other commitments; we are most grateful for his contribution over the years.

I should like to thank Clive Tulloch, who retired as Chairman with effect from 15 May 2019. He will be a very hard act to follow and we are all very happy that he has agreed to fulfil the new role of Deputy Chairman, for the time being at least, so that we can continue to benefit from his wisdom and experience.

When I agreed to take over as Chair, it was in the confident hope that the Charity would continue to benefit from the leadership of its CEO, Gary Millner. I was therefore very sorry when he announced that he wished to retire at the end of the year. I am, however, very pleased that our current Advice Director, Valerie Boggs, will succeed him and I am very much looking forward to working with her. We wish Gary a happy retirement and Valerie success in her new role.

P A Hamilton
Chair of the Trustees
Dated: 8 October 2019

Tax Volunteers

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2019.

Objectives and activities

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

- We provide help and advice on tax, free of charge, to people aged 60 or older and on low incomes (less than £20k), giving them greater financial security and peace of mind.
- We provide information and education on taxation to people of pension age and to organisations in the voluntary sector who help them.
- We help the tax system to work better both as a result of our individual interventions and our work with the tax profession and HMRC.

The charity's objects are:

- The relief of poverty by the provision of free taxation advice and assistance to persons who for reasons of poverty would otherwise be unable to obtain such advice or assistance; and
- The advancement of education in the administration and practice of taxation and the principles of economics and political science in relation to taxation for the benefit of the public.

Activities

To achieve its charitable objects Tax Volunteers provides:

- Tax Advice. The charity has developed a free tax advice service throughout the UK named Tax Help for Older People which is staffed by a telephone advice centre in Bridport and by volunteers who are suitably qualified tax advisers working from their homes and premises such as public libraries, Citizens Advice and Age UK. We also make home visits to clients unable to attend surgeries.
- Tax Education. The charity has also established an educational programme which provides tax awareness talks to community and other pensioner groups and specialist training to other voluntary sector advice and information agencies. It also publishes tax advice leaflets, booklets and electronic media and is available for consultation with HMRC on proposed and enacted tax legislation.

Volunteers

One aspect of our service is our nationwide network of volunteer tax advisers drawn from within the tax profession including retired HMRC staff. At any one time we have around 430 individuals registered with us who are ready and willing to make themselves available on a pro bono basis and bring their considerable knowledge and experience to bear on behalf of our clients, who could not otherwise afford to pay for it. The economic value of these professional services is of significant value to the charity, and it has been reasonably and reliably measured in these financial statements. The contribution made by our volunteers is fundamental to the continuation of the work of the charity.

Visions, aims and values

Vision

To be recognised as a leading provider of free tax advice and advocacy for those on lower incomes.

Tax Volunteers

Trustees' Report

Aims

- To help as many vulnerable and unrepresented older people on lower incomes as possible to achieve certainty and peace of mind in their personal tax affairs by providing impartial and free tax advice.
- To be recognised nationally as the leading source of information on how the tax system impacts on our clients.
- To advocate long-term improvements to the tax system and represent the needs and interests of individual client groups to those in authority who have influence and power to make the changes required to the personal tax system.
- To use the experience and knowledge that we gain through our work to improve tax awareness amongst clients, potential clients and the wider public.
- To train others in the advice sector on personal tax matters.
- To have in place a robust and innovative funding programme that seeks resources from statutory, charitable, business and individual sources to ensure the sustainability of our organisation and the services it provides.

Values

Our values are

- Valuing our clients, our staff and volunteers.
- Honesty and accountability.
- Equality and fairness.
- Providing value for money.

Achievements and performance

Tax advice

During 2018/19 the charity carried out 22,015 tax advice sessions (2017/18 - 24,934) across the UK with 11,753 clients (2017/18 - 14,466). In 2018/19, we identified additional tax liability of £465,444 (2017/18 £360,286), negotiated the reduction of the tax liability (including repayments) of our clients by £662,662 (2017/18 £606,990) and agreed with HMRC tax debt written off or waived of £190,989 (2017/18 £126,200).

