

**Barnet Citizens Advice Bureau**  
(A charitable company limited by guarantee)

**Directors' and Trustees' Report and Financial Statements**  
**For the Year Ended 31 March 2013**

**Charity Number: 1065835**  
**Company Number: 02627909 (England and Wales)**



**Barnet Citizens Advice Bureau**

**Directors' and Trustees' Report for the year ended 31 March 2013**

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## **Barnet Citizens Advice Bureau Legal and Administrative Information**

### **Company Status**

Barnet Citizens Advice Bureau (BCAB) is a company limited by guarantee (Company no 02627909) Prior to incorporation the activities were carried out by an unincorporated association under the name of Barnet Citizens Advice Bureau which was registered with the Charities Commission The activities of this association were taken over by the Company, which is limited by guarantee being incorporated under the Companies Act 2006 The members are liable to contribute a sum not exceeding £1 each

### **Charitable Status**

Barnet Citizens Advice Bureau is a registered charity (Charity no 1065835) It is a member of the National Association of Citizens Advice Bureaux (also known as Citizens Advice)

### **Constitution**

BCAB's governing constitution follows the model Memorandum and Articles of Association recommended by Citizens Advice (CitA) and developed in close consultation with the Charity Commission The Directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees

### **Directors and Trustees**

BCAB's Articles of Association provides that Trustees may be elected, nominated by member organisations or co-opted by the Trustee Board The number of nominated and co-opted Trustees may not exceed one third of the number of elected Trustees All Trustees serve for a maximum term of three years but may, if willing to act, be re-appointed The Articles of Association provide for the Chair to be elected at the first meeting of the Trustees following the Annual General Meeting and to hold office until the conclusion of the subsequent Annual General Meeting (subject to a maximum term of seven consecutive years) The same arrangements apply to the election of the Vice Chair and Treasurer

The Trustees serving during the year and since the year-end were as follows

#### **Chair**

Edward Prosser (to 20/02/13)

Mike Walsh (interim Chair from 21/02/13 to 22/05/13)

Ian Bretman (from 22/05/13)

#### **Vice-Chair**

Mike Walsh

#### **Treasurer**

Jonathan Supran

#### **Elected Trustees**

Ian Bretman (from 20/02/13)

Mike Walsh

Sue BurkeAnn Wolfe

Robert Duthie

Patrick Erwin

Robert Francis

Jonathan Jewell (resigned 09/10/12)

Nicole Muris (resigned 09/09/13)

Edward Prosser

Hassan Shami

Jonathan Supran

### **Barnet Citizens Advice Bureau**

The recruitment of Trustees to serve in an elected capacity is ongoing with the objective of attracting people whose skills will complement and enhance the range of specialisms available to the Board. Formal policies are followed for recruitment and induction of Trustees to Barnet Citizens Advice Bureau and all Trustees are offered ongoing training. Recruitment is by open selection through press advertising and other media.

Current Trustees possess an effective mix of skills encompassing professionalism in Personnel, Change Management, Accountancy, Economics and Education. Some members combine their professional backgrounds with extensive experience in the voluntary sector.

The Company Secretary is appointed by Trustees and may be a paid member of staff. The term of the appointment is for Trustees to decide and the practice is for this to be at the first meeting of the Board following each AGM when other appointments are determined by Trustees.

<b>Chief Executive</b>	Tim Clark
<b>Secretary</b>	Tim Clark
<b>Registered Office</b>	40-42 Church End London NW4 4JT
<b>Accountants</b>	WMT - Chartered Accountants 2 <sup>nd</sup> Floor 45 Grosvenor Road St Albans Herts AL1 3AW
<b>Auditors</b>	Richard Anthony & Company 13 Station Road Finchley London N3 2SB
<b>Bankers</b>	HSBC Bank plc

## **Barnet Citizens Advice Bureau**

**The Directors and Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March, 2013.**

Legal and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, Memorandum and Articles of Association and the Statement of Recommended Practice (2005) Accounting and Reporting by Charities.

### **OBJECTS OF THE CHARITY**

The objects of the charity and its principal activity is that of providing a free, confidential and impartial service of advice, information and assistance to the public. Increasingly BCAB is developing its services to clients by opening up other channels of communication with the service.

To achieve its objects the charity

- operates through bureaux located throughout the Borough of Barnet in North London and via outreach locations, during the year a decision was taken to consolidate the four bureaux sites into two (Hendon NW4 and New Barnet EN5) and this was implemented in July 2013
- structures opening hours between the two bureaux to provide service access between 10 00am to 4 00pm, Monday to Friday, and evening sessions on some days,
- provides core advice services at the two bureaux in the areas of welfare benefits, debt, housing, employment, consumer, family and personal matters, immigration and nationality, taxes, health and education,
- delivers bureaux services through a range of access including face to face, telephone and email gateway assessment, face to face appointments, telephone advice and email advice,
- provides a helpline service between 09 30am to 4 00pm Monday to Friday, whereby clients receive a gateway assessment and thereafter the most appropriate form of help or advice that is within our resources – and those of our partners within the Advice Barnet Project – to provide,
- provides money advice services on a Borough wide basis and operates a Money Advice Project undertaking debt casework as a member of the Capitalise Partnership. The Project also provides financial capability training that is delivered to different community organisations and to local Children's Centres,
- provides a home visiting welfare benefits service for the elderly housebound,
- provides a generalist advice outreach service at Children's Centres in Barnet,
- provides a welfare benefits advice and information service to people affected by cancer in Barnet, Enfield and Haringey
- conforms to national quality assurance standards prescribed by Citizens Advice under its Membership Scheme and by the Legal Services Commission for advice and general help with casework in debt,
- Undertakes social policy work on both a local and national level

