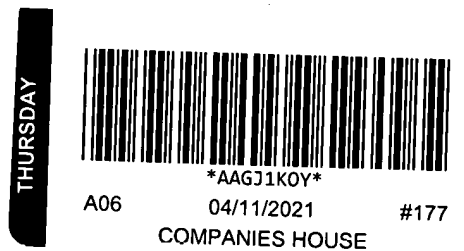


**BIRMINGHAM CITIZENS ADVICE  
BUREAU SERVICE LIMITED**  
(a company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**



Company No. 02202427  
Charity No. 519639

## **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

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# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements for the year ended 31 March 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Charity number:** 519639  
**Company number:** 02202427

**Authorised & regulated by the Financial Conduct Authority FRN: 617509**

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

**Trustee Directors:** Paul Southon  
Stuart Crowe  
Abisola Latunji-Cockbill  
Jill Lambert  
Councillor Gareth Moore  
Elizabeth Alvey  
Chaitali Desai  
Liam Brooker  
Sundeep Gill  
Lydia Stockdale  
Lucy Vernall  
Richard Burden (appointed on 11/01/21)  
Phil Marris (appointed on 11/01/21)  
Sunny Vashisht (resigned on 30/09/20)

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

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

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

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

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

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

##### **Recruitment and appointment of trustees**

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

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

The Trustee Board has two working committees, the Finance and General Purposes Committee with responsibility for financial management and premises and the Human Resources Committee with responsibility for personnel matters, including the setting and monitoring of pay & remuneration of personnel and key management against industry benchmarks, as well as Health and Safety. Other task and finish groups are set up to deal with matters such as strategic ICT, or the search for new office accommodation. The Board implements its decisions through an executive management committee that consists of a Chief Executive, who attends Board Meetings, and three operational managers, each with an individual area of responsibility, along with the new business development manager and the finance and facilities manager.

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

##### **Trustee induction and training**

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan, annual budget and recent financial performance of the charity, and the risk register. They also meet key employees and other trustees. Trustees all undertake GDPR and FCA mandated training, they are also provided with annual training and charity updates where these will facilitate the understanding of their role. They are also invited to the full training programme for staff and volunteers and have access to online training via our National Citizens Advice online portal.

##### **Related parties**

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

A representative of Citizens Advice attends some meetings in an advisory, control and regulatory capacity. During the 2020/21 financial year payments were made to Citizens Advice to the value of £11,241 (2019/20: £13,849) in respect of subscriptions, accountancy support, training services, stationery and sundries. Receipts from Citizens Advice for contracts and grant funding totalled £985,800 (2019/20: £915,417).

Trustee Abisola Latunji-Cockbill is an employee of Mills & Reeve LLP. A donation of £1,000 was received from Mills & Reeves LLP in the 2020/21 financial year and no donations were received from Mills & Reeve LLP in 2019/20.

Councillor Gareth Moore is appointed by Birmingham City Council. During the 2020/21 financial year payments were made to Birmingham City Council of £92,863 (2019/20: £111,043) in respect of premises rentals, council taxes and business rates. Receipts from Birmingham City Council for contracts and grant funding in the year totalled £389,000 (2019/20: £349,061). An amount of £50,000 is owed at the year end (2019/20: £50,000) to BCC with regard to the LEAS contract.

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### **Background**

The period covered by this report has been one totally dominated by the Covid pandemic; Covid-19 is a disease that has proved to be highly contagious and potentially deadly to many, particularly those who were vulnerable. From March 2020 the whole of the country was under government instructions to stay at home, to only leave home for key essential reasons and where able to work from home people should do so. This lockdown meant that businesses and services were closed to face to face customers and many including Citizens Advice Birmingham (CAB) had moved to be a 100% digital service, contacted by phone, webchat and a limited number of video calls. The government's lockdown rules have relaxed and tightened again throughout the year, but CAB has not returned to seeing clients face to face at all due to the inability to be able to do so safely for staff or clients.

##### **Key risks and uncertainties**

Senior managers and trustees undertake an annual review of the business risks for Citizens Advice Birmingham, taking care to record all significant risks in a risk register. This is monitored throughout the year to ensure there has not been any major change to individual risks. Consideration is given to the steps the organisation needs to take to mitigate risk by setting down actions that can be taken to reduce the likelihood and/or the impact of an individual risk taking place. During the year covered by this report the Covid pandemic had already moved from being a risk to being an issue – a matter that was already happening. CAB's risk register and business continuity plans ensured that any significant impacts of the pandemic were mitigated by management actions at an early stage.