Tax education

As part of its remit, the charity produces a range of material aimed at educating its clients and potential clients. The aim is to leave its clients with a better understanding of their own personal tax position, and of how they can take control of their own tax affairs, if a similar issue or question arises in the future. The charity's approach is twofold in that it seeks not only to address the current issue, but also seeks to provide the client with the information and tools to take control of their affairs in the future. Through this provision of information it aims to focus the support through its contact centre and the use of its volunteers on those most in need and unable to help themselves.

Digital engagement of older people

The charity also saw the completion of its project with the Money Advice Service (What Works Fund) now the Money Advice and Pensions Service and has issued its end-of-project report. The executive summary and full report can be found at <https://www.fincap.org.uk/en/evaluations/digital-tax-for-older-people--what-works>. The project provides some factual insight to the challenges faced by older people when HMRC are looking to engage older people digitally.

Tax Volunteers

Trustees' Report

The project was aimed towards older people in retirement across the UK who had below 'Basic Digital Skills' to access their Personal Tax Account (PTA) and/or their Self-Assessment form online through the HM Revenue and Customs (HMRC) website by themselves.

The most successful methods to access their PTA and/or complete their online tax return were through a written guide (82%) and through face-to-face support (81%).

Through the process of accessing online personal tax information, participants reported a perceived improvement in some aspects of financial capability, specifically: satisfaction with their current financial situation; knowledge of where to go to get help with finances, and; understanding the need to keep track of their income and expenditure. In addition, participants reported a perceived improvement in their ability to use the internet and check online that they are paying the correct amount of tax.

For those who were unable to access their online tax accounts (23%), for most (63%) this was due to identification issues with the HMRC website, which were beyond their control. There was an unwillingness to try again by the majority (88%).

Delivering our strategy

The charity's Strategy and Institutional Plan 2015-2019 focussed on four pillars:

- The delivery of our core tax advice service.
- The development of our educational capability.
- The use of the financial resources.
- The charity's organisational resilience.

We continued to focus through the year on reviewing both our Advice Model and Volunteering Model so that we can increase our capacity to assist more people that are vulnerable. We have been working with our counterparts at TaxAid in piloting systems and processes that will allow us to work with more organisations and volunteers. We would like to extend our thanks to Deloitte LLP, KPMG LLP and Smith & Williamson LLP in particular for their involvement and the commitment of their volunteers through the year in making this a reality.

We have also spent time reviewing our information technology requirement in order to be able to support the new delivery models and have selected Salesforce as our IT platform. The new platform will be tailored to our requirement in 2019-2020 and implemented across the charity and our volunteers during the year.

The Board have approved the Strategic Plan for 2019-2020, which reflects the current one-year funding grant with HMRC.

Corporate services

The charity has an agreement with Aviva Life Services UK Limited to provide tax advice services to their clients where the client has a pension pot that means they are likely to fall within the charity's income limits, or are at increased risk of vulnerability. The advice is restricted to the tax implications of exercising their pension freedoms.

The charity has also developed a relationship with XPS Pensions Group, where the charity is signposted in the firm's materials as a source of information for clients who are on low income and are likely to fall within the charity's objectives and who want to understand the tax implications when exercising different options under pension freedoms.

Tax Volunteers

Trustees' Report

During the year, we also entered discussions with Rothesay Life to provide a service for their members. The service commenced in April 2019 and is aimed at supporting those clients with small pension pots to realise the tax implications of exercising their choices under pension freedom.

Financial review

Results for the year

The statement of financial activities on page 14 shows a surplus of income over expenditure in the year of £59,085 (2017-2018 - surplus £9,848). This takes into account the fact that the level of funding remained unchanged between year 2 & year 3 of the three-year funding agreement in place with HMRC. We have achieved a surplus due to our continued focus on controlling costs, the sharing of back office facilities with our sister charity TaxAid, and growth in income both direct and through the Bridge the Gap campaign.

The surplus is larger than budgeted mainly due to being unable to fill a vacancy for a suitably qualified tax professional for over ten months.

