

Company registration number: 03374001

Charity registration number: 1062852

TaxAid UK

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

TaxAid UK

Contents

Reference and Administrative Details	1
Chairman's Report	2
Trustees' Report	3 to 8
Statement of Trustees' Responsibilities	9
Independent Auditor's Report	10 to 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 to 31

TaxAid UK

Reference and Administrative Details

Chairman	Stephen Banyard
Trustees	Francesca Lagerberg Kevin Nicholson Jonathan Peacock QC Kevin Thomas, Treasurer Melissa Geiger Paul Morton
Chief Executive Officer	Valerie Boggs
Registered Office	Unit 2 33 Stannary Street London SE11 4AA
Company Registration Number	03374001
Charity Registration Number	1062852
Bankers	CAF Bank Limited Kings Hill West Malling Kent ME19 4TA
Auditor	Thompson Jenner LLP Statutory Auditors 1 Colleton Crescent Exeter Devon EX2 4DG

TaxAid UK

Chairman's Report for the Year Ended 31 March 2021

The coronavirus pandemic brought major economic as well as health issues in March 2020, with many people on low incomes losing their livelihood. TaxAid responded rapidly to the changed needs of its clients by launching a new Coronavirus Service - which helped over 6,000 people apply for essential government income support. Later in the year we launched another new service needed, to help these people complete their Tax Returns. At the same time, and along with many other organisations, the charity itself moved - overnight - to working from home and without loss or reduction of service.

Looking forward, our goal is to serve more clients and, with our sister charity TaxHelp for Older People, we have devised a new Advice Model to achieve this. During the year we continued to maintain good progress in implementing this, key milestones including the introduction of a new cloud-based client CRM system, which has enabled the introduction of a triage approach to telephone requests for help, and the use of new volunteer teams in large professional firms to supplement our individual volunteers. Another key element of this programme has been to change the roles of our Kennington based team who will be supporting the volunteer teams and taking forward our outreach ambitions as well as working the more difficult client cases - with the first response to clients being provided from Bridport.

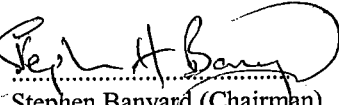
The new Advice Model also needs closer working with our colleagues in Tax Help for Older People and during the year we signed a Collaboration Agreement with them to provide a framework for this. The two charities remain distinct, with different client bases (and needs) and separate control but wherever there is scope, we work closely together.

During the year we were delighted to welcome Tahaba Mughal as Operations manager.

The work with our clients has been funded in a variety of ways from across the tax profession. An important element of this has come through a grant from HMRC. Our grant bid for the next three years included projects to extend the reach of our services and to support vulnerable people through the transition to Making Tax Digital in 2024. Encouragingly, HMRC have made a further, and increased, grant award to us for these 3 years from April 2021.

We had another strong year's fund-raising for our Bridge the Gap campaign which is an appeal to the tax profession, and is joint with Tax Help for Older People. In response to the lockdown, we introduced a number of new virtual events which, together with magnificent support from our loyal supporters, helped us raise a further £240,000 during the year. We would particularly like to thank the CIOT and many individual tax leaders who gave their time to lecture in our new and very successful fund raising CPD events.

This has been a demanding year for our CEO and all her staff. They have been fantastic in meeting all the challenges. We would like to extend our huge appreciation to them for their commitment to our clients and to the charity. We are also grateful to our many friends and supporters from across the profession for their help and support in many ways, pro bono and financial. Our sincere thanks goes to Deloitte, EY, PwC, KPMG, Fujitsu, BDO, Absolute Accounting, Macfarlanes, Slaughter and May, Freshfields, CIOT, ATT, The Worshipful Company of Tax Advisers and Women in Tax. We have been fortunate to have the support of our Bridge the Gap team - our Patron, Steve Edge, the Ambassadors and volunteers who have carried the campaign forward so well in the last year. Finally, we would like to make a particular mention of HMRC - we work closely with them and value this relationship as it benefits in particular the vulnerable clients we all seek to serve.


Stephen Banyard (Chairman)
Dated: 26/10/21

TaxAid UK

Trustees' Report

The trustees, who are directors for the purpose of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021. Reference and administrative information set out on page 1 forms part of this report. The charity is a company limited by guarantee and a registered charity, its governing documents are its memorandum and articles of association.

The charity's formal objectives are:

- To provide advice and assistance in tax and financial matters to persons in financial need
- To advance public education about all aspects of tax and tax debt

Public benefit and how our activities deliver it

We have a duty to report on our organisation's public benefit under S.4 of the Charities Act 2011. We are confident that we meet those public benefit requirements having taken into consideration the Charity Commission guidance.

