

REGISTERED COMPANY NUMBER: 03160526 (England and Wales)
REGISTERED CHARITY NUMBER: 1054505

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE
(A COMPANY LIMITED BY GUARANTEE)**

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's principal activity is the promotion of any charitable purpose for the benefit of the community within the London Borough of Hammersmith and Fulham and surrounding areas by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

Citizens Advice (operating name of the National Association of Citizens Advice Bureaux (NACAB)) is the national organisation, of which all citizens advice bureaux within the branded network are members. Citizens Advice currently has the following aims (implemented following the Annual General Meeting and conference in September 2007):

- To provide the advice that people need for the problems that they face.
- To improve the policies and practices which improve people's lives.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Our Vision

"Advice on its own is not always enough for clients or for us as a service. We will develop new ways of helping and supporting our clients to achieve better, more sustainable outcomes".

Our Aims

At the centre of all of Citizens Advice Hammersmith & Fulham's strategies are its 3 key aims:

1. **To achieve Excellence** - in everything that we do, locally and nationally
2. **To embrace Innovation** -to deliver an even more effective and sustainable service
3. **To demonstrate our Impact** - to show the positive change we make socially, economically and to health and well-being

Our Principles and Values

As a member of the Citizens Advice Service, CAHF provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

We are committed to put equality at the heart of everything that we do, with the overarching aim to improve access, ensure inclusive service delivery and preserve intensified support for those who need it and promote an inclusive working environment for our workforce.

Our core values and principles sit at heart of every strategic decision to reflect our aim to be a strong equality champion through our roles as advisor, campaigner, employer, employee and partner.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The main areas of charitable activity are the provision of information, advice and education on people's rights and responsibilities, through face-to-face appointments, by telephone, letter and/or email, at the main bureau and at various borough based locations, including

- The delivery of a range of complementary services in addition to advice
- The recruitment, training and development of volunteer roles;
- Research, campaigning and anti-discrimination work.

Premises

Following Covid-19 and a move to hybrid working, CAHF has closed down its office at 338 Uxbridge Road in Shepherd's Bush. It now operates its services from Avonmore Library and Neighbourhood Centre in West Kensington.

Services

Like every other service, CAHF has had to adapt its service delivery model and transition to delivering services remotely during the pandemic. CAHF has remained committed to ensuring that as many people as possible benefit from the services we offer and that reach all communities. We have continued to deliver our services through digital channels, where possible and have continued to work to complete our transition to a hybrid model of working as the pandemic eases.

CAHF is currently developing a new service delivery model offering a mix of remote and face to face service delivery, including the setting up of Help Hubs with the aim of embedding services in community settings in order to increase access to our services. Help Hubs will provide generalist advice (benefits, debt, housing, employment etc), digital skills, money coaching, befriending and ESOL classes in outreach locations across the borough.

Our current service delivery model makes services available to clients who live, work or study in Hammersmith & Fulham and is provided through:

- Assisted Self Help/Information

Clients have access to terminals for assisted self-help as a first point of contact for help and information.

- Adviceline

Our main point of contact for clients seeking advice is through our Adviceline telephone service. Adviceline provides an initial telephone diagnostic interview to determine whether they live, work or study in one of the Adviceline partnership Boroughs and to identify the most appropriate next step for the client. We operate Adviceline in partnership with other LCA's in London.

- Appointment Service

Full advice appointments may either be made with a generalist adviser or with an adviser working under a specific project. Appointments are subject to availability and take place Monday to Friday throughout our opening hours.

- Email Service

Clients are able to contact CAHF by email via a form on our website that asks them to confirm residence in the borough and provide initial details about themselves and their problem.

- Web chat

CAHF also provides advice and assistance via webchat on the national Citizens Advice Help to Claim and Adviceline platforms.

Client Issues

In 2020/21 the Citizens Advice service (combining both its sites across all projects) assisted 8,596 Hammersmith & Fulham residents starting new enquiries compared to 11,699 in the previous year. This is a drop of 26%, the drop being largely due to the closure of our service to drop in personal callers as a result of the Covid-19 pandemic. No face-face drop-in service was available during the entire period and clients had to contact us by telephone. Drop in users traditionally made up the majority of our service users and many of these experienced difficulty in using us during the pandemic.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Despite the drop in client numbers, we dealt with over 25,000 advice issues, demonstrating the sheer complexities of issues faced by clients. This is in fact only a fall of 6% on the number of issues dealt with compared to the drop of 26% in client numbers relative to last year, showing that those clients who did contact us tended to have more problems. The largest enquiry areas continue to be Benefits at 43%, followed by Housing at 19%, Debt at 11% and Employment at 6%. The most notable changes compared to last year being increases in benefits and housing enquiries and debt falling into third place behind housing. The increase in housing enquiries might be attributable to more people spending more time at home during the pandemic. The decrease in debt enquiries is presumed to be due to suspension of debt enforcement measures during the pandemic, but there was also a change to the manner in which debt cases are recorded on our systems due to a funder requirement.

As a result of the pandemic we had to move all services to a remote delivery model. We were able to do this quickly and successfully as our telephone and IT infrastructure was already set up in a manner that allowed remote access from any location. We experienced some challenges with remote supervision and rolling out appropriate kit and software for remote working, but these were also overcome within a short time. We were very proud of the speed with which we were able to respond to rapidly changing and challenging circumstances to continue service delivery to clients, despite the unfortunate but necessary closure of face-face services.

Projects

CAHF is funded by a variety of funders to provide a range of complimentary projects. Over the last year, despite the challenges of Covid-19, we have continued to deliver multiple projects:

Advice Projects

- Debt Free London

This project delivers debt advice (one off and casework) funded under the Capitalise contract with Toynbee Hall and the Money Advice Service. The contract delivered across three boroughs, Hammersmith & Fulham, Barnet and Hounslow. Project work is delivered by a team of project debt advisers.

- Young Lives against Cancer

CAHF delivers an 'electronic media' advice service/helpline for the Young Lives against Cancer, the charity that helps and supports children and young people suffering from cancer, and their families. The service provides benefits advice to their users, employees and social workers five days per week, delivering the full range of CAB generalist advice by telephone and email.