## **Barnet Citizens Advice Bureau**

### **Public Benefit**

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by the bureau during the year. The trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

### **ORGANISATION**

The Trustee Board must hold at least four ordinary meetings in each year and in 2012/13 met five times. The Board has overall responsibility for the strategic development and financial management of the organisation.

In line with Charity Commission recommended practice voting rights are reserved to Trustees. Members of the senior management team attend meetings of the Board as advisers and Trustees welcome and value the contribution to discussions by those who have direct day to day experience of delivering the service. Trustees are committed to the fullest possible participation by staff and volunteers in the development of the service and provide opportunities for this, particularly around the business planning process and the formulation of service priorities and objectives. There are established arrangements for regular staff and volunteer meetings and a programme of training days for volunteers also provides the opportunity for colleagues from different bureaux to meet.

Following a restructure the Chief Executive is supported by a senior management team which comprises one part time (4 days per week) Head of Services, a full time Service Manager, a full time Finance and Central Service Manager, and a part time (3 days per week) Project Manager of the Macmillan Welfare Benefits Advice Project.

Caroline Kahan is the Head of Services, Daniel Bamford (who took up this role in June 2013) is the Service Manager, Chukwunyere Kamalu is the Finance and Central Services Manager and Heather Johnson is the Macmillan Welfare Benefits Project Manager.

Client services are delivered primarily by volunteer advisers supported by Advice Session Supervisors (ASS), of whom there are currently eight and who all work part time. ASS fulfil a vital role, being responsible for the day to day running of the bureaux. Paid advisers within the Money Advice Project and the various other projects also contribute to the work of the two bureaux.

The BCAB volunteer team is about 75 strong and undertake a variety of different roles, including adviser, gateway assessor, admin assistant, receptionist, social policy coordinator and financial capability worker.

The recruitment and training team at BCAB has responded to the high volume of volunteering enquiries by hosting several Assessment Days throughout the year as well as providing a full range of training and coaching events. The Assessment Days provide an opportunity for prospective volunteers to learn more about the aims and principles of the CAB service, its operation and service delivery, and the volunteering roles available together with details of training programmes and level of commitment required.

The most traditional volunteering role within BCAB remains that of volunteer generalist adviser, and this is still an essential part of our service. All new volunteer advisers undertake a competency based training programme leading to a nationally recognised qualification – the Generalist Certificate in Advice Work. This can take on average 12 to 15 months to complete and underpins the high quality of advice that the adviser role demands. In 2012/2013 a further 15 volunteers were recruited in two separate intakes. The programme is led by a Guidance Tutor. The vast majority of those who join complete the training successfully although some have left for paid work either within BCAB (including the Chief Executive, one Service Manager, the Advice Barnet Project Manager, and seven Advice Session Supervisors) or in other advice agencies. Trustees see this as an inevitable consequence of the excellence of Citizens Advice training which is recognised throughout the voluntary advice sector. BCAB is fortunate that many of its volunteer advisers are long serving.

### **Barnet Citizens Advice Bureau**

Other support is provided by volunteer administrators who are essential to the smooth running of the bureaux. They undertake a wide range of tasks including word processing, maintaining files, updating local information, inputting statistical information and ordering supplies. There are also a number of volunteer receptionists and social policy coordinators, who all fulfil vital roles.

We have continued to implement Citizens Advice's new modular training and development framework for Gateway Assessor and Adviser roles with a programme to equip all generalist advisers with triage skills to provide maximum flexibility in our service delivery.

This year we have also designed a set of one day training sessions to be offered to local community organisations and groups involved in information, advice giving and advocacy. So far we have run two events, "Introduction to working with clients" and "Introduction to the debt advice process", which have proved popular with the participants. The programme will continue with a further event to familiarise participants with Universal Credit.

Volunteers are the life blood of BCAB and Trustees value highly the dedication and skills that they bring to the Service. Our 75 volunteers work for the organisation a total of approximately 700 hours per week. Using the Office of National Statistics' Annual Survey of Hours and Earnings, which show the average London hourly earnings of the different types of roles undertaken by volunteers within Barnet CAB as equating to £19.33, and this in turn represents a net worth to Barnet CAB of £13,531 per week or £703,612 per year. This, however, does not represent their true worth which is immeasurable in terms of the quality of the service they provide to clients and the high regard in which the organisation is held in the community. We also believe that by utilising a large number of local volunteers to provide our services to the local community we are encouraging the process of building community spirit within Barnet generally, not to mention embracing the concept of the Big Society.

