

# **Charity Tax Group**

**(registered as a company limited by guarantee in England and Wales)**

**(Registered number: 08028281)**

**Unaudited**

**Directors' report and financial statements**

**for the year ended 31 December 2021**

# Charity Tax Group

(registered as a company limited by guarantee in England and Wales number 08028281)

## Report and financial statements for the year ended 31 December 2021

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# Charity Tax Group

(registered as a company limited by guarantee in England and Wales number 08028281)

## Company information

### Directors

B T Brand (Reappointed 1 January 2021)

R V Bray

Chair from 24 March 2021

A S M Gear (Appointed 21 Oct 2021)

P M Hayes (Resigned 20 April 2021)

C Mills (Appointed 21 Oct 2021, Resigned 26 April 2022)

K J Russell

Vice-Chair

J P C Spedding

M Varriale

### Company Secretary

S A Nunn

### Registered number

8028281

### Registered Office and Operating address

Church House

Great Smith Street

London SW1P 3AZ

United Kingdom

### Bankers

Metrobank PLC

120 Cheapside

London, EC2V 7JB

Barclays Bank plc

1, Churchill Place,

London E14 5HP

The Charity Bank Ltd

Fosse House

182, High Street,

Tonbridge TN9 1BE

### Independent Examiner

Anthony Alford

Chartered Accountant

Shepherd's Crook

Netherbury

Bridport

Dorset DT6 5LY

### Solicitors

Wrigleys Solicitors LLP

19 Cookridge Street

Leeds LS2 3AG

# Charity Tax Group

(registered as a company limited by guarantee in England and Wales number 08028281)

## Report of the Directors/Trustees Report for the year ended 31 December 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

### Our Aims and Objectives

#### Purposes, Aims and Principles

The objects of the Charity Tax Group (CTG) are to promote the improvement in the fiscal treatment of registered charities and similar bodies through representation to the UK Government, and other bodies as deemed appropriate or such other similar purposes as the Directors shall direct.

CTG is not itself a charity. However, the Directors, having regard to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011, consider that the company operates for public benefit.

CTG has adopted guiding principles. These are:

- Striving for technical excellence in all aspects of tax that impacts on charities.
- Providing practical support to charities through provision of relevant guidance, helping to mitigate their tax burden.
- Working with others to maximise our impact.
- Developing a sustainable funding structure that matches our ambition.
- To be brave and innovative.

#### The focus of our work

CTG has Charity and Observer members. Observer members are professional firms with charity clients. The main focus areas for CTG are ensuring: that our services are useful and relevant to Charity and Observer members of all sizes and complexity; that our activities serve the goal of representing the charity sector to ensure that any proposed tax-related changes that may have an impact on it are proportionate in terms of both fiscal and administrative impact; and that the fiscal burden on charities is minimised to ensure that more of its resources can be allocated to providing public benefit.

#### How our activities deliver public benefit

The information services provided through CTG's website are available for all to use, as are its regular meetings and online training sessions. The main groups using those services are charities themselves, and professional firms providing tax services to the charity sector. These professional firms ensure that the impact of CTG in the sector is felt far beyond its immediate membership.

Furthermore, CTG's activities to engage with HMRC and other relevant stakeholders to ensure that proposed tax-related changes have a proportional impact in terms of fiscal and administrative impact are beneficial to all charities operating for the public benefit. The work of CTG helps to ensure the fiscal burden on all charities is minimised to increase resources being spent for public benefit.

#### Primary activities in 2021

Highlights of 2021 include the following:

- An Expert Insight Session programme: CTG has delivered ten Expert Insight Sessions this year on practical tax topics. The sessions have had almost 1,200 participants in total.
- A new monthly newsletter: CTG has published eight editions of a new "what you need to know about charity tax" monthly newsletter. Over 200 charities, large and small, are now receiving CTG bulletins for the first time. This newsletter is aimed at the general charity finance professional, rather than tax specialists alone.
- A VAT practical issues working group: This new group now gives a vital opportunity for charity staff to share best practice and discuss key VAT issues with their peers. It already has over 30 members.
- Maximising COVID grants for charities: After nine months of concerted lobbying, COVID-19 business grant allowances were increased by the Government. Charities with substantial property retail, hospitality and leisure property portfolios, have been able to access up to £1m of extra funding with an additional £9m available if a range of eligibility criteria are met. The UK Government previously applied EU state aid rules that denied access to potentially business saving lockdown grants. A CTG-led coalition successfully called on the Chancellor to increase the limits as EU restrictions no longer applied. CTG has also led on the interpretation of complex rules, enabling large charity retailers in particular, to recognise these grants as income to which they are entitled.

