

REGISTERED COMPANY NUMBER: 03466059 (England and Wales)
REGISTERED CHARITY NUMBER: 1068411

TRUSTEES' REPORT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
LUTON CITIZENS ADVICE BUREAU

LUTON CITIZENS ADVICE BUREAU

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for the Year Ended 31 MARCH 2021**

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LUTON CITIZENS ADVICE BUREAU

**REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31 MARCH 2021**

TRUSTEES

Mr D Olney Chair
Mrs M Neale Vice Chair
Mr P Blanking
Mrs R M McKay (resigned 25.1.21)
Mr P V Sones (resigned 9.10.20)
Mr P Sutton Treasurer
Mr M C Wardrop (resigned 9.10.20)
Cllr Y Waheed
Cllr S Hussain (resigned 27.5.21)
Mr T Khan (appointed 25.3.21)
Mr A Nicholls (appointed 25.3.21)
Ms F Widdowson (appointed 25.3.21)

REGISTERED OFFICE

Community House
15 New Bedford Road
Luton
Bedfordshire
LU1 1SA

REGISTERED COMPANY NUMBER 03466059 (England and Wales)

REGISTERED CHARITY NUMBER 1068411

AUDITORS

FKCA Limited
Statutory Auditor
260 - 270 Butterfield
Great Marlings
Luton
Bedfordshire
LU2 8DL

KEY MANAGEMENT PERSONNEL S Simeon (Chief Executive)
J Jenkins (Head of Quality & Advice)
L Scanlan (Head of Debt and Personnel)
M Dillon (Chief Executive – died November 2020)
R Peck (Deputy Manager - retired March 2021)

BANKERS

National Westminster Bank
31 George Street
Luton
Bedfordshire

United Trust Bank Limited
One Ropemaker Street
London
EC2Y9AW

Cambridge & Counties Bank Limited
Charnwood Court
Leicester
LE1 6TB

LUTON CITIZENS ADVICE BUREAU

TRUSTEES' REPORT for the Year Ended 31 MARCH 2021

The Trustees (who are also the Directors for the purpose of company law) have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2021. They are prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Objectives and aims

The objectives of the Citizens Advice service are:

- To give people the knowledge and the confidence they need to find their way forward whoever they are and whatever their problem.
- To improve the policies and practices that affect people's lives.
- Citizens Advice Luton provides a free, independent, impartial and confidential advice service to the people of the Borough of Luton. We will promote diversity, equality and challenge discrimination.

Review of activities

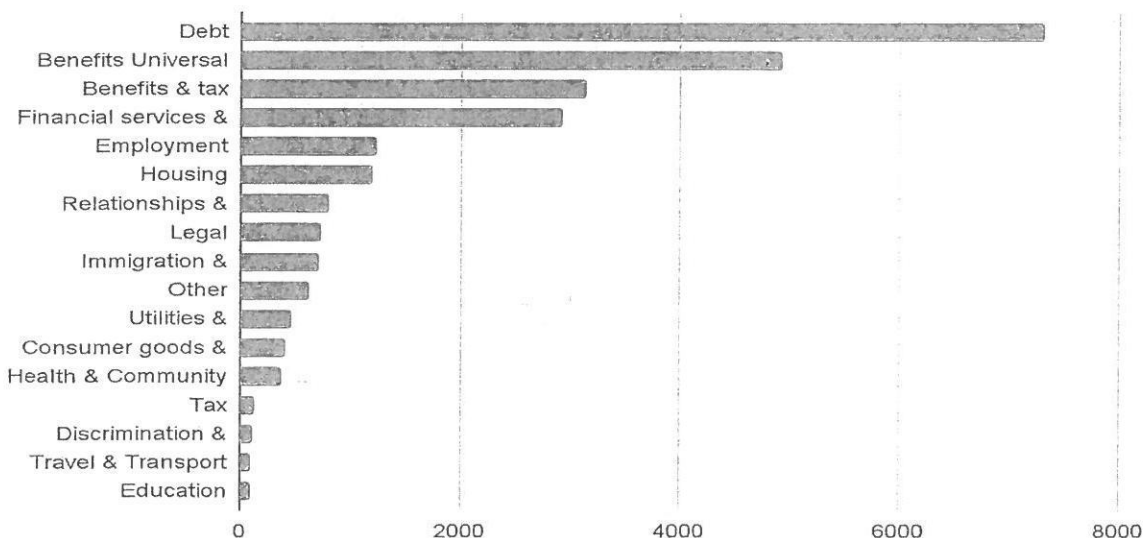
Citizens Advice Luton provides advice to the citizens of Luton, a growing borough with a population of over 218,000.

