

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 2023**

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 2023**

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HAMMERSMITH AND FULHAM CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 2023. 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 2023**

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

CAHF is located at Avonmore Library and Neighbourhood Centre in West Kensington which is the main hub for its services. It also operates its services from a number of locations around the Borough working in partnership with other community organisations. In the last year, we have established Help Hubs in the Community which are located at various community centres around the Borough increasing access to our services and particularly to ensure our presence in the north of the Borough. These included Queen Caroline Estate, Flora Gardens and Charecroft Community Centre. We also continue to work in partnership with our various community partners such as the food bank, West London Welcome, Upper Rooms and many more.

Services

2022 - 23 has been a challenging year for many our clients as they grapple with the cost-of-living crisis and rising energy costs. We have seen a massive increase in demand for our services, and we have helped even more people in crisis. We have tried to ensure that clients are able to reach us when they need us in a variety of ways, including:

- 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.

In addition to our core services, we expanded our service offer through a range of complimentary services and projects that we embedded in community settings and outreach locations to increase access to our services.

Client Issues

In 2022, we helped record numbers of people in crisis, with a staggering increase of **64%** in the number of people helped as compared to the year before, a total of **15,934** clients with **47,721** issues. More than half of those who turned to us for our support did so for the first time.

Last year we reported that after years of no change in the top 3, there was a change in our main enquiry areas: debt dropping into third, housing rising to the second largest enquiry area after benefits, reflecting people's insecurity around housing during the pandemic. This year the top 3 includes more charitable support and foodbank vouchers enquiries than enquiries about debt and an increase in enquiries about benefits:

- Benefits and Universal Credit **50%**
- Housing **13%**
- Charitable Support and Foodbank Vouchers **14%**
- Debt **12%**
- Utilities and Communications **11%**

HAMMERSMITH AND FULHAM CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

2023 is proving to be even worse. So far, we're helping more people with crisis support than any other year - more than 2 people every minute. We hear about spiralling costs, shortfalls in income, and families simply unable to afford even the essentials. We're talking to people who literally don't know where else to turn.

Projects

CAHF is funded by a variety of funders to provide a range of complimentary projects. In addition to our generalist advice service, we delivered a wide range of specialist projects including:

- Specialist debt casework
- Help through Hardship (focussing on food poverty)
- Advisers based in food banks
- Energy advice to help clients overcome fuel poverty
- Digital Skills projects for the digitally excluded
- Outreach projects working with partner agencies (Midaye, West London Welcome)
- Anti-Poverty Project working with over 12 partner organisations::
 - West London Welcome
 - Upper Room
 - Barons Court Project
 - Smart Works
 - St Andrews Church (Saturday homeless project)
 - Mind
 - Look Ahead
 - River House
 - DAWS / Turning Point
 - St. Mungo's
 - Hestia
 - Alcohol Service (CGL)
 - Urban Partnership Group

Achievement and Performance

Despite the challenges of increased demand and reduced capacity (due to low level of volunteers and recruitment challenges) we have had another very successful year:

- We have generated nearly **£800k** 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 have maintained our 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 2023, which are summarised in the Statement of Financial activities (SOFA), showed an overall excess of income over expenditure of £85,939 (2022 £124,476). Unrestricted funds at 31 March 2023 were £515,329 (2022 £445,774).

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 2023**

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 £340,000 at the present time. Our actual unrestricted reserves are now £515,329 and the Board consider this a sufficient level to manage working capital requirements.

Staff

Salaries and staff related costs were approximately 87% (2022 90%) of total expenditure.

Volunteers

Our volunteers are working extremely hard to meet the increased demand, particularly as we are struggling to recruit more volunteers. CAHF like many other voluntary sector organisations have experienced higher turnover of volunteers.

We recruited **46** volunteers **32%** of whom were from Hammersmith and Fulham. **23** volunteers left, of which **58%** went into full time work and **10%** of volunteer leavers went into full time study.