Forecast results for future years

The charity continues to prepare prudent budgets, develop and deliver financial and organisational controls to provide a cost-effective use of resources and safeguard its financial stability. The budget for 2019/20 is forecast to show a modest deficit.

Investment powers and policy

The charity's trustees have power to invest such part of the funds of the charity as they may see fit and to direct the sale or transposition of any such investments and to expand the proceeds of any such sale in furtherance of the objects of the charity.

Under their investment policy, which has no social, ethical or environmental restrictions, the trustees will:

- Take independent investment advice on all longer-term investments;
- Regularly review the value of funds the charity requires to be held in investment, short-term deposits and cash to ensure that they are adequate to meet the obligations identified in the charity's business plan;
- Regularly review with the investment advisers the performance of longer-term investments; and
- Invest liquid assets in short-term low risk investments.

The charity relies on funding that has no guarantee of continuation in the longer-term and it is unlikely that there will be sufficient funds for investment in the near future apart from short-term bank deposits.

Reserves policy

The trustees have assessed the risks involved in the activities of the charity and have agreed the following reserves policy:

- Provide stability and the means for the development of the charity's principal objects; and
- in the long term, to achieve a sufficient level of readily realisable fixed assets investments to provide a cushion equivalent to six months' operating expenditure.

In 2018/19 the target for reserves was £300,000 (2017/18 - £300,000). The actual reserves at 31 March 2019 were £287,483 (31 March 2018 - £228,398).

Tax Volunteers

Trustees' Report

The trustees are endeavouring to ensure the success of the charity by developing and building a broader base of revenue streams, in particular the 'Bridge the Gap' campaign which has been established in collaboration with TaxAid UK (registered charity number in England and Wales 1062852). The charity has also continued to have success in developing relationships with corporate partners and through the expansion of its educational programme. Although this year we have been able to increase our reserves marginally the trustees are aware that the lack of free reserves and the uncertainty of future HMRC funding will continue to provide a challenging environment for a number of years ahead.

Plans for the future

Following research done on our behalf by Deloitte LLP, we know that demand for our core tax advice far exceeds our capability to deliver, hence our plans to roll out our new IT platform and volunteering models in 2019-2020. This will put in place the foundations of a more efficient service that will allow us to reach more people and promote our service more widely. It will be the start in a step change in allowing the charity to assist everyone who needs tax help who is either unable to afford professional advice and is vulnerable or unable/unwilling to engage with HMRC directly.

We also envisage that we will see the continued growth in the areas of pension flexibility. We have already signed an agreement with Rothesay Life commencing in 2019 and are in discussions with other organisations about the delivery of tax services to support those on low incomes with small pension pots.

Through HMRC's push to move individuals to accessing their information through their personal tax accounts, and whilst recognising that digital engagement is a suitable means of informing or providing information to the majority of taxpayers, a significant proportion of our particular demographic is less likely to be able to, or willing to, engage with HMRC in this way. We recognise that it is important to be able to identify and quantify the barriers that older people face in dealing with their tax affairs and provide suitable and cost effective solutions to enable them to be tax compliant.

In order to meet our charitable aims we will continue to develop and widen our fundraising strategy across a wider range of potential funders. We also recognise that prevention is better than cure and 2019-2020 will see us complete our current proposed tax portfolio of educational resources.

We will also look to expand and encourage further financial and pro bono support from those involved in the tax profession and in conjunction with our sister charity TaxAid UK through the Bridge the Gap fundraising initiative. In order to meet the challenge we estimate that we need to increase our fundraising from £200,000 in 2018-19 to £300,000 in 2019-2020.

During the coming year we will continue to work closely with TaxAid UK sharing our back office resources. We have already made savings and improved efficiency and will look to continue to do this through combining our joint purchasing power to get better deals and to share suppliers of key infrastructure and technology.

The year will also see us say goodbye to Gary Millner our current Chief Executive whom we share with TaxAid. Gary joined Tax Help in 2015 and has been the driver behind diversifying our revenue streams, building a joint management team across both charities and rebuilding our reserves to a more comfortable level. As part of the strategy set by Gary and the Board, the new advice and delivery model has been piloted and will be implemented during 2019-2020 by Valerie Boggs, our current Advice Director, who will succeed Gary as Chief Executive towards the end of 2019.

