

HERTSMERE CITIZENS ADVICE BUREAU

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Registered Charity Number: 1064996

Company Number: 3438303

Limited by guarantee



HERTSMERE CITIZENS ADVICE BUREAU

INDEX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS

	Page
Report of the Directors and Trustees	1 - 12
Auditors Report	13 - 16
Statement of Financial Activities	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Accounts	20 - 28

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are also Directors for the purpose of Company Law) have pleasure in presenting their annual report and the audited financial statements for the year ended 31 March 2022. The financial statements comply with the Charities Act 2011, the Companies Act 2006, The Charity's Memorandum & Articles of Association, and Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

1. ADMINISTRATIVE DETAILS

Charity Name	Hertsmere Citizens Advice Bureau (HCAB)
Charity Registration No.	1064996
Company Registration No.	3438303
Registered Office	Vanstone Suite The Community Centre 2 Allum Lane, Elstree, Borehamwood Hertfordshire WD6 3PJ
Chief Executive	Carolyn Buller
Chair	Arran Elkeles
Company Secretary	Lewis Osbourne
Principal Addresses	Vanstone Suite The Community Centre 2 Allum Lane, Elstree, Borehamwood Hertfordshire WD6 3PJ 8' Rudolph Road, Bushey Hertfordshire WD23 3DU The Wyllotts Centre Darkes Lane, Potters Bar Hertfordshire EN6 2HN
Bankers	Lloyds Bank PLC Units 32 & 32A Atria Shopping Centre Watford Hertfordshire WD17 2UB
Auditors	Parker Cavendish 28 Church Road Stanmore Middx. HA7 4XR

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The following people were directors/trustees on the date of approval of the report:-

Director/Trustee	Current Role	Status	Date First Elected or Appointed
Arran Elkeles	Chair	Elected	09-Oct-2012
Chris Wood	Vice Chair	Elected	05-Apr-2011
Alan Moss	Chair - Personnel & Operations Committee	Elected	05-Nov-2020
Lewis Osbourne	Company Secretary & Chair - Finance Committee	Elected	07-Nov-2002
Malcolm Curzon	Treasurer	Elected	07-Feb-2015
Peter North		Elected	23-Jul-2020
Helen Warne		Elected	26-Jan-2017
Deepa Doshi		Elected	23-Jan-2018
Richard Perkoff		Elected	08-Apr-2019
Pete Tomlinson		Elected	28-Jan-2021
Janice Myerson		Elected	28-Jan-2021

No members of the Trustee Board are in paid employment in the Hertsmere Citizens Advice Bureau and no members are volunteer advisers in the bureau.

The following people additionally served as directors/trustees during the year:-

Director/Trustee	Status	Date Resigned
Vicky Fobel	Elected	07-Nov-2021

HERTSMERE CITIZENS ADVICE BUREAU
REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Hertsmere Citizens Advice Bureau (HCAB) is a registered charity and a company limited by guarantee. The maximum liability of each member is limited to one pound (£1). At 31 March 2022 the company had 11 members. HCAB is governed by its Memorandum and Articles of Association dated 1 July 2014.

HCAB was originally incorporated as a company limited by guarantee in November 1997. The company commenced operations in 1997 at which date the assets and liabilities of the unincorporated Borehamwood and Elstree Citizens Advice Bureau were acquired and in 2000 the assets and liabilities of the unincorporated Bushey Citizens Advice Bureau and Potters Bar Citizens Advice Bureau were acquired and the company name changed to The Citizens Advice Bureau Service in Hertsmere before being changed to Hertsmere Citizens Advice Bureau on 1 July 2014.

Recruitment, Appointment of Trustees

Trustees are also Directors of the Company. The Company Secretary and the Chair oversee the election process for Board appointments. A separate selection process agreed by the Trustee Board is followed for the election of the Chair at the AGM. The Trustee Board seeks to ensure that it draws members with the required abilities from a wide section of those who live and work in Hertsmere and to appoint others who, due to their skills, may be able to contribute to its work. No other persons or bodies external to the charity were entitled to appoint persons to the Trustee Board.