FUTURE PLANS

Our key priorities for the next 12 months include:

- Providing access to our services through a range of channels and community access points to meet clients needs.
- Ensuring that our service will have improved capacity to meet more demand, through better recruitment, retention and representation of staff and volunteers.
- Developing our workforce to enable us to help more people with complex issues.
- Ensuring the provision of a resilient and reliable infrastructure to support service delivery.
- Raising our profile to be seen as the partner of choice for all stakeholders (funders, clients, volunteers, partners, etc).
- Sharing intelligence to remove inequalities and improve lives.
- Removing barriers for all to ensure we remain inclusive and accessible.
- Developing our funding portfolio to ensure the sustainability of our services.

Whilst LBHF provides us with a strong foundation for our core funding, individual project budgets are tight as funders are either reducing funding or holding them at the same cash level, whilst costs and key performance indicators are increasing. To ensure continued sustainability, our income generation objectives are to:

- Review and shift our cost base to enable us to be competitive but sustainable for the future.
- Ensure the LBHF core funding remains at current level and moves towards regular inflationary increases.
- Continue to raise unrestricted income wherever possible.
- Continue developing strong relationships with funders by successfully delivering project objectives and demonstrating the impact of our work to ensure renewal/securing of funds.
- Identify new funding streams for projects and submit bids to add to the portfolio of complementary services, with a particular focus on the health sector.
- Explore other methods of generating unrestricted income eg corporate fundraising, etc.

HAMMERSMITH AND FULHAM CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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.

Organisational structure and decision making

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 and priorities identified are:

- Ensuring that we have sufficient capacity in the organisation to meet increased levels of demand
- Continued and adequate funding for key contracts ensuring sustainability in line with inflation
- Maintaining the quality of advice

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03160526 (England and Wales)

Registered Charity number
1054505

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

Trustees

C Larnder (Chair)
R A Jarvis (Treasurer)
S W Harcourt
L Homan
E M Kawonza
V Farnell
G Pope
B Gallagher
P Brough
R Holmes
T Salem (resigned 20/10/22)

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

Company Secretary and Chief Executive
Simi Ryatt

Senior Management Team

Ivy Lewis	Head of Resources
Tania Lewis	Head of Business Development
Fre Tekeleab	Head of Finance
Viki Phillips	Interim Head of Advice Services

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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).

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 25 October 2023 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 2023 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 2023 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.

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

1 November 2023

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,149	-	2,149	2,597
Charitable activities	5				
General advice and information		645,840	210,543	856,383	817,844
Training and advice projects		23,500	111,451	134,951	130,181
Money advice projects		-	455,921	455,921	454,943
Investment income	4	3,258	-	3,258	-
Other income	6	832	-	832	2,504
Total		<u>675,579</u>	<u>777,915</u>	<u>1,453,494</u>	<u>1,408,069</u>
EXPENDITURE ON					
Charitable activities	7				
General advice and information		580,556	223,670	804,226	684,794
Training and advice projects		16,231	95,574	111,805	112,283
Money advice projects		16,316	442,837	459,153	488,781
Total		<u>613,103</u>	<u>762,081</u>	<u>1,375,184</u>	<u>1,285,858</u>
NET INCOME		62,476	15,834	78,310	122,211
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		7,079	-	7,079	2,265
Net movement in funds		69,555	15,834	85,389	124,476
RECONCILIATION OF FUNDS					
Total funds brought forward		445,774	34,559	480,333	355,857
TOTAL FUNDS CARRIED FORWARD		<u>515,329</u>	<u>50,393</u>	<u>565,722</u>	<u>480,333</u>

The notes form part of these financial statements

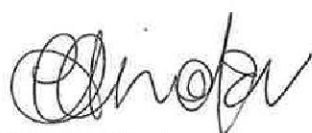
**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2023**

