

**BIRMINGHAM CITIZENS ADVICE
BUREAU SERVICE LIMITED**

(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

**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 2023

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 2023.

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 Jill Lambert Councillor Gareth Moore Elizabeth Alvey Chaitali Desai Liam Brooker Sundeep Gill Lydia Stockdale Lucy Vernal Richard Burden Phil Marris Kay Burton-Williams – Appointed 2/3/23 Co-opted 22/2/23 Dee Kundi – Appointed 9/3/23 Co-opted 22/2/23 Stuart Crowe – resigned 23/11/22 Abisola Latunji-Cockbill - resigned 23/11/22	
Senior Management Team:	Janice Nichols (Chief Executive) Kelly Danks Samantha Catchpole Jane Priest	
Auditors:	CKCA Limited No. 4 Castle Court 2 Castlegate Way Dudley DY1 4RH	
Bankers:	Unity Trust Bank Plc 9 Brindley Place Birmingham B1 2HB	
Solicitors:	DLA Piper UK LLP Victoria Square House Birmingham B2 4DL	Gowling WLG (UK) LLP Two Snowhill Birmingham B4 6WR

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2023

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 and safeguarding matters. 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 the 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.

During the 2022/23 financial year payments were made to Citizens Advice to the value of £10,453 (2021/22: £10,216) in respect of subscriptions, accountancy support, training services, stationery and sundries. Receipts from Citizens Advice for contracts and grant funding totalled £834,756 (2021/22: £992,151).

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES/DIRECTORS' REPORT

For the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Councillor Gareth Moore is an elected member with Birmingham City Council. During the 2022/23 financial year payments were made to Birmingham City Council of £93,347 (2021/22: £90,878) in respect of premises rentals, council taxes and business rates. Receipts from Birmingham City Council for contracts and grant funding in the year totalled £346,500 (2021/22: £284,000).

Background

During the period covered by this report things were returning to business as usual for Citizens Advice Birmingham post-Covid. Although most of our services have continued mainly by phone, we have also provided some webchat and a limited number of video calls, via a mix of office based and homeworking for staff and volunteers. We have re-started our face-to-face outreach services in some teams, and this continues to rebuild as venues are reopening to the public again.

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 occurring.

The principal risk identified by the annual review of business risks is the uncertainty of future funding. This has been further exacerbated by the post-pandemic surge in the cost of living and the longer-term impact on the economy of national and global events, all of which are likely to have a significant impact on the future funding available to Citizens Advice Birmingham. It is not anticipated that the uncertain funding environment will improve in the immediate future. 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 should no future funding be secured and takes steps actively to 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 required. 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. Citizens Advice Birmingham has further mitigated these risks by investing in its ICT estate, moving its data onto secure cloud storage and installing additional verification checks for anyone accessing data. Citizens Advice Birmingham will be Cyber Essentials compliant by March 2024.

Recent news of Birmingham City Council (BCC) issuing a Section 114 notice, effectively declaring themselves bankrupt, has alerted Trustees to a potential new risk if BCC funding were to cease immediately. Although, BCC has indicated it will continue to honour any existing contracted commitments Trustees have undertaken a risk assessment. They have looked at the current level of BCC funding and concluded that if it were to be stopped during the current financial year this could impact on the organisation's staff and service provision, but that the organisation has sufficient reserves to mitigate any losses that cannot be transferred elsewhere, for example redeployment of staff to other projects.

Trustees

The trustees who have served during 2022/23 can be seen on page 3.

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

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Pay and remuneration of senior staff

Levels of salary for senior staff and key management personnel are reviewed annually and the Trustee 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 and organisations that are supporting our work.

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 and reduce poverty and social exclusion.

The 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 aims is to follow the guidelines set down by 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 who come 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:

- Various Health Units within primary and secondary care locations across Birmingham;
- Hospitals across Birmingham;
- Job Centres, libraries, community centres across Birmingham,
- HMP Birmingham, and
- County Court Welfare Office.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 2022/23, Citizens Advice Birmingham delivered high quality, targeted, free advice to 19,299 clients with over 85,000 issues. This is an increase of 2,482 clients on the number we helped in 2021/22.