- Foodbank

The Foodbank project provides three full time generalist CAHF advisers based in the three local foodbanks. The project aims to address the underlying needs which have caused people to become unable to afford to feed themselves and their families, by offering advice and assistance to resolve problems. It offers a full casework service with particular emphasis on benefits and debt advice. Foodbank volunteers are also trained to conduct initial assessments to identify the problem areas and direct clients towards the project workers.

- Help to Claim

This project is funded nationally by Job Centre Plus for each Local Citizens Advice office to provide support to help people claim Universal Credit. The support is from first claim through to first payment and replaces what was delivered by local authorities up to 31.3.19.

- Best Practice Lead

This project will gather intelligence and insight on how Universal Credit and Universal Support is working across the West London Jobcentre Plus district.

Homelessness Prevention Projects

-Renters Owners Occupiers and Families "ROOF")

ROOF provides information, education and advice to support residents with housing issues aimed at preventing homelessness.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

- Affordability

Affordability works in partnership with the London Borough of Hammersmith & Fulham to help tenants to repay their housing debt in an affordable way.

Energy and Fuel Poverty Projects

- Energy Advice Project

This project supports those in fuel poverty with advice on their energy needs, this may be fuel debt, switching to save money, accessing support such as the Warm Home Discount or negotiating with suppliers.

Education/Skills Services

- Library Service

CAHF is at the forefront of innovation as the only Citizen Advice in the country delivering Library Services using its volunteers. CAHF is funded by the London Borough of H&F and works in partnership with Library Services to oversee the running of the Avonmore Library and Neighborhood Centre.

- Tech Talk

Tech Talk is a digital literacy program. We use the "Learn My Way" online tutorials to assist people to develop digital skills from the basics including using a computer for online banking and budgeting, through to coding skills.

- Tech Mate

Prior to Covid, TechMate delivered digital skills support weekly sessions at 8 LBHF Housing Estates. We manage the project including recruiting and training a team of 25 volunteers and setting up the new estate hubs. Since Covid we have been providing a befriending service for over 100 local residents.

Achievement and Performance

Despite the challenges of Covid-19, CAHF has had a successful year:

- We have generated in excess of £500k in fundraising enabling us to increase our service provision to clients
- We have worked in partnership with other London LCAs to increase the number of partners on our Adviceline
- We won our fourth national Citizens Advice Award for Team of the Year 2020
- And for a fourth year in a row, we achieved another score of EXCELLENT across all 9 areas of assessment under the Citizens Advice Leadership Self-Assessment that include:

1. Governance
2. Strategic Business Planning
3. Risk Management
4. Financial Management
5. People Management
6. Operational Performance Management
7. Partnership Working
8. Research & Campaigns
9. Equality Leadership

FINANCIAL REVIEW

Financial position

The results for the year to 31st March 2021, which are summarised in the Statement of Financial activities (SOFA), showed an overall excess of income over expenditure of £35,605 (2020 £36,085). Unrestricted funds at 31 March 2021 were £315,776 (2020 £289,207).

Principal funding sources

In common with most similar Citizens Advice offices, a major proportion of the charity's income comes from a local authority service level agreement and the rest from a variety of sources including grants, service level agreements and contracts, which are usually to fund specific projects.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

FINANCIAL REVIEW

Reserves policy

CAHF holds its reserves under two categories: restricted and unrestricted.

Restricted reserves are restricted to the purpose for which the funder provided them. Normally restricted reserves are carried forward to cover the cost of the work not yet provided on each project. Amounts have been released to the SOFA due to the completion of the projects and as a result of the undercharged overhead recoveries in previous years. Any overspend has to be charged to unrestricted funds when the project ends.

Unrestricted reserves provide the general reserve to survive periods of difficulty and exceptional costs. The Trustee Board has established a policy whereby the total unrestricted reserve should be at the level of three months committed expenditure which is around £302,525 at the present time. Our actual unrestricted reserves are now £315,776 and the Board consider this a sufficient level to manage working capital requirements.

Staff

Salaries and staff related costs were approximately 86% (2020 81%) of total expenditure.

Volunteers

During 2020/21 our volunteering plans were severely affected by the Covid-19 pandemic. However, we quickly set up a remote delivery model and moved all of our recruitment and training to full remote delivery. We recruited 38 volunteers 29% of whom were from Hammersmith and Fulham. 32 volunteers left, of which 38% went into full time work (42% of whom got work with CAHF) and 6% of volunteer leavers went into full time study.

FUTURE PLANS

Our key priorities for the next 12 months include:

- A new service delivery model post Covid-19 offering a mix of remote and face to face delivery
- Robust infrastructure including the roll out of a new IT platform to support changes to service delivery
- Embedding our services in new premises, outreach and community based settings
- Ensuring staff and volunteer well-being to combat the effects of Covid-19
- Embedding equity, diversity and inclusion (EDI) across the organisation to ensure we remain inclusive and accessible

Improving our focus on research & campaigns so that we can monitor the aftermath of Covid-19, its impact on society and ensure we continue to speak up for our residents with corporate decision makers and MPs

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Hammersmith and Fulham Citizens Advice Bureaux Service (HFCAB) is a charitable company, Limited by Guarantee, incorporated on 18 February 1996 as a private company, registered as number 3160526 and registered as a charity on 11 April 1996 with number 1054505. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The company's initial Memorandum and Articles were updated by means of a Special Resolution of the company dated 28 November 2002. The Memorandum and Articles were further updated, at the company's AGM in 2006 and 2018, to widen the objects to take in the surrounding areas, as well as the borough of Hammersmith and Fulham. This amendment is in line with current Citizens Advice recommendations and was formally approved by the Charity Commission.

Recruitment and appointment of new trustees

The directors of the company are also charity Trustees for the purposes of charity law and are known as Trustees. Suitable individuals may be co-opted as trustees at any meeting of the Trustee Board. Trustees are then elected at the Annual General Meeting for a term of three years and may subsequently be re-elected for further three year terms.

The Trustee Board periodically reviews the skills and experience of its current members. We seek to fill any gaps identified and to maintain diversity among trustees. Most trustees have some personal connection with the local community and an interest in some specific aspect of the work of the service and its management.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustee Board meets at least quarterly and sets the strategic direction and policies of the charity.