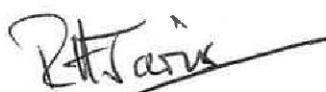
	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	14	20,304	39,627
CURRENT ASSETS			
Debtors	15	76,826	33,014
Cash at bank		888,400	803,531
		<u>965,226</u>	<u>836,545</u>
CREDITORS			
Amounts falling due within one year	16	(341,000)	(302,452)
		<u>624,226</u>	<u>534,093</u>
NET CURRENT ASSETS			
		644,530	573,720
TOTAL ASSETS LESS CURRENT LIABILITIES			
PENSION LIABILITY	20	(78,808)	(93,387)
		<u>565,722</u>	<u>480,333</u>
NET ASSETS			
FUNDS	19		
Unrestricted funds		515,329	445,774
Restricted funds		50,393	34,559
TOTAL FUNDS		<u>565,722</u>	<u>480,333</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 25 October 2023 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 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	83,890	131,756
Net cash provided by operating activities		<u>83,890</u>	<u>131,756</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,279)	(53,656)
Interest received		3,258	
Net cash provided by/(used in) investing activities		<u>979</u>	<u>(53,656)</u>
Change in cash and cash equivalents in the reporting period		<u>84,869</u>	<u>78,100</u>
Cash and cash equivalents at the beginning of the reporting period		<u>803,531</u>	<u>725,431</u>
Cash and cash equivalents at the end of the reporting period		<u><u>888,400</u></u>	<u><u>803,531</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 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	78,310	122,211
Adjustments for:		
Depreciation charges	21,602	22,596
Interest received	(3,258)	-
(Increase)/decrease in debtors	(43,812)	42,059
Increase/(decrease) in creditors	38,548	(47,610)
Difference between pension charge and cash contributions	(7,500)	(7,500)
Net cash provided by operations	<u>83,890</u>	<u>131,756</u>

2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank	803,531	84,869	888,400
	<u>803,531</u>	<u>84,869</u>	<u>888,400</u>
Total	<u>803,531</u>	<u>84,869</u>	<u>888,400</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 2023 and 31 March 2022. 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.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

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.

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 2023. 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.

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments

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

	2023	2022
	£	£
Donations	<u>2,149</u>	<u>2,597</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>3,258</u>	<u>-</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Grants and contract income	General advice and information	856,383	817,844
Grants and contract income	Training and advice projects	134,951	130,181
Grants and contract income	Money advice projects	455,921	454,943
		<u>1,447,255</u>	<u>1,402,968</u>

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

	2023	2022
	£	£
London Borough of Hammersmith & Fulham Advice Station Service Level Agreement	539,000	539,000
Citizens Advice - HelpThrough Hardships Helpline Grants	297,148	183,357
The National Lottery Community Fund - RC London and South East London - Help Hub Grant	124,786	81,045
Toynbee Hall - The DFL Project	113,772	171,209
London Borough of Hammersmith & Fulham - Help Hub	23,500	38,201
Young Lives vs Cancer	33,000	33,000
City Bridge Trust Grant	41,973	49,000
The Henry Smith Grant	28,187	36,600
London Borough of Hammersmith & Fulham - Affordability Project	27,877	26,250
National Citizens Advice - Energy Advice Programme	38,439	16,087
Midaye Grant	8,448	8,066
Citizens Advice - Pan London Adviceline Development Grant	40,012	27,644
West London Welcome Grant	30,447	4,166
Upper Room grant	8,837	-
Greater London Authority - Crisis	20,000	-
Greater London Authority - Specialist	25,000	-
Capital grants	10,665	-
Carried forward	<u>1,411,091</u>	<u>1,213,625</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

	2023 £	2022 £
Brought forward	1,411,091	1,213,625
National Citizens Advice - Help to Claim	-	76,223
National Citizens Advice - West London Best Practice	-	20,334
Foodbank - Trussel Trust Grant	36,164	9,000
ASDA and Foodbank Project Grant	-	34,474
Department for Work and Pensions - Kick Start Grant	-	15,249
Hammersmith United & Dr Edward Bishop Kings	-	13,162
W12 Together	-	15,611
TNLCF Covid-19 Response Fund Grant	-	5,290
	<u>1,447,255</u>	<u>1,402,968</u>

