

**BIRMINGHAM CITIZENS ADVICE
BUREAU SERVICE LIMITED**

(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2020

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

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BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements for the year ended 31 March 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), 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).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity number: 519639
Company number: 02202427

Authorised & regulated by the Financial Conduct Authority FRN: 617509

Registered office: Gazette Buildings
168 Corporation Street
Birmingham
B4 6TF

Trustee Directors: Paul Southon
Jill Lambert
Councillor Gareth Moore
Elizabeth Alvey
Sunny Vashisht
Abisola Latunji-Cockbill
Chaitali Desai
Liam Brooker
Sundeep Gill
Stuart Crowe (appointed on 10/12/19)
Lydia Stockdale (appointed on 10/12/19)
Lucy Vernall (appointed on 10/12/19)
Suneet Chavda (resigned on 31/03/20)
Tracie Pearce (resigned on 28/01/20)
Linden Thomas (resigned on 16/10/19)

Senior Management Team: Janice Nichols (Chief Executive)
Kelly Danks
Samantha Catchpole
Jane Priest

Auditors: Cooper Parry Group Limited
Park View, One Central Boulevard
Blythe Valley Park
Solihull
B90 8BG

Bankers: Unity Trust Bank Plc
9 Brindley Place
Birmingham
B1 2HB

Solicitors: DLA Piper UK LLP
Victoria Square House
Birmingham
B2 4DL

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity (which has the working name of 'Citizens Advice Birmingham (CAB)') was formed as a company limited by guarantee on 3 December 1987 (Company Number: 02202427). The full name of the charity is Birmingham Citizens Advice Bureau Service Limited and was registered with the Charity Commission on 15 December 1987 (Charity Number: 519639). It is governed by its Memorandum and Articles of Association, as last updated on 17 October 2018.

Recruitment and appointment of trustees

The Charity is governed through a Trustee Board. Trustees who have held office during the year are listed on page 3. The Articles of Association provide for a minimum of three and a maximum of fifteen Trustees.

Trustees are elected to the Board for a maximum period of three AGMs and are appointed by a resolution of its members at an AGM. The Board has powers to co-opt members, provided that on appointment the total number of co-opted trustees does not exceed one third of the total number of trustees. All co-opted trustees must retire by the third AGM after their appointment and may offer themselves for election.

The Trustee Board has two working committees, the Finance and General Purposes Committee with responsibility for financial management and premises and the Human Resources Committee with responsibility for personnel matters, including the setting and monitoring of pay & remuneration of personnel and key management against industry benchmarks, as well as Health and Safety. The Board implements its decisions through an executive management committee that consists of a Chief Executive, who attends Board Meetings, and three operational Managers, each with an individual area of responsibility, along with the IT and Finance officers.

The organisation is co-ordinated from its office on Corporation Street, Birmingham.

Trustee induction and training

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. They also meet key employees and other trustees. Trustees are provided with annual training and charity updates where these will facilitate the understanding of their role and are also provided online training via our National Citizens Advice online portal.

Related parties

Citizens Advice Birmingham (CAB) is a member of The National Association of Citizens Advice Bureaux (Citizens Advice), the national charity (Charity Number: 279057) which sets out a framework for standards of advice and case management and supports local offices with an information system, training and other services.

A representative of Citizens Advice attends some meetings in an advisory, control and regulatory capacity. During the 2019/20 financial year payments were made to Citizens Advice to the value of £13,849 (2018/19: £13,976) in respect of subscriptions, accountancy support, training services, stationery and sundries. Receipts from Citizens Advice for contracts and grant funding totalled £915,417 (2018/19: £527,009).

Trustee Abisola Latunji-Cockbill is an employee of Mills & Reeve LLP. No donations were received from Mills & Reeves LLP in the 2019/20 financial year but a donation was received from Mills & Reeve LLP of £1,000 in 2018/19.

Councillor Gareth Moore is appointed by Birmingham City Council. During the 2019/20 financial year payments were made to Birmingham City Council of £111,043 (2019/19: £113,429) in respect of premises rentals, council taxes and business rates. Receipts from Birmingham City Council for contracts and grant funding in the year totalled £349,061 (2018/19: £521,352). An amount of £50,000 is owed at the year end (2018/19: £50,000) to BCC with regard to the LEAS contract.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Key risks and uncertainties

Senior managers and trustees undertake an annual review of the business risks for Citizens Advice Birmingham, taking care to record all significant risks in a risk register. This is monitored throughout the year to ensure there has not been any major change to individual risks. Consideration is given to the steps the organisation needs to take to mitigate risk by setting down actions that can be taken to reduce the likelihood and/or the impact of an individual risk taking place.

The principal risk identified by this process is the uncertainty of future funding (this is likely to be further exacerbated by the Covid-19 crisis, see below). Trustees continue to look for new funding streams and opportunities to collaborate with others to develop new projects. Citizens Advice Birmingham carries sufficient reserves to meet the obligations of the organisation in the event that no future funding is secured and takes steps to actively manage creditors to ensure there is a healthy cash flow in the bank.

Other key risks are associated with the loss of experienced staff from, or the inability to successfully recruit to, key roles within the workforce. To mitigate this risk, the organisation undertakes succession planning by ensuring that skills are shared and roles are developed in the team to cover key posts when necessary. Training and further development is offered where this can help to develop necessary skills. Where we have been unable to appoint to advisor roles, we are increasingly 'growing our own' by appointing to trainee positions. We would like to seek funding to develop trainee caseworker roles in the future.

Trustees take seriously the potential risks around information and data and Information Assurance is another key risk detailed in the organisation's risk register. Staff and volunteers are regularly reminded of their responsibilities around the storage and handling of data as well as undertaking annual GDPR refresher training.

Covid-19

In February/March 2020, the Covid-19 global pandemic was beginning to impact on Citizens Advice Birmingham's services and clients. Our Business Continuity Plan, which had been tested in a desk-top exercise in October 2019, served as guidance for the Senior Management Team throughout March 2020 as the organisation got to grips with the national emergency. In preparation for a potential lockdown, emergency measures were put into place to enable all our paid staff to work from home. So, when the Government announced the lockdown, we were able to continue to provide the people of Birmingham with the advice services they needed via the phone and webchat.