The 2020/21 year was challenging for Citizens Advice Luton. We felt the impact of Covid-19 as the whole country went into lockdown. We had the infrastructure in place to mobilise our staff to work from home almost immediately providing general telephone advice routed through the dedicated National Citizens Advice Adviceline, webchat and telephone advice for our Universal Credit clients on the Help To Claim project and ring backs for those clients who accessed our message lines. The Trustee Board recognises the hard work that the team has undertaken during such a difficult period - testament to their commitment to CAL and its clients.

We recognise the vital contribution of our volunteers - during lockdown, the majority of our volunteers did not provide advice as they preferred the face to face interaction with our clients. They continued to undertake training and development to allow a smooth transitional return to the office.

There was a marked reduction in the number of clients using our services as our doors remained closed throughout the year - 2,936 clients presenting with 25,386 issues. A 22% client reduction compared to 19/20 with a decrease in the number of issues dealt with of nearly 50%.

Issues people were facing:



LUTON CITIZENS ADVICE BUREAU
TRUSTEES' REPORT
for the Year Ended 31 MARCH 2021

The main advice areas this year continue to be for Debt, Financial Services and Welfare Benefits advice with the following outcomes:

- Increased client income of £2.5 million
- £85,000 of client debts written off
- Helping our clients to manage £2.8 million of personal debt

Luton is a multicultural town with high levels of deprivation. A majority of our clients do not have access to digital advice tools (phone, email, webchat) and the majority of organisations where clients could seek help to access digital methods were closed. Digital exclusion is high on our agenda and our aim, going forward, is to build an infrastructure across the town to allow our clients to access advice from CAL in remote locations.

We received funding from the National Lottery Community Fund which allowed us to introduce email advice as another advice channel. This proved extremely popular especially for those clients who work - the ability to access our advice services outside of our core advice times has been invaluable for those clients.

National Citizens has a Performance Quality Framework that we adhere to. We achieved an excellent Quality of Advice score which is testament to the hard work and dedication of our staff who worked tirelessly working from home to support our clients.

We have continued our enhanced commitment to Research and Campaigns, working closely with our local MP's on the #KeepTheLifeline Universal Credit Campaign.

Public benefit

The Trustees have given due consideration to the Charity Commission published Guidance on the operation of the Public Benefit requirement.

FINANCIAL REVIEW

Financial review

Income for the year was £1,279,815 (2019/20: £865,458). Of this £1,232,347 (2019/20: £419,634) related to restricted project activities.

A surplus of £122,615 was made in the year (2019/20 surplus of £37,034). At 31 March 2021 total reserves were £616,105 of which £408,454 represented unrestricted funds (2020 total reserves £493,490). Free reserves not earmarked or represented by fixed assets amounted to £336,149 (2020: £393,561).

Our principal funders for 2020/21 were:

- National Lottery Coronavirus Community Support Fund - The Luton Access partnership's application to the fund was successful - we received £66,063 which covered the shortfall of the CIF grant
- National Lottery also continued to provide funding for our Help Through Crisis project to support our most vulnerable clients.
- Citizens Advice: Money and Pensions Service Debt Advice project. To deliver specialist debt advice to our clients.
- Citizens Advice: DWP Help To Claim Universal Credit project. To provide advice and support to clients requiring help to apply for Universal Credit up to receipt of first payment.
- Home Office: EU Settled Status project. To provide advice and support to clients applying to the EUSS scheme.
- Bedfordshire and Luton Community Foundation (BLCF) who administer the Community Investment Fund grant on behalf of London Luton Airport Ltd. The grant application was submitted by CAL on behalf of the Luton Access IAG partnership (Citizens Advice, Luton Irish Forum, Luton Law Centre and Luton Rights). CAL is the lead partner for the project. As air travel was halted during lockdown, this affected the amount of grant available from LLAL. We received a 9.1% decrease against our original funding application amount receiving a total of £663,437. These funds allow us to deliver our general advice service to our clients.