## **ACHIEVEMENT & PERFORMANCE**

### **Funding**

Since February 2012 we have held the Council's Community Advice Service contract and through this contract we provide information and advice services - together with our subcontractor Barnet Law Service - to people who live, work or study in Barnet. A major challenge with the contract is the declining levels of income in Years 2 and 3 together with the increase in numerical targets. It is therefore pleasing, as we progress into Year 2 of the contract, to note that our performance continues to exceed most of these targets. As stated in 2011/12 report we have achieved these higher outputs with decreased resources through an increased emphasis on telephone and email, and by consolidating our resources into a smaller number of better and larger offices.

Competition for other funding is increasingly fierce as the voluntary sector in general and advice providers in particular continue to feel the impact of policies of austerity. We are therefore delighted to have enjoyed a major success in securing funding from the Advice Services Transition Fund programme administered by the Big Lottery Fund. This will enable us to continue to provide exceptional levels of access to our current service, as well as to develop new services such as an evening legal advice clinic. Also, since the year-end, we have competed successfully against a number of other bureaux to secure a contract with Ingeus, the Work Programme Prime for West London. This is a new area of work for us, but we hope to deliver it successfully in conjunction with a few other bureaux who have agreed to work on this project as our subcontractor.

However, previous funding successes can be no guarantee of future successes, and looking ahead to an advice world dominated by welfare reform and cuts to legal aid we have been working hard through a new strategy group (comprising both trustees and senior managers) to consider our options across a range of headings including communications and marketing, innovation and fundraising/income generation to identify potential new sources of income.

As stated above, we have again been successful in securing new income in 2012-2013. The Support Costs record £23,236 expended in 2012-2013 on seeking additional sources of funding. Although the London

### **Barnet Citizens Advice Bureau**

Borough of Barnet (LBB) remains our major funder it is important that we seek increasingly to broaden our funding base to develop services in specialist areas and to increase access to services at outreach locations in the borough. A significant measure of success in achieving these objectives is the reduction in the proportion of income represented by the LBB core grant. Over the last seven years this has reduced by 26%, from 69% of total income in 2004/2005 to 43% in 2012/13. The work of researching, preparing and submitting bids is time intensive and not all bids will be successful.

The Support Costs for 2012/2013 record £37,473 expended on service development activities (£27,600 in 2011/2012). This expenditure represents mainly the time of the Chief Executive and senior management team spent building links with other organisations in the Barnet voluntary and community sector and promoting the BCAB Service to the diverse communities that make up the London Borough of Barnet. It also reflects the amount of time spent in planning and implementing the service wide restructure which culminated in the move to the Hub bureau in Hendon.

### **Quality Assurance Standards**

The Citizens Advice Membership Scheme sets down a range of quality standards including the standards and requirements to which member bureaux must operate:

- o in delivering advice to clients and undertaking social policy work,
- o for monitoring the quality of advice given,
- o to function as effective, efficient and economic organisations

BCAB was delighted to achieve the impressive score of 82% in its Quality of Advice Audit carried out in May 2012. This result places us in the top 15% of all bureaux in England and Wales for quality of advice and is a testament to all the hard work of the volunteer and paid staff team. It is also the second consecutive QAA in which we have achieved a score of 82%. For the first time our gateway work was also audited, on an advisory basis, and in this audit we scored 85%, which the auditor commented was exceptionally high.

Finally, we were extremely pleased to achieve an outright pass at our organisational audit, also in May 2012, as carried out by Citizens Advice. This was again the second consecutive time we had achieved this standard and we are informed that only around 10% of bureaux achieve an outright pass at audit.

The organisational audit noted that areas of particular strength for BCAB included the quality of our advice and gateway work, and our social policy work. Examples of good practice that were noted included the successful implementation of our local access strategy, our governance and our change management.

It is immensely pleasing that our efforts to provide a high quality service to all those who live, work or study in Barnet have been recognised in this way, and it is a great testament to the commitment and professionalism of all the staff and volunteers at BCAB.

### **Social Policy work**

One of the twin aims of the CAB service is to “improve the policies and practices that affect people’s lives”.

Some social policies affecting clients will be national, such as social security, employment and immigration. Many will be national, but administered according to local policies and practices such as housing benefit, community care, housing, health and education. Our social policy work has the potential to exert a positive influence on the lives of local people.

In 2012/13 the BCAB Social Policy Development Group continued to be active at both a local and a national level, and has also continued to engage the whole advice sector locally through the Advice Barnet Project.



## **Barnet Citizens Advice Bureau**

### **CURRENT SERVICES**

#### **Access to services**

In 2012/13 BCAB dealt with 35,835 enquiries from 25,783 client contacts and 8,918 new clients. According to Citizens Advice's computerised case management system called CASE this meant that BCAB again assisted more new clients than any other London bureau in 2012/13 – and this has continued to be the case so far in 2013/14 to date.

#### **Community advice needs**

Measures of client advice needs confirm consistent trends with numbers of benefits, debt, housing and employment issues remaining high in number (last year's figures in brackets)

Benefits 35% (34%)  
Debt 16% (16%)  
Housing 12% (12%)  
Employment 10% (11%)  
Legal 6% (6%)

(Enquiries in the following subject categories each represent less than 5% each of total workload: Relationships, Consumer, Finance, Education, Health, Tax, Travel and Utilities)

The ongoing adverse economic circumstances and reforms to the welfare benefits system have led to a massive increase in the number of welfare benefits enquiries over the past 2 years (up from 29% in 2011 to 35% currently). We view this trend with great concern, especially as funding for social welfare law categories of advice has declined with the recent cuts to legal aid making it more difficult for current providers to meet increased demand.