6. OTHER INCOME

	2023 £	2022 £
Sundry income	<u>832</u>	<u>2,504</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
General advice and information	695,536	108,690	804,226
Training and advice projects	95,774	16,031	111,805
Money advice projects	442,837	16,316	459,153
	<u>1,234,147</u>	<u>141,037</u>	<u>1,375,184</u>

2022 Comparatives for charitable activities costs

	Direct costs £	Support costs £	Totals £
General advice and information	632,925	51,869	684,794
Training and advice projects	106,271	6,012	112,283
Money advice projects	445,356	43,425	488,781
	<u>1,184,552</u>	<u>101,306</u>	<u>1,285,858</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

8. SUPPORT COSTS

	Support costs	Governance costs	Totals
	£	£	£
General advice and information	102,447	6,243	108,690
Training and advice projects	15,111	920	16,031
Money advice projects	15,379	937	16,316
	<u>132,937</u>	<u>8,100</u>	<u>141,037</u>

2022 Comparatives for support costs

	Support costs	Governance costs	Totals
	£	£	£
General advice and information	48,132	3,737	51,869
Training and advice projects	5,650	362	6,012
Money advice projects	40,902	2,523	43,425
	<u>94,684</u>	<u>6,622</u>	<u>101,306</u>

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

9. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	5,500	5,300
Other non-audit services	1,300	950
Depreciation - owned assets	21,602	22,596
Operating leases	<u>9,400</u>	<u>9,400</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

11. STAFF COSTS

	2023 £	2022 £
Wages and salaries	1,063,895	1,041,925
Social security costs	98,764	87,754
Other pension costs	28,369	28,583
	<u>1,191,028</u>	<u>1,158,262</u>

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

	2023	2022
Advisors and assessors	39	38
Management and administration	5	7
	<u>44</u>	<u>45</u>

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

	2023	2022
£60,001 - £70,000	<u>1</u>	<u>-</u>

The key management team is considered to be the senior management team. Remuneration of £259,726 (2022 £250,390) was paid to Key Management Personnel. This includes pension scheme contributions of £10,324 (2022 £10,123).

Volunteers

We recruited 46 volunteers 32% of whom were from Hammersmith and Fulham. 23 volunteers left, of which 58% went into full time work and 10% of volunteer leavers went into full time study.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,597	-	2,597
Charitable activities			
General advice and information	597,671	220,173	817,844
Training and advice projects	71,201	58,980	130,181
Money advice projects	-	454,943	454,943
Other income	2,504	-	2,504
Total	<u>673,973</u>	<u>734,096</u>	<u>1,408,069</u>
EXPENDITURE ON			
Charitable activities			
General advice and information	479,539	205,255	684,794
Training and advice projects	66,701	45,582	112,283
Money advice projects	-	488,781	488,781
Total	<u>546,240</u>	<u>739,618</u>	<u>1,285,858</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)			
Other recognised gains/(losses)	127,733	(5,522)	122,211
Actuarial gains on defined benefit schemes	2,265	-	2,265
Net movement in funds	129,998	(5,522)	124,476
RECONCILIATION OF FUNDS			
Total funds brought forward	315,776	40,081	355,857
TOTAL FUNDS CARRIED FORWARD	<u>445,774</u>	<u>34,559</u>	<u>480,333</u>

13. 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.

14. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Totals £
COST			
At 1 April 2022	2,133	191,373	193,506
Additions	-	2,279	2,279
At 31 March 2023	<u>2,133</u>	<u>193,652</u>	<u>195,785</u>
DEPRECIATION			
At 1 April 2022	2,133	151,746	153,879
Charge for year	-	21,602	21,602
At 31 March 2023	<u>2,133</u>	<u>173,348</u>	<u>175,481</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>20,304</u>	<u>20,304</u>
At 31 March 2022	<u>-</u>	<u>39,627</u>	<u>39,627</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Contract income receivable	71,615	27,891
Other debtors and prepayments	5,211	5,123
	<u>76,826</u>	<u>33,014</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Operational creditors	13,613	37,278
Social security and other taxes	36,336	23,379
Other creditors and accruals	61,345	66,334
Deferred income	229,706	175,461
	<u>341,000</u>	<u>302,452</u>