Material investments policy

The organisation invests at least the amount equivalent to its reserves plus provisions in low risk bank accounts separate from its other core accounts. This is to ensure that, at all times, the organisation can call on its reserves should it need to. No other income is generated from investments.

LUTON CITIZENS ADVICE BUREAU

TRUSTEES' REPORT for the Year Ended 31 MARCH 2021

Reserves policy

Unrestricted funds reserves are maintained at not less than 4 months expected cash outflow. This policy is reviewed by the Trustees in accordance with Citizens Advice recommendations and with a view of expected expenditure in the forthcoming years. Free reserves are currently slightly above this level.

FUTURE PLANS

FUTURE DEVELOPMENTS

Our service is needed now more than ever. As we enter into a post pandemic world, with the removal of the Universal Credit uplift, furlough ending and court action suspensions lifted, our clients will face more challenges than ever before.

Our 2021-2024 Strategic Business and Development Plan is the basis for our work plans throughout the coming year. The main drivers for strategic development in 2021-2022 are:

- building on and enhancing our service to reach out to our clients. The Covid-19 pandemic has changed the way we provide our services and the way clients want to reach us. We need to ensure our clients can reach our service in a way that suits their needs. We want to ensure our digital advice offer is embedded in community locations - we will work closely with our partners in the Luton Access network to enhance existing relationships and forge new partnerships.
- maintaining current funding in a very uncertain climate with two main contracts going to commissioning. We need to seek out new grants and contracts to complement client requirements.

In order to build on and deliver an enhanced service, we need to increase our volunteer base - we have started an enhanced recruitment campaign to attract more volunteers (for advice and Trustees).

We will continue to work closely with our Luton Access partners - building our digital offer to include access to our partners' advice offer. This will ensure our clients can obtain the advice that they need in a setting that best suits their requirements.

Research and Campaigns: R&C is at the heart of what we do. We have created a new Research and Campaigns Focus Group. We started working with our local MP's to raise awareness of the #KeepTheLifeline Universal Credit campaign. Over the next year, the group will focus on local campaigns and work on National CitA campaigns.

Equity, Diversity and Inclusion: Our new EDI focus group will review changing trends of inequality, intercepting them and acting to ensure that they are addressed. The group will review the needs of our clients ensuring our service reaches every client that needs our help.

We will continue to respond effectively to the Covid-19 pandemic supporting our staff and volunteers with their wellbeing.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

The Company is constituted as a registered charity, number 1068411.

The organisation is a Charitable Company limited by guarantee with no share capital incorporated in England and Wales. The organisation was run under a Trust deed without limited Company status until Company status was adopted. The company was established under a Memorandum and Articles of Association, detailing the objects and powers of the company. The last amendment to the Memorandum and Articles was in 2017. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. Luton Citizens Advice Bureau is a member of the national framework of Citizens Advice and is supported and audited accordingly.

LUTON CITIZENS ADVICE BUREAU

TRUSTEES' REPORT for the Year Ended 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Directors of the company are also charity Trustees for the purposes of charity law and sit as a Board on a quarterly basis. Under the requirements of the Memorandum and Articles of Association, the members of the Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

The number of Trustees is limited to a maximum of 35 and a minimum of 6. Trustees are either elected at the Annual General Meeting, nominated by local organisations, elected from within staff and/or volunteers or co-opted by the Trustee Board (provided that the total number of co-opted and nominated Trustees does not exceed eleven).

The Board seeks to use the knowledge and skills of those involved in the local area, as well as specialists in the field of advice to assist in their duties. The composition of the Board reflects both the established links with Luton Council, as well as the links with local business. In addition, staff representatives sitting on the Board as well as Directors appointed with direct experience of running an advice organisation assist in ensuring that the Board is sufficient to discharge its duties.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board meets every quarter. The Board hears reports from the Finance Committee, Risk Committee and General Committee. The Board discusses strategic risks and risks operating outside the current tolerance of the organisation. Members of the Board sit on both the Finance, Risk and the General Committees. Other meetings are arranged as and when required.