7,505 clients were assisted by the core Generalist Advice service, and we helped these clients with 56,847 separate enquiries - an average of 7.5 issues per client assisted which is a strong indication that people's problems are becoming more complex than ever. The Help to Claim service assisted 3,069 clients who, in previous years, would have been assisted with means tested benefits enquiries via the core service.

Citizens Advice Birmingham's work resulted in income gains for our clients of £20,717,217 in 2022/23. During the year, the Debt Team dealt with £7,230,068 worth of debt, 42% of which was priority debt and the remaining 58% non-priority debt. Debts written off, which included Debt Relief Orders and write offs, totalled £1,141,400 and repayments negotiated, which included Debt Management Plans on clients' behalf and token offer payments, totalled £105,463. During the same period, our County Court Welfare Office dealt with £1,236,325 worth of mortgage arrears and £1,476,637 of rent arrears. 86% of the clients we represented at court hearings were able to avoid repossession.

Citizens Advice Birmingham regularly seeks feedback on its performance from clients. Overall, the vast majority of our clients rated their experience of our service as positive or very positive. Amongst those clients who accessed our services via our Mental Health Benefits Team, 97% said our advice had helped to reduce their stress and anxiety and 88% said they felt less worried about their finances following our advice. 98% of clients who were supported by our Macmillan Benefits Team told us that they were satisfied or very satisfied with the service they received, 93% were less worried about their finances and, for 88%, our assistance had helped to reduce their stress or anxiety. Of the clients assisted by our Wellbeing Team, 94% said they were satisfied or very satisfied with the help they had received.

All this could not have been achieved without the hard work and dedication of our staff and volunteers. We currently have 16 volunteers, seven of whom joined us this year, and we continue with a steady process of recruitment and training to keep this number stable in the context of a typically high turnover. Of the 16, six are long serving volunteers, two of whom have been with us for ten years and one for 20 years. These volunteers continue to make an invaluable contribution as the Volunteer Benefits Team, completing benefits-related appointments over the telephone, largely from their own homes.

The Trustee Board thanks all the staff and volunteers for their hard work and dedication during another challenging 12 months - without the ongoing flexibility and commitment of everyone, the achievements of the last year would not have been so high.

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. We also 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 consistently aimed to ensure its services continue to reach as many of those people who need help as possible with the resources available.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2023

REVIEW OF FINANCIAL POSITION

During the 2022/23 financial year CAB delivered a financial surplus of £143,282 (2021/22: financial deficit of £38,940). This surplus arose primarily due to lower head count arising from recruitment difficulties, and recognition of £50k deferred income from prior years. Income increased slightly to £1,869,645 compared to £1,855,253 in 2021/22, while over the same period expenditure decreased to £1,726,363 from £1,894,193 in 2021/22, due mainly to lower salary costs and the one-off IT upgrade spend in the prior year.

Expenditure on fixed assets capitalised during the year amounted to £NIL (2021/22: £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 £42,339 (2021/22: £28,510). This is mainly accounted for by £10,090 left for the BCC Mental Health project, £10,943 for NHS projects, and £6,587 for The Henry Smith project. The funds are expected to be spent by March 2024.

Restrictions and Investment Powers

The Memorandum of Association authorises the charity to receive income by way of grants, donations, gifts and legacies provided 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 £449,001 at budgeted 2022/23 expenditure levels.

The Charity also has a designated fund of £225,000 for tangible fixed assets (investments) and a further £270,000 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 2023 are £145,747 (2022: £81,485) after designating reserves of £1,009,193 (2021: £944,001). Restricted reserves at the end of the year amount to £42,339 (2021: £28,510).

