

Charity Registration No. 1015216

Company Registration No. 02761115 (England and Wales)

**COVENTRY INDEPENDENT ADVICE SERVICE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Chairperson	John Lowe
Trustees	John Lowe Cllr Joseph Clifford Cllr Rachel Lancaster Isabelle Osbourne Michael Fell Reverend Simon Betteridge Mark Monaghan
Secretary	Alan Markey
Charity number	1015216
Company number	02761115
Principal address	Oakwood House Cheylesmore Coventry West Midlands United Kingdom CV1 2HL
Registered office	Oakwood House Cheylesmore Coventry West Midlands United Kingdom CV1 2HL
Independent examiner	McGlone Wardzynski Limited Eagle House 14 Queens Road Coventry West Midlands United Kingdom CV1 3EG

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Unity Trust
Nine Brindley Place
4 Oozells Square
Birmingham
B1 2HB

Redwood Bank
The Nexus Building
Broadway
Letchworth Garden City
SG6 3TA

Cambridge and Counties Bank
Charnwood Court
5B New Walk
Leicester
LE1 6TE

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

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COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purpose of the Companies Act 2016, present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's (governing document), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Structure, Governance and Management

Coventry Independent Advice Service (CIAS) is a charitable company. The Memorandum of Association establishes the objects and powers of the charitable company which is governed by the Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of directors

The trustees are appointed by ordinary resolution of the Charity or by the existing directors. Only members of the Charity can be appointed as directors. Under the requirements of the Articles of Association one third of the directors are required to retire by rotation after which they must be re-elected at the next Annual General Meeting.

During the past year the trustees have been meeting every 1-2 months to review performance and budgets as well as overseeing the strategy of CIAS. The trustees are responsible for the charity's finances and employment of the staff team. CIAS operates in accordance with its documented policies and procedures which are designed to ensure that these responsibilities are fully met. Day to day management of activities is delegated to the Director of Service who reports to the trustee board.

Trustee induction and training

The induction process for any newly appointed trustee comprises of an initial meeting with the Director of Service, together with attendance at a meeting of the trustees as an observer. New trustees are given access to previous board papers, recent accounts and annual reports, the Memorandum and Articles of Association, and Charity Commission Guidance (CC3).

Risk Management

CIAS has a strategic plan, combined with a financial risk management plan to assess any strategic, business, or operational risks. CIAS has detailed Health and Safety, Risk Management and Safeguarding policies as well as other policies to ensure that risks are identified and managed. All risk key policies are reviewed at least annually and updated as necessary. Public and professional liability insurance is held at a level recommended by our membership body, AdviceUK, along with appropriate levels of insurance against other identified risks, such as fire and theft.

Information Assurance and Data Protection

CIAS has policies to effectively manage compliance with the General Data Protection Regulations (GDPR) which are reviewed and updated regularly. All staff receive GDPR training relevant to their roles, and we make sure that our IT systems are secure and comply with recognised cyber security standards.

We use the secure Office365 cloud-based environment for day-to-day operations and use the online case management system, AdvicePro, to secure all client information and case files. Both services are fully assured and compliant with international data security standards. Our Office365 system was upgraded this year to take advantage of enhanced security and protection options as more people were regularly working from home.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Liabilities

This charity has certain financial liabilities including paying salaries, meeting pension obligations, leasing equipment and premises costs. We also have obligations to meet any agreed service delivery targets.

This Board has adhered to this policy at all times during the period reported. CIAS trustees scrutinise the organisation's finances in detail and financial statements are presented at each meeting so that decisions are based on a full understanding of our reserves position and the impact that future income and expenditure has on our overall financial position

Trustees' responsibilities in relation to the financial statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ascertain the financial position of the charity, and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Public Benefit Statement

In setting our objectives and planning our activities the trustees have complied with the requirements of section 17 of the Charities Act 2011 by giving due consideration to the Charity Commission's public benefit guidance. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our charitable objectives are to promote any charitable purpose for the public benefit of communities in Coventry and the surrounding areas, predominantly by providing information, advice, public education and other support to relieve poverty and hardship, reduce inequality and improve quality of life. Our business planning, development and operational activity are carried out with these core objectives at heart and with the aim of focusing our work on the most disadvantaged and financially excluded sections of our society.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Objectives and Activities

Main activities

We help individuals to identify and claim benefits, to challenge benefit decisions, to advise on strategies for dealing with problem debt, to negotiate with creditors and to provide information and support on a range of other social welfare issues. The service is free and confidential.