Tax Volunteers

Trustees' Report

Risk

The charity's activities expose it to a number of financial risks including credit risk and cash flow risk.

Cash flow risk

The charity's activities expose it primarily to the cash flow risk relating to the receipt of donations for core funding. This is mitigated to some extent through its current one-year agreement with HMRC who makes payments quarterly in advance. The charity has sought to further reduce this risk by seeking donations from the profession through its Bridge the Gap campaign through which it currently makes disbursements as agreed with its sister charity TaxAid UK.

HMRC are also undertaking a strategic review of how they interact with the charity sector and the loss of further funding from HMRC represents a significant risk to the charity being able to provide its current level of services and reach.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 8 October 2019 and signed on its behalf by:

P A Hamilton
Trustee

Tax Volunteers

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

Approved by the trustees of the charity on 8 October 2019 and signed on its behalf by:

P A Hamilton
Trustee

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

Opinion

We have audited the financial statements of Tax Volunteers (the 'charity') for the year ended 31 March 2019, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its results 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chairman's Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chairman's Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairman's Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 (set out on page 10), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Tax Volunteers

Independent Auditor's Report to the Members and Trustees of Tax Volunteers

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Thompson Jenner LLP

Mr Neil Curtis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Dated: 23 October 2019

Tax Volunteers

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2019	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	455,915	408,600	864,515
Charitable activities	4	-	145,095	145,095
Investment income	5	152	-	152
Total Income		<u>456,067</u>	<u>553,695</u>	<u>1,009,762</u>
Expenditure on:				
Raising funds		(73,165)	-	(73,165)
Charitable activities		<u>(341,561)</u>	<u>(535,951)</u>	<u>(877,512)</u>
Total Expenditure	6	<u>(414,726)</u>	<u>(535,951)</u>	<u>(950,677)</u>
Net income		<u>41,341</u>	<u>17,744</u>	<u>59,085</u>
Net movement in funds		41,341	17,744	59,085
Reconciliation of funds				
Total funds brought forward		<u>199,335</u>	<u>29,063</u>	<u>228,398</u>
Total funds carried forward	18	<u><u>240,676</u></u>	<u><u>46,807</u></u>	<u><u>287,483</u></u>
2018	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Donations and legacies	3	396,854	394,550	791,404
Charitable activities	4	-	111,752	111,752
Investment income	5	63	-	63
Total Income		<u>396,917</u>	<u>506,302</u>	<u>903,219</u>
Expenditure on:				
Raising funds		(50,302)	-	(50,302)
Charitable activities		<u>(361,455)</u>	<u>(481,614)</u>	<u>(843,069)</u>
Total Expenditure	6	<u>(411,757)</u>	<u>(481,614)</u>	<u>(893,371)</u>
Net (expenditure)/income		<u>(14,840)</u>	<u>24,688</u>	<u>9,848</u>
Net movement in funds		(14,840)	24,688	9,848
Reconciliation of funds				
Total funds brought forward		<u>214,175</u>	<u>4,375</u>	<u>218,550</u>
Total funds carried forward	18	<u><u>199,335</u></u>	<u><u>29,063</u></u>	<u><u>228,398</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note 18.

Tax Volunteers

(Registration number: 04894491) Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	12	<u>9,363</u>	<u>5,081</u>
		<u>9,363</u>	<u>5,081</u>
Current assets			
Debtors	13	84,948	126,778
Cash at bank and in hand	14	<u>210,493</u>	<u>111,396</u>
		295,441	238,174
Creditors: Amounts falling due within one year	15	<u>(17,321)</u>	<u>(14,857)</u>
Net current assets		<u>278,120</u>	<u>223,317</u>
Net assets		<u>287,483</u>	<u>228,398</u>
Funds of the charity:			
Restricted funds		46,807	29,063
Unrestricted income funds			
Unrestricted funds		<u>240,676</u>	<u>199,335</u>
Total funds	18	<u>287,483</u>	<u>228,398</u>