Going Concern

The Charity reported a significant cash inflow of £90,082 for the year and the Charity expects to make an inflow in 2023/24.

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 (2021/2: £NIL).

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2023

FUTURE PLANS

Over the period of this report Citizens Advice Birmingham gradually returned to business as usual, but with some changes since the pre-Covid time. We no longer see clients at our Gazette Buildings offices as it is not possible to create a Covid safe space to do so, but we are returning to working in the community providing outreach face-to-face appointments, and most staff and volunteers are attending the office at least once a week. A large part of our services continues to be provided via telephone and webchat by staff and volunteers mainly working from home.

Trustees take seriously their duty of care to our staff and volunteers and continue to ensure that safe systems of work are in place, including against Covid transmission, as we return to face-to-face service delivery. Home working has enabled CAB to continue to provide services to the people of Birmingham and all the time maintaining our high-quality standards as required by national Citizens Advice. For the time being staff and volunteers are being permitted to provide some of their activity from home where it is feasible to do so.

It is not anticipated that there will be a full-scale return to the office, and unlikely that face-to-face advice can be accommodated in the interview spaces available in the office as it is impossible to make them Covid safe. So, trustees have taken the decision to move the office to new premises within the city centre, which will not be client facing, but will give staff and volunteers a much-improved working environment.

The new financial year looks as though CAB will have a balanced budget and can start the year with more certainty than usual around projects and services. However, trustees will continue to maintain firm controls on expenditure and will seek in the future only to 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 energy price rises and spiralling household costs continue to impact people across the country. There are some new activities we are developing with local partners in the NHS, and with a national dementia charity. Trustees will continue to seek to diversify CAB's funding base, although funding for generalist services continues to be a challenge especially to deal with the demand we face via our telephone advice line. We will 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.

Overall, 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 its commitment to diversify its search for other funding includes seeking opportunities to work with other local Citizens Advice and other partners to share costs where feasible. We continue to work with local Citizens Advice in the West Midlands region 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 premises and 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;
- 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;
- Utilise reserves in line with policy.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

TRUSTEES'/DIRECTORS' REPORT

For the year ended 31 March 2023

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 charitable 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 apply them consistently.
- b. observe the methods and principles in the Charities SORP.
- c. make judgements and estimates that are reasonable and prudent.
- d. state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- e. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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, CKCA 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 6th September 2023, and signed on its behalf by,



Paul Southon
Chair

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM

CITIZENS ADVICE BUREAU SERVICE LIMITED

Opinion

We have audited the financial statements of Birmingham Citizens Advice Bureau Service Limited (the 'charitable company') for the year ended 31 March 2023 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 2022, 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.)

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identified and assessed the risks of material misstatement of the financial statements, in respect of irregularities whether due to fraud or error, or non compliance with laws and regulations and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company by discussion and enquiry with the directors and management team and our general knowledge and experience of the charity sector.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM

CITIZENS ADVICE BUREAU SERVICE LIMITED (CONT.)

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

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, and health and safety legislation;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing correspondence with relevant regulators.

Audit response to risks identified

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included but were not limited to:

- Discussions with directors and management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Confirming our understanding of controls by performing a walk through test or observation and enquiry;
- Performing analytical procedures to identify any unusual or unexpected relationships;
 - Identifying and testing journal entries;
 - Agreeing funding to underlying service agreements and ensuring income is recognised in the correct period;
 - Agreeing classification of funding between restricted and unrestricted funds and ensuring amounts are spent for the purposes intended;
 - Reviewing the allocation of direct and support costs and ensuring comparable to previous periods;
- Reviewing unusual or unexpected transactions; and
 - Agreeing the financial statement disclosures to underlying supporting documentation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.