The Chief Executive, assisted by the management team, is responsible for delivering all services, contracts and projects within the strategies and policies set by the Trustee Board.

Induction and training of new trustees

New trustees undergo a period of induction. This usually comprises attendance at a Citizens Advice briefing, meetings with staff, volunteers and other trustees and time spent in one of the bureaux.

Key management remuneration

The trustees are responsible for setting the remuneration of Key management. Remuneration of key management is reviewed annually and is comparable with similar local charities.

Wider network

HFCAB is a member of the national Citizens Advice service and the national charity sets and monitors standards for advice, policies, procedures and supports bureaux with an information system, training and other services. Operating policies are independently determined by the trustee board of HFCAB in order to fulfil its charitable objectives and comply with the national membership requirements.

Related parties

The charity cooperates and liaises with other advisory services, local charities and council departments on behalf of clients. Where one of the trustees is also involved with another relevant organisation, they may be involved in discussions about it but not in any decision-making process.

Risk management

The Trustees have assessed and reviewed the major strategic, business and operational risks which the charity faces and confirm that systems are established to mitigate the charity's exposure to those risks.

The Trustee Board undertakes a risk assessment each year in collaboration with Citizens Advice. During this year the principal risks identified continue to be:

- Ensuring there is sufficient management capacity to manage resources
- Impact of Covid-19 on resuming face to face services
- Impact of losing physical presence in the north of the Borough
- Continued and adequate funding for key contracts
- Impact of Covid-19 on staff well-being

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03160526 (England and Wales)

Registered Charity number

1054505

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE (REGISTERED NUMBER: 03160526)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Registered office

Upper Floor Avonmore Library
7 North End Crescent
London
W14 8TG

Trustees

T Salem
R A Jarvis Treasurer
S W Harcourt
L Homan
E M Kawonza
H C Macmillan (resigned 2/2/21)
V Farnell
G Pope
C Larnder Chair
B Gallagher
P Brough
R Holmes

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Metrobank Plc
One Southampton Row
London WC1B 5HA

Company Secretary and Chief Executive

Simi Ryatt

Senior Management Team

| | |
|-----------------|------------------------------|
| Richard Goodman | Head of Service Development |
| Ivy Lewis | Head of Resources |
| Tania Lewis | Head of Business Development |
| Fre Tekeleab | Head of Finance |

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Hartley Fowler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 9 November 2021 and signed on its behalf by:



C Larnder - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

Opinion

We have audited the financial statements of Hammersmith And Fulham Citizens Advice Bureaux Service (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Our 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 a Report of the Independent Auditors 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.

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

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAMMERSMITH AND FULHAM CITIZENS ADVICE BUREAUX SERVICE

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:


- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.



Jonathan Askew FCA (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

9 November 2021

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

| | Notes | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|---|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 3 | 2,842 | - | 2,842 | 675 |
| Charitable activities | 6 | | | | |
| General advice and information | | 582,303 | 194,882 | 777,185 | 579,544 |
| Training and advice projects | | 96,600 | - | 96,600 | 99,268 |
| Money advice projects | | 35,000 | 353,464 | 388,464 | 381,325 |
| Other trading activities | 4 | - | - | - | 8,387 |
| Investment income | 5 | - | - | - | 55 |
| Other income | 7 | 20,554 | - | 20,554 | 188 |
| Total | | 737,299 | 548,346 | 1,285,645 | 1,069,442 |
| EXPENDITURE ON | | | | | |
| Charitable activities | 8 | | | | |
| General advice and information | | 173,486 | 539,310 | 712,796 | 570,345 |
| Training and advice projects | | 99,321 | - | 99,321 | 90,246 |
| Money advice projects | | 399,998 | - | 399,998 | 370,623 |
| Total | | 672,805 | 539,310 | 1,212,115 | 1,031,214 |
| NET INCOME | | 64,494 | 9,036 | 73,530 | 38,228 |
| Other recognised gains/(losses) | | | | | |
| Actuarial gains/(losses) on defined benefit schemes | | (37,925) | - | (37,925) | (2,143) |
| Net movement in funds | | 26,569 | 9,036 | 35,605 | 36,085 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 289,207 | 31,045 | 320,252 | 284,167 |
| TOTAL FUNDS CARRIED FORWARD | | 315,776 | 40,081 | 355,857 | 320,252 |

The notes form part of these financial statements

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

| | Notes | 2021 £ | 2020 £ |
|--|-------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible assets | 15 | 8,567 | 6,896 |
| CURRENT ASSETS | | | |
| Debtors | 16 | 75,073 | 68,429 |
| Cash at bank | | <u>725,431</u> | <u>492,884</u> |
| | | 800,504 | 561,313 |
| CREDITORS | | | |
| Amounts falling due within one year | 17 | (350,062) | (176,730) |
| NET CURRENT ASSETS | | <u>450,442</u> | <u>384,583</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 459,009 | 391,479 |
| PENSION LIABILITY | 21 | (103,152) | (71,227) |
| NET ASSETS | | <u>355,857</u> | <u>320,252</u> |
| FUNDS | 20 | | |
| Unrestricted funds | | 315,776 | 289,207 |
| Restricted funds | | <u>40,081</u> | <u>31,045</u> |
| TOTAL FUNDS | | <u>355,857</u> | <u>320,252</u> |

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

The financial statements were approved by the Board of Trustees and authorised for issue on 9 November 2021 and were signed on its behalf by:


C Larnder - Trustee


R A Jarvis - Trustee

The notes form part of these financial statements

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

| | Notes | 2021 £ | 2020 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 242,400 | 52,150 |
| Net cash provided by operating activities | | <u>242,400</u> | <u>52,150</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (9,853) | (5,994) |
| Interest received | | - | 55 |
| Net cash used in investing activities | | <u>(9,853)</u> | <u>(5,939)</u> |
| Change in cash and cash equivalents in the reporting period | | <u>232,547</u> | <u>46,211</u> |
| Cash and cash equivalents at the beginning of the reporting period | | <u>492,884</u> | <u>446,673</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>725,431</u></u> | <u><u>492,884</u></u> |