The Finance Committee meets at least 4 times per year. It includes the Treasurer, members of the Board and the Chief Executive. It reviews the financial position, cash flow and financial risks and opportunities with a view to maximising income generation and cost savings where appropriate.

The Risk Committee meets at least 4 times a year to review the risk register and makes recommendations to the Board regarding the most significant risks and actions in place to reduce, manage and monitor them. The Risk Register is informed by strategic and operational reviews of CAL and its environment.

The General Committee meetings were postponed during the 2020/21 period due to lockdown. The Board and Senior Management team created an Emergency Management Team who met weekly to consider operational risks facing the organisation.

In accordance with the Memorandum and Articles of Association, the Board delegates the day to day running of the organisation to the Chief Executive, who relies upon finance and administrative staff within the organisation to carry out the strategic direction agreed with the Board.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new Trustees are provided with a comprehensive induction on their legal obligations under charity and company law. The induction includes review of our Memorandum and Articles of Association and the Office Manual (including business plan). We also provide access to the National Citizens Advice Bureau Management Information System (BMIS) and Cablink sites for additional support and information.

KEY MANAGEMENT REMUNERATION POLICY

The Trustees regularly benchmark the pay of Senior Management in similar sized Charity organisations in the locality and also across similar sized Citizens Advice Bureau. This was last done in 2018/19.

RELATED PARTY RELATIONSHIPS

Citizens Advice Luton is a member of Citizens Advice, the National Association of Citizens Advice Bureaux, having passed regular audits of its quality of advice and membership standards.

LUTON CITIZENS ADVICE BUREAU

TRUSTEES' REPORT for the Year Ended 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

PRINCIPAL RISKS AND UNCERTAINTIES

There is a risk management framework in the organisation. The main Board has reviewed the strategic risks facing the organisation; the Risk Committee regularly reviews these risks. Regular reporting is to the Board at its quarterly meetings.

The trustees have identified the following key risks for the organisation along with the mitigating actions to be undertaken:

- Pandemic:** The UK Government Covid-19 lockdown has continued, with the result that Community House was closed, all staff were working from home and all volunteer activity had been suspended. All client contact was by phone and electronic means, despite CAL historically having very strong face-to-face service delivery. The Trustees together with the Senior Management Team set up an emergency twice monthly meeting (EMT) to monitor and make day to day decisions of the business.
- Funding:** CAL is reliant on a single source of funding for its core general advice activities in the shape of a restricted grant from London Luton Airport Ltd's Community Investment Fund, distributed by Bedfordshire and Luton Community Foundation (BLCF). We receive funding from National Cita for the MaPS Debt Advice project and DWP Universal Credit Help To Claim project, both of which have gone to recommissioning. Losing this funding will require a complete review of the service.
- Governance:** Recruitment of adequate numbers of good quality trustees is a constant concern for CAL as they deliver essential elements of our governance. Continuous effort is applied to maintaining a flow of new trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Luton Citizens Advice Bureau for the purposes of company law) are responsible for preparing the Trustees' Report 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"

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.

Approved by order of the board of trustees on 26/11/21 and signed on its behalf by:



Mr P Sutton - Treasurer

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LUTON CITIZENS ADVICE BUREAU

Opinion

We have audited the financial statements of Luton Citizens Advice Bureau (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LUTON CITIZENS ADVICE BUREAU

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters 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 trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff and the board of directors to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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.

Other matters which we are required to address

The prior year figures were not audited as Luton Citizens Advice Bureau were not subject to an audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LUTON CITIZENS ADVICE BUREAU**

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.