Our service model is focused on reaching people where they live, in their own neighbourhoods, and in areas of greatest need. Prior to the Covid-19 pandemic, our service was delivered from community outreach venues across the city via a mix of 'drop-in' sessions and pre-booked appointments. Since the pandemic, we have been delivering our service remotely, by telephone and digitally. Over the year we have undertaken a range of activities to help meet our charitable objectives, including:

- Maintaining and developing accessible advice and information services for communities via telephone, email and other digital means
- Maximising the income of individuals and families through increased benefit take-up and support with problem debt;
- Maintaining and developing a public website;
- Seeking funding opportunities to help enhance our service offer and demonstrating a good 'return on investment' for our funders;
- Helping address poverty and inequality by increasing the take-up of benefits and by offering debt advice and casework;
- Recruiting and supporting volunteers to assist with service delivery and aid their own personal and professional development; and
- Playing a part in the life of the city through engagement with local initiatives, policy work and campaigns.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Trustees set the budget each year and normally monitor this quarterly. The Director of Service and finance assistant deal with day-to-day financial matters in accordance with well established procedures. A finance sub-committee meeting, involving the Chair, Treasurer and Director of Service, is held at least quarterly to review progress against budget and prepare reports to the wider Trustee membership.

Investment Policy and Performance

CIAS continues to bank with Unity Trust, an independent bank committed to supporting socially minded organisations across the UK. We hold investments with Cambridge and Counties Bank and Redwood Bank. Investments are held in the form of notice accounts so that funds can be accessed within a maximum of 100 days.

Finding a reasonable return on investment is still a major problem for the charity sector. We continually review our investments but, due to all time low levels of interest rates, our income from these investments is limited.

Reserves policy

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that our core activity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form. The reserves policy is calculated and reviewed annually by the Finance and General Purposes Sub-Committee.

The intention of the policy is to cover liabilities including provision for redundancies, premises and other contractual costs, a reasonable level of urgent contingencies and the realistic costs that may be incurred if the charity were to be wound-up.

The trustees assess the required level of reserves on an annual basis, alongside the operating budget. The assessment takes account of the income and expenditure risk within the budget and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments. Any significant changes in activities or financial obligations that could affect the level of reserves is closely monitored.

Based on risk analysis, unrestricted reserves equivalent to at least three months operating costs were agreed to be necessary (representing approximately £100,000 for the 2021/22 financial year ahead). The current level of unrestricted reserves (£158,330) represents around five months operating costs. This is mainly due to underspend on several budget lines due to the impact of Covid-19 and increased level of income from fundraising activity during the pandemic to assist with delivery of our charitable objectives. The board have set a budget for 2021/22 with the intention of reinvesting some of these reserves within the core service. There are no ongoing commitments that extend beyond this period and most operating costs could be reduced significantly and at short notice if required.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Review of the Year

Financial review

Our overall income increased from £394,226 in 2019/20 to £498,075 in 2020/21, an increase of around 26%. Our unrestricted income increased by around 14% thanks largely to one-off grants to support our work during the pandemic. Coventry City Council remain our core funder and we thank them for their continued support.

Restricted income more than doubled in the year and accounted for over 20% of our total income, compared to just 12.5% last year. This represents our success in attracting additional project-based funding for activities to support our core objectives. We would like to thank all of the organisations and individuals who supported our work in the past year and going forward, particularly Heart of England Community Foundation who awarded us grants under several of their programmes that have helped us to reach some of the most vulnerable clients during the pandemic. We also received invaluable support from HMRC, National Lottery, 29th May 1961 Charity and a range of smaller donors during the year who the Trustees would like to gratefully acknowledge and thank.

Staff costs continue to increase and now represent around 84% of our total expenditure (81% in 2019/20). This increase largely reflects additional cost of living awards to staff and increased workplace pension costs, as well as reflecting on the reduced overhead costs incurred due to travel restrictions and more work taking place electronically.

Information, advice and support

Due to lockdown restrictions imposed in March 2020, all CIAS staff worked from home during the year. This has meant that we have had to adapt our working practices to deliver the high-quality advice we are renowned for over the telephone or through digital channels. Staff have adapted extremely well, and the success of these practices has helped to inform our future delivery models. Whilst we fully intend to recommence face to face work when safe to do so, this is currently reserved for the most vulnerable clients for whom remote advice is not appropriate or feasible.