Induction of Trustees

Newly appointed Trustees to HCAB are enrolled on a comprehensive trustee induction training course.

Training of Trustees

Apart from the induction of newly appointed Trustees, other Trustees receive training as needs arise.

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Organisational Structure

HCAB is governed by its Trustee Board which is responsible for settling the strategic direction of the organisation and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of HCAB and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet quarterly as a minimum and delegate the day to day management to the Chief Executive Officer and her team.

A register of directors' interests is maintained at the registered office, and is available to the public.

Related Parties

HCAB is a member of Citizens Advice, the operating name of the National Association of Citizens Advice offices, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards. Operating policies are independently determined by the Trustee Board of HCAB in order to fulfil its charitable objects and comply with the national requirements of Citizens Advice.

The charity also co-operates and liaises with a number of other advisory services, local charities, housing associations and social services departments on behalf of clients. Where one of the trustees holds the position of trustee/director of another charity, they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

In 2011 HCAB joined with the 9 other offices in the Hertfordshire area to form Hertfordshire Citizens Advice Service. This is a consortium that seeks to encourage collaborative working between offices on a county wide basis. HCAB has equal representation on this consortium along with the other 9 Hertfordshire CA offices.

HERTSMERE CITIZENS ADVICE BUREAU
REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Major Risks

A risk management strategy and risk register have been established and implemented by the Trustee Board. The Trustees recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end HCAB is continually monitoring and reviewing the risk register and ensuring action plans are in place to mitigate its key risks.

Included in external risks is that of the loss of funding. HCAB is dependent upon a substantial grant from Hertsmere Borough Council to maintain its core Hertsmere-wide advice service. The Trustees have minimised the effects of the withdrawal of this funding by securing a 5 year agreement with Hertsmere Borough Council which runs until March 2023, by raising funds from a variety of sources and by maintaining a prudent reserves policy. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity. In addition both the governance and case work of HCAB is subject to assessment and review by Citizens Advice National Office.

The Trustee Board has considered in depth the possible effects of the COVID 19 pandemic on its operations and funding. A detailed plan has been drawn up and implemented to ensure that the charity can continue to deliver its services and assurances received from funders as to their continuing support. The Board therefore believes that the charity is well placed to continue its operations for the next financial year.

3. OBJECTIVES AND ACTIVITIES

Objects

The Charity's objects are to promote any charitable purpose for the benefit of the community living and working in Hertsmere, by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Aims, Objectives, Strategies and Activities for the Year

HCAB aims to provide free, independent, confidential and impartial advice to everyone living or working in Hertsmere, on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

HCAB aims to provide the advice people need for the problems they face and to improve the policies and practices that affect people's lives.

In addition to the continuing provision of high quality advisory services to the local community the primary objectives for the year were to continue to develop the means of service provision to include telephone and internet communication, and to extend the work of the specialist debt advisory service staffed by appropriately qualified personnel.

To obtain the necessary funding to provide the additional services, applications were made to various local and national providers of community finance. Advertisements were placed in the local press for advisory staff both as paid employees and volunteers, induction and training being provided to the extent that necessary knowledge and skills were not pre-existing.

The principal activity of the HCAB remained the provision of free, confidential, independent and impartial advice, information and counsel for members of the public. This is provided through three main service advice centres in Hertsmere: in Elstree & Borehamwood, Bushey and Potters Bar. In addition to general advice the following specialist advisory services were provided during the year:-

Specialist Welfare Benefit and Debt Counselling

Advisory services were provided through face-to-face consultations, telephone advice lines and various outreach services at community centres throughout Hertsmere. With funds received from the Government and administered by Citizens Advice National, HCAB set up a service to assist clients in applying for the Universal Credit benefit. A specialist team has also been set up to advise clients who have complex issues impacted by the Covid pandemic.