In addition to the impact of the Covid-19 pandemic on services, it is likely to place further strains on the uncertain funding environment. The mass cancellation of fundraising events, public funds being diverted into emergency activity to deal with the pandemic and the longer-term impact on the economy will all likely have a significant impact on the future funding available to Citizens Advice Birmingham.

Trustees

The trustees who have served during the year can be seen on page 3.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Pay and remuneration of senior staff

Levels of salary for senior staff and key management personnel are reviewed annually and the Board operates a HR Committee which meets to discuss staffing concerns during the year before reporting back to the Board. Salary levels are regularly benchmarked against comparable organisations.

Fundraising activities

The Charity had no significant fundraising activities and costs in the year but raised funds from voluntary donations received from regular donors as well as donations received from clients as well as organisations that are supporting our work.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

OBJECTIVES AND ACTIVITIES

Citizens Advice Birmingham (CAB) has twin aims:

- Provision of information, advice and advocacy to the people of Birmingham; and
- Influence the development of social policy to tackle injustice, reduce poverty and social exclusion.

This free, confidential and impartial advice service is provided to the standards set by national Citizens Advice so that clients can understand their rights and responsibilities and thus enable them to make informed choices about important aspects of their lives

Policies

The policy that has been adopted to achieve the above objective is to follow the guidelines set down by the national Citizens Advice and includes the operation of offices and outreach services within the geographical area.

The trustees achieve their aims by:-

- a) Obtaining a local diversity of volunteers and training them;
- b) Sustaining and assisting charitable services by providing teams of managerial, administrative and specialist staff;
- c) Raising income by negotiating funding agreements with various bodies, and obtaining donations and income from other sources;
- d) Incurring expenditure, acquiring assets, entering into leases and other transactions such that the service can operate to a high standard in an efficient manner; and
- e) Controlling financial operations on a year-by-year basis by the appropriate use of a Business Development Plan and an Annual Budget.

The charity also operates Health & Safety and Equal Opportunities policies for the benefit of all coming into contact with the organisation.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

During the year, Citizens Advice Birmingham provided advice to clients across Birmingham from locations including:-

- The local office located in the City Centre;
- Various Health Units within primary and secondary care locations across Birmingham;
- Hospitals across Birmingham;
- Job Centres, libraries, community centres, and
- County Court Welfare Office.

Citizens Advice Birmingham provides information and advice on a wide range of issues to those living or working in the Birmingham area. We provide public benefit through our services which are free, confidential, independent and impartial to anyone using them. Below we set out in more detail how we have provided these services over the last year.

The Board of Trustees has had due regard to the Charity Commission guidance on public benefit and has complied with the duty in section 4 of the Charities Act 2011.

ACHIEVEMENTS AND PERFORMANCE

During 2019/20, Citizens Advice Birmingham delivered high quality, targeted free advice to 28,924 clients. This is a decrease of 2,739 clients on the number of clients seen in 2018/19 and is due mainly to a decrease in the number of clients in our core generalist services, where paid staff and volunteers assisted a total of 13,601 clients. The reductions in client numbers for the core service is largely due to changes to our contract with Birmingham City Council from October 2019 which resulted in the closure of the Saltley Advice Centre and the loss 1 FTE Advice Session Supervisor. A lack of staffing at our City Centre office and the ending of funding for the Volunteer Development Officer role further reduced our capacity to assist clients.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

During the year 4,553 clients who, in previous years, would have been assisted with means tested benefit enquiries via the core service, were assisted via the new Help to Claim service.

Approximately 62% (8,408 people) of clients assisted by our generalist advice team accessed the service via the Telephone Advice Line, with the remaining 38% (5,193 people) assisted in person. Of the clients assisted in person, 612 were seen at the Saltley Advice Centre, 620 at outreach venues and 3,961 at our City Centre office where we continued to assist people who required emergency help such as food bank vouchers or who were vulnerable and needed face-to-face support.

From 1 April 2019, we participated in the national Citizens Advice work to support people eligible for the Windrush Compensation Scheme to make their applications. Access to this service was via referral from Citizens Advice nationally, who conducted an initial triage to assess eligibility prior to the referral.

We have continued to provide our services at a number of outreach locations across the city; this ensures we are providing services in the community, which are often easier for clients to access or they feel more at ease in using. Citizens Advice Birmingham staff have provided advice to clients from a range of outlets including:

- Our Debt team saw clients in libraries and Job Centres across the city as well as having a presence at the Magistrates' Court. They also attended HMP Birmingham to assist prisoners with debt matters.
- Our County Court Welfare Office provided a duty scheme to anyone who attending court for an eviction or repossession order;
- Our Macmillan team provided support to people with cancer and their families at 14 outreach sessions each week across six hospitals, three hospices and three Citizens Advice locations in Birmingham and Solihull.
- Our Mental Health team provided benefits advice to clients in community based mental health outlets; and
- Our Wellbeing team offered face-to-face appointments at GP practices and health clinics, providing generalist advice on a range of topics to patients referred by their practice.

Citizens Advice Birmingham's work resulted in income gains for our clients of £19,331,354 in 2019/20. In the last year the Debt Team have dealt with £7,529,898 worth of debt, 41% of which was priority debt and the remaining 59% non-priority debt. In 2019/20, outcomes for debts written off, which included Debt Relief Orders and write offs, totalled £1,935,325. Over the same period, repayments negotiated, which included Debt Management Plans on clients' behalf and token offer payments, totalled £419,711. Our County Court Welfare Office, which provides a duty scheme for people facing repossession or eviction hearings, dealt with £4,985,620 worth of mortgage arrears and £4,880,818 of rent arrears.

Citizens Advice Birmingham regularly seeks feedback on our performance from clients. Overall, 87% of our clients rated their experience of our service as positive or very positive, 81% said they felt less stressed and 100% were positive or very positive about recommending our service to others. Among those clients who accessed our services via our mental health team, 80% said they felt less worried about their finances following our advice and 82% said our advice had helped to reduce their stress and anxiety. 89% of clients who were supported by our Macmillan team told us that they were satisfied or very satisfied with the service they received, 68% felt less worried about their finances and, for 75%, our assistance had helped to reduce their stress or anxiety.