#### **Hub working**

As reported in last year's report a key part of our strategy for developing our services – and for meeting all the numerous requirements of the CAS contract – was the acquisition of premises that were both affordable and suitable, to act as a Hub office for BCAB. This Hub was to enable us to concentrate a majority of our services in one location thereby achieving economies of scale, a better working environment for staff and clients alike, efficiencies and consistency of working practice, and to allow us to better meet the CAS tender specification.

After a great deal of planning and work this important strategic objective has been achieved by the expansion of our current Hendon CAB office into the vacant next door office at 44 Church End. These offices (opened in July 2013) have been joined, reconfigured and refurbished to provide in the region of 3,500 square feet of modern, architect designed office space in which most of our previous outlets are now located. At the same time our Finchley bureau and our offices at St George's Lodge and Moxon Street have closed with staff and volunteers being relocated in the first two instances to the new Hub, and in the latter instance to our New Barnet bureau (which has also been reconfigured and refurbished). We are grateful to staff and volunteers for their willingness to accept changes and for their help in making this important change a success.

#### **Other projects**

We have a number of major projects that supplement and complement the work of the core service. Specialist welfare benefits advice is provided to people affected by cancer in Barnet, Enfield and Haringey through our five year project funded by Macmillan Cancer Support. The project team comprises a part time manager, three part time caseworkers, a full time support worker and a small number of volunteers. The project is now half way through its funding and so our attention is turning to obtaining sustainment funding through demonstrating the far reaching impact of its work.

### **Barnet Citizens Advice Bureau**

We also continue to provide a high quality debt advice service to Barnet and Harrow residents as part of the London-wide Capitalise partnership. This service continues to comprise two full-time advisers, the money advice supervisor and caseworker, together with a part time support worker, a volunteer money adviser and a small team of volunteers who assist in different ways with the running of the service.

Due to government funding of money advice transferring to the Money Advice Service, the years 2012/13 and 2013/14 has seen a huge increase in targets for participating organisations.

As a corollary to debt advice, debt prevention is also high on our agenda. Funding through Citizens Advice and Nationwide's Money Active programme has allowed our Financial Capability Tutor, Tope Teniola, to assemble an enthusiastic and talented group of volunteers, and to deliver training on basic money matters to a variety of different groups throughout the borough. The seminars include information on basic budgeting skills, opening bank accounts, credit, student loans and generally managing money responsibly as an independent person. Funding from London Borough of Barnet Children's Services and through Energy Best Deal has also allowed seminars to take place in all Barnet's Children's Centres and to local community groups about switching energy suppliers.

Finally, and as stated above, the Big Lottery Fund continue their generous support of BCAB with funding from their Support Change and Impact, Reaching Communities and Advice Service Transition Fund programmes. This funding supports the Advice Barnet Project, which ensures that Barnet residents continue to benefit from a local advice sector (both voluntary and private) that works closely, innovatively and effectively in partnership.

Unfortunately, our long running and highly regarded home visiting service and our Children's Service project closed in May 2013 due to lack of funding. It is always regrettable when valued projects such as these providing vulnerable groups such as elderly and disabled people, or parents with young children on low incomes with important services. We recognise the pressures facing funders and commissioners in these times of austerity but we hope they will take a long-term view of both the costs and benefits of services provided by BCAB.

### **FUTURE DEVELOPMENTS**

Now that the service has successfully been restructured, our key priorities for 2013/14 are to consolidate and embed the new working arrangements and practices that have been introduced, and to continue to emphasise telephone and electronic models of service provision.

Income generation remains a key priority for the service and we are actively looking at innovative new models that will allow current services to be provided more efficiently and/or generate income for the service as a whole. We are also looking at how we can better market and communicate what we do so as to develop the necessary platform to enable us to improve our income generating potential.

### **RESERVES**

It is the policy of Barnet Citizens Advice Bureau to hold in reserve an appropriate level of unrestricted funding received for its general charitable purpose.

Barnet Citizens Advice Bureau (BCAB) needs reserves for a number of reasons:

- To cover gaps between incurring expenditure and receiving the corresponding grants, particularly at certain times of the year
- To maintain services if funding is suddenly reduced or withdrawn until new funding can be found
- To avoid reliance on bank overdrafts which may be recalled
- To provide for unforeseen expenditure such as building repairs, cover for long term sickness of a staff member, legal and other professional advice etc
- To provide for the costs of acquiring and moving to new premises

## **Barnet Citizens Advice Bureau**

BCAB Trustees believe a level of reserves in the order of a minimum of 10 - 15% of the annual expenditure is prudent. If utilised, plans will be made to restore the reserve to within the target range.

The level of reserves is regularly monitored and reviewed by BCAB Trustees to ensure reserves are maintained at an appropriate level. To ensure that the policy remains appropriate and current, it is reviewed annually as part of the budget setting process.

