

**THE RCJ CITIZENS ADVICE BUREAU**

**FINANCIAL STATEMENTS**

**For the year ended 31st March 2011**

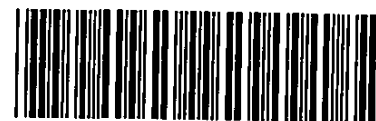
**Company Registration Number: 3110908**

**Registered Charity Number: 1050358**



**Kings Mill Partnership  
Chartered Accountants  
Statutory Auditors**

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**THE RCJ CITIZENS ADVICE BUREAU**

**FINANCIAL STATEMENTS**

**For the year ended 31st March 2011**

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**THE RCJ CITIZENS ADVICE BUREAU****COMPANY INFORMATION****For the year ended 31st March 2011****NUMBER**

3110908

**CHARITY NUMBER**

1050358

**CHAIR**

The Rt Hon Lord Justice Mummery

**DIRECTORS**

Nicholas Mark Atkins

Louise Mary Coubrough

John Hine

Graham Paul Kingsby Huntley

Robin Knowles CBE QC

Sarah Tien Mee Lee

Kathryn Elizabeth Ludlow

His Honour Judge David Lindsay Mackie CBE QC

The Rt Hon Lord Justice Mummery

Robert Nightingale MBE

Kevin John Perry

Marlene Ryder

Ali Sallaway

Mona Bina Ann Mary Vaswani

Alex Caruthers

James Levy

Roger Leese

Paul Thwaite

**TREASURER**

Nicholas Mark Atkins

**COMPANY SECRETARY**

TMF Corporate Administration Services Ltd, Pellipar House, 1st Floor, 9 Cloak Lane, London, EC4R 2RU

**REGISTERED OFFICE**

Pellipar House, 1st Floor, 9 Cloak Lane, London, EC4R 2RU

**BANKERS**

C Hoare &amp; Co Limited

37 Fleet Street,

London EC4P 4DQ

**SOLICITORS**

Clifford Chance

10 Upper Bank Street,

London E14 5JJ

**AUDITORS**

Kings Mill Partnership

Chartered Accountants

Registered Auditors &amp; Business Advisers

75 Park Lane

Croydon, Surrey, CR9 1XS

## THE RCJ CITIZENS ADVICE BUREAU

### DIRECTORS' REPORT

For the year ended 31st March 2011

The directors present their report and the audited financial statements for the year ended 31st March 2011

In July 2010 James Banks resigned as Chief Executive of the Bureau and, in a planned, succession Alison Lamb took up the position on 1st September 2010

#### Objectives and activities

The object of the Bureau is to promote any charitable purpose for the benefit of persons having business in the Royal Courts of Justice or having business or residing in the neighbourhood thereof or who are visitors to the said courts or to the said neighbourhood, by the advancement of education, the protection of health and the relief of poverty, sickness and distress

#### The principal activities of the Bureau are:

- Legal advice to litigants in person funded by the Legal Services Commission
- Advice and support to victims of miscarriages of justice funded by the Ministry of Justice
- Specialist bankruptcy and money advice service funded by Capitalise (BISS)
- Debt advice funded by the Legal Services Commission
- Access to social welfare law across London funded by London Councils
- Generalist advice on all areas of social welfare law, supported by funding from Citizens Advice

#### Structure, Governance and Management

##### Governing Document

The RCJ Citizens Advice Bureau ("The Bureau") was incorporated on 6th October 1995 and commenced trading on 7th November 1995. The company is limited by guarantee and does not have a share capital. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

##### Appointment of Directors/Management Committee

Under the requirements of the Memorandum and Articles of Association at each Annual General Meeting one third of the Elected Committee persons shall retire from office and shall be so eligible for re-appointment or re-election. The Elected Committee persons to retire shall be those who have been longest in office since their last election. All staff and co-opted Committee persons shall retire at each Annual General Meeting and shall be eligible for reappointment.

##### Organisational Structure

The Committee meets quarterly and is responsible for the strategic direction and policy of the charity. At present the Committee has 19 members from a variety of professional backgrounds relevant to the work of the charity. A scheme of delegation is in place and day to day responsibility for the provision of the Bureau services rests with the Chief Executive, client services and delivery is the responsibility of the Director of Services and Finance, Personnel and ITC is managed by the Director of Operations.