The financial statements on pages 14 to 30 were approved by the trustees, and authorised for issue on 8 October 2019 and signed on their behalf by:

J G Whitehead
Trustee

P A Hamiton
Trustee

Tax Volunteers

Statement of Cash Flows for the Year Ended 31 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash income		59,085	9,848
Adjustments to cash flows from non-cash items			
Depreciation		3,223	5,073
Investment income	5	<u>(152)</u>	<u>(63)</u>
		62,156	14,858
Working capital adjustments			
Decrease/(increase) in debtors	13	41,830	(18,943)
Increase/(decrease) in creditors	15	<u>2,464</u>	<u>(19,538)</u>
Net cash flows from operating activities		<u>106,450</u>	<u>(23,623)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	152	63
Purchase of tangible fixed assets	12	<u>(7,505)</u>	<u>(4,086)</u>
Net cash flows from investing activities		<u>(7,353)</u>	<u>(4,023)</u>
Net increase/(decrease) in cash and cash equivalents		99,097	(27,646)
Cash and cash equivalents at 1 April		<u>111,396</u>	<u>139,042</u>
Cash and cash equivalents at 31 March		<u><u>210,493</u></u>	<u><u>111,396</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. The company was incorporated in England and Wales and also registered as a charity in Scotland, its registered office is Unit 10, Pineapple Business Park, Salway Ash, Bridport, Dorset, DT6 5DB.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Tax Volunteers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

Grants receivable, which include grants of a general nature provided by government, are accounted for when evidence of unconditional entitlement is received except when they are subject to donor-imposed conditions. Grants received which impose regional restrictions are treated as contributing to the cost of providing free tax advice in that specified area and costs are apportioned on a quarterly basis commencing in the quarter following the quarter in which the grant was received. Income earned for the provision of tax services under agreement with commercial organisations is invoiced on a quarterly basis in arrears following the delivery of the service.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

Donated services and facilities

Donated facilities and services including the contributions made by professional volunteers are recognised in these financial statements as income with an equivalent amount in expenditure and are measured and included in the financial statements on the basis of the value of the gift to the charity on the condition that the value does not exceed the price that the charity would pay in the open market.

Investment income

Bank interest is recognised once the interest has been received.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of the personnel involved with each activity.

	2019	2018
Advice services	83%	87%
Tax education	6%	3%
Cost of raising funds	9%	8%
Governance costs	2%	2%

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Straight line over the life of the lease
Office equipment	4 years straight line
Computer equipment	4 years straight line
Call-centre equipment	4 years straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

Fund structure

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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 charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

3 Income from donations and legacies

	Unrestricted funds		Total 2019 £	Total 2018 £
	General £	Restricted funds £		
HM Revenue & Customs	-	340,000	340,000	340,000
Sobell Foundation	-	1,800	1,800	1,000
Chartered Institute of Taxation	-	20,000	20,000	20,000
Association of Taxation Technicians	-	6,000	6,000	6,000
CSIS Charity Fund	-	20,000	20,000	22,050
Oakdene Foundation	-	-	-	2,500
Valentine Charitable Trust	-	10,000	10,000	5,500
Tax Advisers' Charitable Trust	4,000	-	4,000	3,500
Esmée Fairbairn	-	-	-	7,500
Hobson Charity Trust	-	6,300	6,300	-
Schroder Charity	-	4,500	4,500	-
Gift aid and other donations	148,129	-	148,129	94,758
Donated facilities and services	303,786	-	303,786	288,596
	<u>455,915</u>	<u>408,600</u>	<u>864,515</u>	<u>791,404</u>

Other donations includes 50% of the following amounts greater than £2,500 received through Bridge The Gap. This is a joint initiative set up by Tax Volunteers and TaxAid UK, whereby amounts received are split equally between the two charities.