The above could not have been achieved without the hard work and dedication of our staff and volunteers. The Trustee Board and Senior Management Team recognise the tremendous contribution made by our volunteers without whom the service could not operate. The rigorous training required to achieve the standards set by the service means not all potential volunteers complete the course but, those that do, work at all levels of the organisation from reception and administration to generalist advice and benefits advice work. We had 65 regularly active volunteers over the year who, between them, contributed 650 hours per week equating to 17.5 FTE staff. Over the year, we had 132 people involved in volunteering with us, 27 of whom have since moved into paid work and 12 into education or training.

We continue to work in partnership with other agencies including Birmingham City Council. As part of our Legal Entitlement Advice Services contract with Birmingham City Council which ended in September 2019, Citizens Advice Birmingham ran the former Saltley Neighbourhood Office as an advice centre. Citizens Advice Birmingham also continued to host two neighbourhood advice officers from Birmingham City Council in our City Centre office. This partnership working has been beneficial for clients, as it has enabled Citizens Advice Birmingham staff to have easier access to council information for clients, thus avoiding lengthy phone calls.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Citizens Advice Birmingham's debt team continues to work closely with Birmingham City Council's Council Tax Team. Together we have been trying to ensure clients have early access to information and advice regarding their council tax liabilities. The intention is to help clients avoid building up council tax arrears that, in the past, have resulted in court action for recovery.

In summary, whilst the operating environment continues to get more difficult and demand is ever increasing, Citizens Advice Birmingham has tried to ensure our services continue to reach as many people as possible who need our help. We have done this by providing more outreach services, collaborating with partner agencies where this benefits our clients and expanding our telephone offer so that people who have difficulty attending our office have access to the advice they need when they need it.

REVIEW OF FINANCIAL POSITION

During the 2019/20 financial year CAB delivered a financial surplus of £31,662 (2018/19: deficit of £14,832). This surplus arose primarily thanks to a new funding stream in the Universal Support project to provide help to new claimants of Universal Credit. Income overall slightly increased by 9% to £1,970,708 compared to £1,807,159 in 2018/19, while over the same period expenditure increased by 3.4% to £1,939,046 from £1,875,548 in 2018/19, due to more staff employed to fulfil extra work commitments.

Expenditure on fixed assets capitalised during the year amounted to £NIL (2018/19: £NIL), in congruence with our capitalisation policy. Fixed assets are used for charitable purposes and enable staff and volunteers to provide an optimum service to the public.

There is an end of year restricted fund balance of £13,773 (2018/19: £31,375). This is accounted for by £13,773 left for the BCC Mental Health project, which is expected to be fully spent by March 2021.

Restrictions and Investment Powers

The Memorandum of Association authorises the charity to receive income by way of grants, donations, gifts and legacies provided that it does not undertake any permanent trading activities in raising funds for its primary objectives. The Memorandum of Association authorises investment of surplus monies not immediately required, subject only to conditions and consents imposed by law.

Reserves Policy

The Trustee Board reviews and updates its reserves policy annually to ensure its compliance with Charity Commission best practice. This requires reserves to be available to cover future contingencies and liabilities. The Reserves Policy requires at least three months' expenditure to be held as unrestricted designated funds, equating to £485,438 at budgeted 2020/21 expenditure levels. The Charity also has a designated fund of £225,000 for tangible fixed assets and a further £200,000 for other designated funds, the breakdown of which can be seen in Note 20 on page 27. The unrestricted and undesignated general free reserves at 31 March 2020 was £31,159 (2019: £38,304) after designating reserves of £910,438 (2019: £854,029). Restricted reserves at the end of the year amount to £13,773 (2019: £31,375).

Going Concern

The Charity reported a cash outflow of £55,143 for the year despite the surplus due to higher debtor amounts owed to the charity at year-end and lower creditor amounts paid to suppliers. The Charity expects to make a small outflow in 2020/21.

Whilst the year ending 31 March 2020 was largely unaffected by Covid-19, the recent worldwide outbreak and the virus control measures resulted in the charity temporarily closing its offices for a couple of months but has since opened with very limited opening hours and face-to-face access. However, we are still providing telephone support to those needing our support/advice and have increased our capacity to deliver services in this way. Once the current restrictions are lifted all activities and face-to-face requirements for working will be reviewed on a per need basis.

After making further appropriate enquiries, together with our reserves and expenditure control, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the twelve months from the date of signing this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Political Donations

No donations of monies or donated goods were made to any political parties or political campaigns in the year (2018/19: £NIL).

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

FUTURE PLANS

At the time of writing this report, the country continues to remain in lockdown under the Covid-19 emergency requirements and Citizens Advice Birmingham continues to provide all services via telephone and webchat with its workforce working from home.

Trustees take seriously their duty of care to our staff and volunteers and will need to be sure that safe systems of work are in place before returning to face-to-face service delivery. The apparent success of homeworking, alongside the ongoing uncertainty regarding the longer-term presence of Covid-19, means that consideration will need to be given as to how Citizens Advice Birmingham provides its services into the future.

Trustees had already taken the decision to cease the search for new offices, as suitable premises at an affordable rent have proved impossible to find. Instead, we will remain at Gazette Buildings, but the current circumstances have put greater focus on the need to accelerate the modernisation of our ICT and move to cloud storage. This will continue to be a priority for the year ahead.

Trustees will continue to maintain firm controls on expenditure and will seek in the future to only provide services that, as far as possible, are fully funded or make a significant contribution to overheads. Demand for advice continues to outstrip the funded levels of service and this is expected to increase over the next year as the impact of Covid-19 on the national economy plays out. The Senior Management Team will continue to review how to provide more from within our existing resources. We will also continue to seek further resources to expand our phone and digital services following the success of moving to a phone and digital first approach three years ago.

Funding continues to be short term and uncertain and is likely to remain so for some years to come, which makes longer term planning difficult. The Trustee Board recognises this, and Citizens Advice Birmingham has begun to diversify its search for other funding opportunities and is already working with other local Citizens Advice and other partners to consider cost-sharing options where feasible. We continue to work with local Citizens Advice in the West Midlands region and to seek out opportunities to collaborate on projects where possible.