Our vision is: 'To provide tax advice to all who need it' We aim to achieve this by delivering the appropriate support to those in poverty, whether financial or by reference to other vulnerabilities, who would otherwise be unable to access help with tax problems. The assistance provided ranges from the provision of tax education through our third sector partners, to support on our helpline, our printed and digital materials, and includes our face to face meetings for the beneficiaries most in need. We believe therefore that we meet the public benefit requirements through this comprehensive range of activities, delivered through different channels to maximise the numbers of people that we can help.

In addition we work with HMRC to increase their awareness of the specific tax issues that impact our beneficiary demographic, with the purpose of ensuring that our knowledge and understanding of the tax administration system, as it impacts unrepresented taxpayers with the lowest incomes, can benefit the wider public, beyond those who make direct contact with us.

Objectives, activities and impact

Objectives

TaxAid provides a unique service offering free, expert and independent tax help and advice direct to vulnerable, disadvantaged, people in need. Our aim is to help them understand, manage and regain control over their tax finances and their lives and release them from the debilitating stresses and anxieties of their pressing tax burdens and debts. To meet this objective our resources are focused on providing a service that is easily accessible and meets the specific needs of our taxpayers. The activity we undertake to achieve this and its impact is detailed below.

Our core activity

When the first lockdown was announced on 16 March 2020, our helpline and email support service continued without interruption using our home-based advisers, who answered calls from 9am - 5pm Monday to Friday, at the same service level as had been possible in the office. Some beneficiaries preferred to communicate by post and we maintained this service through post redirection. We had to follow government guidance, to maintain the safety of our volunteers and beneficiaries, and so it was not possible to continue with our face-to-face appointments. We soon discovered how resourceful and flexible our beneficiaries and volunteers had become as they adapted to delivering services by telephone appointments, post and email. As a result, we were able to help over 4,000 people in the year ended 31 March 2021.

TaxAid UK

Trustees' Report

Of particular note this year has been the impact of the additional support HMRC's debt management teams have provided taking into account taxpayers' financial circumstances. While a review of the level of debt that our callers have shows an increase of 20% in the year of the pandemic to 31 August 2021, when compared to the previous 12 month period, it was noted that in the 12 month period prior to the pandemic 66% of the debt was remitted whereas in the 12 month period to 31 August 2021, 88% of the debt was remitted. In addition, as a further reflection of HMRC responsiveness to changing personal circumstances in the earlier year penalties made up 43% of the debt, but this dropped to 33% in the 12 months ended 31 August 2021.

In a year of so much change and uncertainty, our beneficiaries were immensely grateful for the continued delivery of our core service and the reassurance we bring to anxious and distressed taxpayers.

"I am extremely grateful to TaxAid. Thanks to them, my affairs are in order again and I feel confident dealing with HMRC. I've learned a lot of technical lessons in the process and feel well-equipped to deal with my tax-affairs into the future. What a relief!"

Coronavirus Support Service

The HMRC Self Employment Support Scheme (SEISS) was announced on 26 March 2020. On 9th April 2020, working in collaboration with our sister charity, Tax Help for Older People, we launched our coronavirus support service to help our beneficiaries access the first and subsequent SEISS grants. The initial launch was accompanied by the production of training videos and we are very grateful for the support of our corporate partner, Deloitte, who assisted in the production of these videos. Cognisant of our need to maximise our use of digital channels, we extended our reach more quickly into our beneficiary group than ever before by increasing our use of social media with considerable success as shown below.

Increased engagement with beneficiaries on social media promoting the Coronavirus Support Line	% Increase
Page likes	367%
Profile visits	400%
Tweets	1460%
Facebook reach	1761%
Tweet impressions	3072%

Our Coronavirus support service included providing guidance on whether the caller was eligible for support, what steps they needed to follow to make a SEISS claim, and how to dispute the outcome where relevant if they were unsuccessful.

In addition, we provided a tax return completion service for those who had not previously successfully submitted their 2018/2019 tax return, so that they could meet the deadline of 23rd April. We submitted 43 tax returns in two weeks from calls initiated on our coronavirus helpline line. We also provided guidance and support to many others to enable them to submit their own returns. We achieved this with our staff teams at Tax Help for Older People and TaxAid with the support of two secondees from our corporate partner, EY, who started their 6-month secondment in March 2020. They adapted quickly and enthusiastically to provide this essential service so that our beneficiaries could receive the SEISS grant. Across all communication media, the coronavirus support service reached 6,000 people in the first eight weeks.

