

BRENT CITIZENS ADVICE BUREAUX
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended
31 MARCH 2006



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COMPANIES HOUSE 15/12/2006

BRENT CITIZENS ADVICE BUREAUX

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BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

The Trustees present their Annual Report together with the Audited Financial Statements for the year ended 31 March 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity registration number: 1049632
Company registration number: 3091835
Registered and Principal Office: 270-272 High Road
London
NW10 2EY

Trustees

The Trustees (who are also the directors for the purpose of company law) who served during the period were as follows:-

Iris Eureta Brown	
Heinz Grunewald	Honorary Treasurer
Fola Moses	
Andrew Murray	
Jennifer Reindorp	Chair
Mabel Sumner	
Emmanuel Ugbelase	Appointed 22 March 2006
Jacqueline Selby - Macleod	Appointed 22 March 2006

Director

Jacqueline Carr

Secretary

Sophia Johnson

Auditors

HLB Vantis Audit plc
66 Wigmore Street
London
W1U 2SB

Bankers

National Westminster Bank plc
Park Royal Branch
1 Abbey Road
London
NW10 7RA

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 Governing Document

Brent Citizens Advice Bureaux is a company limited by guarantee governed by its Memorandum and Articles of Association dated November 2002. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the Company and there are currently 8 members, each of whom agrees to contribute £1 in the event of the company winding up.

1.2 Appointment of Trustees

Until otherwise determined by the Bureaux in General Meeting the number of Trustees shall not be less than nine nor more than twenty being either:

- a) elected at the Annual General Meeting, and who shall hold office from the conclusion of that meeting.
- b) nominated by member organisation
- c) co-opted by the Trustee Board

providing that the total number of co-opted and nominated Trustees does not exceed one third of the total number of Trustees.

Each appointment of a co-opted or nominated Trustee shall be made at an ordinary meeting of the Trustee Board and shall take effect immediately unless the appointment is to fill a place which has not yet been vacated in which case the appointment shall run from the date when the post becomes vacant.

All elected Trustees shall retire from office at the third Annual General Meeting (AGM) following the AGM at which they were elected but may be re-elected.

All nominated or co-opted Trustees shall retire from office at the third AGM following the ordinary meeting of the Trustee Board at which they were appointed but may be re-appointed.

At the ordinary meeting of the Trustee Board immediately preceding the AGM, the Trustee Board shall (if applicable):

- review member organisations; and consider
- any application for representation on the Trustee Board from any member organisation;
- any proposal from a Trustee to offer representation on the Trustee Board to any member organisation.

Any proposal from a Trustee to offer representation to a member organisation can be voted on. If this motion is passed by a majority of at least two-thirds of the Trustees present, the Trustee Board will decide how long the organisation can be represented for and invite it to nominate a representative.

As set out in the Articles of Association the Chair of the Board of Trustees is nominated and elected at the meeting immediately following the AGM. The Honorary Treasurer is similarly nominated and elected. The AGM is held each year in December. The Chair is permitted to serve for a total period of 6 years, but is elected or re-elected at the AGM.

The Trustees seeks to ensure that the needs of the community are appropriately reflected through the diversity of the body of Trustees.

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

1.2 Appointment of Trustees (continued)

To enhance the potential pool of the Trustees, the charity has through selective advertising in the *Big Issue* and *networking with local and national companies* and organisations, sought to identify people who would be interested in joining the board and use their experience to assist the charity. The charity also encourages former clients to join the board.

In an effort to maintain a broad skill mix, Trustees are requested to provide a list of their skills (and update it each year) and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Trustees.

1.3 Induction and Training of Trustees

New Committee persons undergo an orientation period to brief them 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 and recent financial performance of the charity. Prior to joining the board they are invited to attend a board meeting and a sub-committee meeting. During the induction period they meet key employees and other Committee persons if available. Committee persons are also required to attend the induction training event provided by Citizens Advice to inform them about the national bureau service. Committee persons are encouraged to attend appropriate external training events where these would facilitate the undertaking of their role. Committee persons are also encouraged to attend staff briefings to familiarise themselves with the issues concerning the day to day activities of the organisation.

1.4 Organisation

The Trustees administer the charity. The board meets 5 times a year and there are sub-committees covering finance and income generation, and personnel, health and safety and premises, which meet a minimum of 4 times a year. A Director is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Director has delegated authority approved by the Trustees, for operational matters including finance, employment and strategic development activities.