Tara Aldwin ACA (Senior Statutory Auditor)
for and on behalf of FKCA Limited
Statutory Auditor
260 - 270 Butterfield
Great Marlings
Luton
Bedfordshire
LU2 8DL

Date: 14/01/22

LUTON CITIZENS ADVICE BUREAU

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	2	6,826	1,232,347	1,239,173	848,698
Investment income	3	1,765	-	1,765	2,547
Other income	4	38,877	-	38,877	14,213
Total		47,468	1,232,347	1,279,815	865,458
EXPENDITURE ON					
Charitable activities					
Support costs	5	107,189	59,561	166,750	213,598
Grants to service partners	6	-	357,913	357,913	-
Direct costs	7	-	632,537	632,537	614,826
Total		107,189	1,050,011	1,157,200	828,424
NET INCOME/(EXPENDITURE)		(59,721)	182,336	122,615	37,034
RECONCILIATION OF FUNDS					
Total funds brought forward		468,178	25,312	493,490	456,456
TOTAL FUNDS CARRIED FORWARD		<u>408,457</u>	<u>207,648</u>	<u>616,105</u>	<u>493,490</u>

The notes form part of these financial statements

LUTON CITIZENS ADVICE BUREAU

**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	2,308	4,617
CURRENT ASSETS			
Debtors	14	47,903	25,916
Investments	15	180,241	178,654
Cash at bank and in hand		<u>414,963</u>	<u>352,119</u>
		643,107	556,689
CREDITORS			
Amounts falling due within one year	16	(29,310)	(67,816)
NET CURRENT ASSETS		<u>613,797</u>	<u>488,873</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>616,105</u>	<u>493,490</u>
NET ASSETS		<u>616,105</u>	<u>493,490</u>
FUNDS	19		
Unrestricted funds		408,457	468,178
Restricted funds		<u>207,648</u>	<u>25,312</u>
TOTAL FUNDS		<u>616,105</u>	<u>493,490</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 26/11/21 and were signed on its behalf by:



Mr P Sutton - Treasurer

The notes form part of these financial statements

LUTON CITIZENS ADVICE BUREAU

**CASH FLOW STATEMENT
for the Year Ended 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>61,079</u>	<u>78,205</u>
Net cash provided by operating activities		<u>61,079</u>	<u>78,205</u>
 Cash flows from investing activities			
Interest received		<u>1,765</u>	<u>2,547</u>
Net cash provided by investing activities		<u>1,765</u>	<u>2,547</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		62,844	80,752
Cash and cash equivalents at the beginning of the reporting period		<u>352,119</u>	<u>271,367</u>
Cash and cash equivalents at the end of the reporting period		<u>414,963</u>	<u>352,119</u>

The notes form part of these financial statements

LUTON CITIZENS ADVICE BUREAU

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 MARCH 2021**

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

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	122,615	37,034
Adjustments for:		
Depreciation charges	2,309	33,587
Interest received	(1,765)	(2,547)
Short term investments	(1,587)	(1,796)
(Increase)/decrease in debtors	(21,987)	3,952
(Decrease)/increase in creditors	<u>(38,506)</u>	<u>7,975</u>
Net cash provided by operations	<u><u>61,079</u></u>	<u><u>78,205</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>352,119</u>	<u>62,844</u>	<u>414,963</u>
	<u>352,119</u>	<u>62,844</u>	<u>414,963</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>178,654</u>	<u>1,587</u>	<u>180,241</u>
	<u>178,654</u>	<u>1,587</u>	<u>180,241</u>
Total	<u><u>530,773</u></u>	<u><u>64,431</u></u>	<u><u>595,204</u></u>

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 MARCH 2021

1. 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling and this is the functional currency of the Charity.

The charity meets the definition of a public benefit entity under FRS 102.

Judgements in applying accounting policies and key sources of estimation

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The key estimates and assumptions made in these accounts are the allocation of central support costs which are allocated on a basis using an estimated time and effort percentage.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party or where that cost cannot be qualified.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Improvements	- 20% straight line
Fixtures and fittings	- 33.33% straight line
Office equipment	- 33.33% straight line

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

Current asset investments

Current asset investments are initially measured at cost and are subsequently re-measured at their fair value.