The notes form part of these financial statements

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2021 £ | 2020 £ |
|---|----------------|---------------|
| Net income for the reporting period (as per the Statement of Financial Activities) | 73,530 | 38,228 |
| Adjustments for: | | |
| Depreciation charges | 8,182 | 4,899 |
| Interest received | - | (55) |
| (Increase)/decrease in debtors | (6,644) | 1,810 |
| Increase in creditors | 173,332 | 13,268 |
| Difference between pension charge and cash contributions | (6,000) | (6,000) |
| Net cash provided by operations | <u>242,400</u> | <u>52,150</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1/4/20 £ | Cash flow £ | At 31/3/21 £ |
|-----------------|----------------|----------------|-----------------|
| Net cash | | | |
| Cash at bank | 492,884 | 232,547 | 725,431 |
| | <u>492,884</u> | <u>232,547</u> | <u>725,431</u> |
| Total | <u>492,884</u> | <u>232,547</u> | <u>725,431</u> |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. GENERAL INFORMATION

The charity is private company incorporated and domiciled in England and Wales. The address of its registered office is Upper Floor Avonmore Library, 7 North End Crescent, London W14 8TG. The registered number of the company is 03160526. The registered number of the charity is 1054505. The charitable company is limited by guarantee.

The financial information presented is for the year ended 31 March 2021 and 31 March 2020. The financial information is presented in sterling.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of the financial statements on a going concern basis

The financial statements have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves and the expected level of income and expenditure for 12 months from authorising these financial statements. There are no material uncertainties about the charity's ability to continue as a going concern.

The Bureau has funding confirmed until March 2028 for its core service, the Library, Food Bank and the ROOF project. The funding is provided by the London Borough of Hammersmith & Fulham. There will be a process of review of the advice priorities of the Borough by the new Administration. HFCAB is actively participating and engaged with this process and will be strategically positioned to apply for continued funding when the tendering process re-opens.

Funding for other projects remains stable: Capitalise has been secured for a year period and expanded to include delivery in the London Borough of Hounslow as well as in H&F; CLIC Sargent is renewed on an annual basis subject to performance. The bureau is meeting or exceeding on all its targets on all its projects.

Despite uncertain times, the bureau continues to develop its funding base by expanding the range of its services and is confident of continuing growth and development in the future. However, given the assurance of future funding already known, these financial statements have been prepared on a going concern basis.

Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where judgements and estimates have been made include:

- actuarial assumptions used in the calculation of the defined benefit pension liability.
- assumptions used in the estimation of premises expenditure included in other creditors and accruals.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The main source of income for the charity is contracts for services and grants with the London Borough of Hammersmith and Fulham.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to the consideration by its performance. Grant income relating to a later period is therefore deferred to that period and treated as deferred income in the balance sheet.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

Support costs have been allocated on a percentage basis calculated by the funds brought forward plus income received in the year.

Tangible fixed 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:

Additions to leasehold property straight line over the period of the lease
Fixtures and equipment straight line over 3 years (or, the duration of the project - if shorter)

Individual assets purchased and costing less than £500 are directly written off in the statement of financial activities and therefore not capitalised. Assets capitalised are held at historic cost.

Capital grants in respect of fixed assets are credited to an unrestricted fund into which the cost of the assets acquired is charged over their expected useful life by way of depreciation - if a funder requires asset retention. Otherwise, if the restriction is satisfied by purchase of the specified assets, the restricted capital fund becomes unrestricted and is transferred to general funds.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Defined benefit pension schemes

The charitable company participated in two defined benefit schemes during the year.

(i) National Association of Citizens Advice Bureaux (NACAB) "The Plan". This is a traditional defined benefit scheme with pensions determined by years of service and final salary. The pension costs are assessed in accordance with actuarial advice and based on the most recent actuarial valuation of the scheme. These costs have been accounted for on the basis of charging the cost of providing pensions over the period during which the charity benefits from the employees' services. This scheme, which had been closed to new employees in London Bureaux for a number of years, was closed to future accrual with effect from 31 March 2009. Further details are provided in the notes to the accounts. A replacement defined contribution stakeholder scheme operated by Aviva has been offered to existing NACAB scheme members with effect from 1 April 2009.

(ii) The Pensions Trust Growth Plan. This previously had been classified as a defined contribution pension scheme, but has now been redesignated a defined benefit scheme because of the guarantee within the scheme that the value attributed to each member will not be less than the accumulated contributions. Consequently this also places a potential contingent liability on employers. The pension contributions charged in these financial statements represent the amounts payable by the charitable company for this scheme in respect of the year ended 31 March 2020. Further details are provided in the notes to the accounts.

Financial instruments

All loans, investments and short term deposits held by the charity are classified as basic financial instruments. These financial instruments are initially recorded at the transaction price and are subsequently measured at their settlement value.

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.

Debtors are recognised at the settlement amount due. Prepayments are valued at the invoice amount prepaid.

Creditors 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 are normally recognised at their settlement amount.

3. DONATIONS AND LEGACIES

| | 2021 | 2020 |
|-----------|--------------|------------|
| | £ | £ |
| Donations | <u>2,842</u> | <u>675</u> |

4. OTHER TRADING ACTIVITIES

| | 2021 | 2020 |
|--------------------|----------|--------------|
| | £ | £ |
| Fundraising events | <u>-</u> | <u>8,387</u> |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5. INVESTMENT INCOME

| | 2021 | 2020 |
|--------------------------|----------|-----------|
| | £ | £ |
| Deposit account interest | - | 55 |
| | <u>-</u> | <u>55</u> |

6. INCOME FROM CHARITABLE ACTIVITIES

| | Activity | 2021 | 2020 |
|----------------------------|--------------------------------|------------------|------------------|
| | | £ | £ |
| Grants and contract income | General advice and information | 777,185 | 579,544 |
| Grants and contract income | Training and advice projects | 96,600 | 99,268 |
| Grants and contract income | Money advice projects | 388,464 | 381,325 |
| | | <u>1,262,249</u> | <u>1,060,137</u> |

Grants received, included in the above, are as follows:

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| London Borough of Hammersmith & Fulham Advice Station Service Level Agreement | 524,003 | 545,378 |
| Toynbee Hall - The DFL Project | 198,391 | 183,845 |
| National Citizens Advice - Help to Claim | 79,932 | 77,442 |
| The Trussell Trust Foodbank Grants | 62,940 | - |
| London Borough of Hammersmith & Fulham - Digital Inclusion | 59,600 | 60,527 |
| The National Lottery Community Fund Grant | 23,085 | - |
| National Citizens Advice - West London Best Practice | 39,648 | 39,000 |
| Clic Sargent telephone project | 37,000 | 38,741 |
| City Bridge Trust Grant | 36,626 | - |
| The Henry Smith Grant | 35,800 | - |
| London Borough of Hammersmith & Fulham - Affordability Project | 35,000 | 35,000 |
| TNLCF Covid-19 Response Fund Grant | 30,376 | - |
| London Borough of Hammersmith & Fulham - EU Citizens Settlement Scheme | 22,500 | 22,500 |
| Smart Energy Grant | 18,729 | - |
| W12 Together | 18,467 | - |
| National Citizens Advice - Energy Advice Programme | 12,960 | 18,505 |
| Hammersmith United & Dr Edward Bishop Kings | 9,514 | 11,666 |
| National Citizens Advice Infrastructure Grant | 3,804 | - |
| Midaye Grant | 5,500 | - |
| The National Lottery Capital Grant | 3,374 | - |
| Citizens Advice - Pan London Adviceline Development Grant | 5,000 | - |
| National Citizens Advice - Consumer Empowerment Partnership | - | 26,250 |
| National Citizens Advice - Energy Best Deal | - | 1,283 |
| | <u>1,262,249</u> | <u>1,060,137</u> |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. OTHER INCOME

| | 2021 | 2020 |
|---------------|---------------|------------|
| | £ | £ |
| Sundry income | <u>20,554</u> | <u>188</u> |

During the year, a member of staff was seconded to National Citizens Advice. Salary costs of £19,874 were charged to National Citizens Advice and is included in other income.

8. CHARITABLE ACTIVITIES COSTS

| | Direct Costs £ | Support costs (see note 9) £ | Totals £ |
|--------------------------------|----------------------|---------------------------------------|------------------|
| General advice and information | 596,724 | 116,072 | 712,796 |
| Training and advice projects | 89,245 | 10,076 | 99,321 |
| Money advice projects | 354,723 | 45,275 | 399,998 |
| | <u>1,040,692</u> | <u>171,423</u> | <u>1,212,115</u> |

9. SUPPORT COSTS

| | Support costs £ | Governance costs £ | Totals £ |
|--------------------------------|-----------------------|--------------------------|----------------|
| General advice and information | 112,329 | 3,743 | 116,072 |
| Training and advice projects | 9,495 | 581 | 10,076 |
| Money advice projects | 43,144 | 2,131 | 45,275 |
| | <u>164,968</u> | <u>6,455</u> | <u>171,423</u> |

Support costs, included in the above, are as follows:

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2021 | 2020 |
|-----------------------------|---------------|---------------|
| | £ | £ |
| Auditors' remuneration | 5,300 | 5,150 |
| Other non-audit services | 950 | 930 |
| Depreciation - owned assets | 8,182 | 4,899 |
| Operating leases | <u>31,715</u> | <u>31,715</u> |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

12. STAFF COSTS

| | 2021 £ | 2020 £ |
|-----------------------|------------------|----------------|
| Wages and salaries | 923,735 | 749,875 |
| Social security costs | 79,129 | 62,620 |
| Other pension costs | 26,928 | 22,017 |
| | <u>1,029,792</u> | <u>834,512</u> |

The average monthly number of employees during the year was as follows:

| | 2021 | 2020 |
|-------------------------------|-----------|-----------|
| Advisors | 37 | 28 |
| Management and administration | 7 | 6 |
| | <u>44</u> | <u>34</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2021 | 2020 |
|-------------------|----------|----------|
| £60,001 - £70,000 | <u>1</u> | <u>-</u> |

The key management team is considered to be the senior management team. Remuneration of £294,947 (2020 £224,377) was paid to Key Management Personnel. This includes pension scheme contributions of £11,743 (2020 £9,034).

Volunteers

During 20/21 our volunteering plans were severely affected by the Covid-19 pandemic. However, we quickly set up a remote delivery model and moved all of our recruitment and training to full remote delivery. We recruited 38 volunteers 29% of whom were from Hammersmith and Fulham. 32 volunteers left, of which 38% went into full time work (42% of whom got work with CAHF) and 6% volunteer leavers went into full time study.

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. STAFF COSTS - continued

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 675 | - | 675 |
| Charitable activities | | | |
| General advice and information | 567,878 | 11,666 | 579,544 |
| Training and advice projects | 99,268 | - | 99,268 |
| Money advice projects | 35,000 | 346,325 | 381,325 |
| Other trading activities | 8,387 | - | 8,387 |
| Investment income | 55 | - | 55 |
| Other income | 188 | - | 188 |
| Total | 711,451 | 357,991 | 1,069,442 |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| General advice and information | 560,937 | 9,408 | 570,345 |
| Training and advice projects | 90,246 | - | 90,246 |
| Money advice projects | 32,224 | 338,399 | 370,623 |
| Total | 683,407 | 347,807 | 1,031,214 |
| NET INCOME | 28,044 | 10,184 | 38,228 |
| Other recognised gains/(losses) | | | |
| Actuarial gains/(losses) on defined benefit schemes | (2,143) | - | (2,143) |
| Net movement in funds | 25,901 | 10,184 | 36,085 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 263,306 | 20,861 | 284,167 |
| TOTAL FUNDS CARRIED FORWARD | 289,207 | 31,045 | 320,252 |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

14. TAXATION

Hammersmith and Fulham Citizens Advice Bureaux Service is a registered charity and therefore potentially exempt from taxation of its income and gains, as Hammersmith and Fulham Citizens Advice Bureaux Service falls within the definition of a charitable company as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.