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Contribution of Volunteers

HCAB receives help and support in the form of voluntary assistance in advising the public and administering the charity.

Volunteers 63 (2021 - 58), including the trustees, contributed some 17,544 hours (2021 - 16,250) of largely advisory work to the bureau during the year. We estimate the value of this help at approximately £307,000 in respect of the year (2021 - £280,000).

4. ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

Over the past year, due to the Covid situation, the service we have provided has been largely on a virtual basis by telephone, email and video. We have invested heavily in telephone and computer hardware and software to improve the digital access offer to our clients and also allow our staff and volunteers to operate and give advice remotely. In addition we have established a telephone operations room at the Elstree offices. These developments have enabled HCAB to operate its services throughout the year without interruption and meet the increasing demand from clients. However in the latter part of the year with the improving situation and lifting of lockdowns, we have once again been able to see vulnerable clients on a face to face basis at Elstree and more recently Bushey. This achievement would not have been possible without the tremendous effort from our dedicated staff and volunteers who have worked so hard to meet the challenges they faced to help clients.

The number of clients presenting with complex debt and benefits issues, sometimes linked to mental health problems, has continued to rise as has the number of clients with housing problems. We have again invested in financial literacy training and qualifications for our staff to ensure that we can offer clients the chance of a fresh start, through debt solutions, and help to manage their budgets on an ongoing basis. Prevention work is an area we are increasingly engaging in and we are working with our county council and local offices to avoid crisis situations and homelessness through advice and support.

Clients and enquires

During 2021/22 we dealt with 12,924 client contacts (2021 - 11,738) whilst the number of new cases were 4,195 (2021 - 3,945).

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Fundraising Activities

Total income for the year was £575,768 an increase of £42,728 compared to the previous year. A number of new projects contributed to this additional income covering support for Adviceline, strengthening the Money and Debt Advice team, and providing further capability to help those in crisis. Contact with potential new clients was also generated by links to Foodbanks and greater accessibility through the website, telephone and email. No material expenditure was incurred in fundraising activities during the year.

Investment Activities

The charity does not currently hold investments other than interest bearing accounts and term cash deposits with its banker.

Factors Affecting the Achievement of Objectives

The charity is only too well aware of the financial pressures experienced by its major funders, and in view of this continues to seek additional sources of funding for its services while at the same time ensuring that these are provided in cost effective and efficient manner.

5. FINANCIAL REVIEW

Financial Position

Incoming Resources in the year were £575,768 (2021 - £533,040) and of this sum, £271,271 (2021 - £243,158) related to project activities.

A surplus of £200,968 was made in the year (2021: £99,007). At 31 March 2022 total reserves were £481,274 (2021 - £280,306) of which £Nil represented Designated Funds (2021- £Nil) and £Nil represented Restricted Funds (2021- £Nil).

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Reserves Policy

HCAB is required to ensure that free monies are available in each financial year to meet any reasonable foreseeable contingency. The charity maintains a projection of income and expenditure for at least three years ahead and endeavours to ensure that this continues to be derived from as wide a variety of sources as possible. However, HCAB is dependent upon a substantial grant from Hertsmere Borough Council to maintain its core Hertsmere-wide advice service. Any reduction in this grant could affect the Trustees' ability to maintain a Hertsmere-wide service and any material reduction could lead to the closure of HCAB in the Borough.

The Trustees have examined HCAB requirements for reserves in the light of the principal risks to the organisation. These risks centre around a major or total loss of core funding, and the consequent potential redundancies. The Trustees are also mindful of the desire to maintain the service in the event of a temporary hiatus in the receipt of grants.

The particular reserves are outlined in notes 11 and 12

Principal Funding Sources

The Directors extend their gratitude to Hertsmere Borough Council who continued to support the core operating capacity of the Charity. Additionally project specific funding was received from the Rolandson Foundation, the M foundation, Aldenham Parish Council, Hertsmere Foodbanks, Citizens Advice National and Hertfordshire County Council.