	2019 £	2018 £
A & O Foundation	10,000	-
Akin Gump	-	5,000
Deloitte	16,965	
Freshfields	10,000	10,000
Inman Charity	-	2,500
Kathleen Beryl Sleigh Charitable Trust	10,000	-
Linklaters	-	10,000
Pure Recruitment Ltd	5,000	10,000
RELX	6,730	-
Slaughter and May	10,000	10,000
Tax Advisers' Charitable Trust (the Worshipful Company of Tax Advisers)	4,000	3,775
The Bernard Charitable Trust	-	10,000

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

4 Income from charitable activities

	Restricted funds £	Total 2019 £	Total 2018 £
Aviva Life Services Ltd	35,915	35,915	32,650
Society of Later Life Advisers	-	-	2,542
Age UK	-	-	233
Age Concern	-	-	406
Money Advice Service	97,180	97,180	65,921
Xafinity	12,000	12,000	10,000
	<u>145,095</u>	<u>145,095</u>	<u>111,752</u>

5 Investment income

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Interest receivable and similar income:			
Interest receivable on bank deposits	<u>152</u>	<u>152</u>	<u>63</u>

6 Expenditure on charitable activities

£414,726 (2018 - £411,757) of the expenditure on the following page was attributable to unrestricted funds and £535,951 (2018 - £481,614) to restricted funds.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

	Cost of raising funds £	Tax advice £	Tax education £	Governance costs £	Support costs £	Total 2019 £	Total 2018 £
Staff costs	28,727	259,865	17,131	6,062	146,009	457,794	439,017
Gifts in kind	-	303,786	-	-	-	303,786	288,596
Depreciation	-	-	-	-	3,223	3,223	5,074
Telephone	-	23,692	-	-	9,121	32,813	36,079
Postage and stationery	99	4,986	-	-	7,752	12,837	13,958
Advertising	-	522	-	-	-	522	3,136
Legal and professional fees	-	-	-	12,799	876	13,675	8,272
Volunteer expenses	-	8,034	69	1,685	-	9,788	9,044
Rent, rates and services	-	191	-	-	53,000	53,191	50,787
Bank charges	-	-	-	-	377	377	480
Audit	-	-	-	5,560	-	5,560	5,984
Insurance	-	-	-	403	2,220	2,623	2,206
Repairs and maintenance	-	-	-	-	1,460	1,460	822
Staff travel and training	-	2,838	-	-	10,865	13,703	11,885
Computer costs	-	-	-	-	15,561	15,561	11,945
Bridge The Gap event expenses	21,603	-	-	-	-	21,603	4,854
Sundry	-	-	-	-	2,161	2,161	1,232
	<u>50,429</u>	<u>603,914</u>	<u>17,200</u>	<u>26,509</u>	<u>252,625</u>	<u>950,677</u>	<u>893,371</u>
Support costs	<u>22,736</u>	<u>209,678</u>	<u>15,158</u>	<u>5,053</u>	<u>(252,625)</u>	<u>-</u>	
Total expenditure 2019	<u>73,165</u>	<u>813,592</u>	<u>32,358</u>	<u>31,562</u>	<u>-</u>	<u>950,677</u>	
Total expenditure 2018	<u>50,302</u>	<u>799,580</u>	<u>17,434</u>	<u>26,055</u>	<u>-</u>	<u>893,371</u>	

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2019	2018
	£	£
Operating leases - other assets	(46,168)	(41,220)
Audit fees	(5,560)	(5,984)
Depreciation of fixed assets	<u>(3,223)</u>	<u>(5,074)</u>

8 Trustees' remuneration and expenses

No trustees, nor any persons connected with any trustee, has received any remuneration from the charity during the year.

The trustees' travelling expenses are reimbursed in respect of expenses incurred on charity business. In the year 3 trustees claimed reimbursement of travelling expenses totalling £1,685 (2018 - 6 trustees claimed £2,096).

9 Staff costs

The aggregate payroll costs were as follows:

	2019	2018
	£	£
Staff costs during the year were:		
Wages and salaries	415,498	402,724
Social security costs	31,559	30,197
Pension costs	<u>10,737</u>	<u>6,096</u>
	<u>457,794</u>	<u>439,017</u>

The monthly average number of persons employed by the charity or working for the benefit of the charity, including those employed by Tax Volunteers Service Company Limited ((Note 22) which includes the senior management team) was 25 (2018 - 25).