The principal risk identified by the annual review of business risks is the uncertainty of future funding, this is likely to be further exacerbated by the Covid-19 crisis. The mass cancellation of fundraising events, public funds being diverted into emergency activity to deal with the pandemic and the longer-term impact on the economy will all likely have a significant impact on the future funding available to Citizens Advice Birmingham. However, Trustees continue to look for new funding streams and opportunities to collaborate with others to develop new projects. Citizens Advice Birmingham carries sufficient reserves to meet the obligations of the organisation in the event that no future funding is secured and takes steps to actively manage creditors to ensure there is a healthy cash flow in the bank.

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

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

##### **Trustees**

The trustees who have served during the year can be seen on page 3. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

##### **Pay and remuneration of senior staff**

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

##### **Fundraising activities**

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

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **OBJECTIVES AND ACTIVITIES**

Citizens Advice Birmingham (CAB) has twin aims:

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

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

#### **Policies**

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

The trustees achieve their aims by:-

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

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

#### **HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT**

During a normal year, Citizens Advice Birmingham would provide advice to clients across Birmingham from locations including:-

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

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

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

#### **ACHIEVEMENTS AND PERFORMANCE**

During 2020/21, Citizens Advice Birmingham delivered high quality, targeted free advice to 22,604 clients. This is a decrease of 6,320 clients on the number of clients seen in 2019/20 and is due mainly to a decrease in the number of clients seeking help from our Debt and county court duty scheme service. The government introduced Covid measures constraining recovery action for debts and suspending home repossessions and evictions, which resulted in people not seeking advice for their debts.

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

During 2020/21 all advice was delivered on the telephone due to the pandemic; 8,908 clients were assisted by the core generalist service and we helped these clients with 41,888 separate enquiries, an average of 4.7 matters per client assisted – a strong indication that people's problems are becoming more complex than ever. The Help to Claim service assisted 6,356 clients who, in previous years, would have been assisted with means tested benefit enquiries via the core service.

Citizens Advice Birmingham's work resulted in income gains for our clients of £25,740,391 in 2020/21. In the last year the Debt Team have dealt with £6,005,026 worth of debt, 30% of which was priority debt and the remaining 70% non-priority debt. In 2020/21, outcomes for debts written off, which included Debt Relief Orders and write offs, totalled £1,368,365. Over the same period, repayments negotiated, which included Debt Management Plans on clients' behalf and token offer payments, totalled £185,306.

Citizens Advice Birmingham regularly seeks feedback on our performance from clients. Overall, 96% of our clients rated their experience of our service as positive or very positive, 74 % of clients felt the service had helped them find a way forward with their problems and 90% were positive or very positive about recommending our service to others. Among those clients who accessed our services via our mental health team, 63% said they felt less worried about their finances following our advice and 96% said our advice had helped to reduce their stress and anxiety. 98% of clients who were supported by our Macmillan team told us that they were satisfied or very satisfied with the service they received, 89% had seen an improvement in their finances and, for 90%, our assistance had helped to reduce their stress or anxiety. Of the clients assisted by our Wellbeing team 94% were satisfied or very satisfied, and 97% would recommend this service, and 75% of clients said they felt less stressed and 75% less likely to visit GP as an outcome of the Wellbeing team's support.

The above could not have been achieved without the hard work and dedication of our staff and volunteers. Although this year the number of volunteers able to provide help to clients has been significantly reduced due to the Covid requirements to stay at home. A small group of volunteers has been helping with telephone appointments with clients, but the vast majority of the work undertaken has been by paid staff. The requirement to stay at home meant that staff normally providing face to face services in the community, and colleagues who staff the county court duty scheme have not been able to undertake their normal duties. Instead they have provided much needed advice to clients via our telephone advice line.

The Trustee Board thanks all the staff and volunteers for their hard work and dedication for keeping services going from their homes over the last year, without the flexibility and commitment of staff the achievements of the last year would not have been so high. Our thanks too, to the organisations who provided us with additional funds to purchase IT kit to facilitate staff being able to work from home and PPE to keep them safe in the office.

We continue to work in partnership with other agencies including other local Citizens Advice. By keeping in touch with developments within local Citizens Advice from around the country we have been able to share experiences, lessons learned and new ways of doing things. Citizens Advice Birmingham's debt team continues to work closely with Birmingham City Council's Council Tax Team. Together we have been trying to ensure clients have early access to information and advice regarding their council tax liabilities. The intention is to help clients avoid building up council tax arrears that, in the past, have resulted in court action for recovery. We continue to work with other Birmingham based advice and support organisations to provide the best services we can to the citizens of Birmingham.

In summary, whilst the operating environment continues to be difficult, demand is increasing and need is ever more complex, Citizens Advice Birmingham has tried to ensure our services continue to reach as many people as possible who need our help.