1.5 Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified a few major risks to the financial health of the charity, and has resulted in emergency procedures and contingency plans and has given the impetus for better planning. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

2. OBJECTIVES AND ACTIVITIES

The principle objective of the charity is:

"the promotion of any charitable purposes for the benefit of the community in the area of the London Borough of Brent by the advancement of education, the protection of health and the relief of poverty, sickness and distress".

The charity has the general aim of contributing to the quality of life of all residents of the borough through the provision of free, independent, impartial and confidential advice.

- To deliver high quality generalist and specialist advice and information services face to face, by telephone and electronically
- To ensure equality of access to all sections of the diverse population of Brent
- To ensure every member of Brent CAB staff is properly equipped for their role
- To ensure effective governance and management of Brent CAB
- To be the effective voice of our clients locally and to enable Citizens Advice to be the effective voice of our clients nationally.
- To increase the level of funding and range of funding sources
- To promote public awareness of Brent CAB as providers of high quality advice and information.

This has been a year of huge change for the service. The main objective for the year was to achieve the above through the re-design of the face to face service, and the provision of a triage service to members of the public on four days a week. We saw over 15,000 people at the bureau this year by changing the method of service delivery to clients.

We also introduced a new electronic case management system (CASE) which will enable the bureau to readily access information about the number of clients we see, the range and types of clients, the number range and complexity of issues presented by our users that we can use as evidence in our campaigns, for fundraising, and to inform us better about client needs. CASE will also increase the IT skills of our staff, particularly volunteers.

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

3. ACHIEVEMENTS AND PERFORMANCE

We undertook these developments whilst continuing to carry out the following activities:

- We continue to provide a generalist advice service at our bureau by appointments 5 days a week, but were able to offer more appointments to callers this year due to the redesign of the service
- We continue operating the Call Centre, providing telephone advice on a local rate number to the general public, Monday to Friday 9.30am to 5.00pm, but had to reduce the volume of calls answered, as resources were moved to the frontline face to face service.
- We continue to offer weekly welfare benefit sessions at four health centres on four days a week: Chaikhill, Craven Park, Wembley Centre for Health and Care, Kilburn Square Clinic. This year we gained over £250,000 in welfare benefits for users of this service. However we were informed by the PCT that funding would be withdrawn from 31st August 2006 due to increasing constraints on expenditure in the health service, which will have a major impact on many voluntary organizations.
- We provide an income maximization service at Hillside Resource Centre one day a week for the residents of Hillside Housing Trust (formerly Stonebridge Housing Action Trust) and gained in excess of £91,000 for users of this service.
- This year we were awarded a Legal Services Commission General Civil contract in housing and began providing a specialist legal advice service in this category.
- We continue to provide specialist legal advice services under a Legal Services Commission General Civil contract in immigration, debt and welfare benefits. We continue to represent many clients at benefits appeals tribunals, in the county court and at immigration appeals.
- We continue to provide a free telephone advice service for clients visiting the bureau to access the Brent CAB Call Centre and other agencies, a service that many say is invaluable as they cannot afford the cost of calls either from landlines or, as is increasingly the case, from mobile phones.
- We continued to provide generalist advice sessions at two GP surgeries in Kilburn and at three Refugee Community Organisations – the Tamil Refugee Action Group, Dar Al Islam and at Salusbury World. Unfortunately the funding stream for both these activities (the Brent Health Action Zone) came to an end on 31st March 2006, and the local Primary Care Trust was unable to mainstream these services due to the financial constraints mentioned above.
- With the support of Clyde & Co International Law Firm we offer free Honorary Legal Advice Sessions every Tuesday evening through the pro-bono work provided by solicitors and barristers. The money gained for clients under this service to date is £260,000, mainly for employment cases.
- We continue to operate our Volunteer Programme, where we recruit, select and train individuals who express an interest in volunteering their time to become advice workers, administrators, IT support workers and form-fillers. Four 'Open Days' were held during the year at which a number of volunteers attended to learn about the CAB service and decide on the type of work that they wish to do with us.
- During the National Advice Week in September, with the continued support of Asda Wembley Park, we were present at their superstore providing an information stall to shoppers to raise the awareness of the CAB service in Brent and to recruit volunteers.
- We continue the Family Benefits Advice Projects funded by Sure Start Central Brent, Sure Start Roundwood and Sure Start South Kilburn, where we provide advice to families with children under the age of 4 on a range of subjects.