As at 31<sup>st</sup> March 2013 accumulated funds (reserves) that are unrestricted total £365,263 (£311,268 at 31<sup>st</sup> March 2012) of which £95,000 (£95,000 at 31<sup>st</sup> March 2012) is designated for expenditure in 2013/2014 as an exceptional, one off contingency to cover extra expenditure incurred as a result of the proposed move of premises. After allowing for these contingencies the balance of unrestricted funds held in reserves is £270,263 (£216,268 as at 31<sup>st</sup> March 2012). Fundraising efforts are ongoing and the level of reserves is being monitored closely.

### **RISK MANAGEMENT**

The major risks to which the charity is exposed as identified by the Trustees have been reviewed and systems have been established to mitigate the risks. The eight categories of risk covered, as recommended by Citizens Advice, our national body, are Service Delivery, Stakeholder Relations, Fitness for the Future, Finance, Governance, Management (including IT and Premises), Social Policy, and Equality, Diversity and Dignity at Work.

The current Risk Register was approved by the Board in 2012. A further review will take place in 2013.

### **TRANSACTIONS AND FINANCIAL POSITION**

The statement of financial activities shows a net surplus for the year of £27,560 and accumulated reserves as at 31 March 2013 totalling £342,985. These total reserves include unrestricted funds of £365,263 (of which £95,000 are designated) and £22,278 supports a deficit in the restricted funds for which the related expenditure is limited to specific activities. As at the Balance Sheet date the charity has total net current assets of £329,251 and fixed assets with a net book value of £13,734.

The present level of funding is considered adequate to support the continuation of the Bureau's work.

### **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Barnet Citizens Advice Bureau**

**AUDITORS**

A resolution will be proposed at the Annual General Meeting that Richard Anthony & Company be re-appointed as auditors to the charity for the ensuing year

By order of the trustees

*I.M. Bretman*

**Ian Bretman (Chair)**

Date 04/12/13

## **Barnet Citizens Advice Bureau**

### **Independent Auditors' Report to the members of Barnet Citizens Advice Bureau**

We have audited the financial statements of Barnet Citizens Advice Bureau for the year ended 31 March 2013, which comprise the Statement of Financial Activities, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the trustees (who are also the directors of Barnet Citizens Advice Bureau for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

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

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

**Barnet Citizens Advice Bureau**

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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report



Mr A V Simons (Senior Statutory Auditor)  
For and on behalf of Richard Anthony & Company

Date 4/12/13

**Chartered Accountants and  
Statutory Auditor**

13 Station Road  
Finchley  
London  
N3 2SB

# Barnet Citizens Advice Bureau

## Statement of Financial Activities for the year ended 31st March 2013

			Relates to 2013 figures		
	Notes	2013 £	Restricted £	Unrestricted £	2012 £
<b><u>Incoming Resources:</u></b>					
<b><u>Income resources from generated funds</u></b>					
Voluntary income	2 1	2,681	-	2,681	13,230
Investment income		505	-	505	897
<b><u>Income resources from charitable activities</u></b>	2 2-2 17	871,522	441,885	429,637	885,388
<b><u>Other incoming resources</u></b>					
Total incoming resources		<u>874,708</u>	<u>441,885</u>	<u>432,823</u>	<u>899,515</u>
<b><u>Resources expended</u></b>					
Cost of generating funds	3	-	-	-	-
<b><u>Charitable Activities</u></b>	4	826,459	428,504	397,955	825,728
<b><u>Governance Cost</u></b>	5	20,689	9,079	11,610	21,249
Total Resources Expended		<u>847,149</u>	<u>437,583</u>	<u>409,565</u>	<u>846,977</u>
Net incoming/(outgoing) resources Before transfer		27,559	4,302	23,258	52,538
Gross transfers between funds	14	-	(30,737)	30,737	-
Net movement in funds for the year		<u>27,559</u>	<u>(26,435)</u>	<u>53,995</u>	<u>52,538</u>
<b><u>Fund balance brought forward</u></b>		<u>315,426</u>	<u>4,157</u>	<u>311,268</u>	<u>262,888</u>
<b><u>Fund balance carried forward</u></b>	16	<u>342,985</u>	<u>(22,278)</u>	<u>365,263</u>	<u>315,426</u>

All incoming resources and resources expended derive from continuing activities  
The Statement of Financial Activities includes all gains and losses recognised in the year  
The notes on pages 17 to 26 form an integral part of these financial statements.