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **REVIEW OF FINANCIAL POSITION**

During the 2020/21 financial year CAB delivered a financial surplus of £137,566 (2019/20: surplus of £31,662). This surplus arose primarily thanks to extra funding by Birmingham City Council to help those affected during the Covid pandemic. Income overall slightly decreased by 2.75% to £1,916,532 compared to £1,970,708 in 2019/20, while over the same period expenditure decreased by 8.3% to £1,778,966 from £1,939,046 in 2019/20, due mainly to a significant reduction in office and premises costs when the office was closed during the pandemic.

Expenditure on fixed assets capitalised during the year amounted to £NIL (2019/20: £NIL), in congruence with our capitalisation policy. Fixed assets are used for charitable purposes and enable staff and volunteers to provide an optimum service to the public.

There is an end of year restricted fund balance of £18,322 (2019/20: £13,773). This is accounted for by £18,322 left for the BCC Mental Health project, which is expected to be fully spent by March 2022.

#### **Restrictions and Investment Powers**

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

#### **Reserves Policy**

The Trustee Board reviews and updates its reserves policy annually to ensure its compliance with Charity Commission best practice. This requires reserves to be available to cover future contingencies and liabilities. The Reserves Policy requires at least three months' expenditure to be held as unrestricted designated funds, equating to £460,279 at budgeted 2021/22 expenditure levels. The Charity also has a designated fund of £225,000 for tangible fixed assets (investments) and a further £300,000 for other designated funds, the breakdown of which can be seen in Note 20 on page 27. The unrestricted and undesignated general free reserves at 31 March 2021 was £89,335 (2020: £31,159) after designating reserves of £985,279 (2020: £910,438). Restricted reserves at the end of the year amount to £18,322 (2020: £13,773).

#### **Going Concern**

The Charity reported a significant cash inflow of £238,902 for the year and the Charity expects to make a small outflow in 2021/22. Whilst the year ending 31 March 2021 was significantly affected by Covid-19, including leading to the charity temporarily closing its offices for a couple of months but then reopening with very limited opening hours and face-to-face access, the affect on our project work was minimal from a financial point of view overall. Whilst still not providing face to face services, we are still providing telephone support to those needing our support/advice and have increased our capacity to deliver services in this way. Once the current restrictions are lifted all activities and face-to-face requirements for working will be reviewed on a per need basis and we expect all current funding to continue for the financial year to 31<sup>st</sup> March 2022.

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

#### **Political Donations**

No donations of monies or donated goods were made to any political parties or political campaigns in the year (2019/20: £NIL).

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **FUTURE PLANS**

At the time of writing this report, the country is emerging from lockdown under the Covid-19 emergency requirements, but uncertainty remains regarding when services can return to business as usual, and Citizens Advice Birmingham continues to provide all services via telephone and webchat with its workforce working from home.

Trustees take seriously their duty of care to our staff and volunteers and will need to be sure that safe systems of work are in place before returning to face to face service delivery. The apparent success of homeworking, alongside the ongoing uncertainty regarding the longer-term presence of Covid-19, means that consideration will need to be given as to how Citizens Advice Birmingham provides its services into the future. A number of service review workshops are planned for early in the new financial year to look at what we have learned from the Covid experience and how we might adapt or develop our services for the future.

Trustees had already taken the decision to cease the search for new offices, as suitable premises at an affordable rent have proved impossible to find. However, this may be revisited in the light of new ways of working post-Covid, which may enable CAB to consider smaller premises in future. Work has commenced to migrate all data to the cloud making it easier for staff to work flexibly wherever they are based.

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

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

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

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

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **TRUSTEES'/DIRECTORS' REPORT**

### **For the year ended 31 March 2021**

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#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent; and
- c. 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 requirements of 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

#### **Auditors**

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office for the ensuing year.

The Trustees' report was approved by the board, authorised for issue on 01 September 2021, and signed on its behalf by,

DocuSigned by:

*Paul Southon*

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**Paul Southon**  
Chair

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

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

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### **Opinion**

We have audited the financial statements of Birmingham Citizens Advice Bureau Service Limited (the 'charitable company') for the year ended 31 March 2021 which comprise of the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements 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 12 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 report of the trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED (CONT.)**

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### **Opinions on 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 (incorporating the directors' 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.

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Report of the Trustees and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10, 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.