15. TANGIBLE FIXED ASSETS

| | Short leasehold £ | Plant and machinery £ | Totals £ |
|-----------------------|-------------------------|-----------------------------|-------------|
| COST | | | |
| At 1 April 2020 | 2,133 | 127,864 | 129,997 |
| Additions | - | 9,853 | 9,853 |
| At 31 March 2021 | 2,133 | 137,717 | 139,850 |
| DEPRECIATION | | | |
| At 1 April 2020 | 2,133 | 120,968 | 123,101 |
| Charge for year | - | 8,182 | 8,182 |
| At 31 March 2021 | 2,133 | 129,150 | 131,283 |
| NET BOOK VALUE | | | |
| At 31 March 2021 | - | 8,567 | 8,567 |
| At 31 March 2020 | - | 6,896 | 6,896 |

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|-------------------------------|-----------|-----------|
| Contract income receivable | 50,976 | 48,691 |
| Other debtors and prepayments | 24,097 | 19,738 |
| | 75,073 | 68,429 |

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Operational creditors | 26,467 | 16,603 |
| Social security and other taxes | 23,241 | 17,308 |
| Other creditors and accruals | 109,976 | 91,270 |
| Deferred income | 190,378 | 51,549 |
| | 350,062 | 176,730 |
| | £ | £ |
| <u>Deferred Income</u> | | |
| Balance at 1 April 2020 | 51,549 | 60,662 |
| Amounts released to incoming resources | (29,497) | (41,604) |
| Amount deferred in the year | 168,326 | 32,491 |
| Balance at 31 March 2021 | 190,378 | 51,549 |

Deferred income comprises income received during the year which relates to the next financial year.

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2021 £ | 2020 £ |
|----------------------------|---------------|---------------|
| Within one year | 9,400 | 9,400 |
| Between one and five years | 37,600 | 37,600 |
| In more than five years | 19,200 | 28,800 |
| | <u>66,200</u> | <u>75,800</u> |

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ | 2020 Total funds £ |
|---------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Fixed assets | 8,567 | - | 8,567 | 6,896 |
| Current assets | 631,486 | 169,018 | 800,504 | 561,313 |
| Current liabilities | (221,125) | (128,937) | (350,062) | (176,730) |
| Pension liability | (103,152) | - | (103,152) | (71,227) |
| | <u>315,776</u> | <u>40,081</u> | <u>355,857</u> | <u>320,252</u> |

Comparatives for net assets between funds

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ |
|---------------------|----------------------------|--------------------------|--------------------------|
| Fixed assets | 6,896 | - | 6,896 |
| Current assets | 530,268 | 31,045 | 561,313 |
| Current liabilities | (176,730) | - | (176,730) |
| Pension liability | (71,227) | - | (71,227) |
| | <u>289,207</u> | <u>31,045</u> | <u>320,252</u> |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. MOVEMENT IN FUNDS

| | At 1/4/20 £ | Net movement in funds £ | At 31/3/21 £ |
|--|----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 353,538 | 58,494 | 412,032 |
| General fund - Capital | 6,896 | - | 6,896 |
| Pension reserve | (71,227) | (31,925) | (103,152) |
| | <u>289,207</u> | <u>26,569</u> | <u>315,776</u> |
| Restricted funds | | | |
| Debt Free London | 996 | (8,068) | (7,072) |
| Foodbank - Hammersmith and Fulham | 2,258 | (78,436) | (76,178) |
| Citizens Advice - EBD Extra Advice | 15,398 | - | 15,398 |
| Citizens Advice - Big Energy Savings Week | 4,000 | - | 4,000 |
| Citizens Advice - Consumer Empowerment Partnership | 7,441 | - | 7,441 |
| Citizens Advice - Energy Advice Programme | 259 | 104 | 363 |
| Citizens Advice - Help to Claim | 693 | (1,807) | (1,114) |
| City Bridge Trust Fund | - | 125 | 125 |
| The National Lottery Community Fund - Coronavirus Community Support Fund | - | 23,038 | 23,038 |
| Citizens Advice - The Trussell Trust | - | - | - |
| Foodbanks Fund | - | 62,940 | 62,940 |
| W12Together and Midaye Fund | - | 5,477 | 5,477 |
| Citizens Advice - Pan London Adviceline | - | - | - |
| Development Fund | - | 704 | 704 |
| Smart Energy Fund | - | 2,581 | 2,581 |
| City Bridge Trust TNLCF COVID-19 Response Fund | - | 2,378 | 2,378 |
| | <u>31,045</u> | <u>9,036</u> | <u>40,081</u> |
| TOTAL FUNDS | <u>320,252</u> | <u>35,605</u> | <u>355,857</u> |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 737,299 | (678,805) | - | 58,494 |
| Pension reserve | - | 6,000 | (37,925) | (31,925) |
| | <u>737,299</u> | <u>(672,805)</u> | <u>(37,925)</u> | <u>26,569</u> |
| Restricted funds | | | | |
| Debt Free London | 198,391 | (206,459) | - | (8,068) |
| Foodbank - Hammersmith and Fulham | 9,514 | (87,950) | - | (78,436) |
| Citizens Advice - Energy Advice Programme | 16,764 | (16,660) | - | 104 |
| Citizens Advice - Best Practice Leads | 39,648 | (39,648) | - | - |
| Citizens Advice - Help to Claim | 79,932 | (81,739) | - | (1,807) |
| City Bridge Trust Fund | 36,626 | (36,501) | - | 125 |
| The National Lottery Community Fund - Coronavirus Community Support Fund | 26,459 | (3,421) | - | 23,038 |
| Citizens Advice - The Trussell Trust | | | | |
| Foodbanks Fund | 62,940 | - | - | 62,940 |
| W12Together and Midaye Fund | 23,967 | (18,490) | - | 5,477 |
| Citizens Advice - Pan London Adviceline | | | | |
| Development Fund | 5,000 | (4,296) | - | 704 |
| Smart Energy Fund | 18,729 | (16,148) | - | 2,581 |
| City Bridge Trust TNLFCF COVID-19 Response Fund | 30,376 | (27,998) | - | 2,378 |
| | <u>548,346</u> | <u>(539,310)</u> | <u>-</u> | <u>9,036</u> |
| TOTAL FUNDS | <u><u>1,285,645</u></u> | <u><u>(1,212,115)</u></u> | <u><u>(37,925)</u></u> | <u><u>35,605</u></u> |