Leasing

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension held in a separately administered fund. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Income from charitable activities	<u>6,826</u>	<u>1,232,347</u>	<u>1,239,173</u>	<u>848,698</u>

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

2. CHARITABLE ACTIVITIES - continued

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
London Luton Airport Ltd	-	-	-	404,365
Luton Borough Council	5,850	-	5,850	24,699
Citizens Advice Windrush	976	-	976	-
Money Advice Service - Face to Face	-	163,600	163,600	130,080
The Big Lottery Fund - HTC	-	93,405	93,405	93,252
Citizens Advice - Energy Best Deal Extra Advice Project	-	1,680	1,680	7,200
Citizens Advice - Help to Claim scheme	-	188,880	188,880	189,102
EU Settled Status	-	37,214	37,214	
National Lottery Community Fund	-	66,063	66,063	
Beds and Luton Community Foundation	-	663,437	663,437	
National Citizens Advice	-	18,068	18,068	
Subtotal	<u>6,826</u>	<u>1,232,347</u>	<u>1,239,173</u>	<u>848,698</u>

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	<u>1,765</u>	<u>-</u>	<u>1,765</u>	<u>2,547</u>

4. OTHER INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Other Income	<u>38,877</u>	<u>-</u>	<u>38,877</u>	<u>14,213</u>

LUTON CITIZENS ADVICE BUREAU

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021**

5. DIRECT COSTS

	Basis of allocation	Advice and information	2021 Total £	2020 Total £
Staff costs	Actual	561,523	561,523	546,506
National insurance	Actual	37,596	37,596	36,560
Pension cost	Actual	33,418	33,418	31,760
		<u>636,537</u>	<u>632,537</u>	<u>614,826</u>

6. GRANTS PAYABLE

	2021	2020
	£	£
Grants to service partners	357,913	-
	<u>357,913</u>	<u>-</u>

7. SUPPORT COSTS

	Support costs £
Support costs	<u>166,750</u>

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

	2021 Support costs £	2020 Total activities £
Other operating leases	58,434	48,840
Premises	32,375	62,516
Staff expenses	8,717	8,428
Trustee expenses	-	22
Communications	11,416	15,037
Printing	5,878	8,412
Independent examiner's fees	5,879	3,240
Other administration	4,226	10,370
Other support costs	36,970	22,338
Bank charges	546	808
Depreciation of tangible fixed assets	2,309	33,587
	<u>166,750</u>	<u>213,598</u>

LUTON CITIZENS ADVICE BUREAU

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021**

8. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Depreciation - owned assets	2,309	33,587
Other operating leases	58,434	48,840
Independent examiners fees	-	3,240
Auditors remuneration	3,750	-
Auditors remuneration - non audit fees	1,750	-
Pension costs	<u>33,418</u>	<u>31,760</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year salaries paid to Trustees amounted to £nil (2020: £nil).

Trustees' expenses

Expenses incurred by Trustees amounted to £nil (2020: £22) and related to travel.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	561,523	546,506
Social security costs	37,596	36,560
Other pension costs	<u>33,418</u>	<u>31,760</u>
	<u>632,537</u>	<u>614,826</u>

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

	2021	2020
Counselling, advice and information	24	25
Administration and support	<u>5</u>	<u>5</u>
	<u>29</u>	<u>30</u>

No employees received emoluments in excess of £60,000.

The organisation also received the services of a member of staff employed by Luton Borough Council. The amount has not been quantified within these financial statements.

KEY MANAGEMENT PERSONNEL

3 posts with an aggregate cost in 2021 of £102,097 (inc NI & Pension) (2020: £184,492).

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	429,064	419,634	848,698
Investment income	2,547	-	2,547
Other income	<u>14,213</u>	<u>-</u>	<u>14,213</u>
Total	445,824	419,634	865,458
EXPENDITURE ON			
Charitable activities			
Support costs	127,893	85,705	213,598
Direct Costs	<u>286,616</u>	<u>328,210</u>	<u>614,826</u>
Total	<u>414,509</u>	<u>413,915</u>	<u>828,424</u>
NET INCOME	31,315	5,719	37,034
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>436,863</u>	<u>19,593</u>	<u>456,456</u>
TOTAL FUNDS CARRIED FORWARD	<u>468,178</u>	<u>25,312</u>	<u>493,490</u>

12. TAXATION

As a charity, Luton Citizen Advice Bureau is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures, fittings and office equipment £	Totals £
COST			
At 1 April 2020 and 31 March 2021	<u>159,798</u>	<u>41,906</u>	<u>201,704</u>
DEPRECIATION			
At 1 April 2020	155,181	41,906	197,087
Charge for year	<u>2,309</u>	<u>-</u>	<u>2,309</u>
At 31 March 2021	<u>157,490</u>	<u>41,906</u>	<u>199,396</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,308</u>	<u>-</u>	<u>2,308</u>
At 31 March 2020	<u>4,617</u>	<u>-</u>	<u>4,617</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	4,877	2,441
Prepayments and accrued income	<u>43,026</u>	<u>23,475</u>
	<u>47,903</u>	<u>25,916</u>