### **Auditor's responsibilities for the audit of the financial statements**

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the Charitable Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

## **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM**

### **CITIZENS ADVICE BUREAU SERVICE LIMITED (CONT.)**

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#### **Auditor's responsibilities for the audit of the financial statements (cont.)**

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Charitable Company and how the Charitable Company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charitable Company's control environment and how the Charitable Company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charitable Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Glen Bott FCA  
Senior Statutory Auditor  
for and on behalf of:

**Cooper Parry Group Limited**  
Chartered Accountants  
Statutory Auditor  
One Central Boulevard  
Blythe Valley Park  
Solihull  
West Midlands  
B90 8BG

Date: 28 October 2021

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
(Including income and expenditure account)  
**For the year ended 31 March 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	2	8,497	-	8,497	4,435	-	4,435
Charitable activities	3	822,880	1,065,385	1,888,265	897,358	1,046,622	1,943,980
Activities for generating funds	4	6,368	-	6,368	5,800	-	5,800
Investments	5	13,402	-	13,402	16,493	-	16,493
<b>Total income</b>		<b>851,147</b>	<b>1,065,385</b>	<b>1,916,532</b>	<b>924,086</b>	<b>1,046,622</b>	<b>1,970,708</b>
<b>Expenditure on:</b>							
Charitable activities	6,7	756,173	1,020,406	1,776,579	814,904	1,121,984	1,936,888
Other expenditure	8	2,387	-	2,387	2,158	-	2,158
<b>Total expenditure</b>		<b>758,560</b>	<b>1,020,406</b>	<b>1,778,966</b>	<b>817,062</b>	<b>1,121,984</b>	<b>1,939,046</b>
<b>Net income/(expenditure) before transfer</b>		<b>92,587</b>	<b>44,979</b>	<b>137,566</b>	<b>107,024</b>	<b>(75,362)</b>	<b>31,662</b>
<b>Transfers between funds</b>	20,21	<b>40,430</b>	<b>(40,430)</b>	<b>-</b>	<b>(57,760)</b>	<b>57,760</b>	<b>-</b>
<b>Net movement in funds</b>		<b>133,017</b>	<b>4,549</b>	<b>137,566</b>	<b>49,264</b>	<b>(17,602)</b>	<b>31,662</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward at 01 April 2020		941,597	13,773	955,370	892,333	31,375	923,708
<b>Total funds carried forward at 31 March 2021</b>		<b>1,074,614</b>	<b>18,322</b>	<b>1,092,936</b>	<b>941,597</b>	<b>13,773</b>	<b>955,370</b>

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

The notes on pages 17 to 31 form part of these financial statements.

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**BALANCE SHEET**  
**As at 31 March 2021**

		2021	2020
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	14	-	-
Investments	14	225,000	225,000
		<u>225,000</u>	<u>225,000</u>
<b>Current assets</b>			
Debtors	15	192,757	269,609
Cash at bank and in hand	26	999,175	760,273
		<u>1,191,932</u>	<u>1,029,882</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	16	(243,996)	(219,512)
		<u></u>	<u></u>
<b>Net current assets</b>		<u>947,936</u>	<u>810,370</u>
<b>Total assets less current liabilities</b>		<u>1,172,936</u>	<u>1,035,370</u>
<b>Provisions for liabilities</b>	19	(80,000)	(80,000)
		<u></u>	<u></u>
<b>Total net assets</b>		<u>1,092,936</u>	<u>955,370</u>
<b>Funds of the charity</b>			
Unrestricted funds:	20		
General funds		89,335	31,159
Designated Revaluation reserve		53,557	53,557
Designated funds		931,722	856,881
		<u>1,074,614</u>	<u>941,597</u>
Restricted funds	21	18,322	13,773
		<u></u>	<u></u>
<b>Total charity funds</b>	22	<u>1,092,936</u>	<u>955,370</u>

The financial statements for registered Company number 02202427, have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities. The accounts were approved by the Board, authorised for issue on 01 September 2021, and signed on its behalf by,

DocuSigned by:

*Paul Southon*

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**Paul Southon**  
Chair

The notes on pages 17 to 31 form part of these financial statements.

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**CASH FLOW STATEMENT**  
**For the year ended 31 March 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	25	225,500	(71,636)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments	5	13,402	16,493
<b>Net cash provided by investing activities</b>		<b>13,402</b>	<b>16,493</b>
Increase / (decrease) in cash and cash equivalents in the reporting period		<b>238,902</b>	<b>(55,143)</b>
Cash and cash equivalents at the beginning of the reporting period		<b>760,273</b>	<b>815,416</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	26	<b>999,175</b>	<b>760,273</b>

The notes on pages 17 to 31 form part of these financial statements.

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the year ended 31 March 2021**

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#### **Charitable Company Information**

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

#### **1 Accounting Policies**

##### **1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

##### **1.2 Fund accounting**

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

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

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

##### **1.3 Income**

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

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

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

##### **1.4 Interest receivable**

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

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the year ended 31 March 2021**

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#### **1 Accounting Policies (continued)**

##### **1.5 Resources expended**

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

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

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

##### **1.6 Operating leases**

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

##### **1.7 Taxation**

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

##### **1.8 Tangible fixed assets and depreciation**

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

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

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

##### **1.9 Investment property**

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

##### **1.10 Debtors**

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

##### **1.11 Cash at bank and in hand**

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

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the year ended 31 March 2021**