	£	£
<u>Deferred Income</u>		
Balance at 1 April 2022	175,461	190,378
Amounts released to incoming resources	(110,601)	(100,864)
Amount deferred in the year	164,846	85,647
	<u>229,706</u>	<u>175,461</u>

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

17. LEASING AGREEMENTS

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

	2023	2022
	£	£
Within one year	9,400	9,400
Between one and five years	37,600	37,600
In more than five years	-	9,400
	<u>47,000</u>	<u>56,400</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	20,304	-	20,304	39,627
Current assets	914,833	50,393	965,226	836,545
Current liabilities	(341,000)	-	(341,000)	(302,452)
Pension liability	(78,808)	-	(78,808)	(93,387)
	<u>515,329</u>	<u>50,393</u>	<u>565,722</u>	<u>480,333</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

Comparatives for net assets between funds

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Fixed assets	39,627	-	39,627
Current assets	790,500	46,045	836,545
Current liabilities	(290,966)	(11,486)	(302,452)
Pension liability	(93,387)	-	(93,387)
	<u>445,774</u>	<u>34,559</u>	<u>480,333</u>

19. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	498,514	54,976	20,343	573,833
General fund - Capital	48,147	-	(27,843)	20,304
Pension reserve	(100,887)	14,579	7,500	(78,808)
	<u>445,774</u>	<u>69,555</u>	<u>-</u>	<u>515,329</u>
Restricted funds				
Debt Free London	(432)	3,834	-	3,402
Foodbank - Hammersmith and Fulham	678	9,250	-	9,928
Citizens Advice - EBD Extra Advice	15,398	(58)	-	15,340
Citizens Advice - Energy Advice Programme	2,965	16,341	-	19,306
Citizens Advice - Universal Credit	3,052	-	-	3,052
City Bridge Trust Fund	2,112	(1,232)	-	880
W12Together and Midaye Fund	4,093	(1,506)	-	2,587
City Bridge Trust TNLCOF COVID-19 Response Fund	1,553	-	-	1,553
The National Lottery Community Fund - RC				
London and South East Region - Help Hub	2,044	(15,479)	-	(13,435)
Kickstart	(2,689)	-	-	(2,689)
West London Welcome	5,785	5,090	-	10,875
Young Lives vs Cancer	-	(406)	-	(406)
	<u>34,559</u>	<u>15,834</u>	<u>-</u>	<u>50,393</u>
TOTAL FUNDS	<u>480,333</u>	<u>85,389</u>	<u>-</u>	<u>565,722</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