Our achievements are fully detailed in a separate impact report for 2020/21 that we make available on our website and provide to supporters and funders. In summary, our achievements for the financial year include:

- We opened 1,811 new files for 1,686 individuals and families.
- The two main enquiry areas were welfare benefits (69% of new files opened) and debt/money guidance (12%). Problems relating to Universal Credit made up around one-fifth of all benefit enquiries.
- Total reported financial gains for clients were £2.76 million.
- 54% of clients, who supplied information about their ethnicity, identified as being from a minority ethnic community.
- 59% of our clients were women.
- Our website was viewed over 11,000 times.
- Over 13,000 items of work were completed including interviews, correspondence, and other actions on behalf of clients.

The return on investment for funders was in the ratio of £8 returned in additional income for residents for every £1 of funding received which is significant value for money. Social return on investment is considerably higher as there are wider impacts on the economy and non-financial outcomes to consider. Calculation of financial gains is also likely to be significantly underestimated as it is based on one-off gains plus a projection of entitlement over a 52-week period. Many clients are in receipt of benefits for much longer periods than this and, additionally, some clients do not report the outcome of our work with them.

Our team reports that the clients we advised during the past year came with more complex and multifaceted problems and a significant proportion had never approached an advice service before. This meant that our staff spent longer dealing with enquiries and undertook more items of work, even though the number of clients helped was less than the previous year. These outcomes also include some cases which were opened in the previous year and completed in this financial year.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Our work in the Tanyard Farm area of Coventry, funded by Orbit, continued throughout the pandemic although delivery plans were adapted so that the service could be offered remotely. This had an impact on numbers of people accessing the service as we were unable to deliver face-to-face on the estate as planned. However, we still realised significant financial gains for individuals and families on the estate and were able to expand the service to include other Orbit tenants across the city. We estimate that Orbit tenants gained nearly £375,000 thanks to our advice and interventions.

The project employs a dedicated adviser and, due to costs savings, has been extended to October 2021. We hope that we can maintain a continuing relationship with Orbit and would like to thank them for their support.

We are incredibly proud of our achievements during the year, particularly considering the need for staff to quickly adjust to working from home during an unprecedented global crisis.

Volunteer programme

We continued to develop opportunities for volunteers thanks to funding from The Henry Smith Charity. This funding is due to end in December 2021 and we are currently working on succession planning so that offering volunteer opportunities, and supporting those volunteers to develop personally and professionally, becomes part of our core service.

During the reporting year we recruited several new volunteers who have been invaluable in assisting with benefit form completion, providing administrative support and social media work. We would like to thank all our volunteers for their dedication and commitment to our charity.

The Future

COVID-19

This has been an unprecedented year in terms of challenges on many fronts. Since the beginning of the COVID pandemic, as with many other organisations, we continued to provide our services remotely and adapted to using technology as a key part of service delivery.

We managed to successfully apply for emergency funding to address the advice issues that residents were experiencing due to COVID-19. We received funding from the National Lottery to provide advice to people affected by the coronavirus and HMRC also agreed that we could adapt a planned project to support the wider community. We also received a COVID Business Support Grant from Coventry City Council which also helped with service adaptation.

We have invested in a new telephony system, backed by Microsoft 365 and Microsoft Teams, which gives greater flexibility, is better suited to our future needs and offers enhanced data security. Trustees have continued to exercise a diligent and close financial overview by monitoring budgets and expenditure and supporting the Director of Service and staff to continue effective operations.

Future Initiatives

CIAS trustees continue to focus on the longer-term development of the charity. Several events have been held during the year where business planning and strategic objectives were discussed for incorporation into a new three-year strategy (2021-2024). The key priorities for the next six months are:

- To refresh our commitment to delivering face to face (F2F) advice in the community – this will include developing our core advice offer to include new F2F advice services integrated with community initiatives, priority groups, priority neighbourhoods and early intervention approaches. F2F advice will be supported by telephone/digital advice so that people can be helped using the most appropriate channel and to use resources most effectively.
- To identify and secure funding to continue development of our volunteer programme
- Ensure that our service is ready for AQS re-evaluation in January 2022 and can achieve the recognised standard.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

We also identified further objectives over the medium to longer term:

- Undertaking a feasibility study into options for delivery of debt advice going forward.
- To identify and implement actions to improve diversity and inclusion within our charity
- Improving our focus on wellbeing throughout our charity
- Redevelop and relaunch the Advice Services Coventry public website
- Review our staff roles, resources and core advice offer – to ensure that we can continue to meet demand in the most effective ways possible.
- Review our fundraising strategy - ensuring shared clarity of purpose throughout our charity with a focus on seeking opportunities to 'do more of what we do best' and taking our work to new people and communities.
- To consider and develop a succession strategy - a national shortage of experienced advisers raises the question of how best to 'bring people through' as roles emerge. We should focus on succession at all levels of our charity to help safeguard against future gaps in service.