##### Directors

The following people were directors of the charity on the date of approval of the report or had been directors during the course of the year.

Nicholas Mark Atkins	
Vicki Chapman	(resigned 21 June 2010)
Louise Mary Coubrough	
John Hine	
Graham Paul Kingsby Huntley	
Robin Knowles CBE QC	
Sarah Tien Mee Lee	
Kathryn Elizabeth Ludlow	
His Honour Judge David Lindsay Mackie CBE QC	
The Right Honourable Lord Justice Mummery	
Robert Nightingale MBE	
Kevin John Perry	
Marlene Ryder	
Ali Sallaway	
Michael Thomas Smyth CBE	(resigned 02 December 2010)
Mona Bina Ann Mary Vaswani	
Alex Carruthers	(appointed 21 December 2010)
James Levy	(appointed 05 January 2011)
Roger Leese	(appointed 19 January 2011)
Paul Thwaite	(appointed 16 May 2011)

**THE RCJ CITIZENS ADVICE BUREAU**  
**DIRECTORS' REPORT**  
**For the year ended 31st March 2011**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. The charity is also a company limited by guarantee and has no share capital.

Against the background of a continually challenging financial environment, the bureau showed a loss of £33,668 for the year. This loss was after accounting for exceptional expenditure of £51,518 on relocating our office to a more efficient working space within the Royal Courts of Justice. Without this one-off expenditure, the result for the year is a surplus of £17,850. The charity's incoming resources for the year were £955,320 compared to £1,018,363 in the 2009/10. The fall in income relates to the loss of the CITA annual grant and funding for financial capability training not being repeated in the current year. We are grateful for the continuing support of corporate donors for their generous donations of funds and pro bono support. Total expenditure in the 2010/11 year was £988,988 compared to £933,201 in 2009/10. After allowing for the exceptional expenditure on the premises, charitable spend was maintained at the same level as 2009/10. The resulting deficit for the year was £33,668 with a draw down on general reserves of £34,679 and a small net increase of £1,011 on restricted reserves. Unrestricted funds of £8,919 were transferred to restricted funds to subsidise the shortfall relating to costs of services primarily funded by restricted grants. At the 31st March 2011, the charity held funds of £334,706 of which £24,359 related to restricted funds and £310,347 was unrestricted funds. Of the unrestricted funds £22,264 was tied up in fixed assets (2010 £29,685).

#### **Reserves policy and risk management**

The Committee has reviewed the reserves of the charity. The review encompassed a comparison of the nature and certainty of the levels of income and expenditure streams and the consideration of the level of free reserves that were required to provide a buffer for unforeseen falls in income. The Committee has agreed that free reserves should equate to a level of approximately three months' normal expenditure to ensure that the charity can efficiently maintain its services. The Committee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and is satisfied that systems are in place to mitigate our exposure to the major risks: a detailed complaints procedure is in place and clients are advised of this when their case is taken on. A full complaints report is presented to the Trustees on a quarterly basis. Health and Safety is within the remit of the Director of Operations and a full health and safety assessment, encompassing all aspects of operations and finance, is submitted to the Employment and Finance sub-committee on an annual basis.

#### **Achievements and Performance**

2010/11 saw the Bureau work within the objectives specified in our Strategic Plan for 2008-2012, specifically focusing on increasing access, improving client experience and maximising impact.

##### **Under the "increasing access" objective, the Bureau:**

- Introduced a dedicated telephone advice line each weekday. This extends the reach of our social welfare service.
- Secured funds to deliver Islington Citizens Advice Bureau from 4th April 2011. This will expand the bureau's main outlets to three and provide access to advice delivered in a local community.
- Expanded our family law rota to meet the increased demand for family law advice due to changes in the availability of publicly funded family law cases.
- Delivered financial capability sessions to marginalised communities including ex-offenders.

Demographic data confirms that a diverse community are accessing bureau services.