Hertsmere Borough Council also provides the Bushey and Potters Bar office premises to the Charity on a rent free basis for which we are again very grateful.

The Charity did not have any borrowings from either providers of funding or other sources as at the balance sheet date.

Funds in Deficit

No funds were in deficit at the balance sheet date.

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Investment Policy

As required in its Memorandum, in furtherance of its objects, and for no other purposes, the Company has the power to invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

6. PUBLIC BENEFIT STATEMENT

The Trustee Board is confident that they have complied with their duty under section 4 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

7. FUTURE PLANS

HCAB aims to continually improve access to its service, and intends to extend its service to even wider numbers of the community through increased partnership working, development of telephone advice and office based online advisory service facilities.

HERTSMERE CITIZENS ADVICE BUREAU

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

8. DIRECTORS RESPONSIBILITIES

The trustees (who are also directors of Hertsmere Citizens Advice Bureau 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In preparing those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Hertsmere Citizens Advice Bureau and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for ensuring that the Company maintains an adequate system of internal control designed to provide reasonable assurance that the assets are safeguarded against material loss or unauthorised use and to prevent and detect fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

HERTSMERE CITIZENS ADVICE BUREAU

**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

8. DIRECTORS RESPONSIBILITIES - CONTINUED

So far as each director at the date of the approval of this report is aware:-

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

Parker Cavendish were appointed as the company's auditors at the last Annual General Meeting and have expressed their willingness to continue in that capacity.

Malcolm Curzon

Malcolm Curzon - Treasurer 12th July 2022

HERTSMERE CITIZENS ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HERTSMERE CITIZENS ADVICE BUREAU

Opinion

We have audited the financial statements of Hertsmere Citizens Advice Bureau (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2022 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; 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

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

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

HERTSMERE CITIZENS ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HERTSMERE CITIZENS ADVICE BUREAU

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 we do not express any form of assurance 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 with our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Opinion 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.

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.

HERTSMERE CITIZENS ADVICE BUREAU
INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE HERTSMERE CITIZENS ADVICE BUREAU

Responsibilities of trustees (cont)

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- identification of laws and regulations applicable to the company which may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment and health & safety legislation;

- assessing the extent of compliance with the laws and regulations identified above through making enquiries of management, inspecting relevant correspondence and reviewing minutes of meetings of those charged with governance;

- discussions with the management on consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

- evaluation of internal controls designed to prevent and detect irregularities;

- performing analytical procedures to identify any unusual or unexpected relationships;

- testing journal entries to identify unusual transactions;

- assessing whether there was evidence of bias by the management in relation to accounting estimates;

HERTSMERE CITIZENS ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE HERTSMERE CITIZENS ADVICE BUREAU

Our responsibilities for the audit of the financial statements (cont)

investigating the rationale behind significant or unusual transactions
agreeing financial statement disclosures to underlying supporting documentation;
and enquiring of management as to actual and potential litigation and claims

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Marco Gazza

Marco Gazza (Senior Statutory Auditor)
for and on behalf of Parker Cavendish
Chartered Accountants
Registered Auditor
28 Church Road
Stanmore
Middlesex, HA7 4XR

3rd October 2022

HERTSMERE CITIZENS ADVICE BUREAU

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

	Note	Unrestricted Core Funds £	Unrestricted Project Funds £	Total Funds 2022 £	Total Funds 2021 £
Incoming Resources	1b				
Incoming Resources from Generated Funds	2				
Voluntary Income	2a	30,000	-	30,000	28,915
Investment Income	2b	1,147	-	1,147	3,927
Services provided	2c	-	-	-	-
Incoming Resources from Charitable Activities	3	273,350	271,271	544,621	500,198
Total Incoming Resources		304,497	271,271	575,768	533,040
Resources Expended					
Charitable Activities	4	91,758	271,271	363,029	426,520
Governance Costs	4	11,771	-	11,771	7,513
Total Resources Expended	4	103,529	271,271	374,800	434,033
Net Movement in Funds	5	200,968	-	200,968	99,007
Balances Brought Forward		280,306	-	280,306	181,299
Balances Carried Forward		481,274	-	481,274	280,306

The notes on pages 20 to 28 form part of these financial statements.