TaxAid UK

Trustees' Report

We received a myriad of messages of appreciation, including the one below from a caller who had tried and failed to submit his return online. Our staff worked after hours to submit the return on the day of the deadline and the grateful beneficiary tweeted

"I could never have done this without you, I had pretty much given up all hope before calling you"

Recognising the value of this service and rapidly changing needs, in September 2020 we launched our 2019/20 tax return completion service, which enables our beneficiaries to keep up to date with their tax return filing obligations and to plan for their tax liabilities as they fall due. To ensure that we maximised the numbers we could help, we ran a radio campaign focusing on regional stations in targeted areas in addition to our web-based publicity.

Finally, we knew from several studies undertaken during the pandemic that those without digital access were disadvantaged when accessing help during the crisis. Therefore, to ensure that all who needed help could access it, we contacted those frontline face-to-face centres which had remained open and received our regular digital newsletters to inform and advise our third sector partners.

Our wider activity to benefit society

The impact of our work is not limited to one-to-one interaction with our callers.

We have a wealth of information on our website and produce several booklets to support our beneficiaries, including a booklet on managing tax debt and how to access your personal tax account and submit your tax return online. These are made available on our website as well as to our partners. We can provide them to third parties on request and distribute them to the third sector as needed.

We provide tax-awareness sessions and in the last year we delivered virtual tax awareness sessions when requested. In addition we provide tax update newsletters to support our partners in the third sector so that they can make relevant referrals.

Using our knowledge to further benefit society, we participate in a variety of meetings with HMRC some of which, such as the Assisted Needs Working Group, have a particular focus on the problems faced by the demographic of our beneficiaries.

Volunteers

Our work is only possible because of the passion and commitment of our volunteers.

The opportunities for some of our volunteers to provide support to beneficiaries was significantly diminished during the year. Government restrictions prevented face-to-face meetings most of the year, nonetheless our volunteers adapted quickly to new ways of working as we implemented telephone appointments across our volunteer base including the volunteers participating in our corporate programmes and our student led tax clinics at Manchester University, Lancaster University and University of Central Lancashire.

TaxAid UK

Trustees' Report

The extraordinary efforts of our volunteers was appreciated by our beneficiaries. For example:

"Thank you so much for your wonderful volunteer team's help. I am so grateful 🙏. It's amazing to have this support when I am struggling so much with depression and anxiety. I really don't know what I would have done without TaxAid."

Financial review

Summary of position

The statement of Financial Activities for the year on page 14 shows a surplus in the year of £37,466 (2019/20 - deficit £15,633). This increase in the surplus reflects the success of the emergency appeal made to supporters in the first months of the pandemic and increased corporate support. This increase to unrestricted reserves is particularly welcome because a survey by Pro Bono Economics reveals that '83% of charities now forecast a decline in their income over the next 12 months'

Income

TaxAid responded to the pandemic by making a direct appeal to its supporters through the Bridge that Gap campaign which is run in conjunction with Tax Help for Older People. This received terrific support, providing confidence to the charity in the early months of the pandemic.

By contrast, the face-to-face events programme was cancelled throughout the year, eliminating this source of income. However we capitalised on the opportunity to secure a new income stream in the form of virtual CPD events, made possible by the generosity of the CIOT (Chartered Institute of Taxation) and our speakers who gave their time pro bono.

TaxAid were successful in their bid to secure funding from the competitive HMRC Grant in Aid funding made available to the voluntary sector. In contrast to previous years, the funding covers a 3 year period enabling us to plan the delivery of our services through to the end of March 2024. In addition we are excited that our funding award includes specific projects that are designed to support our beneficiary group transition to Making Tax Digital for income tax, as well as reach further into local communities.

Funding from The National Lottery enabled us to continue to deliver front-line services throughout the pandemic. In addition TaxAid received funding from the CIOT & ATT (Association of Taxation Technicians) with the specific purpose of advancing tax education in a year when understanding the taxation of changing sources of income was never more necessary.