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#### **1 Accounting Policies (continued)**

##### **1.12 Creditors and provisions**

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

##### **1.13 Pensions and retirement benefits**

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

##### **1.14 Financial instruments**

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

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

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

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

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

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

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

##### **1.16 Going concern**

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

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

**2 Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations and gifts	8,497	-	8,497	4,435

**3 Income from charitable activities**

Grants and contract income receivable for charitable activity – advice and information	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
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**General Advice:**

Birmingham CC - Advice Service	315,000	-	315,000	305,653
Birmingham & Solihull CCG	-	131,230	131,230	125,451
Universal Support – Help to Claim	-	482,170	482,170	421,279
The Henry Smith Charity	-	-	-	18,750
BSL – The Eveson Trust	-	-	-	6,000
BEIS Funding	-	16,666	16,666	-
Access to Justice Foundation	-	32,537	32,537	-
Other grants	4,250	4,410	8,660	5,997
	319,250	667,013	986,263	883,130

**Debt Advice:**

Money Advice Service: Face-to-Face Debt Advice	503,630	-	503,630	494,138
Community Law Partnership (CLP)	-	-	-	92,231
Severn Trent Trust Fund (STTF)	-	-	-	63,320
Other grants	-	-	-	-
	503,630	-	503,630	649,689

**Benefit Advice:**

Birmingham CC - Mental Health	-	74,000	74,000	43,408
Macmillan Cancer Support	-	324,372	324,372	367,753
	-	398,372	398,372	411,161

<b>Total income from charitable activities</b>	<b>822,880</b>	<b>1,065,385</b>	<b>1,888,265</b>	<b>1,943,980</b>
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**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

**4 Activities for generating funds**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Room hire	-	-	-	4,797
Solar panels & cashback scheme	2,887	-	2,887	1,003
Windrush compensation scheme	899	-	899	-
Other income	2,582	-	2,582	-
	<u>6,368</u>	<u>-</u>	<u>6,368</u>	<u>5,800</u>

**5 Investments**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Interest received	402	-	402	3,391
Investment property rental income	13,000	-	13,000	13,102
	<u>13,402</u>	<u>-</u>	<u>13,402</u>	<u>16,493</u>

**6 Expenditure on charitable activities by fund**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
General Advice	251,299	644,800	896,099	894,041
Debt Advice	504,874	-	504,874	605,832
Benefits Advice	-	375,606	375,606	437,015
	<u>756,173</u>	<u>1,020,406</u>	<u>1,776,579</u>	<u>1,936,888</u>

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

**7 Analysis of expenditure on charitable activities**

	Basis of Allocation	General Advice £	Debt Advice £	Benefits Advice £	Total 2021 £	Total 2020 £
<b>Direct costs:</b>						
Salaries and wages	Direct	640,540	393,375	292,487	1,326,402	1,300,489
Staff and volunteers	Direct	2,553	-	520	3,073	15,538
Office costs	Direct	35,145	5,516	1,090	41,751	33,873
Premises costs	Direct	1,500	-	-	1,500	17,850
Other costs	Direct	4,867	-	-	4,867	57,184
		<u>684,605</u>	<u>398,891</u>	<u>294,097</u>	<u>1,377,593</u>	<u>1,424,934</u>
<b>Support costs:</b>						
Salaries wages	Staff/Hrs	79,061	39,317	30,328	148,706	122,178
Staff and volunteers	Staff/Hrs	709	358	232	1,299	6,768
Office costs	Staff/Hrs	76,790	38,021	29,405	144,216	232,706
Premises costs	Staff/Hrs	51,670	25,581	19,949	97,200	133,882
Governance costs	Staff/Hrs	3,264	1,778	1,498	6,540	15,935
Other costs	Staff/Hrs	-	928	97	1,025	485
		<u>211,494</u>	<u>105,983</u>	<u>81,509</u>	<u>398,986</u>	<u>511,954</u>
<b>Total expenditure on charitable activities</b>						
		<u>896,099</u>	<u>504,874</u>	<u>375,606</u>	<u>1,776,579</u>	<u>1,936,888</u>

**8 Other expenditure**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Investment property expenditure	2,387	-	2,387	2,158
	<u>2,387</u>	<u>-</u>	<u>2,387</u>	<u>2,158</u>

**9 Net incoming resources for the year**

	2021 £	2020 £
This is stated after charging		
Operating leases - land and buildings	81,455	104,609
Operating leases - other	-	13,823
Auditor's remuneration:		
- Audit	7,200	7,200
Depreciation and Impairment Charges	-	7,983
	<u>88,655</u>	<u>133,615</u>

# BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2021

#### 10 Trustees

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

Reimbursement of travel and incidental expenses to the trustees came to £Nil during the year to 31 March 2021 (2019/20: £3 paid to one trustee).