Mark Nicholls FCA
Senior Statutory Auditor
for and on behalf of CK Audit

Chartered Accountants
Statutory Auditor

2 November 2023

No. 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(Including income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income from:							
Donations and legacies	2	7,565	-	7,565	2,935	-	2,935
Charitable activities	3	820,905	986,274	1,807,179	737,412	1,085,198	1,822,610
Activities for generating funds	4	2,912	27,975	30,887	8,648	7,532	16,180
Investments	5	24,014	-	24,014	13,528	-	13,528
Total income		855,396	1,014,249	1,869,645	762,523	1,092,730	1,855,253
Expenditure on:		720,861	979,550	1,700,411	827,551	1,020,406	1,887,307
Charitable activities	6,7	369	25,583	25,952	1,129	5,757	6,886
Other expenditure	8						
Total expenditure		721,230	1,005,133	1,726,363	828,680	1,065,513	1,894,193
Net income/(expenditure) before transfer		134,166	9,116	143,282	(66,157)	27,217	(38,940)
Transfers between funds	20,21	(4,713)	4,713	-	17,029	(17,029)	-
Net movement in funds		129,453	13,829	143,282	(49,128)	10,188	(38,940)
Reconciliation of funds:							
Total funds brought forward at 01 April 2022		1,025,486	28,510	1,053,996	1,074,614	18,322	1,092,936
Total funds carried forward at 31 March 2023		1,154,939	42,339	1,197,278	1,025,486	28,510	1,053,996

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 33 form part of these financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

BALANCE SHEET

As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	-	-
Investments	14	225,000	225,000
		<u>225,000</u>	<u>225,000</u>
Current assets			
Debtors	15	309,083	208,549
Cash at bank and in hand	26	1,053,514	963,432
		<u>1,362,597</u>	<u>1,171,981</u>
Liabilities			
Creditors: amounts falling due within one year	16	(310,319)	(262,985)
		<u></u>	<u></u>
Net current assets		<u>1,052,278</u>	<u>908,996</u>
Total assets less current liabilities		<u>1,277,278</u>	<u>1,133,996</u>
Provisions for liabilities	19	(80,000)	(80,000)
		<u></u>	<u></u>
Total net assets		<u>1,197,278</u>	<u>1,053,996</u>
Funds of the charity			
Unrestricted funds:	20		
General funds		145,746	81,485
Designated Revaluation reserve		53,557	53,557
Other Designated funds		955,636	890,444
		<u>1,154,939</u>	<u>1,025,486</u>
Restricted funds	21	42,339	28,510
		<u></u>	<u></u>
Total charity funds	22	<u>1,197,278</u>	<u>1,053,996</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 6th September 2023 and signed on its behalf by,



Paul Southon
Chair

The notes on pages 17 to 32 form part of these financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

CASH FLOW STATEMENT

For the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	25	66,068	(49,271)
Cash flows from investing activities:			
Dividends, interest and rents from investments	5	24,014	13,528
Net cash provided by investing activities		24,014	13,528
Increase / (decrease) in cash and cash equivalents in the reporting period		90,082	(35,743)
Cash and cash equivalents at the beginning of the reporting period		963,432	999,175
Cash and cash equivalents at the end of the reporting period	26	1,053,514	963,432

The notes on pages 17 to 32 form part of these financial statements.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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 2023

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:

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 2023

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 evaluated the value of the property 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

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.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Donations and gifts	7,565	-	7,565	2,935

3 Income from charitable activities

Grants and contract income receivable for charitable activity – advice and information	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
General Advice:				
Birmingham CC - Advice Service	272,500	-	272,500	210,000
Birmingham & Solihull NHS	-	160,296	160,296	131,232
Universal Support – Help to Claim	-	302,057	302,057	488,190
The Henry Smith Charity	-	48,250	48,250	35,625
Cadent Foundation	-	7,084	7,084	-
Energy Saving Trust	-	21,198	21,198	-
Other grants	6,237	7,901	14,138	21,407
	278,737	546,786	825,523	866,454
Debt Advice:				
Money Advice Service: Debt Advice	491,902	-	491,902	493,232
Community Law Partnership (CLP)	50,266	-	50,266	26,376
Other grants	-	-	-	7,804
	542,168	-	542,168	527,412
Benefit Advice:				
Birmingham CC - Mental Health	-	74,000	74,000	74,000
Macmillan Cancer Support	-	365,488	365,488	334,744
	-	439,488	439,488	408,744
Total income from charitable activities	820,905	986,274	1,807,179	1,822,610