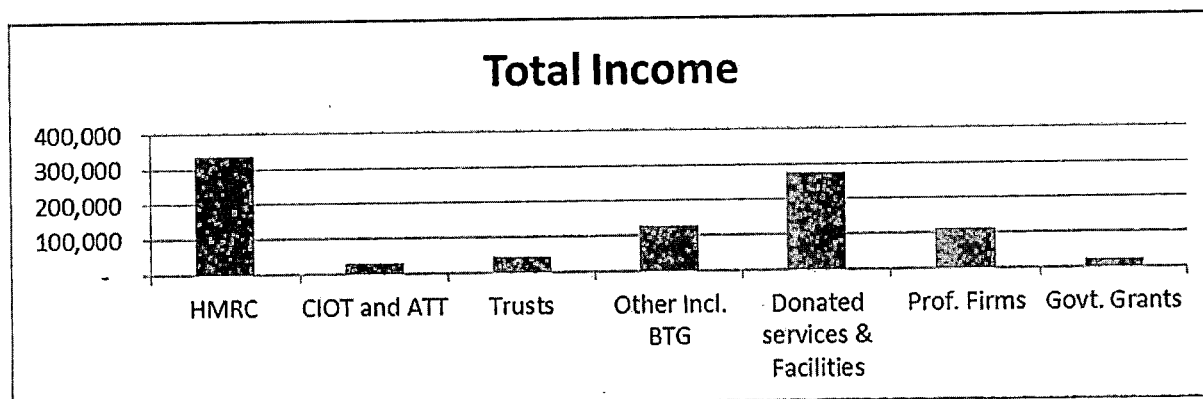
The support from our corporate partners increased by 18%, as a result of bringing on board our new corporate partner, Fujitsu whose support in addition to the financial support has already inspired us to understand what is possible as we look forward to developing our services to help our beneficiaries interact with HMRC through digital channels.

Tax professionals have remained dedicated in their support of TaxAid during the year, maintaining their regular support of our work, responding to our emergency funding appeal and supporting us in the time they gave to our beneficiaries in new and imaginative ways. The value of both monetary and time donations accounts for 29% of our total incoming resources.

TaxAid UK

Trustees' Report

The total income from each source is shown below.



Expenditure

Expenditure in the year ended 31 March 2021 (excluding gifts in kind) amounts to £639,334 just over 3.7% less than the previous year. The move to home working resulted in slightly increased telephone and IT costs which showed a rise of 3.2% but savings were realised as a result of reduced office utility expenses and travel expenses while we delivered the same service level to beneficiaries while working at home.

Reserves

The free reserves at 31 March 2021 are £221,591 (2019/20 £177,971) which is more than 4 months anticipated expenditure for the current year. This position is in line with our reserves policy which is to:

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

Risk

The risks are managed by the regular monitoring of the risk register which identifies the key risks and plans their mitigation.

The primary risk facing the charity is financial instability created by the uncertainty around medium- to long-term funding. This arises from receiving substantial funding from one source, HMRC, but is mitigated by diversifying income streams and being in receipt of three years of funding through to 31 March 2024.

Our financial management procedures include the preparation of an annual budget and forecast with quarterly reporting against budget provided to the Board.

Plans for the future

Our objective is 'To provide tax advice to all those who need it'. Because of the immediate financial insecurity at the start of the pandemic, our plans to develop a new advice model to meet this objective were accelerated, so that we could bring forward the potential cost efficiencies, this included a redundancy programme which we worked through in March 2021. Future plans are concentrated on increasing our capacity, and therefore the impact we can have on the most vulnerable, with a particular focus on ensuring that vulnerable people are not disadvantaged by HMRC's drive to deliver services digitally.

TaxAid UK

Trustees' Report

Going forward, our priority is our beneficiaries, who are at the core of our decision making, and we are in the initial stages of undertaking research, and working with our third-sector partners, to ensure that our referral routes and services meet their needs.

During the year, as planned, Tax Volunteers and TaxAid worked increasingly together to provide the best service to the most vulnerable, using resources cost efficiently and effectively. To facilitate the sharing of resources, the two charities entered into a collaboration agreement. Going forward the intention is that this agreement advantages the beneficiaries of both charities.

Learning from our experience in the last year we are planning to move to a hybrid working model, with our staff operating partly in the office and partly at home, which will support staff preferences while not diminishing our service delivery.

Structure, governance and management

The charity is managed by the Board of Trustees which meets quarterly. The Board delegates day to day management to the Chief Executive and the Senior Management Team.

The directors of the charitable company are its trustees for the purposes of charity law. The names of the trustees who were in office during the year are listed on page 1. All members of the Trustee Board gave their time voluntarily and received no benefits from the charity. No expenses were claimed from the charity by the members of the Board of Trustees from the charity.

The total number of trustees must not be less than three, but is not subject to any maximum. New trustees are identified with the necessary specialist expertise and appropriate charitable, commercial, tax and legal experience to enrich the standing Board and are given induction and training by the current post holders. Trustees shall retire by rotation in accordance with the provisions of the Memorandum and Articles of association. Any person so retiring shall be eligible for reappointment as a trustee.