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

3. ACHIEVEMENT AND PERFORMANCE (CONTINUED)

- With the support of Bridge House Trust, we run a Third Party Reporting Project, working in close collaboration with Brent Indian Association and Victim Support Brent. The project, which is in its final year of funding, aims to assist people who have been the victims of faith and race hate incidents to report those incidents to any of the 14 third party reporting sites that have been recruited under the project. The project was launched officially in June 2005, when the new MP for Brent South Dawn Butler, gave the keynote speech.
- We renewed contracts with Brent Primary Care Trust, Hillside Housing Trust, the Legal Service Commission, Brent Health Action Zone, and with the London Borough of Brent, and secured the agreement of Clyde and Co to continue funding the Free Legal Advice Service for a further year.

The strategies employed to achieve the charity's objectives are to:

- Offer opportunities for a broad range of people to get involved with Brent Citizens Advice Bureau activities and train to work with the charity or for paid employment elsewhere
- Provide targeted services to meet demand
- Increase core funding from the local authority
- Concentrate on the fundraising strategy adopted by the Trustees.

The above activities demonstrate that the charity is very involved in the community and is dependent on voluntary support. Beside the Trustees, volunteers assist with advice provision, form-filling, administrative and reception activities. This enables staff costs to be lower than would otherwise be the case.

We are indebted to the volunteers that assist us in carrying out the work of the charity.

4. FINANCIAL REVIEW

Against a backdrop of limited resources and insecurities over funding as mentioned above, the planning and development of services has proved difficult.

Nevertheless, with the support of the Trustees, staff and volunteers, and with the aid of sound financial management, the end of this year saw the results of excellent financial control of the charity. Costs were contained within budget and income figures were improved upon due to our success in winning a new contract from the Legal Services Commission worth £69,000. However, with severe constraints facing the public sector it will be imperative to manage our finances even more prudently in the coming year.

Our principal source of funding continues to be the local authority, Brent Council, from which we received £361,316 this year. Our second largest funder, the Legal Services Commission, awarded £220,427. These amounts represented 46% and 28% of our funding respectively. We are indebted to them for this. However, demand for services continues to outstrip supply and yet higher resourcing of our services is necessary. We are in the process of negotiating a Service Level Agreement with the local authority which will govern the relationship between the two parties for the next 3 years. There are severe financial implications attached to this; for example, the requirement by Brent to make 'savings' which they, as a statutory body, are obliged to make and which they expect to pass on to all voluntary organizations. This would effectively mean a reduction in the funding to the bureau over the next 3 years.

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

4. FINANCIAL REVIEW (CONTINUED)

Brent Citizens Advice Bureau will have to develop and maintain a varied programme of activities in order to maintain the stability of the charity. Income generation will form an increasing part of our activities over the coming years. Income will be raised from a mixed economy of funding streams to ensure a comprehensive programme of activities.

4.1 Investment powers and policy

The Trustees consider it appropriate to hold excess funds in interest earning bank accounts as the funds need to be readily accessible throughout the year.

However, under the Memorandum and Articles of Association the charity also has the power to invest or deposit funds in any lawful manner whilst having regard to the suitability of investments and the need for diversification.

4.2 Reserves policy

The Trustees have examined the charity's requirements and has established the level of reserves (that is those funds that are freely available) that the charity ought to have in light of the main risks to the organization. The aim is to ensure that the Bureau retains reserves equivalent to between three and six months of expenditure to reflect the Trustees' legal and fiduciary obligations on a going concern basis, for example payment of redundancies or other liabilities; or bridge the funding gaps between spending and receiving resources from funders. They are also held to cover possible emergencies, for example sustaining operations whilst income generating activities are under way, and to meet the working capital requirements of the organization to continue the work of the organization in the event of a significant reduction in funding.

The level of reserves at 31st March 2006 were £118,116 which is £31,884 short of our target figure of £150,000.