The monthly average number of persons employed by the charity or working for the benefit of the charity, including those employed by Tax Volunteers Service Company Limited ((Note 22) which includes the senior management team) and working for the benefit of the charity, expressed as full-time equivalents was as follows:

	2019	2018
	No	No
Raising funds	1.1	1.0
Advice services	9.9	10.8
Tax education	0.7	0.4
Support	5.5	5.5
Governance	<u>0.2</u>	<u>0.3</u>
	<u>17.4</u>	<u>18.0</u>

No employee received emoluments of more than £60,000 during the year.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

The total employee benefits of the key management personnel of the charity were £49,258 (2018 - £44,583) which includes the grossing up of costs to cover travelling between two places of work and private health cover.

10 Auditors' remuneration

	2019 £	2018 £
Audit of the financial statements	<u>5,560</u>	<u>5,984</u>

11 Taxation

The charity is a registered charity and is therefore exempt from corporation tax on its income.

12 Tangible fixed assets

	Leasehold improvements £	Office equipment £	Computer equipment £	Call-centre equipment £	Total £
Cost					
At 1 April 2018	10,251	30,834	32,127	17,634	90,846
Additions	<u>-</u>	<u>313</u>	<u>6,462</u>	<u>730</u>	<u>7,505</u>
At 31 March 2019	<u>10,251</u>	<u>31,147</u>	<u>38,589</u>	<u>18,364</u>	<u>98,351</u>
Depreciation					
At 1 April 2018	10,251	29,454	29,302	16,758	85,765
Charge for the year	<u>-</u>	<u>938</u>	<u>1,776</u>	<u>509</u>	<u>3,223</u>
At 31 March 2019	<u>10,251</u>	<u>30,392</u>	<u>31,078</u>	<u>17,267</u>	<u>88,988</u>
Net book value					
At 31 March 2019	<u>-</u>	<u>755</u>	<u>7,511</u>	<u>1,097</u>	<u>9,363</u>
At 31 March 2018	<u>-</u>	<u>1,380</u>	<u>2,825</u>	<u>876</u>	<u>5,081</u>

13 Debtors

	2019 £	2018 £
Trade debtors	9,795	12,000
Prepayments	4,320	1,682
VAT recoverable	5,801	-
Other debtors	<u>65,032</u>	<u>113,096</u>
	<u>84,948</u>	<u>126,778</u>

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

14 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>210,493</u>	<u>111,396</u>

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	424	501
Other taxation and social security	5,596	3,028
Other creditors	3,775	4,853
Accruals	<u>7,526</u>	<u>6,475</u>
	<u>17,321</u>	<u>14,857</u>

16 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Land and buildings		
Within one year	42,645	32,307
Between one and five years	<u>74,629</u>	<u>88,844</u>
	<u>117,274</u>	<u>121,151</u>
Other		
Within one year	3,840	-
Between one and five years	<u>11,519</u>	-
	<u>15,359</u>	-

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £10,737 (2018 - £6,096).

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

18 Funds

2019	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Balance at 31 March 2019 £
Unrestricted funds				
<i>General</i>				
General fund	199,335	456,067	(414,726)	240,676
Total Unrestricted funds	199,335	456,067	(414,726)	240,676
Restricted funds				
HM Revenue & Customs	-	340,000	(340,000)	-
Sobell Foundation	-	1,800	(1,800)	-
Aviva Life Services Ltd	-	35,915	(35,915)	-
Chartered Institute of Taxation	-	20,000	-	20,000
Association of Taxation Technicians	-	6,000	-	6,000
CSIS Charity Fund	6,025	20,000	(26,025)	-
Valentine Charitable Trust	3,000	10,000	(5,500)	7,500
Esmée Fairbairn	3,728	-	(2,571)	1,157
Money Advice Service	16,310	97,180	(113,490)	-
Xafinity	-	12,000	(3,000)	9,000
Schroder Charity Trust	-	4,500	(4,500)	-
Hobson Charity Trust	-	6,300	(3,150)	3,150
Total restricted funds	29,063	553,695	(535,951)	46,807
Total funds	228,398	1,009,762	(950,677)	287,483