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

4 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Solar panels & cashback scheme	-	-	-	1,896
Windrush compensation scheme	-	-	-	2,925
Other income	2,912	27,975	30,887	11,359
	2,912	27,975	30,887	16,180

5 Investments

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Interest received	9,581	-	9,581	528
Investment property rental income	14,433	-	14,433	13,000
	24,014	-	24,014	13,528

6 Expenditure on charitable activities by fund

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
General Advice	207,290	543,160	750,450	917,304
Debt Advice	513,571	-	513,571	555,541
Benefits Advice	-	436,390	436,390	414,462
	720,861	979,550	1,700,411	1,887,307

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

7 Analysis of expenditure on charitable activities

	Basis of Allocation	General Advice £	Debt Advice £	Benefits Advice £	Total 2023 £	Total 2022 £
Direct costs:						
Salaries and wages	Direct	528,467	389,633	322,440	1,240,540	1,367,861
Staff and volunteers	Direct	4,507	360	903	5,770	3,739
Office costs	Direct	14,628	712	671	16,011	18,489
Premises costs	Direct	64	-	-	64	-
Other costs	Direct	365	-	-	365	70,714
		<u>548,031</u>	<u>390,705</u>	<u>324,014</u>	<u>1,262,750</u>	<u>1,460,803</u>
Support costs:						
Salaries wages	Staff/Hrs	61,933	38,205	34,084	134,222	104,164
Staff and volunteers	Staff/Hrs	2,387	1,457	1,285	5,129	971
Office costs	Staff/Hrs	72,239	44,981	40,352	157,572	191,678
Premises costs	Staff/Hrs	58,256	33,555	32,740	124,551	105,579
Governance costs	Staff/Hrs	6,364	5,121	3,509	14,994	22,471
Other costs	Staff/Hrs	1,239	(452)	406	1,193	1,641
		<u>202,418</u>	<u>122,867</u>	<u>112,376</u>	<u>437,661</u>	<u>426,504</u>
Total expenditure on charitable activities		<u>750,449</u>	<u>513,572</u>	<u>436,390</u>	<u>1,700,411</u>	<u>1,887,307</u>

8 Other expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Investment property expenditure	369	-	369	1,129
CEO Forum	-	12,881	12,881	5,757
Other expenditure		12,702	12,702	
	<u>369</u>	<u>25,583</u>	<u>25,952</u>	<u>6,886</u>

9 Net incoming resources for the year

	2023 £	2022 £
This is stated after charging		
Operating leases - land and buildings	91,819	85,257
Auditor's remuneration:		
- Audit	8,700	8,340
Depreciation and Impairment Charges	-	-
	<u>100,519</u>	<u>93,597</u>

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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 2023 (2021/22: £Nil).

Trustees' indemnity insurance paid by the charity during the year totalled £251 (2020/21: £60) and expenses related to costs of Trustees' meetings including the AGM totalled £731 (2021/22: £Nil).

11 Employees	2023 FTE Number	2022 FTE Number	2023 Head Count	2022 Head Count
Number of employees				
The average number of employees, analysed by function was:				
Advice workers and support staff	37	46	42	49
Key management personnel	4	4	4	4
	<u>41</u>	<u>50</u>	<u>46</u>	<u>53</u>
Employment costs			2023 £	2022 £
Wages and salaries			1,202,743	1,294,122
Social security costs			113,298	116,182
Pensions costs			58,721	61,721
			<u>1,374,762</u>	<u>1,472,025</u>

No employee received remuneration amounting to more than £60,000 in the period (2021/22: 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 £187,745 (2021/22: £178,703).