The Trustees have planned a new fundraising strategy, concentrating on raising sums that require a marginal staff cost, with a view to bringing our reserves to the appropriate level. Although the strategy is to continue to build reserves through planned operating surpluses, the Trustees are well aware that it is unlikely that the target range can be reached for at least 5 years. In the short term the Trustees have also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

5. PLANS FOR THE FUTURE

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. The major financial concern for the charity will be the reduction in funding from the local authority during the life of the Service Level Agreement. This means that the charity must raise funds from other sources and strengthen links with partners and other organizations in the community.

We intend to strengthen our links by:

- Identifying funding streams and funding sources
- Forming partnerships with other bureaux to make joint-bids
- Consulting targeted potential funders
- Negotiating and administering present contracts and developing new contacts

We also aim to develop more effective outcome-based performance monitoring which will better inform our funders of the value for money that Brent Citizens Advice Bureau provides. In addition, we will identify the difference our services make to individuals' lives.

BRENT CITIZENS ADVICE BUREAUX

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these Financial Statements the Trustees are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- * prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charity 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 Charity and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

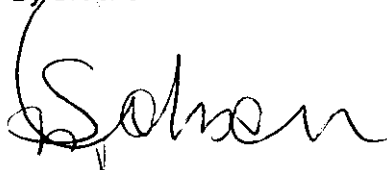
STATEMENT OF DISCLOSURE TO AUDITOR

- (a) so far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and
- (b) they have taken all steps that they ought to have taken as the Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

On 1 April 2006, HLB AV Audit plc changed its name to HLB Vantis Audit plc. In accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

By Order of the Board



.....
SOPHIA JOHNSON
Secretary

Date 5/12/06

BRENT CITIZENS ADVICE BUREAUX

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRENT CITIZENS ADVICE BUREAUX

We have audited the Financial Statements of Brent Citizens Advice Bureaux for the year ended 31 March 2006 which comprise Statement of Financial Activities, the Balance Sheet and related notes. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have found.

Respective responsibilities of Trustees and Auditors

The Trustees' (who are also directors of Brent Citizens Advice Bureaux for the purpose of company law) responsibilities for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and Interantional Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed.

We report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Interantional Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

BRENT CITIZENS ADVICE BUREAUX

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BRENT CITIZENS ADVICE BUREAUX

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

HLB Vantis Audit plc

HLB Vantis Audit plc
Chartered Accountants
Registered Auditor

Date *5/12/06*
66 Wigmore Street
London
W1U 2SB



BRENT CITIZENS ADVICE BUREAUX

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended

31 MARCH 2006

INCOME AND EXPENDITURE ACCOUNT

	Note	Unrestricted Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
Incoming Resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Local Authority grant		361,316	-	361,316	365,878
Donations		610	-	610	100
<i>Investment income</i>	2	4,626	-	4,626	3,513
Incoming resources from charitable activities:					
Grants and contracts	3	-	413,799	413,799	379,192
Other incoming resources		492	-	492	32
Total Incoming Resources		<u>367,044</u>	<u>413,799</u>	<u>780,843</u>	<u>748,715</u>
Resources Expended					
Charitable activities:					
Call Centre/Bureaux Appointments	6	343,800	-	343,800	271,874
Project Costs	6	9,060	413,799	422,859	395,082
Governance costs	5	<u>19,745</u>	<u>-</u>	<u>19,745</u>	<u>17,350</u>
Total Resources Expended		<u>372,605</u>	<u>413,799</u>	<u>786,404</u>	<u>684,306</u>
Net Movement in Funds	4	(5,561)	-	(5,561)	64,409
Reconciliation of Funds					
Total funds brought forward		<u>123,677</u>	<u>-</u>	<u>123,677</u>	<u>59,268</u>
Total funds carried forward		<u>£118,116</u>	<u>£-</u>	<u>£118,116</u>	<u>£123,677</u>

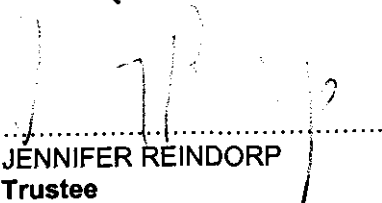
- All transactions are derived from continuing activities.
- All recognised gains and losses are included in the Statement of Financial Activities.