The priorities laid out below cover a wide range of challenges and opportunities in the next year and beyond:

- Continue to provide the people of Birmingham with high quality and accessible services;
- Take steps to set our finances onto a more sustainable footing by continuing to seek new funding opportunities, having a more diverse funding base and managing our costs;
- Have the appropriate infrastructure, including IT, to provide high quality services to our customers and ensure efficient management of the organisation;
- Further develop our telephone and digital offer to ensure we reach as many clients as possible within our limited resources;
- Raise the profile of Citizens Advice Birmingham with clients, funders and third parties;
- Continue to develop new ways of working including homeworking, co-location with partners and further outreach;
- Use our data to analyse and research issues to campaign for the benefit of our clients and the wider community;
- Explore collaborative working with other local Citizens Advice, particularly in the West Midlands region, in other Core Cities and with other third sector agencies; and
- Utilise reserves in line with policy.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Birmingham Citizens Advice Bureau Service Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Cooper Parry Group Limited were appointed to conduct the audit this year and have indicated their willingness to continue in office for the ensuing year.

The Trustees' report was approved by the board, authorised for issue on 07 October 2020, and signed on its behalf by,



Paul Southon
Chair

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

Opinion

We have audited the financial statements of Birmingham Citizens Advice Bureau Service Limited ("the Charitable Company") for the year ended 31 March 2020, which comprise the statement of financial activities, the balance sheet, the cash flow statement 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2020 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 Charitable Company in accordance with the ethical requirements 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 related to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees 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.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

Opinions 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 Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determines 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 Charitable Company'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 Charitable Company 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.

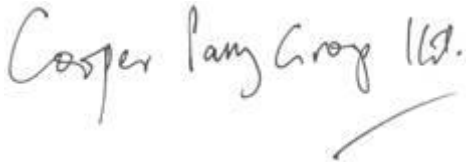
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our report.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members 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 the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Simon Atkins" followed by a flourish.

Simon Atkins (Senior Statutory Auditor)

For and on behalf of Cooper Parry Group Limited, statutory auditor
Park View, One Central Boulevard
Blythe Valley Park
Solihull
B90 8BG

Date: 8 October 2020

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(Including income and expenditure account)

For the year ended 31 March 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £ (restated)	Restricted Funds £ (restated)	Total 2019 £
Income from:							
Donations and legacies	2	4,435	-	4,435	14,099	105	14,204
Charitable activities	3	403,220	1,540,760	1,943,980	566,496	1,211,532	1,778,028
Activities for generating funds	4	5,800	-	5,800	7,025	-	7,025
Investments	5	16,493	-	16,493	7,902	-	7,902
Total income		429,948	1,540,760	1,970,708	595,522	1,211,637	1,807,159
Expenditure on:							
Charitable activities	6,7	420,633	1,516,255	1,936,888	579,465	1,294,802	1,874,267
Other expenditure	8	2,158	-	2,158	1,281	-	1,281
Total expenditure		422,791	1,516,255	1,939,046	580,746	1,294,802	1,875,548
Net income/(expenditure) before transfer		7,157	24,505	31,662	14,776	(83,165)	(68,389)
Transfers between funds		42,107	(42,107)	-	(102,551)	102,551	-
Other recognised gains/(losses):							
Gain on revaluation of fixed assets		-	-	-	53,557	-	53,557
Net movement in funds		49,264	(17,602)	31,662	(34,218)	19,386	(14,832)
Reconciliation of funds:							
Total funds brought forward at 01 April 2019		892,333	31,375	923,708	926,551	11,989	938,540
Total funds carried forward at 31 March 2020		941,597	13,773	955,370	892,333	31,375	923,708

The statement of financial activities includes all gains and losses in the current and comparative year. All income and expenditure derive from continuing activities.

The notes on pages 17 to 32 form part of these financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

BALANCE SHEET As at 31 March 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	14	-		7,983	
Investments	14	225,000		225,000	
			<u>225,000</u>		<u>232,983</u>
Current assets					
Debtors	15	269,609		229,032	
Cash at bank and in hand	26	760,273		815,416	
		<u>1,029,882</u>		<u>1,044,448</u>	
Liabilities					
Creditors: amounts falling due within one year	16	(219,512)		(273,723)	
			<u>810,370</u>		<u>770,725</u>
Net current assets			<u>810,370</u>		<u>770,725</u>
Total assets less current liabilities			<u>1,035,370</u>		<u>1,003,708</u>
Provisions for liabilities	19		<u>(80,000)</u>		<u>(80,000)</u>
Total net assets			<u>955,370</u>		<u>923,708</u>
Funds of the charity					
Unrestricted funds:	20				
General funds		31,159		38,304	
Designated funds		856,881		800,472	
Revaluation reserve		53,557		53,557	
			<u>941,597</u>		<u>892,333</u>
Restricted funds	21		<u>13,773</u>		<u>31,375</u>
Total charity funds	22		<u>955,370</u>		<u>923,708</u>

The financial statements for registered Company number 02202427, have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities. The accounts were approved by the Board, authorised for issue on 07 October 2020, and signed on its behalf by,



Paul Southon
Chair

The notes on pages 17 to 32 form part of these financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

CASH FLOW STATEMENT For the year ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	25	(58,534)	3,411
Cash flows from investing activities:			
Interest income	5	3,391	2,417
Net cash provided by investing activities		3,391	2,417
Increase / (decrease) in cash and cash equivalents in the reporting period		(55,143)	5,828
Cash and cash equivalents at the beginning of the reporting period		815,416	809,588
Cash and cash equivalents at the end of the reporting period	26	760,273	815,416

The notes on pages 17 to 32 form part of these financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

Charitable Company Information

Birmingham Citizens Advice Bureau Service Limited is a private limited charitable company, limited by guarantee, by not having share capital incorporated and domiciled in England & Wales. The registered office is Gazette Building, 168 Corporation Street, Birmingham, B4 6TF and the company registration number is: 02202427.

1 Accounting Policies

1.1 Basis of preparation

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) and the Companies Act 2006.

Birmingham Citizens Advice Bureau Service Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in Sterling and rounded to the nearest £1.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Income

All income is included in the statement of financial activities when the charity is entitled to the funds and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Voluntary income is received by way of grants, donations and gifts, including gift aid income where applicable, and is included in full in the statement of financial activities when receivable. Income from government and other grants, where related to performance and specific deliverables, are accounted for when it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated services and facilities are included at the value to the charity where this can be quantified and is material. The value of services provided by volunteers has not been included in these accounts.