**HAMMERSMITH AND FULHAM
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1/4/19 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/20 £ |
|--|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 332,589 | 22,044 | (1,095) | 353,538 |
| General fund - Capital | 5,801 | - | 1,095 | 6,896 |
| Pension reserve | (75,084) | 3,857 | - | (71,227) |
| | <u>263,306</u> | <u>25,901</u> | <u>-</u> | <u>289,207</u> |
| Restricted funds | | | | |
| Debt Free London | - | 996 | - | 996 |
| Foodbank - Hammersmith and Fulham | - | 2,258 | - | 2,258 |
| Citizens Advice - EBD Extra Advice | 15,398 | - | - | 15,398 |
| Citizens Advice - Big Energy Savings Week | 4,000 | - | - | 4,000 |
| Citizens Advice - Consumer Empowerment Partnership | 1,463 | 5,978 | - | 7,441 |
| Citizens Advice - Energy Advice Programme | - | 259 | - | 259 |
| Citizens Advice - Help to Claim | - | 693 | - | 693 |
| | <u>20,861</u> | <u>10,184</u> | <u>-</u> | <u>31,045</u> |
| TOTAL FUNDS | <u>284,167</u> | <u>36,085</u> | <u>-</u> | <u>320,252</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|--|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 711,451 | (689,407) | - | 22,044 |
| Pension reserve | - | 6,000 | (2,143) | 3,857 |
| | <u>711,451</u> | <u>(683,407)</u> | <u>(2,143)</u> | <u>25,901</u> |
| Restricted funds | | | | |
| Debt Free London | 183,845 | (182,849) | - | 996 |
| Foodbank - Hammersmith and Fulham | 11,666 | (9,408) | - | 2,258 |
| Citizens Advice - EBD Extra Advice | 1,283 | (1,283) | - | - |
| Citizens Advice - Consumer Empowerment Partnership | 26,250 | (20,272) | - | 5,978 |
| Citizens Advice - Energy Advice Programme | 18,505 | (18,246) | - | 259 |
| Citizens Advice - Best Practice Leads | 39,000 | (39,000) | - | - |
| Citizens Advice - Help to Claim | 77,442 | (76,749) | - | 693 |
| | <u>357,991</u> | <u>(347,807)</u> | <u>-</u> | <u>10,184</u> |
| TOTAL FUNDS | <u>1,069,442</u> | <u>(1,031,214)</u> | <u>(2,143)</u> | <u>36,085</u> |

Unrestricted Funds

Pension reserve - a designated reserve set aside to cover the liability for the obligation on the defined benefit scheme.

Fixed asset Fund - a designated fund representing amounts expended by the charity to acquire fixed assets for the continuing benefit of the charity.

**HAMMERSMITH AND FULHAM
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. MOVEMENT IN FUNDS - continued

Restricted Funds

Debt Free London - Debt Free London delivers specialist Debt Advice across Hammersmith & Fulham and the London Borough of Hounslow. The fund is rolled out from Money Advice and HFCAB subcontracted the project from Toynbee Hall.

Foodbank - this project is funded by Hammersmith United and Dr Edward Bishop Kings for another year and the project is successfully completed.

Citizens Advice Energy Advice Programme - Funding from the National Association of Citizens Advice for the provision of energy advice.

Citizens Advice Best Practice Leads - Funding from the National Association of Citizens Advice for the provision of the help to claim project.

Citizens Advice Help to Claim - Funding from the National Association of Citizens Advice for the provision of the help to claim project.

City Bridge Trust Fund - Funding for a full time community outreach senior adviser and associated project costs to provide outreach advice to communities who do not usually access mainstream advice services.

The National Lottery Community Fund - Coronavirus Community Support Fund - Funding for an advice outreach worker.

Citizens Advice The Trussell Trust Foodbanks Fund - Funding for two full time equivalent advisers for The Trussell Trust Foodbank helpline project.

W12 Together and Midaye Fund - Funding to provide specialist advice services to residents and Midaye clients within the W12Together area, Wormholt and White City.

Citizens Advice - Pan London Adviceline Development Fund - Funding to create enduring capacity to meet the increasing client demand on Adviceline phone services caused by COVID-19 and address barriers to access for clients in the London region in both the immediate term and with a view to the future.

Smart Energy Fund - Funding towards the employment costs of a dedicated specialist.

City Bridge Trust TNLFC Covid-19 Response Fund - Funding from the London Community Response Fund towards the costs of the advice services for the benefit of the inhabitants of Greater London.

Energy Best Deal - Short term funding to support training to groups of individuals and front-line workers from other agencies in choosing a utilities supplier and managing energy usage and bills.

Big Energy Savings Network - A National initiative led by Citizens Advice. It involves recruitment of a network of 'energy champions' across the country.

Citizens Advice Consumer Empowerment Partnership - providing local leadership, and working closely with partners, in particular the Trading Standards Service, to improve consumer protection and empowerment through shared information on consumer problems, education and advocacy.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

21. EMPLOYEE BENEFIT OBLIGATIONS

(i) Pension costs: The National Association of Citizens Advice Bureaux Pensions and Assurance Plan (1991)

Citizens Advice ('the Principal Employer') operates a defined benefit scheme ('the Plan') in the UK which provides both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salaries at retirement and their length of service at the date they retired or left pensionable service. The Plan closed to future accrual on 31 March 2008. The Plan also contains some money purchase AVCs and protected rights funds, which are not included in these disclosures.

In accordance with the schedule of contributions in force over the 2021/22 accounting year, the contributions to the Plan for the year ending 31 March 2022 are expected to be £2,579,000, which includes £2,279,000 towards the deficit and £300,000 as an allowance for administration expenses and all scheme levies.

The Plan is a registered scheme under UK legislation. The Plan is subject to the scheme funding requirements outlined in UK legislation. The Plan is governed by the Plan's Trust Deed and Rules dated 4 April 2011. The Trustee is responsible for the operation and the governance of the Plan, including making decisions regarding the Plan's funding investment strategy (although they are required to consult the Principal Employer).

A full actuarial valuation of the Plan was carried out as at 31 March 2021 by a qualified independent actuary, based upon membership data as at 31 March 2019, allowing for assumed membership movements over the period from this date, as well as any actual transfers out or trivial commutations over the period.