15. CURRENT ASSET INVESTMENTS

	2021 £	2020 £
Unlisted investments	<u>180,241</u>	<u>178,654</u>

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	535	148
Social security and other taxes	14,727	9,764
Accruals and deferred income	<u>14,048</u>	<u>57,904</u>
	<u>29,310</u>	<u>67,816</u>

17. LEASING AGREEMENTS

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

	2021	2020
	£	£
Within one year	44,000	44,776
Between one and five years	<u>62,333</u>	<u>106,333</u>
	<u>106,333</u>	<u>151,109</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	2,308	-	2,308	4,617
Current assets	435,459	207,648	643,107	556,689
Current liabilities	<u>(29,310)</u>	<u>-</u>	<u>(29,310)</u>	<u>(67,816)</u>
	<u>408,457</u>	<u>207,648</u>	<u>616,105</u>	<u>493,490</u>

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

19. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	393,561	(57,412)	336,149
Fundraising Designated fund	30,000	-	30,000
Restructuring Designated fund	30,000	-	30,000
Building Designated fund	10,000	-	10,000
Fixed Assets Designated fund	<u>4,617</u>	<u>(2,309)</u>	<u>2,308</u>
	468,178	(59,721)	408,457
Restricted funds			
Money Advice Service - Face to Face	-	38,530	38,530
The Big Lottery Fund - HTC	22,168	20,030	42,198
Citizens Advice - Energy Best Deal Extra Advice Project	1,753	(928)	825
Citizens Advice - Help to Claim Scheme	1,391	26,706	28,097
Home office	-	7,643	7,643
National Lottery Community Fund	-	20,001	20,001
National Citizens Advice	-		
	-	5,234	5,234
Beds and Luton Community Foundation	<u>-</u>	<u>65,120</u>	<u>65,120</u>
	<u>25,312</u>	<u>182,336</u>	<u>207,648</u>
TOTAL FUNDS	<u>493,490</u>	<u>122,615</u>	<u>616,105</u>

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	47,468	(104,880)	(57,412)
Fixed Assets Designated fund	-	(2,309)	(2,309)
	47,468	(107,189)	(59,721)
Restricted funds			
Money Advice Service - Face to Face	163,600	(125,070)	38,530
The Big Lottery Fund - HTC	93,405	(73,375)	20,030
Citizens Advice - Energy Best Deal Extra Advice Project	1,680	(2,608)	(928)
Citizens Advice - Help to Claim Scheme	188,880	(162,174)	26,706
Home office	37,213	(29,570)	7,643
National Lottery Community Fund	66,063	(46,062)	20,001
National Citizens Advice			
	18,068	(12,834)	5,234
Beds and Luton Community Foundation	663,438	(598,318)	65,120
	1,232,347	(1,050,011)	182,336
TOTAL FUNDS	1,279,815	(1,157,200)	122,615

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	328,659	64,902	393,561
Fundraising Designated fund	30,000	-	30,000
Restructuring Designated fund	30,000	-	30,000
Building Designated fund	10,000	-	10,000
Fixed Assets Designated fund	38,204	(33,587)	4,617
	436,863	31,315	468,178
Restricted funds			
Money Advice Service - Face to Face	17,879	4,289	22,168
Citizens Advice - Energy Best Deal Extra Advice Project	-	1,753	1,753
Citizens Advice - Help to Claim Scheme	1,714	(323)	1,391
	19,593	5,719	25,312
TOTAL FUNDS	456,456	37,034	493,490

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	445,824	(380,922)	64,902
Fixed Assets Designated fund	-	(33,587)	(33,587)
	445,824	(414,509)	31,315
Restricted funds			
Money Advice Service - Face to Face	130,080	(125,791)	4,289
The Big Lottery Fund - HTC	93,252	(93,252)	-
Citizens Advice - Energy Best Deal Extra Advice Project	7,200	(5,447)	1,753
Citizens Advice - Help to Claim Scheme	189,102	(189,425)	(323)
	419,634	(413,915)	5,719
TOTAL FUNDS	865,458	(828,424)	37,034

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

Purposes of designated funds

Unrestricted funds

Contingency reserve fund

This is an amount held in reserve to cover any contingencies which may arise. This has been released in the year as it is no longer needed.