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- The Future of Gift Aid project aims to harness the benefits of new technology and data sharing capabilities to maximise the value of Gift Aid claims made by charities. This CTG-led initiative involves charities, HMRC and intermediaries (such as JustGiving) working together. It will help unlock £560m of Gift Aid that is unclaimed each year and reduce the £180m of Gift Aid claimed in error. CTG has been involved with a presentation of the project's work to HMRC's Head of Charity Policy. The progress of the project has been highlighted by the Office for Tax Simplification as a positive case study for sharing of third-party data. The project is reviewing all aspects of Gift Aid including an overdue overhaul of Gift Aid guidance to enable donors, for example, to have a better understanding of how Gift Aid works.
- Making Tax Digital for Corporation Tax: Under new proposals a vast number of charities would be forced to report to HMRC each year for the first time. This would result in additional costs and administration, with little apparent benefit. As a direct result of our consultation response, HMRC has engaged directly with CTG over the development of the new system.
- Extension of Gift Aid to Waived Refunds and Loan Repayments: HMRC has now confirmed that any waivers of refunds, including waivers of loans to charities, can count as a donations which are eligible for Gift Aid. This applies as long as the agreement to waive the loan/right to a refund is clear and irrevocable. CTG is working with HMRC to design a template agreement to enable charities to apply this in practice. This positive development provides a new fundraising opportunity for charities.
- Business rates: The Government has published its response to the Fundamental Review of Business Rates in England. Importantly for charities the Government does not intend to remove any of the existing reliefs at this time. This is very welcome news as these reliefs are worth over £2bn a year to charities. This follows an active campaign by CTG and other sector bodies to demonstrate the value of the relief and was achieved in the face of criticism of the relief from other sectors.

### Financial review

#### Principal funding sources

CTG receives voluntary contributions from Charity members, usually on an annual basis, and receives annual fees from Observer members wishing to use our services. These funds support CTG's general activities. Additional donations and grants are received in response to funding calls for specific, larger projects, and these funds are restricted for use on those specific projects.

#### Investment policy

Whilst CTG's Articles of Association provide the Board with the powers to invest CTG funds, funds are currently held in cash balances only.

#### Reserves policy

CTG aims to maintain reserves to fund CTG newsletters, events, website maintenance, regular professional fees and meeting costs for the next financial year. This level of reserves also helps ensure that CTG can fund emergency project work should this ever prove necessary.

#### Financial result for the period

CTG had a surplus of £85k for the year to 31 December 2021 (2020 - Deficit £6k). This surplus reflected in part the continued support of Charity and Observer members of CTG through donations and fees paid, and also success of CTG in obtaining grants from the Paul Hamlyn Foundation. Further grant income has been obtained from the City Bridge Trust and is reflected as restricted income in the SOFA. Notwithstanding the grant income, for routine CTG activity there was a surplus of £52k, partly resulting from reduced costs during the continuing pandemic situation.

Income generation in the year to 31 December 2022 has been better than budgeted for. This gives the Directors' confidence that CTG remains a going concern.

### Plans for future periods

CTG will continue to provide its members with support on a wide range of fiscal issues in the uncertain world created by the global pandemic and the current cost of living crisis. In particular we will continue to progress the Future of Gift Aid project, and seek funding for further work to establish the socio economic benefits of charity tax reliefs. CTG will also make it a priority to respond on behalf of the charity sector to proposed legislative changes as they arise.