##### **Under the "improving client experience" objective, the Bureau:**

We continue to actively seek client feedback to inform service developments. This includes:

- Holding quarterly client satisfaction surveys.
- Holding joint open meetings with the RCJ Court management and Personal Support Unit to learn the views of Litigants in Person.
- Delivering a client event for our Miscarriages of Justice Support Service clients.

## THE RCJ CITIZENS ADVICE BUREAU

### DIRECTORS' REPORT

For the year ended 31st March 2011

#### Under the “maximising impact” objective, the Bureau:

The bureau increased the number of people advised with a 40% increase of people advised with 4,533 unique clients

We dealt with 10,166 enquiries from the 4,533 clients. We have taken steps to reduce the number of clients that remain with the RCJ Advice Bureau for long durations. The legal team and the Miscarriages of Justice Support Service have focused on closing cases to free up access for new clients.

#### Under the “maximising impact” objective, the Bureau:

The Bureau has participated in social policy campaigns and our bureau leads the London wide Social Policy group.

The Bureau actively worked on legal aid policy, responding to the legal aid reforms consultation and participating in ‘Justice for all’ activities.

#### Plans for future periods

To maintain the strategic development of our services to best meet the needs of our clients and to respond to the challenges presented by legal aid reforms, the Bureau has developed an overall vision of what we want to achieve. The development process for this work has involved staff, volunteers and trustees.

In this coming year we will focus on the following priorities:

- Demonstrate value
- Respond to need
- Promote our service
- Share our vision

Each team in the Bureau has worked to develop a work plan to ensure that targets set for the year are achieved and that each individual staff member can see how their work directly contributes to the achievement of our corporate objectives.

Key operational objectives for the year ahead include the following:

- Complete an organizational restructure in order to maximize our ability to deliver services and limit our management overheads
- Establish Islington CAB as a valued local service
- Explore training and learning opportunities for our volunteers
- Respond to the changes emerging from legal aid reform
- Respond to the increased number of litigants in person by exploring an online tool
- Submit a bid to fund a cost benefit analysis for our legal services
- Revise our website to deliver clear information about our services
- Secure funding for our civil and family legal services including new developments such as family mediation
- Increase the number of clients seen

#### Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission’s general guidance on public benefit, ‘Charities and Public Benefit’.

The Trustees confirm the following in relation to the two key principles of public benefit:

#### Principle 1 There must be an identifiable benefit or benefits

RCJ Advice Bureau’s charitable purpose is enshrined in our articles adopted in May 2011. We replaced our existing articles of association in order (1) to extend the objects to clarify, for the avoidance of doubt, that the Islington Citizens Advice Bureau is within the objects of the Bureau, and (2) to bring the articles of association into line with the model form Citizens Advice Bureau articles of association.

**THE RCJ CITIZENS ADVICE BUREAU**

**DIRECTORS' REPORT**

**For the year ended 31st March 2011**

**Directors' Responsibilities (continued)**

Our Charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of those having business at the Royal Courts of Justice or living, visiting or working in the London area

The Trustees review the activities of the charity against its aims on an ongoing basis and are satisfied that all activities continue to be related to its aims. No detriment or harm arising from the activities undertaken by RCJ Advice Bureau including Islington CAB has been identified

**Principle 2 : Benefit must be to the public or a section of the public.**

The beneficiaries are individuals having business at the Royal Courts of Justice or living, visiting or working in the London area. We have London Council's funding for a London wide service and our debt work is under a London wide contract. A small number of clients, experiencing a miscarriage of justice dealt with at the Royal Courts of Justice live outside of London, as do a percentage of Litigants in Person.

No fees are charged to individuals for our services to ensure maximum access and we promote our services widely in order to reach vulnerable sections of the community.

A number of private benefits arise from the activities of the Charity. Individual clients may benefit as a result of obtaining legal advice from the Charity. The Charity also employs and remunerates staff. These are incidental benefits arising from carrying out the Charity's aims.

**Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that year. In preparing those financial statements the directors are required to

- a) select suitable accounting policies and apply them consistently,
- b) make judgements and estimates that are reasonable and prudent,
- c) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all of the steps necessary that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Small company exemption**

Advantage is taken in preparing this report of the special exemptions applicable to small companies conferred by Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report was approved by the Board on 26<sup>th</sup> October 2011.