# Barnet Citizens Advice Bureau

## Balance Sheet as at 31st March 2013

		2013		2012	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	10		13,734		19,180
<b>Current Assets</b>					
Debtors	11	63,504		50,605	
Cash at bank and in hand	12	311,218		280,586	
		<u>374,722</u>		<u>331,191</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(45,471)</u>		<u>(34,945)</u>	
<b>Net Current Assets</b>			<u>329,251</u>		<u>296,246</u>
<b>Total Assets Less Current Liabilities</b>			<u>342,985</u>		<u>315,426</u>
<b>Capital and Reserves</b>					
Unrestricted funds					
Accumulated funds			270,263		216,268
Designated funds	15		95,000		95,000
Restricted funds			<u>(22,278)</u>		<u>4,157</u>
<b>Total funds available</b>	16		<u>342,985</u>		<u>315,426</u>

## Statement of Directors' and Trustees' Responsibilities

The Directors are required by law to prepare Financial Statements for each financial year which give a true and fair view of the financial activities of the Company and of its financial position at the end of that year. In preparing those financial statements the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in operation



### **Barnet Citizens Advice Bureau**

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board on 04/12/13 and signed on its behalf by



**Ian Bretman**  
**Chair**

**The notes on pages 17 to 26 form an integral part of these financial statements**

## **1. Accounting Policies**

### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in FRS 1 from the requirement to produce a cashflow statement because it is a small company

Statement of Recommended Practice (2005) Accounting by Charities has been adopted in preparing these financial statements. The principal accounting policies are set out below -

### **1.2. Tangible fixed assets and depreciation**

Fixed asset additions are capitalised at cost less the amount of any specific grants received in respect of the purchase of those assets. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Leasehold improvements	-	10% straight line
Computer equipment	-	33 3% straight line
Fixtures, fittings and equipment	-	33 3% straight line

### **1.3. Income**

Voluntary income including donations and gifts is recognised as income as soon as it is prudent and practicable to do so

Intangible incoming resources are included in the Financial Statements where another party is bearing the cost of the resources supplied and the benefit is quantifiable and measurable

Grants from Government and similar grants are dealt with in accordance with the terms under which they are given. Where no special terms are attached, they are dealt with on a receivable basis

### **1.4. Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its services for its beneficiaries. It includes both costs that can be allocated directly to such services and those costs of an indirect nature necessary to support them
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and cost linked to the strategic management of the charity
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 6

continued

## 1.5. Value Added Tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities

## 1.6. Pensions

Barnet Citizens Advice Bureau operates a Stakeholder Pension Scheme which is available to all employees subject to the Scheme rules. Barnet CAB does not at present make contributions to the Scheme

## 2. Incoming resources

Income for the year was -

### 2.1. Incoming resources from generated funds comprising:-

Voluntary Income – Donations and contributions

	Notes	2013 £	2012 £
Sundry donations	2.3	2,681	13,230
		<u>2,681</u>	<u>13,230</u>

### 2.2. Incoming resources from charitable activities comprising:-

		2013 £	2012 £
<b>Local Authority funding:</b>			
London Borough of Barnet	2.4	381,550	399,253
<b>Service agreements:</b>			
Financial Capability Project			
(Money Advice)	2.5	16,250	10,375
Home visitor		11,011	-
Service Contracts		-	3,788
		<u>408,811</u>	<u>413,416</u>

continued

**Grants received:**

BIS (formerly DTI) Capitalise Partnership (Money Advice)	2.5	114,000	104,763
The Big Lottery Fund (Advice Plus)	2.6	169,782	188,372
Children's Centre	2.7	40,000	16,200
Adult Social Services – Welfare Benefits Advice (London Borough of Barnet)		-	38,280
Macmillan Cancer Support	2.8	130,842	116,084

**Small Grants:**

Milly Apthorp (IT Support and website development)		-	5,833
Mortgage Rescue Scheme		8,087	2,440

		462,711	471,972
		=====	=====
Total incoming resources from charitable activities		871,522	885,388
		-----	-----
<b>Other incoming resources</b>			
Investment Income (bank interest only)		505	897
		-----	-----
<b>Total incoming resources</b>		<b>872,027</b>	<b>899,515</b>
		=====	=====

- 2.3 Voluntary income - BCAB receive voluntary income from membership subscriptions, legacies and sponsorships of £2,681 in 2012/2013 (2011/2012 £13,230)

Activities for generating funds - there is no income stream from such activities BCAB does not trade and did not undertake fundraising events in 2012/2013, or in the previous year

- 2.4 Funding of £381,550 was received from London Borough of Barnet for the year 2012/2013 (2011/2012 £399,252) under the Community Advice Service Contract between the London Borough of Barnet and Barnet CAB. The funding is unrestricted and supports the running expenses of the bureaux and associated costs

- 2.5 Grant aid of £114,000 was received in 2012/2013 from BIS (formerly the Department of Trade and Industry) Financial Inclusion Fund (2011/12 £104,763) to provide money advice services in partnership with other advice services covering most of London (the Capitalise Partnership led by Toynbee Hall). The grant has been used wholly and exclusively for this purpose

The grant aid was applied as follows

	2013	2012
	£	£
Salaries including employer's NIC	77,401	70,178
Telephone, travel, postage, stationery and sundry expenses	21,982	17,541

continued

Contribution to line management costs	9,628	9,628
	-	-
(Over)/under-spend as at 31st March 2012	4,989	7,416
	<u>114,000</u>	<u>104,763</u>

- 2.6 Grant aid of £181,782 was received in the year 2012/2013 from the Big Lottery Fund (2011/2012 £189,432). This was constituted of £245 Advice Plus capital grant from 2011-12, £10,000 Supporting Change funding in 2012/13, £28,662 is Reaching Communities funding in 2012/13, and the remainder of £142,875, is the Supporting Impact funding in 2012/2013. Of the £181,782 received, £12,000 is deferred Reaching Communities funding, which is carried forward to the 2013/2014 financial year.