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

1 Accounting Policies (continued)

1.5 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Expenditure on raising funds; comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. The primary functional activity of the charity is the giving of free and confidential advice to the public. It includes both costs that can be allocated directly to this activity and those costs of an indirect nature necessary to support them.

Support costs include all those overhead costs of office and bureau accommodation, utility services, and other services and costs, which are in support of the activity. They also include those costs not associated with the other two headings and includes costs of meeting the constitutional and statutory requirements of the charity, the audit fees and costs linked to the strategic management of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. staff costs by time spent and other costs by estimated usage.

1.6 Operating leases

The charity classifies the lease of property and printing and telecommunications equipment as operating leases; the title to the property and equipment remains with the lessor and the equipment is replaced every six years whilst the economic life of such equipment is normally ten years. Rental charges are charged on a straight line basis over the term of the lease.

1.7 Taxation

The charitable company, being a registered charity with minimal trading income, has been granted exemption from tax under Section 505 of the Income and Corporation Taxes Act 1988. No provision for taxation has therefore been made in these accounts.

1.8 Tangible fixed assets and depreciation

All assets individually costing more than £5,000 are capitalised.

Tangible fixed assets other than freehold land are stated at cost less depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold property	2% on the straight-line method-commencing year after acquisition
Leasehold improvements	over the length of the lease
Equipment	20% on the straight line method
Furniture	20% on the straight line method

1.9 Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised as income or expenditure.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

1 Accounting Policies (continued)

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Pensions and retirement benefits

The charity operates a defined contribution scheme. The amount charged to the statement of financial activities in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.14 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.15 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Investment property - The trustees have revalued the property to fair value at the year end. They have based their valuation on a valuation carried out by Charlotte Fullard MRICS, of Lambert Smith Hampton, on 20 November 2018.

The directors consider that there are no significant areas of key judgement or estimation uncertainty other than those identified in the accounting policies above.

1.16 Going concern

The full impact of the Covid-19 pandemic on the long-term landscape we will work in is not yet clear, however, in the short term we have not faced any significant financial impact and whilst our ability to work face-to-face is currently reduced considerably we have been able to increase telephone and other methods of advice delivery to help in working towards targets. At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in the preparing the financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Donations and gifts	4,435	-	4,435	14,204

3 Income from charitable activities

Grants and contract income receivable for charitable activity – advice and information

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
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General Advice:

Birmingham CC - Advice Service	305,653	-	305,653	447,397
Birmingham & Solihull CCG	-	125,451	125,451	131,255
The Henry Smith Charity	-	18,750	18,750	45,000
BSL – Eveson Trust	-	6,000	6,000	2,000
Universal Support – Help to Claim	-	421,279	421,279	31,587
Other grants	5,336	661	5,997	5,645
	310,989	572,141	883,130	662,884

Debt Advice:

Money & Pensions Service: Debt Advice	-	494,138	494,138	494,096
Severn Trent Trust Fund (STTF)	-	63,320	63,320	63,320
Community Law Partnership (CLP)	92,231	-	92,231	112,168
Other grants	-	-	-	1,286
	92,231	557,458	649,689	670,870

Benefit Advice:

Birmingham CC - Mental Health	-	43,408	43,408	73,930
Macmillan Cancer Support	-	367,753	367,753	370,344
	-	411,161	411,161	444,274

Total income from charitable activities

	403,220	1,540,760	1,943,980	1,778,028
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BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

4 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Room hire	4,797	-	4,797	5,000
Solar panels & cashback scheme	1,003	-	1,003	2,025
	<u>5,800</u>	<u>-</u>	<u>5,800</u>	<u>7,025</u>

5 Investments

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Interest received	3,391	-	3,391	2,417
Investment property rental income	13,102	-	13,102	5,485
	<u>16,493</u>	<u>-</u>	<u>16,493</u>	<u>7,902</u>

6 Expenditure on charitable activities by fund

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
General Advice	290,634	603,407	894,041	764,109
Debt Advice	129,999	475,833	605,832	643,345
Benefits Advice	-	437,015	437,015	466,813
	<u>420,633</u>	<u>1,516,255</u>	<u>1,936,888</u>	<u>1,874,267</u>

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

7 Analysis of expenditure on charitable activities

	Basis of Allocation	General Advice £	Debt Advice £	Benefits Advice £	Total 2020 £	Total 2019 £
Direct costs:						
Salaries and wages	Direct	545,171	437,644	317,674	1,300,489	1,146,512
Staff and volunteers	Direct	11,780	1,175	2,583	15,538	13,610
Office costs	Direct	22,121	7,575	4,177	33,873	27,791
Premises costs	Direct	17,850	-	-	17,850	31,054
Other costs	Direct	57,184	-	-	57,184	129,992
		<u>654,106</u>	<u>446,394</u>	<u>324,434</u>	<u>1,424,934</u>	<u>1,348,959</u>
Support costs:						
Salaries wages	Staff/Hrs	57,689	37,685	26,804	122,178	116,533
Staff and volunteers	Staff/Hrs	3,274	2,045	1,449	6,768	16,512
Office costs	Staff/Hrs	107,642	73,543	51,521	232,706	174,948
Premises costs	Staff/Hrs	62,855	41,573	29,454	133,882	189,895
Governance costs	Staff/Hrs	8,218	4,455	3,262	15,935	27,204
Other costs	Staff/Hrs	257	137	91	485	216
		<u>239,935</u>	<u>159,438</u>	<u>112,581</u>	<u>511,954</u>	<u>525,308</u>
Total expenditure on charitable activities		<u>894,041</u>	<u>605,832</u>	<u>437,015</u>	<u>1,936,888</u>	<u>1,874,267</u>

8 Other expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Investment property expenditure	2,158	-	2,158	1,281
	<u>2,158</u>	<u>-</u>	<u>2,158</u>	<u>1,281</u>

9 Net incoming resources for the year

	2020 £	2019 £
This is stated after charging		
Operating leases - land and buildings	104,609	90,204
Operating leases - other	13,823	13,823
Auditor's remuneration:		
- Audit	7,200	8,000
Depreciation and Impairment Charges	7,983	53,462
	<u>133,615</u>	<u>165,509</u>

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

10 Trustees

During the current or previous year no remuneration or benefits for services as a director/trustee have been paid or were payable, directly or indirectly, out of the funds of the charity to any trustee or to any person known to be connected with them.