Day-to-day management is delegated to our Chief Executive, who is supported by the Senior Management Team whose responsibility is to work to the strategic plan which contains business, financial and service objectives.

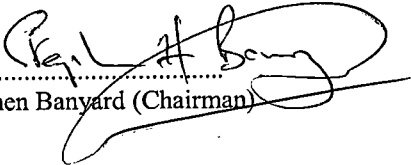
TaxAid continues to work closely with Tax Help for Older People and the two charities have a joint Senior Management Team. In addition to the cost-efficiencies achieved through sharing back office services, this facilitates synergy between them.

Remuneration for key management is set with reference to market rates for similar roles and responsibilities in the charitable sector, taking account of geographical differences.

Disclosure of information to auditor

Each trustee has taken the required steps 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 29/10/21 and signed on its behalf by:


Stephen Banyard (Chairman)

TaxAid UK

Statement of Trustees' Responsibilities

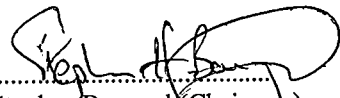
The trustees (who are also the directors of TaxAid UK for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law 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 25/10/21 and signed on its behalf by:


.....
Stephen Banyard (Chairman)

TaxAid UK

Independent Auditor's Report to the Members of TaxAid UK

Opinion

We have audited the financial statements of TaxAid UK (the 'charity') for the year ended 31 March 2021, 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

We have nothing to report in this regard.

TaxAid UK

Independent Auditor's Report to the Members of TaxAid UK

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 requires us to report to you if, in our opinion:

- adequate 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 9), 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.

TaxAid UK

Independent Auditor's Report to the Members of TaxAid UK

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charities sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing licenses, certificates and relevant correspondence including the inspection of legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

TaxAid UK

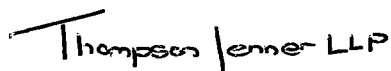
Independent Auditor's Report to the Members of TaxAid UK

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's 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 and its 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

Date: 29 October 2021

TaxAid UK

Statement of Financial Activities for the Year Ended 31 March 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2021	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	242,838	22,224	265,062
Charitable activities	4	<u>292,670</u>	<u>409,738</u>	<u>702,408</u>
Total Income		<u>535,508</u>	<u>431,962</u>	<u>967,470</u>
Expenditure on:				
Charitable activities	5	<u>(491,888)</u>	<u>(438,116)</u>	<u>(930,004)</u>
Total Expenditure		<u>(491,888)</u>	<u>(438,116)</u>	<u>(930,004)</u>
Net income/(expenditure)		<u>43,620</u>	<u>(6,154)</u>	<u>37,466</u>
Net movement in funds		43,620	(6,154)	37,466
Reconciliation of funds				
Total funds brought forward		<u>177,971</u>	<u>8,840</u>	<u>186,811</u>
Total funds carried forward	17	<u><u>221,591</u></u>	<u><u>2,686</u></u>	<u><u>224,277</u></u>
2020	Note	Unrestricted £	Restricted £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	236,862	-	236,862
Charitable activities	4	<u>326,225</u>	<u>400,716</u>	<u>726,941</u>
Total Income		<u>563,087</u>	<u>400,716</u>	<u>963,803</u>
Expenditure on:				
Charitable activities	5	<u>(554,480)</u>	<u>(424,956)</u>	<u>(979,436)</u>
Total Expenditure		<u>(554,480)</u>	<u>(424,956)</u>	<u>(979,436)</u>
Net income/(expenditure)		<u>8,607</u>	<u>(24,240)</u>	<u>(15,633)</u>
Net movement in funds		8,607	(24,240)	(15,633)
Reconciliation of funds				
Total funds brought forward		<u>169,364</u>	<u>33,080</u>	<u>202,444</u>
Total funds carried forward	17	<u><u>177,971</u></u>	<u><u>8,840</u></u>	<u><u>186,811</u></u>

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2020 is shown in note 17.