The grant was applied as follows -

	2013	2012
£	£	
Project Start up costs	-	-
Salaries including employer's NIC	131,162	135,977
Recruitment	619	-
Telephone, travel, office expenses and sundry costs	43,565	47,906
Contribution to line management costs	13,189	4,489
	<u>188,535</u>	<u>188,372</u>
(Over)/under-spend as at 31st March 2013	(18,753)	-
	<u>169,782</u>	<u>188,372</u>

- 2.7 Contract funding of £40,000 was received in the year 2012/2013 (2011/2012 £16,200). This grant has been awarded for providing generalist advice by outreach and financial capability training at Barnet Children's Centres.

### 3 Resources expended - Cost of generating funds

The focus of funding activity undertaken by BCAB has been on bidding for contracts and grant aided funding and the associated staff costs are included in charitable expenditure. Income from generated funds in 2012/13 was limited to voluntary donations and bank interest received.

4. Resources expended – Charitable activities		2013	2012
Natural classification of resources expended	Note		
		£	£
Salaries and related expenses		648,112	629,230
Locum cover		-	3,942
Recruitment		3,367	863
Training		8,909	18,351
Office expenses		2,316	2,842
Postage		2,315	2,505
Telephone		12,920	15,071

continued

Stationery and printing		12,434	12,397
Subscription & library purchases		1,790	2,306
Travel		13,493	13,367
Refreshments		1,970	1,917
CA annual membership and conference fees		14,215	14,415
Rent, rates, light and heat		64,629	59,322
Cleaning		9,209	10,877
Insurance		5,709	5,227
Maintenance and repairs		1,769	2,165
Leasing costs		4,266	5,058
Depreciation of assets		8,099	9,043
IT support services		4,831	6,471
Small grants expenditure (purchases)		-	522
Sundry expenses / Ex-gratia payments		329	182
Health and Safety		1,011	1,730
Bank charges	7	825	664
AGM/Annual Report		-	5,314
Publicity/promotional materials		3,941	1,948
		<u>826,459</u>	<u>825,728</u>

**5. Resources expended - Governance costs**  
comprising

	8	<b>2013</b>	<b>2012</b>
Legal and professional fees		4,840	2,568
Auditor's remuneration		4,465	4,465
Room hire for meetings		930	473
Publicity/promotion		-	-
Bank charges		-	-
Senior management support to the Board		10,454	13,743
		<u>20,689</u>	<u>21,249</u>

continued

6

**Total Resources Expended**

	<b>Basis of allocation</b>	<b>Advisory Services Bureaux</b>	<b>Advisory Services Projects</b>	<b>Sundry Projects</b>	<b>Governance</b>	<b>2013 Totals</b>	<b>2012 Totals</b>
<b>Costs directly allocated to activities</b>							
Staff costs	Direct	136,845	361,297	1,834		499,976	493,934
Other operational costs	Direct	57,094	152,251	2,115		211,460	210,203
Legal and professional fees	Direct				4,840	4,840	2,568
Audit fees	Direct				4,465	4,465	4,465
Room hire /trustee mtgs	Direct				930	930	473
Trustee recruitment	Direct					0	0
		<b>193,939</b>	<b>513,548</b>	<b>3,949</b>	<b>10,235</b>	<b>721,671</b>	<b>711,643</b>
<b>Support costs allocated to activities</b>							
Funding applications	Staff Time	6,274	16,730	232		23,236	25,953
Service development	Staff Time	10,118	26,981	375		37,473	27,600
Finance and admin	Staff Time	10,276	27,402	381		38,059	42,137
<b>Senior management costs</b>							
a) Support to Trustee Board	Staff Time				10,454	10,454	13,743
b) Other management activities	Staff Time	0	0	0		0	0
c) Recruitment and training	Usage	4,092	8,184			12,276	21,559
d) Office expenses	Usage						0
Health and safety	Per Head	337	674			1,011	1,730
Promotional/publicity materials	Per Head	715	1,429			2,144	1,948
Bank charges		275	550			825	664
<b>Total Support Costs</b>		<b>32,085</b>	<b>81,950</b>	<b>988</b>	<b>10,454</b>	<b>125,478</b>	<b>135,334</b>
<b>Total Resources Expended</b>		<b>226,025</b>	<b>595,499</b>	<b>4,936</b>	<b>20,689</b>	<b>847,149</b>	<b>846,977</b>

Advisory Services Bureaux - relates to the three bureaux (Hendon, Finchley, New Barnet) and associated outreach services

Advisory Services Projects - includes the Money Advice project, Advice Barnet, Macmillan project and the home visiting service

Sundry Projects – ADSS, email adviser, etc (£4,936)

Total Support Costs - represent 15% of total resources expended (16% 2012)