Reimbursement of travel and incidental expenses to the trustees came to £3 during the year, paid to one trustee, to 31 March 2020 (2018/19: £113 paid to one trustee).

Trustees' indemnity insurance paid by the charity during the year totalled £60 (2018/19: £60) and expenses related to costs of Trustees' meetings including the AGM totalled £1,297 (2018/19: £897).

11 Employees	2020 FTE Number	2019 FTE Number	2020 Head Count	2019 Head Count
Number of employees				
The average number of employees, analysed by function was:				
Advice workers and support staff	46	41	51	46
Key management personnel	4	4	4	4
	<u>50</u>	<u>45</u>	<u>55</u>	<u>50</u>
Employment costs			2020 £	2019 £
Wages and salaries			1,263,849	1,125,120
Social security costs			105,310	93,766
Pensions costs			53,508	44,159
			<u>1,422,667</u>	<u>1,263,045</u>

No employee received remuneration amounting to more than £60,000 in the period (2018/19: NIL)

The key management personnel of the Charity comprise the Chief Executive Officer and three operational managers. The total employee benefits of the key management personnel of the Charity were £173,352 (2018/19: £154,526).

No employees were made redundant in the year (2018/19: Two). The total cost of the redundancy payments amounted to £Nil (2018/19: £9,291). The policy of the charity is to recognise redundancy payments in full when they become due and charged to Support costs unless there is provision for it in the funds of the project within which the relevant employee worked.

During the current or previous year no remuneration or benefits for services as a director/trustee have been paid or were payable, directly or indirectly, out of the funds of the charity to any trustee or any person known to be connected with them.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

12 Pensions

There is a defined contribution pension scheme for employees. The basis for allocating the employer expense between activities is based on the salary cost of staff working on that activity. From July 2014 and again in July 2017, the CAB automatically enrolled eligible jobholders into a qualifying scheme in accordance with pensions legislation. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is a Group Personal Pension Scheme with Standard Life. The pension cost charge for the year represents contributions payable by the charitable company to the fund and amounted to £53,508 (2018/19: £44,159). The cost of the pension is allocated to each individual project within which an employee works. At the year-end £17,990 was owed to the pension scheme (2018/19: £7,296).

13 Volunteers

The Trustee Board and Senior Management Team recognise the tremendous contribution made by our volunteers without whom the service could not operate. The rigorous training required to achieve the standards set by the service means not all potential volunteers complete the course but, those that do, work at all levels of the organisation from reception and administration to generalist advice and benefits advice work. We had 65 regularly active volunteers over the year who, between them, contributed 650 hours per week equating to 17.5 FTE staff. Over the year, we had 132 people involved in volunteering with us, 27 of whom have since moved into paid work and 12 into education or training.

14 Fixed Assets	Investment	Leasehold	Equipment	Furniture	Total
	Properties	Improvements			
	£	£	£	£	£
Cost					
At 31 March 2019	225,000	207,323	32,550	10,589	475,462
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	225,000	207,323	32,550	10,589	475,462
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2019	-	199,340	32,550	10,589	242,479
Charge for the year	-	7,983	-	-	7,983
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	-	207,323	32,550	10,589	250,462
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 March 2020	225,000	-	-	-	225,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2019	225,000	7,983	-	-	232,983
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

- During the prior year the property at Tyseley was transferred from freehold property to investment property, after the property stopped being used as an office and became tenanted on 19 December 2019. The carrying value of the freehold property was transferred at this date. The investment property was revalued by the trustees to its fair value based on a valuation carried out on 20 November 2018 by Charlotte Fullard MRICS, of Lambert Smith Hampton, which resulted in an increase in value of £53,557. The trustees do not believe the fair value to have changed significantly since that valuation.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

15 Debtors	2020	2019
	£	£
Grants receivable	91,538	180,488
Prepayments	23,560	24,582
Accrued income	154,511	23,962
	<hr/>	<hr/>
	269,609	229,032
	<hr/> <hr/>	<hr/> <hr/>

16 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	36,323	76,276
Social security costs	26,987	24,222
Pensions	17,990	7,296
Accruals	50,836	46,615
Deferred income	87,351	84,500
Other creditors	25	34,814
	<hr/>	<hr/>
	219,512	273,723
	<hr/> <hr/>	<hr/> <hr/>

17 Deferred income

Deferred income comprises of income received for the following projects for which performance is expected in the following year; totalling £87,351 in 2020 (2019: 84,500):

	BCC LEAS £	Mental Health £	Universal Support £	Others £
Balance as at 01 April 2019	50,000	-	-	34,500
Amount released to income earned	-	-	-	(34,500)
Amount deferred in year	-	18,500	9,101	9,750
	<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 31 March 2020	50,000	18,500	9,101	9,750
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

18	Financial instruments	2020 £	2019 £
	Financial assets		
	Financial assets measured at fair value through profit & loss:		
	- Cash at bank and in hand	760,273	815,416
	Financial assets that are debt instruments measured at amortised cost:		
	- Grants receivable	91,538	180,488
	- Accrued income	154,511	23,962
		<u>1,006,322</u>	<u>1,019,866</u>
	Financial liabilities		
	Financial liabilities measured at amortised cost:		
	- Trade creditors	36,323	76,276
	- Taxation and social security costs	26,987	24,222
	- Pensions	17,990	7,296
	- Accruals	50,836	46,615
	- Other creditors	25	34,814
		<u>132,161</u>	<u>189,223</u>
19	Provisions for liabilities	2020 £	2019 £
	Dilapidations on leased premises	80,000	80,000
	The dilapidations cost is repayable as follows:		
	Within one year	80,000	80,000
	Between one and two years	-	-
	Between two and five years	-	-
	After five years	-	-
		<u>80,000</u>	<u>80,000</u>
	Movement in provisions	2020 £	2019 £
	Dilapidations provision brought forward	80,000	80,000
	Increase/(decrease) in the year	-	-
	Provision carried forward	<u>80,000</u>	<u>80,000</u>

An increase in the dilapidations provision was made in 2016/17 after a dilapidations review was undertaken on 08.05.17 by Pollie Jelfs MRICS of Fusion Building Consultancy Limited. The expenditure is expected to occur during the 2020/21 financial year when the current lease at Gazette Buildings comes to an end.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