TaxAid UK

(Registration number: 03374001)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	<u>2,419</u>	<u>4,680</u>
		<u>2,419</u>	<u>4,680</u>
Current assets			
Debtors	12	172,767	89,064
Cash at bank and in hand	13	<u>154,448</u>	<u>241,897</u>
		327,215	330,961
Creditors: Amounts falling due within one year	14	<u>(105,357)</u>	<u>(148,830)</u>
Net current assets		<u>221,858</u>	<u>182,131</u>
Net assets		<u>224,277</u>	<u>186,811</u>
Funds of the charity:			
Restricted		2,686	8,840
Unrestricted income funds			
Unrestricted		<u>221,591</u>	<u>177,971</u>
Total funds	17	<u>224,277</u>	<u>186,811</u>

The financial statements on pages 14 to 31 were approved by the trustees, and authorised for issue on 25/10/21 and signed on their behalf by:


.....
Stephen Banyard
Chairman


.....
Kevin Thomas
Trustee

The notes on pages 17 to 31 form an integral part of these financial statements.

TaxAid UK

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		37,466	(15,633)
Adjustments to cash flows from non-cash items			
Depreciation		<u>2,776</u>	<u>2,588</u>
		40,242	(13,045)
Working capital adjustments			
Increase in debtors	12	(83,703)	(63,114)
(Decrease)/increase in creditors	14	<u>(43,473)</u>	<u>69,570</u>
Net cash flows from operating activities		(86,934)	(6,589)
Cash flows from investing activities			
Purchase of tangible fixed assets	11	<u>(515)</u>	<u>(1,001)</u>
Net decrease in cash and cash equivalents		(87,449)	(7,590)
Cash and cash equivalents at 1 April		<u>241,897</u>	<u>249,487</u>
Cash and cash equivalents at 31 March		<u><u>154,448</u></u>	<u><u>241,897</u></u>

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

The notes on pages 17 to 31 form an integral part of these financial statements.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

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 £1 towards the assets of the charity in the event of liquidation. The charity is incorporated in England and Wales and its registered office is Unit 2, 33 Stannary Street, London, SE11 4AA.

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

TaxAid UK 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.

The trustees have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements. In addition, the trustees do not consider it to cast any significant doubt upon the charity's ability to continue as a going concern.

The trustees have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 including managing cash flow to ensure that debts can be paid when they fall due, managing staffing levels and monitoring key donor and supplier activity. The trustees have implemented a robust system of procedures and controls in order to deal with any associated risks.

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

Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income recognised in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

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.

Grants receivable

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.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services, professional qualified tax personnel or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Donations of gifts, services and facilities include seconded employees, IT software and office space. Seconded staff's services are provided free of charge to the charity and the cost of their salary is incurred by a third party. IT software and office space are included at their estimate market value when donated.

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.

All resources expended are inclusive of irrecoverable VAT.

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.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

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.

Advice services	79%
Tax education	5%
Cost of raising funds	11%
Governance costs	5%

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.

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.

The Coronavirus Job Retention Scheme grant has been credited to other income so as to match the grant to the underlying eligible furloughed staff expenditure to which it relates.

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 £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

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
Computer equipment	3 years straight line
Fixtures and fittings	6 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.

Fund structure

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

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.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from professional firms and supporters	114,000	-	114,000
Other donations	128,838	-	128,838
Grants, including capital grants;			
Government grants	-	22,224	22,224
Total for 2021	242,838	22,224	265,062
Total for 2020	236,862	-	236,862

Summary of donations from professional firms and supporters

	2021 £	2020 £
Deloitte	30,000	30,000
E&Y	20,000	20,000
KPMG	20,000	20,000
PWC	20,000	20,000
Fujitsu	20,000	-
Tax Advisers Charitable Trust (The Worshipful Company of Tax Advisers)	4,000	4,000
Other	-	1,953
	114,000	95,953

Other donations includes 50% of the following amounts greater than £3,000 from organisations received through Bridge The Gap. This is a joint initiative set up by TaxAid UK and its sister charity Tax Help For Older People, whereby amounts received are split equally between the two charities.

	2021 £	2020 £
A & O Foundation	-	10,000
BDO LLP	12,647	18,363
Deloitte	11,831	17,279
Freshfields	9,920	10,000
Kathleen Beryl Sleigh Charitable Trust	20,000	20,000
London Legal Support	-	6,025
Pump Court Tax Chambers	-	7,500
Pure Recruitment Ltd	-	5,000
Slaughter and May	4,950	10,000
Smith and Williamson	-	10,000
Tax Advisers Charitable Trust (The Worshipful Company of Tax Advisers)	4,000	4,000