The most recent formal actuarial valuation of the Plan was as at 31 March 2019 and revealed a funding deficit of £68,501,000. In the recovery plan agreed following the valuation, the Principal Employer and other participating employers agreed to pay deficit reduction contributions of £2,279,000 per annum with the view to eliminating the deficit by 31 March 2037.

The liabilities of the Plan are based on the current value of expected benefit payment cashflows to members of the Plan over the next 60 or more years. The average duration of the liabilities is approximately 16 years.

The Plan is exposed to actuarial risks such as market (investment) risk, interest rate risk, inflation risk, currency risk and longevity risk.

The major assumptions used by the actuary were (in nominal terms) as follows:

| | 31.3.2021 | 31.3.2020 |
|---|---------------------|---------------------|
| Discount rate | 2.10% | 2.40% |
| Inflation (RPI) | 3.30% | 2.80% |
| Inflation (CPI) | 2.80% | 2.00% |
| Revaluation of deferred pensions in excess of GMP | 2.80% | 2.00% |
| Pension in payment increases of: | | |
| - CPI or 5% p.a. if less | 2.80% | 2.00% |
| - CPI inflation since retirement or 5% p.a. compound if less | 2.80% | 2.00% |
| - CPI or 3% p.a. if less | 2.50% | 1.90% |
| Commutation of pension for cash at retirement | 75% of HMRC maximum | 75% of HMRC maximum |
| | 31.3.2021 | 31.3.2020 |
| Assumed life expectancies on retirement at age 65 are: | | |
| Retiring today - Males | 21.2 | 21.2 |
| Retiring today - Females | 24.1 | 24.1 |
| Retiring in 20 years time - Males | 22.6 | 22.6 |
| Retiring in 20 years time - Females | 25.7 | 25.6 |

**HAMMERSMITH AND FULHAM
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

| | Value at 31.3.2021 £000s | Value at 31.3.2020 £000s |
|--|---|---|
| The assets in the Plan were: | | |
| Multi asset funds | 72,995 | 61,086 |
| Structured Equity | 24,849 | 24,279 |
| Cash | 1,509 | 594 |
| | 99,353 | 85,959 |
| The actual return on assets over the period was: | 14,282 | 188 |
| Present value of funded obligations | 161,415 | 140,310 |
| Fair value of Plan assets | 99,353 | 85,959 |
| Surplus/(deficit) in funded scheme | 62,062 | (54,351) |
| Present value of unfunded obligations | - | - |
| Unrecognised actuarial gains/(losses) | - | - |
| Adjustment in respect of asset ceiling and minimum funding requirement | - | - |
| | 62,062 | 54,351 |
| Reconciliation of opening and closing balances of the present value of the defined benefit obligation | | |
| | 31.3.2021 £000s | 31.3.2020 £000s |
| Benefit obligation at beginning of year | 140,310 | 144,378 |
| Current service cost | 652 | 866 |
| Interest cost | 3,322 | 3,549 |
| Contributions by Plan participants | - | - |
| Actuarial (gains)/losses | 21,568 | (2,823) |
| Benefits paid and expenses | (4,437) | (5,660) |
| Past service cost | - | - |
| Settlements | - | - |
| Business combinations | - | - |
| Exchange rate | - | - |
| Benefit obligation at end of year | 161,415 | 140,310 |

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

Reconciliation of opening and closing balances of the fair value of Plan assets

| | 31.3.2021 £000s | 31.3.2020 £000s |
|---|----------------------------|----------------------------|
| Fair value of Plan assets at beginning of year | 85,959 | 88,882 |
| Interest income on Plan assets | 2,052 | 2,183 |
| Return on assets, excluding interest income | 12,230 | (1,995) |
| Contributions by employers | 3,549 | 2,549 |
| Contributions by Plan participants | - | - |
| Benefits paid and expenses | (4,437) | (5,660) |
| Business combinations | - | - |
| Settlements | - | - |
| Exchange rate | - | - |
| Fair value of Plan assets at end of year | 99,353 | 85,959 |

The amounts recognised in profit or loss:

| | 31.3.2021 £000s | 31.3.2020 £000s |
|--|----------------------------|----------------------------|
| Service cost - including current & past service costs, & settlements | - | - |
| Service cost - administrative cost | 652 | 866 |
| Net interest on the net defined benefit liability | 1,270 | 1,366 |
| Total expense | 1,922 | 2,232 |

Remeasurements of the net defined benefit liability (asset) to be shown in OCI:

| | 31.3.2021 £000s | 31.3.2020 £000s |
|--|----------------------------|----------------------------|
| Actuarial (gains)/losses on the liabilities | 21,568 | (2,823) |
| Return on assets, excluding interest income | (12,230) | 1,995 |
| Changes in the effect of the asset ceiling excluding interest income | - | - |
| Total remeasure of the net defined liability (asset) to be shown in OCI | 9,338 | (828) |

(ii) Pension costs: The Pensions Trust Growth Plan

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The bureau has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2020. As of this date the estimated employer debt was £18,200.

The trustees of The Pensions Trust have determined that Series 3 only employers will not be asked to make any contributions to the deficit but may review the decision at the next valuation.

Employer's contributions totalling £24,936 (2020 - £18,510) were paid into the scheme during the year in respect of 39 (2019 - 25) members of staff.

22. CONTINGENT LIABILITIES

The charitable company has potential financial obligations in respect of:

i) Pension entitlements in respect of past and present staff arising under both the NACAB and Pensions Trust defined benefit pension schemes. In the case of the Pension Trust Growth Plan scheme it has been confirmed that on the basis of the actuarial assessment of the buyout funding position at 30 September 2020, the employer debt on withdrawal liability for Hammersmith & Fulham CAB is £18,200.

23. CAPITAL COMMITMENTS

| | 2021 | 2020 |
|---|---------------|----------|
| | £ | £ |
| Contracted but not provided for in the financial statements | <u>22,782</u> | <u>-</u> |

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year 31 March 2021 and 31 March 2020.

25. LIMITED BY GUARANTEE

The charity is a private company limited by guarantee, without share capital. The members of the company guarantee the sum of £1 whilst they remain members of the company and for one year thereafter, in accordance with the provisions of the Memorandum of Association. The company is controlled by the members that include all of the trustees.