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

2018	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Balance at 31 March 2018 £
Unrestricted funds				
<i>General</i>				
General fund	214,175	396,917	(411,757)	199,335
Total unrestricted funds	<u>214,175</u>	<u>396,917</u>	<u>(411,757)</u>	<u>199,335</u>
Restricted funds				
HM Revenue & Customs	-	340,000	(340,000)	-
Sobell Foundation	750	1,000	(1,750)	-
Woodroffe Benton	500	-	(500)	-
Aviva Life Services Ltd	-	32,650	(32,650)	-
Chartered Institute of Taxation	-	20,000	(20,000)	-
Association of Taxation Technicians	-	6,000	(6,000)	-
CSIS Charity Fund	-	12,050	(6,025)	6,025
Oakdene Foundation	625	2,500	(3,125)	-
Valentine Charitable Trust	2,500	5,500	(5,000)	3,000
Age UK	-	233	(233)	-
Society of Later Life Advisers	-	2,542	(2,542)	-
Age Concern	-	406	(406)	-
Esmée Fairbairn	-	7,500	(3,772)	3,728
Money Advice Service	-	65,921	(49,611)	16,310
Xafinity	-	10,000	(10,000)	-
Total restricted funds	<u>4,375</u>	<u>506,302</u>	<u>(481,614)</u>	<u>29,063</u>
Total funds	<u><u>218,550</u></u>	<u><u>903,219</u></u>	<u><u>(893,371)</u></u>	<u><u>228,398</u></u>

The specific purposes for which the funds are to be applied are as follows:

Advice services

This fund represents income which is for delivering the main charitable purpose of Tax Volunteers, that of advising older low income clients and the generalist voluntary sector on tax matters.

Tax education

This fund represents income provided to improve access to information on tax so that older people on low incomes are aware of their rights and responsibilities under the tax system. It is delivered through conferences, seminars, training and the Tax Volunteers website.

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

19 Analysis of net assets between funds

	Unrestricted funds		Total funds at 31 March 2019
	General	Restricted funds	
	£	£	£
2019			
Tangible fixed assets	9,363	-	9,363
Net current assets	231,313	46,807	278,120
Total net assets	240,676	46,807	287,483
	Unrestricted funds		Total funds at 31 March 2018
	General	Restricted funds	
	£	£	£
2018			
Tangible fixed assets	5,081	-	5,081
Current assets	194,254	29,063	223,317
Total net assets	199,335	29,063	228,398

20 Analysis of net funds

	At 1 April 2018	Cash flow	At 31 March 2019
	£	£	£
Cash at bank and in hand	111,396	99,097	210,493
Net debt	111,396	99,097	210,493

21 Financial instruments

Categorisation of financial instruments

	2019	2018
	£	£
Financial assets that are debt instruments measured at amortised cost	291,121	236,492
Financial liabilities measured at amortised cost	9,795	8,382

Tax Volunteers

Notes to the Financial Statements for the Year Ended 31 March 2019

22 Related party transactions

Tax Volunteers and TaxAid UK have established a service company Tax Volunteers Service Company Limited to provide staff resources (including the senior management team) who operate across both charities. Each charity contributes a percentage of the staff costs based on allocation of the staff. During the year, costs of £154,060 (2018 - £89,989) in relation to remuneration and travel expenses were recharged from Tax Volunteers Service Company Limited, a related party by virtue of J Jesty, J G Whitehead and P A Hamilton being directors of both companies. The balance owed to Tax Volunteers Service Company Limited at the year end was £3,775 (2018 - £nil).

During the year, net income totalling £93,000 (2018 - £69,000) was collected by TaxAid UK, a related party by virtue of shared CEO, Gary Millner, on behalf of Tax Help For Older People in connection with the Bridge The Gap fundraising initiative. At the year end, the amount due from TaxAid UK, included in other debtors in the financial statements, was £53,000 (2018 - £40,000).