HERTSMERE CITIZENS ADVICE BUREAU

BALANCE SHEET AT 31 MARCH 2022

	Note	Core Funds £	Project Funds £	Total 2022 £	Total 2021 £
Current Assets					
Debtors	7	3,249		3,249	0
Bank & Cash Balances		635,116		635,116	499,270
		638,365	0	638,365	499,270
Less Current Liabilities					
Creditors falling due within one year	8	(157,091)		(157,091)	(218,964)
Net current assets		481,274	0	481,274	280,306
Long term liabilities					
Creditors falling due after one year	9	0	0	0	0
Net Assets		481,274	0	481,274	280,306
Funds of the Charity					
Unrestricted Funds	11-13				
Accumulated Funds		481,274		481,274	280,308
Designated Funds		-		-	-
Restricted Funds	11-13	-		-	-
		481,274	0	481,274	280,306

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies, and with the Financial Reporting Standard 102.

These financial statements were approved by the Board of Trustees on 12th July 2022 and signed on their behalf by:-

Arran Elkeles

Arran Elkeles - Chair

Malcolm Curzon

Malcolm Curzon - Treasurer

The notes on pages 20 to 28 form part of these financial statements.

HERTSMERE CITIZENS ADVICE BUREAU

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Total 2022 £	Total 2021 £
Cash flows from operating activities:		
Net cash increase/(decrease) in operating activities	134,699	128,303
Cash flows from investing activities		
Investment income	1,147	3,927
Net cash provided by investing activities	1,147	3,927
Change in cash and cash equivalents in the year	135,846	132,230
Cash and cash equivalents at the beginning of the year	499,270	367,040
Total cash and cash equivalents at the end of the year	635,116	499,270
Reconciliation of net expenditure to net cash flow from operating activities		
Net income for reporting period per SOFA	200,968	99,007
Adjustments for:		
Decrease/ (increase) in debtors	(3,249)	5,164
Increase / (decrease) in creditors	(61,873)	28,059
Investment income	(1,147)	(3,927)
Net cash used in operating activities	134,699	128,303
Analysis of cash & cash equivalents		
Total cash and cash equivalents at the end of the year	635,116	499,270

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 - Accounting policies

a - Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - ("Charities SORP(FRS 102)"), and the Companies Act 2006.

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

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b - Incoming Resources

(i) - Grants Receivable

Grants made to finance the activities of the bureau are credited to the income and expenditure account in the period to which they relate.

(ii) - Bank Interest

Bank interest is included in the income and expenditure account on receipt.

(iii) - Other Income

Sales of services are included in the income and expenditure account in the period to which they relate. Other income, including donations, gifts and covenants are included as they are received.

(iv) - Gifts and Intangible Income

In addition to the above, the charity also receives help and support in the form of voluntary assistance in advising the public. This help and support is not included in the financial statements. However, its value to the Charity has been estimated and is disclosed in the directors' report.

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 - Accounting policies (cont.)

(v) - Deferred Income

Grants received in advance of the period in which the funder requires the expenditure to be applied is reflected in deferred income within the balance sheet.

c - Resources Expended

All material expenditure is accounted for on an accruals basis. All expenditure directly related to the provision of advice services is included within charitable activities expenditure.

d - Restricted Funds

Income received for restricted purposes is included in a separate restricted fund against which appropriate expenditure is allocated including any relevant management fees. At the end of that project or at a relevant stage within that project, any surplus or deficit on that project is transferred to general funds, unless specifically forbidden by the grant provider.

e - Designated Funds

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion and are not treated as restricted in any way.

f - Pensions

The charity operates a defined contribution pension plan for its employees which complies with the Government's auto-enrolment legislation. The scheme operated from 1st January 2017, which was the organisation's staging date. All pension payments are charged to the income and expenditure account in the period in which they are incurred.

g - Leases

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the period of the leases.