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 2023

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. CAB automatically enrol 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 £58,721 (2021/22: £61,721). The cost of the pension is allocated to each individual project within which an employee works. At the year-end £8,199 was owed to the pension scheme (2021/22: £9,578).

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 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 Covid restrictions and changes in the funding available to support them. But a small group of volunteers has been helping with telephone appointments with clients, and we have been using our resources to start developing our volunteer offer again and start to expand our volunteer team to support our telephone advice line and within other projects.

14 Fixed Assets	Investment			Total £
	Properties £	Equipment £	Furniture £	
Cost				
At 31 March 2022	225,000	32,550	10,589	268,139
At 31 March 2023	225,000	32,550	10,589	268,139
Depreciation				
At 1 April 2022	-	32,550	10,589	43,139
At 31 March 2023	-	32,550	10,589	43,139
Net book value				
At 31 March 2023	225,000	-	-	225,000
At 31 March 2022	225,000	-	-	225,000

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 2023

15 Debtors	2023	2022
	£	£
Grants receivable	196,432	112,413
Prepayments	31,140	34,101
Accrued income	81,511	59,802
Other debtors	-	2,233
	309,083	208,549
16 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	132,301	42,455
Social security costs	37,728	31,569
Pensions	8,199	9,578
Accruals	67,085	50,029
Deferred income	65,006	79,354
Other creditors	-	50,000
	310,319	262,985

17 Deferred income

Deferred income comprises of income received for the following projects for which performance is expected in the following year; totalling £65,006 in 2023 (2022: £79,354):

	BCC LEAS £	Mental Health £	Universal Support £	Others £
Balance as at 01 April 2022	50,000	-	7,729	21,625
Amount released to income earned	(50,000)		(7,729)	(21,625)
Amount deferred in year	-	3,700	-	61,306
Balance as at 31 March 2023	-	3,700	-	61,306

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

18	Financial instruments	2023 £	2022 £
	Financial assets		
	Financial assets measured at fair value through profit & loss:		
	- Cash at bank and in hand	1,053,514	963,432
	Financial assets that are debt instruments measured at amortised cost:		
	- Grants receivable	196,432	112,413
	- Accrued income	81,511	59,802
		<u>1,331,457</u>	<u>1,135,647</u>
	Financial liabilities		
	Financial liabilities measured at amortised cost:		
	- Trade creditors	132,301	42,455
	- Taxation and social security costs	37,728	31,569
	- Pensions	8,199	9,578
	- Accruals	67,085	50,029
	- Other creditors	-	50,000
		<u>245,313</u>	<u>183,631</u>
19	Provisions for liabilities	2023 £	2022 £
	Dilapidations on leased premises	80,000	80,000
	The dilapidations cost is payable 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>
	Movement in provisions	2023 £	2022 £
	Dilapidations provision brought forward	80,000	80,000
	Increase/(decrease) in the year	-	-
	Provision carried forward	80,000	80,000

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 incur during 2023/24.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2023

20 Unrestricted funds

	Balance at 01 April 2022 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2023 £
General funds	81,485	855,396	(721,230)	(69,905)	145,746
Designated funds: Reserves policy	449,001	-	-	65,192	514,193
Designated funds: Redundancies fund	150,000	-	-	-	150,000
Designated funds: Investment property	225,000	-	-	-	225,000
Designated funds: Properties improvements	100,000	-	-	-	100,000
Designated funds: IT improvements	20,000	-	-	-	20,000
Total Unrestricted funds	1,025,486	855,396	(721,230)	(4,713)	1,154,939

There is a designated fund of £225,000 for the investment property at Tyseley (2021/22: £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 2018. A further £514,193 is designated as per the reserves policy of 3 months' budgeted operating costs (2021/22: £449,001), £150,000 for a redundancies fund for all staff (2021/22: £150,000), £100,000 set aside for expected property improvements within the next two years on properties the Charity owns or leases (2021/22: £100,000) and £20,000 set aside for IT costs for equipment renewals (2021/22: £20,000).