19. 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	675,579	(620,603)	-	54,976
Pension reserve	-	7,500	7,079	14,579
	<u>675,579</u>	<u>(613,103)</u>	<u>7,079</u>	<u>69,555</u>
Restricted funds				
Debt Free London	113,772	(109,938)	-	3,834
Foodbank - Hammersmith and Fulham	342,149	(332,899)	-	9,250
Citizens Advice - EBD Extra Advice	-	(58)	-	(58)
Citizens Advice - Energy Advice Programme	38,439	(22,098)	-	16,341
City Bridge Trust Fund	41,973	(43,205)	-	(1,232)
W12Together and Midaye Fund	8,448	(9,954)	-	(1,506)
Citizens Advice - Pan London Adviceline Development Fund	40,012	(40,012)	-	-
The National Lottery Community Fund - RC				
London and South East Region - Help Hub	129,675	(145,154)	-	(15,479)
West London Welcome	30,447	(25,357)	-	5,090
Young Lives vs Cancer	33,000	(33,406)	-	(406)
	<u>777,915</u>	<u>(762,081)</u>	<u>-</u>	<u>15,834</u>
TOTAL FUNDS	<u><u>1,453,494</u></u>	<u><u>(1,375,184)</u></u>	<u><u>7,079</u></u>	<u><u>85,389</u></u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	412,032	127,733	(41,251)	498,514
General fund - Capital	6,896	-	41,251	48,147
Pension reserve	(103,152)	2,265	-	(100,887)
	<u>315,776</u>	<u>129,998</u>	<u>-</u>	<u>445,774</u>
Restricted funds				
Debt Free London	(7,072)	6,640	-	(432)
Foodbank - Hammersmith and Fulham	(13,238)	13,916	-	678
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	363	2,602	-	2,965
Citizens Advice - Help to Claim	(1,114)	1,114	-	-
Citizens Advice - Universal Credit	-	3,052	-	3,052
City Bridge Trust Fund	125	1,987	-	2,112
The National Lottery Community Fund - Coronavirus Community Support Fund	23,038	(23,038)	-	-
W12Together and Midaye Fund	5,477	(1,384)	-	4,093
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	(825)	-	1,553
The National Lottery Community Fund - RC	-	2,044	-	2,044
London and South East Region - Help Hub	-	(2,689)	-	(2,689)
Kickstart	-	5,785	-	5,785
West London Welcome	-	-	-	-
	<u>40,081</u>	<u>(5,522)</u>	<u>-</u>	<u>34,559</u>
TOTAL FUNDS	<u>355,857</u>	<u>124,476</u>	<u>-</u>	<u>480,333</u>

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

19. MOVEMENT IN FUNDS - continued

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	673,973	(546,240)	-	127,733
Pension reserve	-	-	2,265	2,265
	<u>673,973</u>	<u>(546,240)</u>	<u>2,265</u>	<u>129,998</u>
Restricted funds				
Debt Free London	171,209	(164,569)	-	6,640
Foodbank - Hammersmith and Fulham	232,743	(218,827)	-	13,916
Citizens Advice - Big Energy Savings Week	-	(4,000)	-	(4,000)
Citizens Advice - Consumer Empowerment Partnership	-	(7,441)	-	(7,441)
Citizens Advice - Energy Advice Programme	16,087	(13,485)	-	2,602
Citizens Advice - Help to Claim	-	1,114	-	1,114
Citizens Advice - Universal Credit	96,557	(93,505)	-	3,052
City Bridge Trust Fund	49,000	(47,013)	-	1,987
The National Lottery Community Fund - Coronavirus Community Support Fund	-	(23,038)	-	(23,038)
W12Together and Midaye Fund	23,677	(25,061)	-	(1,384)
Citizens Advice - Pan London Adviceline Development Fund	27,644	(28,348)	-	(704)
Smart Energy Fund	-	(2,581)	-	(2,581)
City Bridge Trust TNLCOF COVID-19 Response Fund	5,290	(6,115)	-	(825)
Citizens Advice - BEIS	5,180	(5,180)	-	-
The National Lottery Community Fund - RC London and South East Region - Help Hub Kickstart	81,045	(79,001)	-	2,044
	15,249	(17,938)	-	(2,689)
West London Welcome	10,415	(4,630)	-	5,785
	<u>734,096</u>	<u>(739,618)</u>	<u>-</u>	<u>(5,522)</u>
TOTAL FUNDS	<u>1,408,069</u>	<u>(1,285,858)</u>	<u>2,265</u>	<u>124,476</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.

Restricted Funds

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

Foodbank - this project is funded by the Trussel Trust 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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

19. MOVEMENT IN FUNDS - continued

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.

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

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

City Bridge Trust TNLCF 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.

Kickstart - The kickstart scheme is funded by the DWP to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment.

The National Lottery Community Fund - RC London and South East Region "Help Hub" - funding to delivery 4 outreach hubs in the local community.

West London Welcome - Funding towards the salary of an outreach worker at West London Welcome.

Young Lives vs Cancer - funding to support the service.

20. 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 2023/24 accounting year, the contributions to the Plan for the year ending 31 March 2024 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 31 March 2022 valuation is currently underway and a new schedule of contributions will be put in place at its completion.

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).