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

I - Capital Expenditure

Expenditure on Office Fixtures and Fittings including Computer Hardware and Software is shown as fully expended in the year in which the expenditure is incurred.

2 - Incoming Resources from Generated Funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
a - Voluntary Income				
Premises provided by HBC at no cost	28,500	-	28,500	28,500
Donations	1,500	-	1,500	415
	<u>30,000</u>	<u>0</u>	<u>30,000</u>	<u>28,915</u>
b - Investment Income				
Bank Interest Received	<u>1,147</u>	<u>-</u>	<u>1,147</u>	<u>3,927</u>

3 - Incoming Resources from Charitable Activities

Core Funds £	Project Funds £	Total 2,022 £	Total 2,021 £
273,350	271,271	544,621	500,198

4 - Total Resources Expended

	2022 £	2021 £
General Advisory Services	363,029	426,520
Governance Costs	11,771	7,513
	<u>374,800</u>	<u>434,033</u>

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4 - Total Resources Expended (cont.)

Classification of Resources Expended

	2022 £	2021 £
Staff Costs - see note 6	277,955	315,810
Premises	45,400	53,594
Communications	14,667	12,144
Stationery, Printing & Postage	1,750	1,424
Information Systems & Books	14,743	36,566
Travel	459	1,292
Recruitment & Training	2,287	1,957
Insurance	3,259	3,026
Professional cost	11,771	7,513
Sundries	2,509	707
	374,800	434,033

5 - Net Movement in Funds for the Year

	2022 £	2021 £
This is stated after charging:-		
Auditors Remuneration	4,080	3,960
	4,080	3,840

6 - Information regarding Directors and Employees

	2022 £	2021 £
Wages & Salaries	314,828	293,566
Social Security Costs	24,196	22,379
Pension Costs	-66,344	14,479
Other labour costs	5,275	-14,614
	277,955	315,810

The average number of employees, analysed by function was:-

	2022	2021
Charitable purposes	15	15
Management & administration of charity	2	2
	17	17

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

6 - Information regarding Directors and Employees (cont.)

No employee received remuneration of more than £55,000.

No trustees received any remuneration from the company for any purpose (2021 Nil) and no trustees have benefits accruing under pension schemes (2021 Nil).

The charity has purchased indemnity insurance for its trustees.

7 - Debtors

	2022 £	2021 £
Grants & Other Amounts Due	3,249	0
Total	<u>3,249</u>	<u>0</u>

8 - Creditors - falling due within 1 year

	2022 £	2021 £
Creditors & Accrued Expenses	33,204	41,795
Deferred Income	73,887	45,003
Pension scheme deficit	50,000	132,166
Total	<u>157,091</u>	<u>218,964</u>

9 - Creditors - falling due after 1 year

	2021 £	2020 £
Pension scheme deficit	0	0
Total	<u>0</u>	<u>0</u>

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

10 - Pension Scheme Liability

Movements in Deficit during the year

	2022 £	2021 £
Deficit in scheme at beginning of year	132,166	134,000
Deficit reduction payments	(1,833)	(1,834)
Re-measurement	(80,333)	-
Deficit in scheme at end of year	<u>50,000</u>	<u>132,166</u>
Falling due within one year	50,000	132,166
Falling due after one year	-	-
	<u>50,000</u>	<u>132,166</u>

The pension scheme deficit was calculated on an "ongoing basis" by the Pension Scheme's Actuary, Messrs Hymans Robertson LLP as at the date of the merger of the HCAB section of the scheme with the HBC section in April 2019. The Trustees have included the deficit provision of £50,000 in the financial statements and this sum was paid to HBC in May 2022 to release HCAB from all current and future liabilities regarding the HLGPS>