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	General £	£	£	£
Advice services				
HM Revenue & Customs	-	336,818	336,818	334,160
Donations of gifts, services and facilities	290,670	-	290,670	315,225
City Bridge	-	7,250	7,250	29,000
Civil Service Insurance Society	-	-	-	10,000
The National Lottery Community Fund	-	35,670	35,670	-
Shanly Foundation	2,000	-	2,000	-
Sir James Knott Trust	-	-	-	4,000
University of Central Lancashire	-	-	-	1,628
Lancaster University	-	-	-	1,628
CB & HH Taylor 1984 Trust	-	-	-	1,000
	<u>292,670</u>	<u>379,738</u>	<u>672,408</u>	<u>696,641</u>
Tax education				
Chartered Institute of Taxation	-	20,000	20,000	20,000
Association of Taxation Technicians (ATT)	-	10,000	10,000	10,000
CAB West Lothian	-	-	-	300
	<u>-</u>	<u>30,000</u>	<u>30,000</u>	<u>30,300</u>
Income from charitable activities 2021	<u>292,670</u>	<u>409,738</u>	<u>702,408</u>	<u>726,941</u>
Income from charitable activities 2020	<u>326,225</u>	<u>400,716</u>	<u>726,941</u>	

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

5 Expenditure on charitable activities

	Cost of raising funds	Advice services	Education	Governance costs	Support costs	2021 Total	2020 Total
	£	£	£	£	£	£	£
Staff costs	42,429	291,698	21,214	21,214	153,805	530,360	537,098
Gifts in kind	-	290,670	-	-	-	290,670	315,225
Premises and other costs	4,945	33,995	2,472	2,472	17,924	61,808	72,781
Helpline advisers	-	-	-	-	-	-	4,477
Website, ICT and equipment costs	2,662	18,301	1,331	1,331	9,650	33,275	32,241
Legal, insurance and professional	860	5,908	430	430	3,116	10,744	9,564
Communication and travel	162	1,107	80	80	583	2,012	5,069
Other costs	470	-	-	-	665	1,135	2,895
Research and consultancy	-	-	-	-	-	-	86
	51,528	641,679	25,527	25,527	185,743	930,004	979,436
Support costs	20,432	146,737	9,287	9,287	(185,743)	-	-
Governance costs	4,178	28,895	1,741	(34,814)	-	-	-
Total expenditure 2021	76,138	817,311	36,555	-	-	930,004	979,436
Total expenditure 2020	38,190	906,663	34,583	-	-	979,436	

£491,888 (2020 - £554,480) of the above expenditure was attributable to unrestricted funds and £438,116 (2020 - £424,956) to restricted funds.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Operating leases - other assets	(30,000)	(30,000)
Audit fees	(6,120)	(5,220)
Depreciation of fixed assets	<u>(2,776)</u>	<u>(2,588)</u>

7 Trustees remuneration and expenses

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

No trustees have received any reimbursed expenses from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	479,552	480,233
Social security costs	35,974	32,854
Pension costs	14,454	13,410
Other staff costs	<u>380</u>	<u>10,601</u>
	<u>530,360</u>	<u>537,098</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was 15 (2020 - 15).

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Raising funds	0.9	1.0
Advice services	6.0	6.5
Tax education	0.4	0.1
Support	3.3	3.1
Governance	<u>0.4</u>	<u>0.2</u>
	<u>11.0</u>	<u>10.9</u>

During the year, the charity accrued redundancy and/or termination payments which totalled £4,842 (2020 - £Nil).

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

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

The total employee benefits of the key management personnel of the charity were £37,800 (2020 - £51,959).

9 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>6,120</u>	<u>5,220</u>

10 Taxation

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

11 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Total £
Cost			
At 1 April 2020	648	21,786	22,434
Additions	<u>-</u>	<u>515</u>	<u>515</u>
At 31 March 2021	<u>648</u>	<u>22,301</u>	<u>22,949</u>
Depreciation			
At 1 April 2020	297	17,457	17,754
Charge for the year	<u>108</u>	<u>2,668</u>	<u>2,776</u>
At 31 March 2021	<u>405</u>	<u>20,125</u>	<u>20,530</u>
Net book value			
At 31 March 2021	<u>243</u>	<u>2,176</u>	<u>2,419</u>
At 31 March 2020	<u>351</u>	<u>4,329</u>	<u>4,680</u>

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Debtors

	2021 £	2020 £
Trade debtors	70,000	20,000
Prepayments and accrued income	35,095	61,564
Other debtors	67,672	7,500
	<u>172,767</u>	<u>89,064</u>

13 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	333	333
Cash at bank	154,115	241,564
	<u>154,448</u>	<u>241,897</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	11,325	19,686
Other taxation and social security	9,961	9,508
Other creditors	34,468	77,850
Accruals and deferred income	49,603	41,786
	<u>105,357</u>	<u>148,830</u>

	2021 £	2020 £
Deferred income at 1 April 2020	36,250	-
Resources deferred in the period	7,500	36,250
Amounts released from previous periods	(28,500)	-
Deferred income at year end	<u>15,250</u>	<u>36,250</u>

Deferred income relates to the BTG Gala Dinner which was cancelled as a result of Covid-19. The remaining balance is to be carried forward to enable attendance at a future event.