Fundraising fund

This is an amount held in reserve to cover the cost of additional fundraising activities which aim to diversify the funding sources of Citizens Advice Luton.

Restructuring fund

This is an amount held in reserve to cover the cost of potential re-structure of the organisation in the event of cuts to funding/income.

Building Fund

This is a fund held for potential dilapidations at the charity's offices.

Fixed Asset fund

This fund represents the investment in fixed assets.

Restricted funds

Face to Face

The grant is received from the Money Advice Service and is restricted to provide face to face debt advice.

Big Lottery Help Through Crisis (HTC)

The Help Through Crisis is a project, funded by the Big Lottery Fund, is led by Citizens Advice Luton with Luton Food Bank and Luton Law Centre as its main delivery partners. Luton Borough Council Revenue, Financial Assessment and Customer Services teams, together with Luton Rights complete the partnership. The project provides a wide range of timely hardship advice and support to residents of Luton who are in crisis.

Energy Best Deal Extra Advice Project

To help deliver clients advice on energy efficiency.

Help to Claim Scheme

Help to Claim is a new dedicated service from Citizens Advice. It provides free, independent and confidential information. The project provides setting up recruitment, training and equipment and other direct cost incurred with delivering this service. This project will assist with the setup of the universal support: Help to Claim services which support and guide through the initial application of Universal Credit claim, through to your first payment.

Beds and Luton Community Foundation (BLCF)

Grant funding from BLCF who administer London Luton Airport Limited's Community Investment Fund. The grant was awarded to the Luton Access IAG collaboration for which CAL is the lead organisation working with our partner organisations Luton Irish Forum, Luton Law Centre and Luton Rights. CAL receives the full grant payment and distributes the grant payment to the partner organisations. The grant allows CAL to deliver its frontline general advice service to the citizens of Luton working with our partners to provide clients with a seamless advice journey.

Home Office

EU Settlement Scheme grant funding to deliver practical support to vulnerable EU, EEA and Swiss citizens to help make their EU Settlement Scheme application. This fund is delivered in partnership with Luton Law Centre (our partner in the Luton Access project).

LUTON CITIZENS ADVICE BUREAU

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

The National Lottery Community Fund

Luton Access Covid 19 grant received from the NLCF Coronavirus Community Support fund. This funding was awarded to the Luton Access partners (CAL, Luton Irish Forum, Luton Law Centre and Luton Rights) with CAL as the lead organisation. Funding was provided to support organisations facing acute financial difficulties as a result of the pandemic.

National Citizens Advice

National Citizens Advice received funding from the Department of Business, Energy and Industrial Strategy to enable the service to increase capacity to respond to the immediate demand for advice arising from Covid-19. CAL was awarded funding from Citizens Advice for remote working equipment and softphone equipment to allow us to increase capacity to deliver advice and to allow us to switch from mobile phones to a more cost effective means of responding to the increased demand for advice across all channels

20. EMPLOYEE BENEFIT OBLIGATIONS

The scheme is a defined contribution scheme where the company contributes 6% and the employee contributes 2%-6% of gross salary (see note 10).

In the year the company made payments of £33,418 (2020: £31,760). At 31 March 2021 the organisation owed contributions of £4,131 (2020: £nil).

21. RELATED PARTY DISCLOSURES

Luton Citizens Advice Bureau is a member of Citizens Advice, the National Association of Citizens Advice Bureaux. Income of £163,600 (2020: £130,080) was received from Citizens advice to assist client with money advice, income of £1,680 (2020: £7,200) was received from Citizens Advice to assist with advising clients on energy efficiency and income of £188,880 (2020: £189,102) was received from Citizens Advice to assist with the Help to Claim project during the year. Charges of £4,552 (2020: £7,298) were made to Luton Citizens Advice Bureau by Citizens Advice for IT services in the year.