Nicholas Mark Atkins

Director

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF THE RCJ CITIZENS ADVICE BUREAU**  
**FOR THE YEAR ENDED 31 MARCH 2011**

We have audited the financial statements of The RCJ Citizens Advice Bureau (Company Number 3110908) for the year ended 31st March 2011 which comprise Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement (set out on page 5), the trustees' (who are also directors of the company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatement or inconsistencies we consider the implications for our report.

**OPINION**

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2006.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

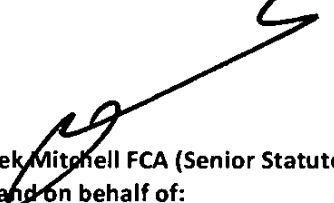
In our opinion the information given in the Trustees' Annual Report for the financial year for which financial statements are prepared is consistent with the financial statements.



**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF THE RCJ CITIZENS ADVICE BUREAU****FOR THE YEAR ENDED 31 MARCH 2011****MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and to take advantage of the small companies' exemption in preparing the Trustees' Annual Report

  
Derek Mitchell FCA (Senior Statutory Auditor)  
for and on behalf of:  
Kings Mill Partnership  
Chartered Accountants  
Statutory Auditors

Date *26 October 2011*  
75 Park Lane  
Croydon  
Surrey  
CR9 1XS

## THE RCJ CITIZENS ADVICE BUREAU

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating its Income and Expenditure Account)

For the year ended 31st March 2011

	Notes	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
<b>INCOME AND EXPENDITURE</b>					
<b>INCOMING RESOURCES</b>					
Incoming resources from					
Charitable activities	2	2,157	889,636	891,793	935,286
Voluntary income	3	61,886	-	61,886	81,465
Investment income	4	1,641	-	1,641	1,612
		<u>65,684</u>	<u>889,636</u>	<u>955,320</u>	<u>1,018,363</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	5	100,051	885,937	985,988	930,201
Governance costs	5	312	2,688	3,000	3,000
<b>TOTAL RESOURCES EXPENDED</b>		<u>100,363</u>	<u>888,625</u>	<u>988,988</u>	<u>933,201</u>
<b>NET INCOMING RESOURCES</b>	7	(34,679)	1,011	(33,668)	85,162
<b>TRANSFERS</b>		(8,919)	8,919	-	-
<b>Balance brought forward as at 1st April 2010</b>		353,945	14,429	368,374	283,212
<b>Balance carried forward as at 31st March 2011</b>		<u>£ 310,347</u>	<u>£ 24,359</u>	<u>£ 334,706</u>	<u>£ 368,374</u>

There were no recognised gains and losses other than those shown above in the Statement of Financial Activities  
The results for the above financial years derive from continuing operations

## THE RCJ CITIZENS ADVICE BUREAU

BALANCE SHEET  
As At 31st March 2011

	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>	<b>9</b>		22,264		29,685
<b>CURRENT ASSETS</b>					
Debtors	<b>10</b>	76,192		34,647	
Cash at bank and in hand		<u>298,219</u>		<u>327,509</u>	
		374,411		362,156	
<b>CURRENT LIABILITIES</b>					
Creditors amounts falling due within one year	<b>11</b>	<u>(61,969)</u>		<u>(23,467)</u>	
<b>NET CURRENT ASSETS</b>			312,442		338,689
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£ 334,706</u>		<u>£ 368,374</u>
<b>Income funds</b>					
<b>Restricted funds:</b>					
Legal Services Commission		-		12,309	
CitA - Hoxton Apprenticeships		4,640		-	
London Councils		-		2,120	
Citizens Advice Bea		<u>19,719</u>		<u>-</u>	
			24,359		14,429
<b>Unrestricted funds:</b>					
CitA		-		24,341	
Designated Fund - Fixed Assets		22,264		29,685	
General Funds - free reserves		<u>288,083</u>		<u>299,919</u>	
			310,347		353,945
<b>Reserves</b>	<b>12</b>		<u>£ 334,706</u>		<u>£ 368,374</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 8 to 17 were approved by the board of directors on 26<sup>th</sup> October 2011 and signed on its behalf by