CTG will also review its systems of governance with the aim of ensuring that they meet best practice for an organisation of its size. CTG aspires to meet the requirements of the Charity Governance Code for smaller charities. We believe that we owe it to the charity sector to demonstrate exemplary leadership and governance.

### Structure, Governance and Management

#### Governing document

CTG is governed by the company's 2012 Articles of Association.

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### Recruitment and appointment of the Board

The Directors of the company are also the members of the company for Company law purposes and are elected by the Contributing Charity members in accordance with the Articles of Association. No person other than a Director can be admitted as a member of the company. The Directors are recruited from the employee base of the Contributing Charity members.

Professional firms with charity clients and which have an interest in tax issues are eligible to join as Observer members, but are not Company law members of the company.

### Board induction and training

CTG has in place terms of reference for new Directors, and is putting in place an induction pack for new Directors on the required governance for the company.

### Risk management

CTG is developing a risk register to formally manage the risks identified by the Directors.

### Organisational structure

The Board comprises a Chair, Vice Chair and other serving Directors with a range of tax and other financial experience. As well as the Directors, The Board also comprises a Treasurer and other advisory members.

During the year The Board decided largely to separate the management of CTG from its day-to-day technical work. This resulted in the establishment of a VAT Technical Group and a Giving Technical Group. This allows the Board to focus on strategy and management.

Each group (including the Board) aims to meet monthly and to allow the maximum involvement of group members meetings take place remotely. The technical groups allow a greater spread of involvement with CTG.

CTG also maintained its Gift Aid Practical Issues Working Group during 2021, which focuses on the day-to-day issues facing those working on Gift Aid issues in a charity. Membership is restricted to those working in charities. Due to the success of this group, CTG has launched a similar VAT Practical issues Working Group in 2021.

CTG appoints a Technical Advisor who advises the Board on all matters relating to charity taxation but especially with regard to VAT and Gift Aid. This role is currently filled by Graham Elliott who trades as City & Cambridge Consultancy.

Observer member meetings are held three times a year and this gives the opportunity to provide a technical briefing to professional firms with an interest in charity tax issues.

CTG has no employees and contracts the running of CTG on a day-to-day basis to Central Lobby Consultants.

### Volunteers

CTG is volunteer-led organisation. The Board is very grateful for the hours of commitment from our members in enabling CTG to be the effective organisation that it is.

### Going concern position

As more fully explained in note 2 to the financial statements the Directors have reviewed the current position of CTG and are of the opinion that there are sufficient resources available to enable CTG to continue in operational existence for the foreseeable future and, as such, CTG continued to adopt the going concern basis in preparing the financial statements.

### Members of the Board

The Directors who served during the year were:

Barnaby Brand (Reappointed 1 January 2021)

Richard Bray

Alexandra Gear (Appointed 21 Oct 2021)

Philip Hayes (Resigned 20 April 2021)

Carlene Mills (Appointed 21 Oct 2021, Resigned 26 April 2022)

Kevin Russell

Philip Spedding

Monica Varriale

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No Director received emoluments in the year (2020: nil).

In addition to the Directors the following served as advisory members to the Board during the year:  
David Warreallow and Lisa Burke (Treasurer).

### Independent Examiner

The accounts of CTG are not required to be audited under Part 16 of the 2006 Companies Act. However, the Directors consider that due to CTG being a public benefit entity its accounts should be subject to independent examination. It has reappointed Anthony Alford to undertake the independent examination of its statutory accounts for 2021.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board on 26 September 2022 and signed on its behalf.



Richard Bray  
Chair

## Charity Tax Group

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### Independent Examiner's report to the Board of Directors on the unaudited statutory financial statements of Charity Tax Group for the year ended 31 December 2021.

I report on the financial statements of Charity Tax Group for the year ended 31 December 2021 which are set out on pages 7 to 13.

Charity Tax Group is a public benefit interest entity that is not a registered charity. In planning and reporting on the work carried out, the recommendations applicable to charities have been recognised and that terminology has been adopted in this report.

This report is made solely to the Board of Directors as a body and my work has been undertaken so that I might state to the Board of Directors those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than Charity Tax Group and its Board of Directors as a body for my work or for this report.