Trustees' indemnity insurance paid by the charity during the year totalled £60 (2019/20: £60) and expenses related to costs of Trustees' meetings including the AGM totalled £Nil (2019/20: £1,297).

#### 11 Employees

	2021 FTE Number	2020 FTE Number	2021 Head Count	2020 Head Count
<b>Number of employees</b>				
The average number of employees, analysed by function was:				
Advice workers and support staff	46	46	52	51
Key management personnel	4	4	4	4
	<u>50</u>	<u>50</u>	<u>56</u>	<u>55</u>
<b>Employment costs</b>			2021 £	2020 £
Wages and salaries			1,304,221	1,263,849
Social security costs			111,636	105,310
Pensions costs			59,251	53,508
			<u>1,475,108</u>	<u>1,422,667</u>

No employee received remuneration amounting to more than £60,000 in the period (2019/20: NIL)

The key management personnel of the Charity comprise the Chief Executive Officer and three operational managers. The total employee benefits of the key management personnel of the Charity were £179,471 (2019/20: £173,352).

No employees were made redundant in the year (2019/20: None). The total cost of the redundancy payments amounted to £Nil (2019/20: £Nil). The policy of the charity is to recognise redundancy payments in full when they become due and charged to Support costs unless there is provision for it in the funds of the project within which the relevant employee worked.

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

# **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the year ended 31 March 2021**

#### **12 Pensions**

There is a defined contribution pension scheme for employees. The basis for allocating the employer expense between activities is based on the salary cost of staff working on that activity. From July 2014 and again in July 2017 and July 2020, the CAB automatically enrolled eligible jobholders into a qualifying scheme in accordance with pensions legislation. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is a Group Personal Pension Scheme with Standard Life. The pension cost charge for the year represents contributions payable by the charitable company to the fund and amounted to £59,251 (2019/20: £53,508). The cost of the pension is allocated to each individual project within which an employee works. At the year-end £18,676 was owed to the pension scheme (2019/20: £17,990).

#### **13 Volunteers**

The Trustee Board and Senior Management Team recognise the tremendous contribution made by our volunteers without whom the service could not operate. The rigorous training required to achieve the standards set by the service means not all potential volunteers complete the course but, those that do, work at all levels of the organisation from reception and administration to generalist advice and benefits advice work. This year the number of volunteers able to provide help to clients has been significantly reduced due to the Covid requirements to stay at home. A small group of volunteers has been helping with telephone appointments with clients, but the vast majority of the work undertaken has been by paid staff.

<b>14 Fixed Assets</b>	<b>Investment Properties £</b>	<b>Leasehold Improvements £</b>	<b>Equipment £</b>	<b>Furniture £</b>	<b>Total £</b>
<b>Cost</b>					
At 31 March 2020	225,000	207,323	32,550	10,589	475,462
Disposals	-	(207,323)	-	-	(207,323)
At 31 March 2021	225,000	-	32,550	10,589	268,139
<b>Depreciation</b>					
At 1 April 2020	-	207,323	32,550	10,589	250,462
Released on disposal	-	(207,323)	-	-	(207,323)
At 31 March 2021	-	-	32,550	10,589	43,139
<b>Net book value</b>					
At 31 March 2021	<b>225,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,000</b>
At 31 March 2020	225,000	-	-	-	225,000

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

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

<b>15 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants receivable	138,286	91,538
Prepayments	29,972	23,560
Accrued income	22,577	154,511
Other debtors	1,922	-
	<u>192,757</u>	<u>269,609</u>

<b>16 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	36,765	36,323
Social security costs	27,915	26,987
Pensions	18,676	17,990
Accruals	67,430	50,836
Deferred income	93,185	87,351
Other creditors	25	25
	<u>243,996</u>	<u>219,512</u>

**17 Deferred income**

Deferred income comprises of income received for the following projects for which performance is expected in the following year; totalling £93,185 in 2021 (2020: £87,351):

	<b>BCC LEAS £</b>	<b>Mental Health £</b>	<b>Universal Support £</b>	<b>Others £</b>
Balance as at 01 April 2020	50,000	18,500	9,101	9,750
Amount released to income earned	-	-	(9,101)	(9,750)
Amount deferred in year	-	-	14,935	9,750
	<u>50,000</u>	<u>18,500</u>	<u>14,935</u>	<u>9,750</u>
<b>Balance as at 31 March 2021</b>	<b>50,000</b>	<b>18,500</b>	<b>14,935</b>	<b>9,750</b>