Prior year comparative

	Balance at 01 April 2021 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2022 £
General funds	89,335	762,523	(778,680)	8,307	81,485
Designated funds: Reserves policy	460,279	-	-	(11,278)	449,001
Designated funds: Redundancies fund	150,000	-	-	-	150,000
Designated funds: Investment property	225,000	-	-	-	225,000
Designated funds: Properties improvements	100,000	-	-	-	100,000
Designated funds: IT improvements	50,000	-	(50,000)	20,000	20,000
Total Unrestricted funds	1,074,614	762,523	(828,680)	17,029	1,025,486

There is a designated fund of £225,000 for the investment property at Tyseley (2020/21: £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 2018. A further £449,001 is designated as per the reserves policy of 3 months' budgeted operating costs (2020/21: £460,279), £150,000 for a redundancies fund for all staff (2020/21: £150,000), £100,000 set aside for expected property improvements within the next two years on properties the Charity owns or leases (2020/21: £100,000) and £20,000 set aside for IT costs for equipment renewals (2020/21: £50,000).

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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 2022 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2023 £
Birmingham CC - Mental Health	19,139	74,000	(83,049)	-	10,090
Birmingham & Solihull NHS	-	160,296	(149,353)	-	10,943
Macmillan Cancer Support	-	365,488	(353,341)	(12,147)*	-
The Henry Smith Charity	5,906	48,250	(47,569)	-	6,587
Universal Support – Help to Claim	-	302,057	(318,917)	16,860	-
CEO Forum	1,775	20,119	(12,881)	-	9,013
Cadent Foundation	-	7,084	(10,220)	-	(3,136)
Energy Saving Trust	-	21,198	(17,100)	-	4,098
Other	1,690	15,757	(12,702)	-	4,745
Total	28,510	1,014,249	(1,005,133)	4,713	42,339

- *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.

Prior year comparative

	Balance at 01 April 2021 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2022 £
Birmingham CC - Mental Health	18,322	74,000	(73,183)	-	19,139
Birmingham & Solihull CCG	-	131,232	(107,669)	(23,563)*	-
Macmillan Cancer Support	-	334,744	(341,278)	6,534	-
The Henry Smith Charity	-	35,625	(29,719)	-	5,906
Universal Support – Help to Claim	-	488,190	(488,190)	-	-
CEO Forum	-	7,532	(5,757)	-	1,775
Other	-	21,407	(19,717)	-	1,690
Total	18,322	1,092,730	(1,065,513)	(17,029)	28,510

- *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. Since the return to business as usual, post-Covid, we have offered clients a phone or face-to-face service. The majority of appointments are still predominantly telephone based, as most clients prefer this. The funding for this contract has been extended to 30th September 2023.

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

Restricted funds (continued)

Restricted Project Descriptions

Birmingham & Solihull NHS

Our Wellbeing service provides generalist advice to the 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 clients 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 until the end of March 2024.

In Quarter 3 of this reporting period, we commenced two new projects. The first project delivers a generalist advice service to the staff of Birmingham & Solihull Integrated Care System (ICS) primarily via a dedicated telephone hotline with follow up appointments either in person, or digitally, subject to staff preference and/or when the complexity of the issues requires. The second project, based at Birmingham Women's and Children's hospital, involves an onsite presence to deliver a full-time service to patients and families. Each contract provides funding for one FTE caseworker until March 2024.

Macmillan Cancer Support

Pre-Covid, this project usually offered appointments at 15 outreach sessions each week. These were delivered out of six hospitals, 3 hospices and 2 CA locations across Birmingham and Solihull. We were unable to do this during the Covid period and had to provide services via phone or video for some time. We are now gradually returning to our outreach locations and offer clients the choice of either a face-to-face or telephone appointment. 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 has been extended to 31st December 2024.