#### *Responsibilities and basis of report*

As the directors of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### *Independent examiner's statement*

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:

1. accounting records were not kept in respect of the Company as required by section 386 of 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 (FRS102))

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 accounts to be reached.

Anthony Alford  
Chartered Accountant



Shepherd's Crook  
Netherbury  
Bridport  
Dorset, DT6 5LY

Date: 26 September 2022

## Charity Tax Group

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### Statement of Financial Activities for the year to 31 December 2021

(incorporating an income and expenditure account)

	Notes	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020
		£	£	£	£	£	£
<i>Income from:</i>							
Voluntary donations from member charities	3	167,925	-	167,925	163,070	-	163,070
Contributions from observer members		82,130	-	82,130	80,090	-	80,090
Grant income		20,000	12,500	32,500	-	-	-
Interest receivable		319	-	319	335	-	335
<b>Total income</b>		<b>270,374</b>	<b>12,500</b>	<b>282,874</b>	<b>243,495</b>	<b>-</b>	<b>243,495</b>
<i>Expenditure on furthering the objectives of CTG:</i>							
Professional fees		156,597	-	156,597	164,360	-	164,360
VAT research project		-	-	-	21,450	10,745	32,195
Legal counsel fees		-	-	-	3,600	-	3,600
Contribution to ECCVAT		-	-	-	190	-	190
Recovery of input VAT in respect of prior year		(7,882)	-	(7,882)	-	-	-
Publications (reference materials)		123	-	123	9	-	9
Media & communications		916	-	916	1,152	-	1,152
Printing & Stationery		-	-	-	34	-	34
Website expenses		287	-	287	1,416	-	1,416
		<b>150,041</b>	<b>-</b>	<b>150,041</b>	<b>192,211</b>	<b>10,745</b>	<b>202,956</b>
<i>- administration costs</i>							
Secretariat service		44,545	-	44,545	43,930	-	43,930
Postage		9	-	9	-	-	-
Insurance		1,167	-	1,167	1,120	-	1,120
Other expenditure		377	-	377	300	-	300
		<b>46,098</b>	<b>-</b>	<b>46,098</b>	<b>45,350</b>	<b>-</b>	<b>45,350</b>
<i>- governance and support costs</i>							
AGM, management and other meeting costs		895	-	895	607	-	607
Independent Examination and filing fees		499	-	499	920	-	920
		<b>1,394</b>	<b>-</b>	<b>1,394</b>	<b>1,527</b>	<b>-</b>	<b>1,527</b>
<b>Total expenditure</b>		<b>197,533</b>	<b>-</b>	<b>197,533</b>	<b>239,088</b>	<b>10,745</b>	<b>249,833</b>
(total expenditure on furthering the objectives of CTG)							
<b>Net income/(deficit)</b>		<b>72,841</b>	<b>12,500</b>	<b>85,341</b>	<b>4,407</b>	<b>(10,745)</b>	<b>(6,338)</b>
(net income/(deficit) for the year before taxation)							
Corporation tax	4	125	-	125	-	-	-
Net movement in funds		72,716	12,500	85,216	-	4,407	(6,338)
(Net income/(deficit) for the year after taxation)							
<b>Reconciliation of funds</b>							
Total funds brought forward	9	130,079	-	130,079	125,672	10,745	136,417
<b>Total funds carried forward</b>		<b>202,795</b>	<b>12,500</b>	<b>215,295</b>	<b>130,079</b>	<b>-</b>	<b>130,079</b>

All the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 10 to 13 form part of these financial statements.

# Charity Tax Group

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## Balance Sheet at 31 December 2021

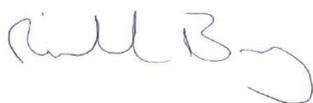
	Note	2021 Total funds £	2020 Total funds £
Fixed Assets:			
Intangible assets	6	-	-
Current Assets:			
Cash at bank		246,817	180,869
Debtors	7	<u>12,690</u>	<u>2,400</u>
Total current assets		259,507	183,269
Current Liabilities:			
Creditors: amounts falling due within one year	8	(44,212)	(53,190)
Net current assets		<u>215,295</u>	<u>130,079</u>
Total assets less current liabilities		<u>215,295</u>	<u>130,079</u>
Funds (Capital and Reserves)			
Restricted funds	9	12,500	-
Income and Expenditure account & unrestricted funds	9	202,795	130,079
Total funds		<u>215,295</u>	<u>130,079</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2021 and of its surplus for the year in accordance with the requirements of sections 394 and 395 of the Act and which comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Act and in accordance with the Financial Reporting Standard 102.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2022.