20 Unrestricted funds

	Balance at 01 April 2019 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2020 £
General funds	38,304	429,948	414,808	(22,285)	31,159
Designated funds: Reserves policy	471,046	-	-	14,392	485,438
Designated funds: Redundancies fund	-	-	-	150,000	150,000
Designated funds: Investment property	225,000	-	-	-	225,000
Designated funds: Properties improvements	-	-	-	50,000	50,000
Designated funds: New accommodation	150,000	-	-	(150,000)	-
Designated funds: Leasehold improvements	7,983	-	7,983	-	-
Total Unrestricted funds	892,333	429,948	422,791	42,107	941,597

- There is a designated fund for the investment property at Tyseley of £225,000 (2018/19: £225,000) as these amounts are not readily available to spend on the charitable objects of the Charity. The freehold property was transferred to investment property once it was tenanted on 19 December 2019. A further £485,438 is designated as per the reserves policy of 3 months' operating costs (2018/19: £471,046), £150,000 for a redundancies fund for all staff (2018/19: £Nil) and £50,000 set aside for expected property improvements within the next two years on properties the Charity owns or leases (2018/19: £Nil).

	Balance at 01 April 2018 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2019 £
General funds	45,622	1,089,618	959,606	(137,330)	38,304
Designated funds: Leasehold improvements	55,881	-	47,898	-	7,983
Designated funds: Freehold buildings	177,007	-	5,564	(171,443)	-
Designated funds: Investment property	-	53,557	-	171,443	225,000
Designated funds: New accommodation	200,000	-	-	(50,000)	150,000
Designated funds: Reserves policy	448,041	-	-	23,005	471,046
Total Unrestricted funds	926,551	1,143,175	1,013,068	(164,325)	892,333

- A designated fund of £7,983 was set up for the leasehold improvements at Gazette Buildings (2017/18:£55,881) and the investment property at Tyseley for £225,000 (2017/18: £Nil) as these amounts were not readily available to spend on the charitable objects of the Charity. The freehold property was transferred to investment property once it was tenanted on 19 December 2018.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

21 Restricted funds

	Balance at 01 April 2019 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2020 £
Birmingham CC - Mental Health	24,308	43,408	53,943	-	13,773
Money & Pensions Service: Debt Advice	-	494,138	394,271	(99,867)	-
Birmingham & Solihull CCG	-	125,451	146,737	21,286	-
Severn Trent Trust Fund	-	63,320	81,562	18,242	-
Macmillan Cancer Support	-	367,753	383,071	15,318	-
BSL – Eveson Trust	-	6,000	8,326	2,326	-
The Henry Smith Charity	7,067	18,750	26,405	588	-
Universal Support - Help to Claim	-	421,279	421,279	-	-
Other	-	661	661	-	-
Total	31,375	1,540,760	1,516,255	(42,107)	13,773

- Funds transferred into the restricted from unrestricted funds represent overheads costs which were not fully met by the project income and the shortfall has been funded from general funds. Funds transferred from restricted to unrestricted funds represent funds which are allowed by contract to be moved if unused at the year-end.

	Balance at 01 April 2018 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2019 £
Birmingham CC Mental Health	8,130	73,955	57,777	-	24,308
Birmingham CCGs	-	131,255	219,969	88,714	-
Severn Trent Trust Fund	-	63,320	82,225	18,905	-
Macmillan	-	370,384	409,036	38,652	-
BSL – Eveson Trust	-	2,000	20,054	18,054	-
The Henry Smith Charity	3,859	45,000	41,792	-	7,067
Universal Support	-	31,587	31,587	-	-
Other	-	40	40	-	-
Total	11,989	717,541	862,480	164,325	31,375

Project Descriptions

Birmingham & Solihull Clinical Commissioning Group (CCG)

The purpose of this service is to provide generalist advice to patients of 32 GP surgeries for the Birmingham & Solihull Clinical Commissioning Group (CCG). Referrals to the services are via members of the Primary Health Care Team and clients via self-referral. The aim of the service is for patients to be supported and advised on their non-clinical issues that may be impacting their health and wellbeing thus freeing practice staff time to focus on clinical issues. This contract has been extended till end of March 2021.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

Project Descriptions (continued)

Severn Trent Trust Fund (STTP)

CAB granted funds for a fifth year extension to the original three year project to deliver debt advice to Severn Trent Water customers. CAB was delivering this service until it ended in March 2020.

Birmingham City Council (BCC) – Legal Entitlement and Advice Service

This was a three year contract which ended in March 2019. However, due to delays in the recommissioning process, it was extended until September 2019. Working in partnership with Spitfire Advice Services and Birmingham Settlement as the GBAS LEAS partners, we were contracted as a partnership to assist 8,550 people per year with 21,375 benefits, debt and employment enquiries; achieving 1,920 advice outcomes achieved per year. Services were delivered across four advice hubs via telephone and digital channels, with Citizens Advice Birmingham delivering a face to face service from Gazette building and the former customer service centre in Saltley.

Birmingham City Council (BCC) – Welfare Benefits & Debt Advice Service

A two year contract, with the possibility of a third year, commencing October 2019. We are contracted to assist with 14,460 benefits and debt enquiries per year; achieving 632 advice outcomes per year. The contract consists of three lots: A telephone advice service, and two in person services delivered in outreach locations in the South and East of the city respectively. Venues for service delivery are flexible based on local demand, but are currently in Job Centre Plus offices, libraries and community venues.

Birmingham City Council (BCC) - Mental Health

This is for the provision of specialist welfare benefits advice to clients. Appointments are offered at three outreach community mental health sites across Birmingham and referrals are received from the Community Mental Health Teams. This contract has been extended until the end of September 2021.

Community Law Partnership (CLP)

Delivered in partnership within the Birmingham Housing Court Duty Possession Scheme, which is managed by Community Law Partnership. We represent clients at Birmingham County Court for rent and mortgage possession proceedings or when they attend court to request that a warrant for their eviction is suspended. An ongoing contract paid on a case-by-case basis.

Money and Pensions Service: Debt Advice

Citizens Advice has contracted with Citizens Advice Birmingham to provide debt advice through the Money and Pensions Service. The aim of the project is to provide free, independent, impartial Money Advice to all those who seek our assistance in a safe, non-discriminatory environment. The Money Advice contract is funded until the end of March 2020.