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

A full actuarial valuation of the Plan was carried out as at 31 March 2023 by a qualified independent actuary, based upon membership data as at 31 March 2022, allowing for assumed membership movements over the period from this date, and any material membership movements significantly different from those assumed (e.g. transfers out).

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 31 March 2022 valuation is currently underway.

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 12 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:

	31.3.2023	31.3.2022
Discount rate	4.80%	2.80%
Inflation (RPI)	3.30%	3.70%
Inflation (CPI)	2.85%	3.25%
Revaluation of deferred pensions in excess of GMP	2.85%	2.85%
Pension in payment increases of:		
- CPI or 5% p.a. if less	2.85%	3.25%
- CPI inflation since retirement or 5% p.a. compound if less	2.85%	3.25%
- CPI or 3% p.a. if less	2.50%	2.70%
	75% of HMRC	75% of HMRC
Commutation of pension for cash at retirement	maximum	maximum

Assumed life expectancies on retirement at age 65 are:

	31.3.2023	31.3.2022
Retiring today - Males	20.8	21.3
Retiring today - Females	23.6	24.2
Retiring in 20 years time - Males	22.0	22.6
Retiring in 20 years time - Females	24.7	25.7

	Value at 31.3.2023 £000s	Value at 31.3.2022 £000s
The assets in the Plan were:		
Multi asset funds	24,903	68,955
Structured Equity	35,116	27,488
Cash	726	5,771
	60,745	102,214

The actual return on assets over the period was: (37,084) 5,301

Present value of funded obligations	111,169	148,768
Fair value of Plan assets	60,745	102,214
Surplus/(deficit) in funded scheme	(50,424)	(46,554)

**HAMMERSMITH AND FULHAM
CITIZENS ADVICE BUREAUX SERVICE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

Present value of unfunded obligations	-	-
Unrecognised actuarial gains/(losses)	-	-
Adjustment in respect of asset ceiling and minimum funding requirement	-	-
	50,424	46,554
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
	31.3.2023	31.3.2022
	£000s	£000s
Benefit obligation at beginning of year	148,768	161,415
Current service cost	832	771
Interest cost	4,074	3,346
Contributions by Plan participants	-	-
Actuarial (gains)/losses	(35,041)	(11,745)
Benefits paid and expenses	(7,464)	(5,019)
Past service cost	-	-
Settlements	-	-
Business combinations	-	-
Exchange rate	-	-
Benefit obligation at end of year	111,169	148,768
Reconciliation of opening and closing balances of the fair value of Plan assets		
	31.3.2023	31.3.2022
	£000s	£000s
Fair value of Plan assets at beginning of year	102,214	99,353
Interest income on Plan assets	2,801	2,061
Return on assets, excluding interest income	(39,885)	3,240
Contributions by employers	3,079	2,579
Contributions by Plan participants	-	-
Benefits paid and expenses	(7,464)	(5,019)
Business combinations	-	-
Settlements	-	-
Exchange rate	-	-
Fair value of Plan assets at end of year	60,745	102,214
The amounts recognised in profit or loss:		
	31.3.2023	31.3.2022
	£000s	£000s
Service cost - including current & past service costs, & settlements	-	-
Service cost - administrative cost	832	771
Net interest on the net defined benefit liability	1,273	1,285
Total expense	2,105	2,056

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

20. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	31.3.2023 £000s	31.3.2022 £000s
Actuarial (gains)/losses on the liabilities	(35,041)	(11,745)
Return on assets, excluding interest income	39,885	(3,240)
Changes in the effect of the asset ceiling excluding interest income	-	-
Total remeasure of the net defined liability (asset) to be shown in OCI	4,844	(14,985)

(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.

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 2022. As of this date the estimated employer debt was £8,573.

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 £25,969 - (2022 £26,316) were paid into the scheme during the year in respect of 42 (2022 - 43) members of staff.

21. 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 2022, the employer debt on withdrawal liability for Hammersmith & Fulham CAB is £8,573.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year 31 March 2023 and 31 March 2022.

23. 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.