Richard Bray                      Chair

The notes on pages 10 to 13 form part of these financial statements.

# Charity Tax Group

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## Statement of Cash Flows for the year to 31 December 2021

	2021 Total £	2020 Total £
<b>Cash flows from operating activities -</b>		
Net cash provided by operating activities	65,948	28,252
<b>Change in cash and cash equivalents in the reporting period</b>		
Cash and cash equivalents at the beginning of the reporting period	180,869	152,617
Cash and cash equivalents at the end of the reporting period	<u>246,817</u>	<u>180,869</u>
<b>Reconciliation of net movement of funds to net cash flows from operating activities</b>		
Net income/(deficit) after taxation	85,216	(6,338)
Decrease/(Increase) in debtors	(10,290)	(2,400)
Increase in creditors	(8,978)	36,990
Net cash provided by operating activities	<u>65,948</u>	<u>28,252</u>
<b>Analysis of cash and cash equivalents</b>		
Cash at bank	246,817	180,869
Total cash and cash equivalents	<u>246,817</u>	<u>180,869</u>

The notes on pages 10 to 13 form part of these financial statements.

# Charity Tax Group

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## 1 Statutory Information

Charity Tax Group (CTG) is a private company limited by guarantee, registered in England and Wales (registered number 08028281) and thus does not have share capital. The registered office is Church House, Great Smith Street, London SW1P 3AZ. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

## 2 Accounting Policies

### (a) Basis of preparation of financial statements

These financial statements have been prepared on a going concern basis under the historical convention in accordance with:

- the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (including FRS 102),
- the Companies Act 2006; and
- with reference to Charities SORP (FRS 102) as is permitted by paragraphs 7 and 8 of FRS 100.

The company is a public benefit entity that while not a charity effectively operates for and within the charity sector. For that reason these financial statements and notes use terminology that is recognised in the charity sector.

The COVID-19 pandemic and the cost of living crisis has led the directors to evaluate the company's future income streams in the light of these circumstances. Income for the year to 31 December 2021 held up well. With the significant drop in charity income due to the pandemic there was significant uncertainty of its impact on the company's future donation income. In the event, due in large part to the significant efforts to secure the ongoing support of members, income for the year to 31 December 2021 has increased. The level of the company's reserves is such that it has time to develop other income streams to allow for any long term decline in member income, and the company continues to take steps towards that aim including applying for and obtaining grant income from the Paul Hamlyn Foundation and the City Bridge Trust. As a result, the going concern basis is considered to be appropriate in the context of the company's ability to meet its obligations as they fall due, in the period of twelve months following the date of approval of these financial statements. In this consideration, the company's asset position, the level and profile of its liabilities and the company's ability to determine the level of activities have been taken into account.

### (b) Income

Income is recognised in the Statement of Financial Activities (SOFA) when the following conditions are met:

- The company becomes entitled to the resources.
- The receipt is probable; and
- The monetary value can be measured with sufficient reliability.

Where incoming resources have related expenditure both income and expenditure are shown gross.

Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Grants receivable are recognised when due and when any conditions for receipt are met in accordance with the "performance model" described in FRS 102 paragraph 24.5B.

Grants or income received for specific purposes are not general income or unrestricted funds of the company. Instead they are allocated to a restricted fund as appropriate. Any grants or donations not used for their original purpose are returned to the funder or to the donor.

CTG benefits both from the contributions of volunteers, including its Directors and many advisors, and from other goods and services that are provided by supporters free of charge. It is not considered practical to attribute a value to those items in these financial statements.