Thank you

We would like to thank all our funders, supporters, and partners for their ongoing support during this difficult period which has enabled us to continue to provide our essential advice services. We also want to thank all our staff, volunteers and trustees for their professionalism and dedication to the charity in challenging times. Their commitment and effort enable us to continuing securing positive outcomes for thousands of people in our communities.

The trustees report was approved by the Board of Trustees.

John Lowe

[John Lowe \(Oct 28, 2021 08:53 GMT+1\)](#)

John Lowe - Trustee

Dated: 22nd October 2021

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

I report to the trustees on my examination of the financial statements of Coventry Independent Advice Service Limited (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Accounting Technicians, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

James Rose

James Rose (Oct 28, 2021 15:02 GMT+1)

James Rose FMAAT

Eagle House
14 Queens Road
Coventry
West Midlands
CV1 3EG
United Kingdom

Dated: 26th October 2021

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations, legacies and grants	3	381,193	104,271	485,464	333,413	50,651	384,064
Other trading activities	4	11,277	-	11,277	8,122	-	8,122
Investments	5	1,334	-	1,334	2,040	-	2,040
Total income		393,804	104,271	498,075	343,575	50,651	394,226
Expenditure on:							
<u>Charitable activities</u>							
Advice Service	6	368,594	80,868	449,462	378,229	58,328	436,557
Total charitable expenditure		368,594	80,868	449,462	378,229	58,328	436,557
Net incoming/ (outgoing) resources before transfers		25,210	23,403	48,613	(34,654)	(7,677)	(42,331)
Gross transfers between funds		2,545	(2,545)	-	7,371	(7,371)	-
Net income/(expenditure) for the year/ Net movement in funds		27,755	20,858	48,613	(27,283)	(15,048)	(42,331)
Fund balances at 1 April 2020		130,575	14,763	145,338	157,858	29,810	187,668
Fund balances at 31 March 2021		158,330	35,621	193,951	130,575	14,762	145,337

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		3,497		1,850
Current assets					
Debtors	12	6,806		4,357	
Cash at bank and in hand		202,951		155,284	
		<u>209,757</u>		<u>159,641</u>	
Creditors: amounts falling due within one year	13	(19,303)		(16,154)	
Net current assets			190,454		143,487
Total assets less current liabilities			<u>193,951</u>		<u>145,337</u>
Income funds					
Restricted funds	14		35,621		14,762
Unrestricted funds			158,330		130,575
			<u>193,951</u>		<u>145,337</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22nd October 2021

john lowe

[john lowe \(Oct 28, 2021 08:53 GMT+1\)](#)

John Lowe
Trustee

Company Registration No. 02761115

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Coventry Independent Advice Service Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Oakwood House, Cheylesmore, Coventry, West Midlands, CV1 2HL, United Kingdom.

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees are liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.5 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	straightline method over three years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Governance costs

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

1.14 Government Grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations, legacies and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	2,037	-	2,037	7,620	-	7,620
Grants received	379,156	104,271	483,427	325,793	50,651	376,444
	<u>381,193</u>	<u>104,271</u>	<u>485,464</u>	<u>333,413</u>	<u>50,651</u>	<u>384,064</u>
Grants receivable for core activities						
Coventry City Council	322,287	-	322,287	322,287	-	322,287
The Henry Smith Grant	-	41,500	41,500	-	20,000	20,000
Orbit Grant	-	33,391	33,391	-	24,856	24,856
29th May 1961 Charity	5,000	-	5,000	-	5,795	5,795
Heart of England Grants	10,000	10,000	20,000	3,506	-	3,506
National Lottery Community Grant	-	4,380	4,380	-	-	-
Coventry Buidling Society & Heart of England Grant	-	10,000	10,000	-	-	-
Doing Things Differently	-	5,000	5,000	-	-	-
Government Grants	33,969	-	33,969	-	-	-
Other Grant Income	7,900	-	7,900	-	-	-
	<u>379,156</u>	<u>104,271</u>	<u>483,427</u>	<u>325,793</u>	<u>50,651</u>	<u>376,444</u>

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Full recovery cost	11,275	6,582
Other income	2	1,540
Other trading activities	<u>11,277</u>	<u>8,122</u>