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

<b>18</b>	<b>Financial instruments</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Financial assets</b>		
	Financial assets measured at fair value through profit & loss:		
	- Cash at bank and in hand	999,175	760,273
	Financial assets that are debt instruments measured at amortised cost:		
	- Grants receivable	138,286	91,538
	- Accrued income	22,577	154,511
		<u>1,160,038</u>	<u>1,006,322</u>
	<b>Financial liabilities</b>		
	Financial liabilities measured at amortised cost:		
	- Trade creditors	36,765	36,323
	- Taxation and social security costs	27,915	26,987
	- Pensions	18,676	17,990
	- Accruals	67,430	50,836
	- Other creditors	25	25
		<u>150,811</u>	<u>132,161</u>
<b>19</b>	<b>Provisions for liabilities</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Dilapidations on leased premises	80,000	80,000
	The dilapidations cost is repayable as follows:		
	Within one year	80,000	80,000
	Between one and two years	-	-
	Between two and five years	-	-
	After five years	-	-
		<u>80,000</u>	<u>80,000</u>
	<b>Movement in provisions</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Dilapidations provision brought forward	80,000	80,000
	Increase/(decrease) in the year	-	-
	<b>Provision carried forward</b>	<u>80,000</u>	<u>80,000</u>

An increase in the dilapidations provision was made in 2016/17 after a dilapidations review was undertaken on 08.05.17 by Pollie Jelfs MRICS of Fusion Building Consultancy Limited. The expenditure is expected to occur during the 2021/22 financial year as the current lease at Gazette Buildings has ended – unless a new lease is agreed and signed.

# BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2021

#### 20 Unrestricted funds

	Balance at 01 April 2020 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2021 £
General funds	31,159	851,147	758,560	(34,411)	89,335
Designated funds: Reserves policy	485,438	-	-	(25,159)	460,279
Designated funds: Redundancies fund	150,000	-	-	-	150,000
Designated funds: Investment property	225,000	-	-	-	225,000
Designated funds: Properties improvements	50,000	-	-	50,000	100,000
Designated funds: IT improvements	-	-	-	50,000	50,000
<b>Total Unrestricted funds</b>	<b>941,597</b>	<b>851,147</b>	<b>758,560</b>	<b>40,430</b>	<b>1,074,614</b>

There is a designated fund of £225,000 for the investment property at Tyseley (2019/20: £225,000) as this amount is not readily available to spend on the charitable objects of the Charity. The freehold property was transferred to investment property once it was tenanted on 19 December 2020. A further £460,279 is designated as per the reserves policy of 3 months' budgeted operating costs (2019/20: £485,438), £150,000 for a redundancies fund for all staff (2019/20: £150,000), £100,000 set aside for expected property improvements within the next two years on properties the Charity owns or leases (2019/20: £50,000) and £50,000 set aside for IT costs expected for a server migration to the Cloud in 2021-22 (2019/20: £Nil).

#### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of grants received for specific purposes:

	Balance at 01 April 2020 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2021 £
Birmingham CC - Mental Health	13,773	74,000	69,451	-	18,322
Birmingham & Solihull CCG	-	131,230	108,565	(22,665)*	-
Macmillan Cancer Support	-	324,372	306,155	(18,217)*	-
Community Justice Fund	-	32,537	32,537	-	-
BEIS Funding	-	16,666	17,118	452	-
Universal Support – Help to Claim	-	482,170	482,170	-	-
Other	-	4,410	4,410	-	-
<b>Total</b>	<b>13,773</b>	<b>1,065,385</b>	<b>1,020,406</b>	<b>(40,430)</b>	<b>18,322</b>

- \*Funds transferred into unrestricted funds from restricted funds represent a paying back of funds transferred into these restricted fund projects from prior years where funding was less than expenditure.

#### Restricted Project Descriptions

##### Birmingham City Council (BCC) - Mental Health

This project provides specialist welfare benefits advice to clients. Appointments are usually offered at three outreach community mental health sites across Birmingham and referrals are received from the Community Mental Health Teams based at those outreaches. Due to the Covid pandemic we suspended attendance at the outreaches and moved from face to face appointments to telephone and video calls in March 2020. We have maintained close links with the Community Mental Health Teams to encourage referrals. The funding for this contract ends on the 30<sup>th</sup> September 2021. We are waiting for written confirmation of a two-year extension.

## **BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **For the year ended 31 March 2021**

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#### **Restricted Project Descriptions (cont.)**

##### **Birmingham & Solihull Clinical Commissioning Group (CCG)**

The purpose of this service is to provide a generalist advice to patients of 32 GP surgeries within the Birmingham and Solihull Clinical Commissioning Group (CCG). Referrals to the services are via members of the Primary Health Care Team and client via self-referral. The aim of the service is for patients to be supported and advised on their non-clinical issues that may be impacting their health and wellbeing thus freeing practice staff time to focus on clinical issues. This contract has been extended till end of March 2022.