Macmillan Cancer Support

The project offers appointments at 15 outreach sessions each week. These are delivered out of six hospitals, 3 hospices and 2 CA locations across Birmingham and Solihull. The project provides welfare benefits advice to people affected by cancer. Referrals into the service are via clinical nurse teams, consultants, and other health and social care professionals. Clients can also self-refer through our dedicated Macmillan helpline. This funding ends in December 2021.

Universal Support – Help to Claim

Citizens Advice nationally has contracted with Citizens Advice Birmingham to assist 7020 people to make a new claim for Universal Credit, from assessment of eligibility for the benefit up to receipt of their first payment. The service includes staffing the national Help to Claim telephone helpline, via which clients are assessed for eligibility for Universal Credit, and for the level of support they require to make the claim; and providing practical support where required by clients to submit the claim. This service is funded until March 2021.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

Project Descriptions (continued)

The Henry Smith Charity - Senior Benefits Practitioner/Volunteer Development Officer

In October 2016, our application for a further three years funding from the Henry Smith Charity was successful. The post funded by this stream has been updated to reflect the changing needs of the organisation, with the focus moving beyond welfare benefits alone, to a more holistic approach to clients' needs; and away from specialist support to paid staff to the support of volunteers.

The post holder is now responsible for the recruitment, training and development of volunteers to deliver high quality advice in welfare benefits and related enquiries including employment, housing, financial capability, relationship and immigration.

Barrier Busting Deaf/BSL advice project (Eveson Trust)

A project to deliver advice to deaf clients for 20 hours per week. Funding for this project comes partly from a grant given by the Eveson Trust and the rest is funded from the Charity's reserves due to its importance for our clients.

22 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £	£
Fund balances at 31 March 2020 are represented by:				
Investment property	225,000	-	225,000	
Net current assets	739,350	13,773	770,725	
Provisions	(80,000)	-	(80,000)	
	<u>942,370</u>	<u>13,773</u>	<u>956,143</u>	
	Unrestricted funds £	Restricted funds £	Total £	£
Fund balances at 31 March 2019 are represented by:				
Tangible fixed assets	7,983	-	7,983	
Investment property	225,000	-	225,000	
Net current assets	739,350	31,375	770,725	
Provisions	(80,000)	-	(80,000)	
	<u>892,333</u>	<u>31,375</u>	<u>923,708</u>	

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

23 Commitments under operating leases

As lessee:

As at 31 March 2020, the company had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within one year	15,759	37,938	-	13,823
Between one and two years	-	-	-	-
	<u>15,759</u>	<u>37,938</u>	<u>-</u>	<u>13,823</u>

As lessor:

As at 31 March 2020, the company had commitments owed to it under non-cancellable operating leases as follows:

	Land and buildings	
	2020	2019
	£	£
Within one year	8,667	13,000
Between one and two years	-	8,667
	<u>8,667</u>	<u>21,667</u>

24 Related parties

Citizens Advice Birmingham (CAB) is a member of The National Association of Citizens Advice Bureaux (Citizens Advice), the national charity (Charity Number: 279057) which sets out a framework for standards of advice and case management and supports local offices with an information system, training and other services.

A representative of Citizens Advice attends some meetings in an advisory, control and regulatory capacity. During the 2019/20 financial year payments were made to Citizens Advice to the value of £13,849 (2018/19: £13,976) in respect of subscriptions, accountancy support, training services, stationery and sundries. Receipts from Citizens Advice for contracts and grant funding totalled £915,417 (2018/19: £527,009).

Trustee Abisola Latunji-Cockbill is an employee of Mills & Reeve LLP. No donations were received from Mills & Reeves LLP in the 2019/20 financial year but a donation was received from Mills & Reeve LLP of £1,000 in 2018/19.

Councillor Gareth Moore is appointed by Birmingham City Council. During the 2019/20 financial year payments were made to Birmingham City Council of £111,043 (2019/19: £113,429) in respect of premises rentals, council taxes and business rates. Receipts from Birmingham City Council for contracts and grant funding in the year totalled £349,061 (2018/19: £521,352). An amount of £50,000 is owed at the year end (2018/19: £50,000) to BCC with regard to the LEAS contract.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

25	Reconciliation of cash flows from operating activities	2020	2019
		£	£
	Net income / (expenditure) for the reporting period	31,662	(68,389)
	Add: Depreciation charge	7,983	53,462
	Less: Interest income	(3,391)	(2,417)
	(Increase) / decrease in debtors	(40,577)	(33,573)
	Increase / (decrease) in creditors and provisions	(54,211)	54,328
		<hr/>	<hr/>
	Net cash provided by operating activities	(58,534)	3,411
		<hr/>	<hr/>

26	Analysis of cash and cash equivalents	2020	2019
		£	£
	Cash at bank and in hand	760,273	815,416
		<hr/>	<hr/>
	Total cash and cash equivalents	760,273	815,416
		<hr/>	<hr/>

26A	Analysis of changes in net debt	At start	Cashflows	At end
		of year	in year	of year
		£	£	£
	Cash	815,416	(55,143)	760,273
		<hr/>	<hr/>	<hr/>
		815,416	(55,143)	760,273
		<hr/>	<hr/>	<hr/>

27 Prior year restatement

In the current year it has been established that the funding for the Money & Pensions Service project received in the current and prior years is restricted in nature, although under the terms of the grant any surplus funds for the year can be transferred to unrestricted funds at the year end. Income and expenditure relating to the project were recognised within unrestricted funds in the financial statements for the year to 31 March 2019.

As a result, the comparative balances in the Statement of Financial Activities have been restated with £494,096 of income from charitable activities and £432,322 of expenditure on charitable activities relating to the project being recognised within restricted funds. A further transfer of £61,774 from restricted funds to unrestricted funds has been recognised in line with the above. There was no resulting adjustment to the closing balances on unrestricted and restricted funds at 31 March 2019.

28 Members liability

The Charity (which has the working name of 'Citizens Advice Birmingham (CAB)') was formed as a company limited by guarantee on 3 December 1987 (Company Number: 02202427). The full name of the charity is Birmingham Citizens Advice Bureau Service Limited and was registered with the Charity Commission on 15 December 1987 (Charity Number: 519639).

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.