Universal Support

Citizens Advice nationally has contracted with Citizens Advice Birmingham to assist 7,556 people per year 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 2023.

The Henry Smith Charity

We receive funding from The Henry Smith Charity to support a team of six volunteers to deliver specialist welfare benefits and financial capability advice to Birmingham residents via telephone/video and in-person appointments. The contract began in July 2022 and is funded for three years.

CEO Forum

Citizens Advice Birmingham holds funds for a national network of local Citizens Advice (LCA) Chief Executives who meet weekly online for peer-to-peer support, but also meet periodically face-to-face at events. Funds are derived from fees from local Citizens Advice for the face-to-face events and from sponsorship from companies which work with LCAs. Funds are then used to pay the costs of future meetings.

Energy Saving Trust

The Birmingham Energy Affordability Project (BEAP) provides energy advice and advocacy for clients in vulnerable situations, focusing especially on fuel poverty hotspots in the north and east of the city. Embedded within our Debt Service, the team provides expert advice, in-depth support and end-to-end case management. Clients are assisted via in-person appointments, telephone and email/webchat and all support is tailored to the individual's need. The contract began in September 2022 and is funded for two years.

Cadent Foundation

We receive funding from the Cadent Foundation for one FTE caseworker to deliver specialist energy advice and income maximisation support to clients experiencing fuel poverty. The caseworker looks at individuals' circumstances holistically and ensures they can access the range of services they need to tackle fuel poverty and financial hardship for the long term. The project is funded for until 31st January 2024.

Other restricted funds

These funds relate to client grants received by the charity from other charities and trusts and held on trust for clients until they can be passed onto them.

22 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £	£
Fund balances at 31 March 2023 are represented by:				
Investment property	225,000	-	225,000	
Net current assets	1,009,939	42,339	1,052,278	
Provisions	(80,000)	-	(80,000)	
	<u>1,154,939</u>	<u>42,339</u>	<u>1,197,278</u>	
	Unrestricted funds £	Restricted funds £	Total £	£
Fund balances at 31 March 2022 are represented by:				
Investment property	225,000	-	225,000	
Net current assets	880,486	28,510	908,996	
Provisions	(80,000)	-	(80,000)	
	<u>1,025,486</u>	<u>28,510</u>	<u>1,053,996</u>	

23 Commitments under operating leases

As lessee:

As at 31 March 2023, the company had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within one year	43,629	87,257	-	-
Between one and two years	-	-	-	-

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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.

During the 2022/23 financial year payments were made to Citizens Advice to the value of £10,453 (2021/22: £10,216) in respect of subscriptions, accountancy support, training services, stationery and sundries. Receipts from Citizens Advice for contracts and grant funding totalled £834,756 (2021/22: £992,151).

Councillor Gareth Moore is appointed by Birmingham City Council. During the 2022/23 financial year payments were made to Birmingham City Council of £93,347 (2021/22: £90,878) in respect of premises rentals, council taxes and business rates. Receipts from Birmingham City Council for contracts and grant funding in the year totalled £346,500 (2021/22: £284,000).

25	Reconciliation of cash flows from operating activities	2023 £	2022 £
	Net income / (expenditure) for the reporting period	143,282	(38,940)
	Add: Depreciation charge	-	-
	Less: Dividends, interest and rents from investments	(24,014)	(13,528)
	(Increase) / decrease in debtors	(100,534)	(15,792)
	Increase / (decrease) in creditors and provisions	47,334	18,989
	Net cash provided by operating activities	66,068	(49,271)
26	Analysis of cash and cash equivalents	2023 £	2022 £
	Cash at bank and in hand	1,053,514	963,432
	Total cash and cash equivalents	1,053,514	963,432

26A	Analysis of changes in net debt	At start of year £	Cashflows in year £	At end of year £
	Cash	963,432	90,082	1,053,514
		963,432	90,082	1,053,514

BIRMINGHAM CITIZENS ADVICE BUREAU SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

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 have 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.