11 - Analysis of Net Assets between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Current Assets	638,365	-	-	638,365
Current Liabilities	(157,091)	-	-	(157,091)
Net Assets	<u>481,274</u>	<u>-</u>	<u>-</u>	<u>481,274</u>

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

12 - Movement in Funds

	At 1 April 2021 £	Income £	Expenditure £	31 March 2022 £
Project Funds				
HBC Homelessness	-	14,770	-(14,770)	-
M Foundaion	-	47,000	(47,000)	-
Crisis Intervention-HCC	-	36,627	(36,627)	-
Other	-	61,115	(61,115)	-
Hert Project	-	30,259	(30,259)	-
MaPS	-	39,336	(39,336)	-
Help to Claim	-	42,164	(42,164)	-
Total Project Funds	0	271,271	(271,271)	0
General Funds				
Non designated funds	280,306	304,497	(103,529)	481,274
Total General Funds	280,306	304,497	(103,529)	481,274
Total Funds	280,306	575,768	(374,800)	481,274

Restricted Funds

There are no restricted funds (2021 - Nil)

13 - Purposes of Project Funds

Money & financial advice	Provided by Hertsmere Borough Council, Clarion Group, Hertfordshire County Council, MaPS and M Foundation to fund debt advice with related money and benefit advice.
Radlett Outreach	Provided by Aldenham Parish Council to finance an outreach advice facility in Radlett.
Homelessness/Crisis Interv	Provided by Hertsmere Borough Council/ Hertfordshire County Council to fund advice to clients to avoid them being evicted from housing
Help to Claim	Provided by Government through Citizens Advice National to assist clients to apply for Universal Credit

14 - Designated Reserves

At 31 March 2022 there are no designated reserves, all reserves being generally available.

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15 - Financial Commitments

Capital Commitments

At the balance sheet date there were no capital commitments (2021- Nil).

Operating Lease Commitments

At the balance sheet date the company had no annual commitments under non-cancellable operating leases.

16 - Related party transactions

A payroll administration service for Hertsmere Citizens Advice is provided by Carter Backer Winter LLP, a firm of accountants in which Paul Woosey, a former Trustee, is a partner. The Board believes the charges, which amounted to £3,024 (2021-£3,024), for this service are on an arms length and competitive basis.

17 - Pension Costs

HCAB currently operates 1 pension scheme for its employees.

An auto enrolment pension scheme for employees is operated on a defined contribution basis. The scheme is open to all employees . The company matches the gross contributions of the employees up to a maximum of 6% of employee earnings. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund administrators are The Peoples Pension and the scheme complies with the Government's Auto-enrolment legislation.

A second scheme, which was part of the Hertfordshire Local Government Pension Scheme, was merged with the Hertsmere Borough Council section of the same scheme in April 2019. There were no longer any active members of this scheme (2021 0 members). The scheme had been closed to other Hertsmere Citizens Advice Bureau employees since 2005.

HERTSMERE CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17 - Pension Costs (cont.)

The trustees have been advised by Hyams Robertson LLP, the actuaries to the HLGPS, that the scheme has a significant deficit for which all member employers, including HCAB, are jointly and severally liable. The share of this deficit relating to HCAB has been determined by actuarial valuation as at April 2019 as being £50,000 on an "ongoing" basis.

Following lengthy discussions with Hertsmere Borough Council, it has been agreed to merge the HCAB section of the HLGPS with the HBC section of the same scheme upon payment of £50,000 from HCAB to HBC, representing the deficit in assets versus liabilities as at April 2019. This payment has been duly made in May 2022. As a result of the merger and the payment to HBC, HCAB has no further current or future liabilities relating to its membership of the HLGPS.

The total pension costs shown in the accounts for the year represents the ongoing contributions payable by the company to the auto-enrolment scheme of £13,989 (2021 - £14,479) less the release of part of the pension provision amounting to £80,333.. There were contributions of £1842 (2021 - £1854) payable at the year end.