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	1,334	2,040

6 Charitable activities

	Advice Service 2021	Advice Service 2020
	£	£
Staff costs	373,541	354,080
Depreciation and impairment	1,016	564
Recruitment	600	1,500
Training and conferences	3,199	4,873
Rent, service charge and storage fees	23,524	19,022
Repairs and maintenance	133	456
Telephone	5,639	4,116
Printing, postage and stationery	4,296	7,523
Sundry expenses	15,043	10,073
Travel & subsistence	-	3,878
Catering and consumables	-	39
Legal and professional fees	7,795	13,369
Volunteer expenses	335	1,285
Insurance, subscriptions and licences	2,007	3,335
Equipment	2,663	1,100
Computer software and maintenance costs	9,521	11,194
	<u>449,312</u>	<u>436,407</u>
Share of governance costs (see note 7)	150	150
	<u>449,462</u>	<u>436,557</u>
Analysis by fund		
Unrestricted funds	368,594	378,229
Restricted funds	80,868	58,328
	<u>449,462</u>	<u>436,557</u>

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Independent examiners fee	-	150	150	-	150	150
	-	150	150	-	150	150
Analysed between Charitable activities	-	150	150	-	150	150

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable activities	10	10
Administration	3	2
Total	13	12

Employment costs

	2021 £	2020 £
Wages and salaries	332,642	314,893
Social security costs	23,702	22,191
Other pension costs	17,197	16,996
	373,541	354,080

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

The total employee benefits of the key management personnel of the charity were £56,168 (2020 - £53,169).

There were no employees whose annual remuneration was £60,000 or more.

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2020	11,155
Additions	2,663
At 31 March 2021	<u>13,818</u>
Depreciation and impairment	
At 1 April 2020	9,305
Depreciation charged in the year	1,016
At 31 March 2021	<u>10,321</u>
Carrying amount	
At 31 March 2021	<u>3,497</u>
At 31 March 2020	<u>1,850</u>

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	1,812
Prepayments and accrued income	6,806	2,545
	<u>6,806</u>	<u>4,357</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	5,621	6,754
Trade creditors	7,635	5,511
Accruals and deferred income	6,047	3,889
	<u>19,303</u>	<u>16,154</u>

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Unrestricted and restricted funds	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2020 £	Movement in funds			Balance at 31 March 2021 £
						Incoming resources £	Resources expended £	Transfers £	
Unrestricted funds									
General funds	157,858	343,575	(378,229)	7,371	130,575	393,804	(368,594)	2,545	158,330
	157,858	343,575	(378,229)	7,371	130,575	393,804	(368,594)	2,545	158,330

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Unrestricted and restricted funds

Restricted funds

(Continued)

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019		Incoming resources		Resources expended		Transfers		Balance at 1 April 2020		Movement in funds		Transfers		Balance at 31 March 2021	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Big Lottery Awards Grant	3,635	-	-	(3,012)	(623)	-	-	-	-	-	-	-	-	-	-	-
The Henry Smith Charity Grant	26,175	20,000	(34,566)	(6,748)	4,861	41,500	(37,563)	-	8,798							
Orbit Grant	-	24,856	(20,750)	-	4,107	33,391	(28,082)	-	9,416							
Tampon Tax Community Fund	-	5,795	-	-	5,795	-	(5,795)	-	-							
TNL Community Fund	-	-	-	-	-	4,380	(1,223)	-	3,157							
Heart of England Winter Well Being Grant	-	-	-	-	-	10,000	(2,000)	-	8,000							
Heart of England and Coventry Building Society Grant	-	-	-	-	-	10,000	(3,750)	-	6,250							
Heart of England Doing Things Differently Grant	-	-	-	-	-	5,000	(2,455)	(2,545)	-							
	29,810	50,651	(58,328)	(7,371)	14,763	104,271	(80,868)	(2,545)	35,621							

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Unrestricted and restricted funds

The Henry Smith Charity Grant - volunteer development project.

Orbit Grant - funds a project to encourage benefit take-up on the Tanyard Farm estate in Coventry.

Tampon Tax Community Fund - specific project to projects that improve the lives of disadvantaged women and girls.

TNL Community Fund - fund a new telephony system and related costs.

Heart of England Winter Wellbeing Fund - support work with food networks and emerging Social Supermarkets.

Heart of England & Coventry Building Society Grant - support our debt advice work.

Heart of England Doing Things Differently Grant - support our debt advice work.

(Continued)

COVENTRY INDEPENDENT ADVICE SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	3,497	-	3,497	1,850	-	1,850
Current assets/ (liabilities)	154,833	35,621	190,454	128,725	14,762	143,487
	<u>158,330</u>	<u>35,621</u>	<u>193,951</u>	<u>130,575</u>	<u>14,762</u>	<u>145,337</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).