BRENT CITIZENS ADVICE BUREAUX

BALANCE SHEET AT 31 MARCH 2006

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Tangible	8		9,668		14,840
CURRENT ASSETS					
Debtors	9	114,752		10,200	
Cash at Bank and in Hand		177,047		227,835	
			291,799		238,035
CREDITORS - Amounts Falling Due Within One Year	10	(153,351)		(23,162)	
NET CURRENT ASSETS			138,448		214,873
			148,116		229,713
PROVISION FOR LIABILITIES AND CHARGES	11		(30,000)		(106,036)
NET ASSETS			£118,116		£123,677
FUNDS					
Restricted Funds	12		-		-
Unrestricted Funds	13		118,116		123,677
			£118,116		£123,677

These Financial Statements were approved and authorised for issue by the Board of Trustees on 5.4.06 and signed on its behalf by:-


JENNIFER REINDORP
Trustee

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

1 ACCOUNTING POLICIES

a) **Accounting Convention**

The Financial Statements are prepared under the Historical Cost Convention and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985. Where applicable, comparative results have been restated to comply with SORP 2005 but these restatements have had no effect on the funds brought forward at the start of the year.

The principal accounting policies adopted in the preparation of the financial statements are set below.

b) **Funds**

Unrestricted funds comprise accumulated surpluses and deficits on general funds which are available for use at the discretion of the trustees, in furtherance of the general charitable objectives.

Restricted funds are subject to specific restricted conditions imposed by the donors.

c) **Incoming resources**

Voluntary income received by way of donations and grants is recognised when the charity is legally entitled to the income, certain of receipt and the amount can be quantified with sufficient reliability. Income is deferred only when the charity has to fulfil conditions or the income relates to future periods.

Investment income arises from interest bearing bank accounts and is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Other incoming resources includes miscellaneous receipts which cannot be allocated to the main incoming resource categories.

d) **Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Charitable activities include expenditure comprised of direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs comprise all services supplied centrally, identifiable as wholly or mainly in support of direct charitable purpose and include an appropriate proportion of general overheads.

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

1 ACCOUNTING POLICIES CONTINUED

e) Depreciation

Depreciation is provided on all tangible fixed assets in order to write off their cost (or valuation) by equal annual instalments over their expected useful lives. The rates adopted are as follows:-

Computer	25% per annum
Fixtures and fittings	25% per annum

f) Pensions

Members of staff who joined prior to 31 October 2000 were eligible to join the Charity's defined benefit scheme managed by the National Association of Citizens Advice Bureaux after the completion of a qualifying period of service. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to Brent Citizens Advice Bureaux. In accordance with FRS 17 therefore, the scheme is accounted for as a defined contribution scheme. Contributions to the scheme are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Members of staff who joined after 31 October 2000 are provided with the information and opportunity to join a stakeholders pension scheme.

2 INVESTMENT INCOME

All the investment income arises from an interest bearing deposit account.

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2006 £	2005 £
	Restricted	
Legal Aid Income	220,427	154,174
Brent PCT	53,500	53,500
Hillside Housing Trust (formerly Stonebridge HAT)	6,000	6,000
Third Party Reporting and Training	21,000	32,000
Health Action Zone – Scheme 7	13,392	14,490
Health Action Zone – Scheme 9	14,997	12,938
Clyde & Co	19,341	18,787
Sure Start - Roundwood	16,207	15,659
Sure Start - Brent	24,000	25,025
Sure Start – South Kilburn	24,935	24,119
Brent Housing	-	17,500
Stadium Housing Association	-	5,000
	<hr/>	<hr/>
	£413,799	£379,192
	<hr/>	<hr/>

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

4 NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging:-

	2006 £	2005 £
Depreciation	8,018	8,753
Auditors' Remuneration: External audit	6,643	6,463
	<u> </u>	<u> </u>

5 STAFF COSTS

	2006	2005
Wages and Salaries	471,350	434,419
Social Security Costs	48,497	44,197
Other Pension Costs	13,780	8,609
Agency Staff	117,723	80,425
	<u> </u>	<u> </u>
	£651,350	£567,650
	<u> </u>	<u> </u>

None of the employees earned in excess of £60,000.

Numbers of Employees:

The average weekly number of employees (per activity), excluding agency staff, during the year was:

	2006	2005
Call Centre/Bureaux Appointments	6	6
Projects	8	7
Support	5	5
	<u> </u>	<u> </u>
	19	18
	<u> </u>	<u> </u>

6 MEMBERS OF THE TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

One of the Trustees received reimbursement expenses for travel totalling £144 (2005: £50).
None of the Trustees received remuneration during the year (2005: £Nil).