##### **Macmillan Cancer Support**

This project usually offers appointments at 15 outreach sessions each week. These were delivered out of six hospitals, 3 hospices and 2 CA locations across Birmingham and Solihull. Due to the Covid pandemic we were unable to attend our outreach locations or offer face to face appointments for clients in March 2020 and moved to offering telephone appointments and more recently video calls. The project provides welfare benefits advice to people affected by cancer. Referrals into the service are via clinical nurse teams, consultants, and other health and social care professionals. Clients can also self-refer through our dedicated Macmillan helpline. The funding from Macmillan Cancer Support ends on the 31st December 2021. We are waiting for written confirmation that a further three-year extension has been awarded.

##### **Universal Support**

Citizens Advice nationally has contracted with Citizens Advice Birmingham to assist 7,020 people to make a new claim for Universal Credit, from assessment of eligibility for the benefit up to receipt of their first payment. The service includes staffing the national Help to Claim telephone helpline, via which clients are assessed for eligibility for Universal Credit, and for the level of support they require to make the claim; and providing practical support where required by clients to submit the claim. This service is funded until March 2021.

##### **Community Justice Fund**

This funding was to assist with the costs associated with the Covid 19 pandemic, including Covid signage, cleaning materials, six months' salary costs for 0.5 advice supervisor and a contribution towards an anticipated deficit due to three posts not being funded during the Covid shutdown. Additional CJF funding was provided to enable a service manager to take part in a management training programme.

##### **BEIS Funding**

This government funding was given to national Citizens Advice, via the Department of Business, Energy and Industrial Strategy (BEIS), to increase the availability of advice services to people impacted by the Covid 19 pandemic. Citizens Advice Birmingham secured some of these funds to provide laptops and soft phones to staff and volunteers to increase capacity on the telephone advice line.

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

**22 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Investment property	225,000	-	225,000
Net current assets	929,614	18,322	947,936
Provisions	(80,000)	-	(80,000)
	<u>1,074,614</u>	<u>18,322</u>	<u>1,092,936</u>
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2020 are represented by:			
Investment property	225,000	-	225,000
Net current assets	796,597	13,773	810,370
Provisions	(80,000)	-	(80,000)
	<u>941,597</u>	<u>13,773</u>	<u>955,370</u>

**23 Commitments under operating leases**

**As lessee:**

As at 31 March 2021, the company had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2021 £	2020 £	2021 £	2020 £
Within one year	36,070	15,759	-	-
Between one and two years	-	-	-	-
	<u>36,070</u>	<u>15,759</u>	<u>-</u>	<u>-</u>

**As lessor:**

As at 31 March 2021, the company had commitments owed to it under non-cancellable operating leases as follows:

	Land and buildings	
	2021 £	2020 £
Within one year	2,875	8,667
Between one and two years	-	-
	<u>2,875</u>	<u>8,667</u>

# BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2021

#### 24 Related parties

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

A representative of Citizens Advice attends some meetings in an advisory, control and regulatory capacity. During the 2020/21 financial year payments were made to Citizens Advice to the value of £11,241 (2019/20: £13,849) in respect of subscriptions, accountancy support, training services, stationery and sundries. Receipts from Citizens Advice for contracts and grant funding totalled £985,800 (2019/20: £915,417).

Trustee Abisola Latunji-Cockbill is an employee of Mills & Reeve LLP. A donation of £1,000 was received from Mills & Reeves LLP in the 2020/21 financial year and no donations were received from Mills & Reeve LLP in 2019/20.

Councillor Gareth Moore is appointed by Birmingham City Council. During the 2020/21 financial year payments were made to Birmingham City Council of £92,863 (2019/20: £111,043) in respect of premises rentals, council taxes and business rates. Receipts from Birmingham City Council for contracts and grant funding in the year totalled £389,000 (2019/20: £349,061). An amount of £50,000 is owed at the year end (2019/20: £50,000) to BCC with regard to the LEAS contract.

25 Reconciliation of cash flows from operating activities	2021 £	2020 £
Net income / (expenditure) for the reporting period	137,566	31,662
Add: Depreciation charge	-	7,983
Less: Dividends, interest and rents from investments	(13,402)	(16,493)
(Increase) / decrease in debtors	76,852	(40,577)
Increase / (decrease) in creditors and provisions	24,484	(54,211)
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>225,500</b>	<b>(71,636)</b>
	<hr/>	<hr/>

26 Analysis of cash and cash equivalents	2021 £	2020 £
Cash at bank and in hand	999,175	760,273
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>999,175</b>	<b>760,273</b>
	<hr/>	<hr/>

#### 26A Analysis of changes in net debt

	At start of year £	Cashflows in year £	At end of year £
Cash	760,273	238,902	999,175
	<hr/>	<hr/>	<hr/>
	760,273	238,902	999,175
	<hr/>	<hr/>	<hr/>

**BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2021**

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**27 Members liability**

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

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