### (c) Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the company to pay out resources. All resources expended are recognised on an accruals basis. CTG includes the cost of irrecoverable VAT incurred in the relevant expense category.

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### (d) Intangible fixed assets and depreciation

Intangible fixed assets are stated at cost less accumulated depreciation and assessed for any impairment of value.

Depreciation on intangible assets (website and portal) is provided on a straight line basis at 33.33% per annum.

### (e) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and may be subsequently measured at their settlement value.

### (f) Funds (Capital and Reserves)

Restricted Funds are included within Funds (Capital and Reserves).

Restricted funds can only be used for particular purposes specified by the funder/donor or be funds raised for a specific project with the knowledge of the funder/donor.

Amounts donated for a specific purpose are released from the reserve in the year in which the restriction is fulfilled (see (b) above).

## 3 Voluntary donations from member charities

Voluntary donations from member charities contributing to unrestricted funds were received in the year in the following bands:

Values of individual donations	Number of charities donating within that band	Total donations within that band
>£10,000	3	£62,750
£1,001 to £10,000	13	£35,005
£501 to £1,000	46	£36,885
£251 to £500	59	£25,305
£1 to £250	46	£7,980
	167	£167,925

Comparative figures for 2020 are as follows:

Values of individual donations	Number of charities donating within that band	Total donations within that band
>£10,000	3	£60,670
£1,001 to £10,000	14	£35,800
£501 to £1,000	45	£34,935
£251 to £500	59	£24,595
£1 to £250	46	£7,070
	167	£163,070

## 4 Taxation

In considering the factors affecting the tax charge for the year, the directors have given consideration to the company's activities and its taxable status and have concluded that a tax liability relating to its interest income arises.

## 5 Staff costs and Directors' Remuneration and Benefits

There were no staff employed in 2021 (2020: nil) and there were no directors' remuneration or other benefits for the year ended 31 December 2021 (2020: nil).

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### 6 Intangible fixed assets

#### Website and portal

	£
Cost:	
At 1 January 2021	£50,268
Additions	-
Disposals	-
At 31 December 2021	£50,268
Depreciation:	
At 1 January 2021	£50,268
Charge for year	-
Disposals	-
At 31 December 2021	£50,268
Net book value 31 December 2021	£0
Net book value 31 December 2020	£0

The company's website and portal became operational from 1 May 2016 and were depreciated from that date.

### 7 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Contributions from observer members	12,690	2,400

### 8 Creditors

	2021	2020
	£	£
Amounts falling due within one year:		
Accruals	8,209	15,350
Taxation	13,342	-
Deferred income	22,661	27,840
	<u>44,212</u>	<u>43,190</u>

### 9 Reserves

(funds reported under FRS 102)

	Unrestricted Funds £	Restricted Funds £	Total £
Balance 31 December 2020	130,079	-	130,079
Income	270,374	12,500	282,874
Expenditure	(197,658)	-	(197,658)
Balance 31 December 2021	<u>202,795</u>	<u>12,500</u>	<u>215,295</u>

## Charity Tax Group

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The comparative figures are as follows:

	Unrestricted Funds £	Restricted Funds £	Total £
Balance 31 December 2019	125,672	10,745	136,417
Income	243,495	-	243,495
Expenditure	(239,088)	(10,745)	(249,833)
Balance 31 December 2020	<u>130,079</u>	<u>-</u>	<u>130,079</u>

### Unrestricted funds

The balance on unrestricted funds represents the net funds of the company which have not yet been expended and are not restricted or designated.

### Restricted funds

CTG has received £12,500 of a grant from the City Bridge Trust to be utilised in the support of London-based charities.

## 10 Controlling party

CTG is constituted as a company limited by guarantee. In accordance with its Articles of Association, control of the company is vested in the Directors who represent the Contributing Charity Members.

## 11 VAT

CTG has registered for VAT effective from 1 January 2021. In the year, CTG has recovered £16,758 of input VAT and paid to HMRC £9,338 of output VAT (Net position - £7,420 refund) in relation to its Q1 to Q3 filing.

## 12 Related party transactions

There were no related party transactions during the year ended 31 December 2021 or prior year.