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

7 TOTAL RESOURCES EXPENDED

	Basis of Allocation	Call centre/ Bureaux appointments	Projects	Governance	2006	2005
		£	£	£	£	£
Costs allocated to activities						
Staff costs	Direct	304,231	337,060	10,059	651,350	564,432
Staff advertising	Direct	-	2,812	-	2,812	1,600
Staff travel cost	Direct	-	684	-	684	1,703
Volunteer travel and subsistence cost	Direct	1,891	-	-	1,891	1,568
Management committee expenses	Direct	-	-	262	262	258
Printing, postage and stationery	Staff time	3,561	4,798	-	8,359	10,026
Telephone and fax	Staff time	6,028	8,123	-	14,151	20,522
Computer expenses	Staff time	905	1,220	-	2,125	3,237
Office sundries	Staff time	2,945	3,967	-	6,912	4,169
Insurances	Staff time	2,491	3,356	-	5,847	4,553
Rent and rates	Staff time	10,068	13,565	-	23,633	23,592
Light and heat	Staff time	1,217	1,639	-	2,856	1,653
Premises and equipment maintenance	Staff time	2,017	2,717	-	4,734	12,282
Cleaning	Staff time	2,203	2,969	-	5,172	4,443
Training cost	Staff time	895	1,206	-	2,101	2,310
Publicity and Annual report	Staff time	1,227	1,654	-	2,881	3,222
Reference material	Staff time	1,467	1,976	-	3,443	2,590
Membership fees	Staff time	752	1,014	-	1,766	633
VAT Penalty and irrecoverable VAT	Direct	-	7,486	-	7,486	(9,184)
Audit	Direct	-	-	6,643	6,643	6,462
Accountancy	Staff time	5,703	7,685	-	13,388	12,582
Payroll charges	Staff time	777	1,048	-	1,825	1,484
Legal fees	Usage	-	2,781	2,781	5,562	45
Bank charges	Staff time	1,066	1,437	-	2,503	568
Depreciation	Staff time	3,416	4,602	-	8,018	8,753
Consultants and interpreters fees	Usage	-	-	-	-	803
Unrestricted project costs - Staff costs	Direct	(9,060)	9,060	-	-	-
		£343,800	£422,859	£19,745	£786,404	£684,306

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

8 TANGIBLE FIXED ASSETS

	Computers £	Fixtures and Fittings £	Total £
Cost			
At 1 April 2005	63,368	16,115	79,483
Additions		2,846	2,846
	<hr/>	<hr/>	<hr/>
At 31 March 2006	63,368	18,961	82,329
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2005	51,144	13,499	64,643
Charge for the Year	4,922	3,096	8,018
	<hr/>	<hr/>	<hr/>
At 31 March 2006	56,066	16,595	72,661
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31 March 2006	£7,302	£2,366	£9,668
	<hr/>	<hr/>	<hr/>
At 31 March 2005	£12,224	£2,616	£14,840
	<hr/>	<hr/>	<hr/>

The charity's tangible fixed assets are used for carrying out its direct charitable work.

9 DEBTORS

	2006	2005
Prepayments and Accrued Income	114,752	10,200
	<hr/>	<hr/>
	£114,752	£10,200
	<hr/>	<hr/>

10 CREDITORS

	2006	2005
Amounts Falling Due Within One Year		
Trade Creditors	15,552	3,053
Other Taxes and Social Security Costs	120,415	12,681
Other Creditors	1,624	-
Accruals and Deferred Income	15,760	7,428
	<hr/>	<hr/>
	£153,351	£23,162
	<hr/>	<hr/>

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

11 PROVISION FOR LIABILITIES AND CHARGES

	2006	2005
Dilapidation Provision	30,000	30,000
VAT Liability Provision	-	76,036
	<hr/>	<hr/>
	£30,000	£106,036
	<hr/>	<hr/>

12 RESTRICTED FUNDS

The income fund of the charity includes restricted funds comprising the following unexpected balances of donations and grants held on trust to be applied for specific purposes:

	At 1 April 2005 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 March 2006 £
Brent PCT	-	53,500	(53,500)	-	-
Hillside Housing Trust (formerly Stonebridge HAT)	-	6,000	(6,000)	-	-
Third Party Reporting and Training	-	21,000	(21,000)	-	-
Legal Services Commission	-	220,427	(220,427)	-	-
Health Action Zone – Scheme 7	-	14,997	(14,997)	-	-
Health Action Zone – Scheme 9	-	13,392	(13,392)	-	-
Clyde & Co	-	19,341	(19,341)	-	-
Sure Start – Roundwood	-	16,207	(16,207)	-	-
Sure Start – Central Brent	-	24,000	(24,000)	-	-
Sure Start – South Kilburn	-	24,935	(24,935)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ -	£413,799	£413,799	£-	£-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Name of fund

Brent PCT

Hillside Housing Trust

Third Party Reporting and Training

Legal Services Commission

Health Action Zone – Scheme 7

Health Action Zone – Scheme 9

Clyde & Co

Sure Start – Roundwood

Sure Start – Central Brent

Sure Start – South Kilburn

Description, nature and purpose of the fund

to offer weekly welfare benefit sessions.

provides income maximisation service for residents at the Hillside Housing Trust.

aims to assist people who have been victims of faith or race hate incidents.

provides specialist legal advice in housing, immigration, debt and welfare benefits.

to provide generalist advice sessions.

to provide generalist advice sessions.

to offer free honorary legal advice with the support of Clyde & Co International Law Firm.

to provide family benefits advice to families with children under the age of four.

to provide family benefits advice to families with children under the age of four.

to provide family benefits advice to families with children under the age of four.

Transfers on restricted funds relate to income received for capital purposes and which has been expensed during the year.

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

13 UNRESTRICTED FUNDS

	At 1 April 2005 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 March 2006 £
General Fund	£123,677	£780,843	(£786,404)	£-	£118,116

14 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	9,668	-	9,668
Net Current Assets	214,484	-	214,484
Provision for Liabilities and Charges	(106,036)	-	(106,036)
Total Net Assets	£118,116	£-	£118,116

15 PENSION COSTS

The Charity operates a defined benefit pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions payable by the Company amounted to £13,780 (2005: £8,609). Contributions totalling £Nil (2005: £Nil) were outstanding at the year end.

The pension scheme is part of the National Association of Citizens Advice Bureaux Pension and Assurance plan (1991). Due to the nature of the plan it is not possible to identify the individual Bureaux's share of the underlying assets and liabilities. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 1 April 2004 and has been updated on an approximate basis to 31 March 2006. The information provided below is for the entire pension plan.

For the purposes of these financial statements, these figures are illustrative only and do not impact on the actual 31 March 2006 balance sheet. The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions.

	At 31 March 2006	As at 31 March 2005	As at 31 March 2004
Inflation	2.70% per annum	2.60% per annum	2.50% per annum
Salary increases	3.70% per annum	3.60% per annum	3.50% per annum
Rate of discount	5.01% per annum	5.44% per annum	5.60% per annum
Increases to pensions in payment	2.70% per annum	2.60% per annum	2.50% per annum
Revaluation rate for deferred pensioners	2.70% per annum	2.60% per annum	2.50% per annum

BRENT CITIZENS ADVICE BUREAUX

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

15 PENSION COSTS CONTINUED

On this basis, the illustrative balance sheet figures are as follows:

	At 31 March 2006 £'000	As at 31 March 2005 £'000	As at 31 March 2004 £'000
Assets	£57,802	£46,233	£37,369
Liabilities	£77,172	£63,255	£51,781
Deficit	£19,370	£17,022	£14,412

The assets of the scheme at 31 March 2006 are split as follows:

Equities	43,053	33,722	28,269
Bonds	12,812	9,654	8,087
Other	1,937	2,857	1,013

The expected long term rate of return over the following year:

	At 31 March 2006	As at 31 March 2005	As at 31 March 2004
Equities	6.26%	6.69%	6.85%
Bonds	5.01%	5.44%	5.60%
Property	6.01%	6.44%	6.60%
Cash	4.50%	4.75%	4.00%

16 FINANCIAL COMMITMENTS

Amounts due within next year in respect of operating leases are shown below, analysed according to the expiry date of the lease.

	2006	2005
Expiry date between:	Land and buildings	
Between two to five years	£22,000	£22,000

17 LIABILITY OF MEMBERS

The Charitable Company is limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity during the time they are a member, or one year thereafter, as stated in the Memorandum and Articles of Association.