Governance Costs - represent 3 % of total resources expended (2.5% 2012)

continued

<b>7.</b>	<b>Interest payable and similar charges</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Bank charges	825	664
		<u>          </u>	<u>          </u>
<b>8.</b>	<b>Net resources for the year</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	The net resources for the year are stated after charging		
	Depreciation of tangible assets	8,099	9,043
	Auditors' remuneration	4,465	4,465
		<u>          </u>	<u>          </u>
<b>9.</b>	<b>Employees</b>		
	<b>Number of employees</b>		
	The average monthly numbers of employees		
	during the year were		
		<b>2013</b>	<b>2012</b>
		<b>Number</b>	<b>Number</b>
	Managers	4	4
	Other	16	19
		<u>      </u>	<u>      </u>
		20	23
		<u>          </u>	<u>          </u>
	<b>Employment costs</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Wages, salaries and related costs	594,985	578,477
	Social security costs	53,127	50,753
		<u>          </u>	<u>          </u>
		648,112	629,230
		<u>          </u>	<u>          </u>



continued

**10. Tangible fixed assets**  
For direct charitable purposes

	<b>Leasehold Improvements</b>	<b>Computer Equipment</b>	<b>Fixtures, Fittings &amp; Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1st April 2012	7 388	99,934	40,592	147,914
Additions		2,208	445	2,653
Disposals	-	-	-	-
At 31st March 2013	<u>7,388</u>	<u>102,142</u>	<u>41,037</u>	<u>150,567</u>
<b>Depreciation</b>				
At 1st April 2012	5,787	91,380	31,565	128,732
Charge for the year	739	4,291	3,069	8,099
Depreciation on disposals	-	-	-	-
At 31st March 2013	<u>6,526</u>	<u>95,671</u>	<u>34,634</u>	<u>136,831</u>
<b>Net book values</b>				
At 31st March 2013	861	6,470	6,402	13,734
At 31st March 2012	<u>1,600</u>	<u>8,554</u>	<u>9,026</u>	<u>19,180</u>

**11. Debtors**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade Debtors	56,169	42,878
Prepayments	7,335	7,727
	<u>63,504</u>	<u>50,605</u>

**12. Cash at bank and in hand**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Bank accounts	309,342	278,523
Cash in hand	1,876	2,063
	<u>311,218</u>	<u>280,586</u>

continued

13. Creditors: amounts falling due within one year	2013 £	2012 £
Trade creditors	4,939	1,329
Other taxes and social security costs	15,832	14,615
Funding received in advance	-	17,450
Accounts preparation and audit fee	-	-
Other accruals	24,700	1,551
	<u>45,471</u>	<u>34,945</u>

**14. Gross transfers between accounts**

Transfers from restricted to unrestricted funds represent contributions made by projects towards line management costs and, where appropriate, other overheads not charged directly to the project e.g. general office consumables. Overheads are included in funding bids and in financial reports to the funder. The net contribution in 2012/13 was £30,737 (2011/2012 £36,712).

**15. Trustees have designated the following funds from unrestricted reserves for use in 2013/2014**

- £95,000 - as a one off expenditure to cover costs incurred as a result of the proposed move of premises

continued

## 16. Reconciliation and Analysis of Movements on the Funds.

	<u>LBB &amp; General Fund</u>	<u>Service Contracts</u>	<u>Capitalise BIS (MAP)</u>	<u>volunteer coord</u>	<u>BLF (ABP)</u>	<u>CJA (AHA)</u>	<u>Home Visitor</u>	<u>M Aphthorp</u>	<u>Generalist Advice</u>	<u>FCAP</u>	<u>LBB AdSS</u>	<u>LBB meridian rescue</u>	<u>Macmillan</u>	<u>UR Reserves</u>	<u>TOTAL</u>
<b>Income</b>															
General (UR LBB)	381 550														381 550
Service Contracts		0													0
Capitalise (BIS)			114 000												114 000
BLF					169 782										169 782
Home visitor (LST Natwest etc)								11 011							11 011
LBB Extended Schls															0
LBB Burnt Oak & Barnet House															0
LBB Childrens Cntrs									40 000						40 000
FCAP										16 250					16 250
LBB AdSS											0				0
LBB MRS												8 087			8 087
Macmillan													130 842		130 842
Bank Interest (Received Gross)	505														505
Other Income & Donations	2 681														2 681
UR Reserves															0
Gross Income	384 736	0	114 000		169 782	0		11 011	0	40 000	16 250	0	8 087	130 842	874 708
<b>Expenditure</b>															
Charitable Activities	397 656	0	98 480	0	170 349	49		9 795	440	23 786	19 931	1 394	0	128 115	826 459
Governance Costs	11 610	0	903	0	5 077	0		0		0	278	0	0	2 821	20 689
Total Expenditure	409 266	0	99 383	0	175 426	49		9 795	440	23 786	20 209	1 394	0	130 936	847 148
Gross transfers between funds	54 273	0	9 628	0	13 109	0		0		0	0	0	0	8 000	0
Net Movement in Funds	29 743	0	4 989	0	18 753	49		1 216	440	16 214	3 959	1 394	8 087	8 084	27 560
Balance at 31 3 2012	384 059	26 692	2 212	16 456	12 512	3 156		0	2 412	7 353	-8,228	1 283	2 440	1 610	315 425
Balance at 31 3 2013	413 802	26 692	2 777	16 456	-8 241	3 205		1 216	1 972	23 567	12,187	111	10 527	9 704	342 985