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

15 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2021 £	2020 £
Land and buildings		
Within one year	30,000	30,000
Between one and five years	-	30,000
	<u>30,000</u>	<u>60,000</u>

16 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 £14,454 (2020 - £13,410).

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

17 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
2021				
Unrestricted				
<i>General</i>				
General	176,522	534,993	(491,266)	220,249
<i>Designated</i>				
Capital depreciation	1,449	515	(622)	1,342
Total Unrestricted	<u>177,971</u>	<u>535,508</u>	<u>(491,888)</u>	<u>221,591</u>
Restricted				
Governance	1,071	-	-	1,071
Advice services	7,769	401,962	(408,116)	1,615
Tax education	-	30,000	(30,000)	-
Total restricted	<u>8,840</u>	<u>431,962</u>	<u>(438,116)</u>	<u>2,686</u>
Total funds	<u>186,811</u>	<u>967,470</u>	<u>(930,004)</u>	<u>224,277</u>
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
2020				
Unrestricted				
<i>General</i>				
General	168,482	562,086	(554,046)	176,522
<i>Designated</i>				
Capital depreciation	882	1,001	(434)	1,449
Total unrestricted	<u>169,364</u>	<u>563,087</u>	<u>(554,480)</u>	<u>177,971</u>
Restricted				
Governance	1,157	-	(86)	1,071
Advice services	5,923	370,416	(368,570)	7,769
Tax education	26,000	30,300	(56,300)	-
Total restricted	<u>33,080</u>	<u>400,716</u>	<u>(424,956)</u>	<u>8,840</u>
Total funds	<u>202,444</u>	<u>963,803</u>	<u>(979,436)</u>	<u>186,811</u>

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

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 TaxAid UK, that of advising 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 those on low incomes are aware of their rights and responsibilities under the tax system. It is delivered through training, printed material and guides, and the TaxAid UK website.

Designated funds

The designated fund represents the net book value of assets purchased from unrestricted funds to be depreciated in the future.

18 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	1,342	1,077	2,419
Net Current assets	220,249	-	1,609	221,858
Total net assets	220,249	1,342	2,686	224,277

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	1,449	3,231	4,680
Net Current assets	176,522	-	5,609	182,131
Total net assets	176,522	1,449	8,840	186,811

19 Analysis of net funds

	At 1 April 2020	Cash-flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	241,897	(87,449)	154,448
Net debt	241,897	(87,449)	154,448

	At 1 April 2019	Cash-flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	249,487	(7,590)	241,897
Net debt	249,487	(7,590)	241,897

TaxAid UK

Notes to the Financial Statements for the Year Ended 31 March 2021

20 Related party transactions

A donation was received from KPMG, where Melissa Geiger is a partner. The total of these donations amount to £23,000 (2020 - £20,000).

Donations were received from PWC, where Kevin Nicholson is a partner. The total of these donations amount to £23,000 (2020 - £22,500). PWC also provided professional advice on a pro bono basis.

A donation was received from Grant Thornton, where Francesca Lagerberg is a partner. The total of these donations amounted to £250 (2020 - £nil).

A donation of £10,000 (2020 - £8,000) was received from Jonathan Peacock. Other donations from related parties totalled £nil in the year (2020 - £381).

During the year, salary costs of £133,564 (2020 - £142,828) in relation to remuneration payable to some staff with duties and responsibilities for both TaxAid UK and Tax Volunteers, were recharged from Tax Volunteers Service Company Limited, a related party by virtue of Stephen Banyard and Kevin Thomas being directors of both companies.

During the year, net income totalling £120,000 (2020 - £118,298) was collected by TaxAid UK on behalf of Tax Help For Older People, a related party by virtue of shared CEO, Valerie Boggs. At the year end, the amount due to Tax Help For Older People, included in other creditors in the financial statements, was £30,000 (2020 - £68,298). A further £6,928 (2020 - £7,934) included within accruals (2020 trade creditors) is due to Tax Help For Older People in relation to recharged shared costs and £60,172 (2020 - £9,000) included within debtors is due from Tax Help For Older People in relation to recharged shared costs.