Nicholas Mark Atkins  
Director

**THE RCJ CITIZENS ADVICE BUREAU**

**Notes to the Financial Statements**

**For the year ended 31st March 2011**

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements have been prepared under the historical cost convention and follow the recommendations in Accounting and Reporting by Charities Statement of Recommended Practice 2005 (SORP 2005) issued in March 2005, applicable UK accounting standards and the Companies Act 2006

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company under the Companies Act 2006

**Incoming Resources**

Grants, gifts and investment income are recognised in the Statement of Financial Activities in the period for which it is receivable

**Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis Expenditure is included under expense categories for the activity or project to which it relates Where costs cannot be allocated directly to particular activities they are allocated on a basis consistent with the use of resources All overhead costs have been allocated on the basis of staff time Support costs are those incurred directly in support of expenditure on the charitable objects of the Bureau Any irrecoverable VAT is accounted for as part of the expenditure cost to which it relates Governance costs are incurred in connection with enabling the company to comply with external regulation, constitutional and statutory requirement

**Donations**

Voluntary donations are included in income in the year in which they are received

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation over their estimated useful lives as follows

Office and computer equipment - 25% Reducing Balance Basis

**Pension**

The company also operates a defined contribution pension scheme for its employees and contributes to the personal pension plan of employees Contributions are charged to the financial statements as they become payable

The company previously participated in a defined benefit pension scheme where its contributions are affected by any surplus or deficit in the scheme but is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis In accordance with FRS 17, the company has therefore treated its pension contributions to the scheme as if they were paid to a defined contribution scheme

This scheme is now closed and contributions amount to £1,600 per annum in respect of the one remaining member of this scheme

**Cash flow**

The financial statements do not include a cashflow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Operating leases**

Rentals applicable to operating leases where substantially all of the risks and benefits of ownership remain with the lessor are charged to the SOFA as incurred

## THE RCJ CITIZENS ADVICE BUREAU

## Notes to the Financial Statements (continued)

For the year ended 31st March 2011

**2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
CitA Annual Grant	-	-	-	31,238
CitA Project Grants	-	30,336	30,336	22,663
Nationwide Grant	-	-	-	28,789
CitA grant Hoxton Apprenticeships	-	5,000	5,000	-
London Councils	-	86,720	86,720	86,720
Capitalise BISS	-	329,763	329,763	351,479
Ministry of Justice MJS	-	124,917	124,917	123,196
Legal Services Commission	-	283,000	283,000	283,000
Citizens Advice Islington	-	28,060	28,060	6,000
Fund Raising	2,157	-	2,157	1,341
Other Grant	-	1,840	1,840	860
	<u>£2,157</u>	<u>£889,636</u>	<u>£891,793</u>	<u>£935,286</u>

**3. VOLUNTARY INCOME**

	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
<b>Donations received</b>				
Clyde & Co	8,000	-	8,000	14,000
Clifford Chance	-	-	-	5,000
Commercial Litigators Forum	2,473	-	2,473	-
Allen & Overy	5,000	-	5,000	5,000
Slaughter & May Charitable Trust	5,000	-	5,000	5,000
Freshfields Bruckhaus Deringer	10,000	-	10,000	10,000
Linklaters LLP	5,000	-	5,000	5,000
Lovells	-	-	-	2,000
11KBW Donation	875	-	875	3,000
London Legal Walk	25,228	-	25,228	31,360
Other donations & gift aid	310	-	310	1,105
	<u>£61,886</u>	<u>£ -</u>	<u>£61,886</u>	<u>£81,465</u>

**4. INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
Bank interest received	<u>£1,641</u>	<u>£ -</u>	<u>£1,641</u>	<u>£1,612</u>

## THE RCJ CITIZENS ADVICE BUREAU

## Notes to the Financial Statements (continued)

For the year ended 31st March 2011

## 5. TOTAL RESOURCES EXPENDED

	Direct charitable expenditure £ Note 6	Governance costs £	Total 2011 £	Total 2010 £
<b>Costs directly allocated to activities</b>				
Staff costs	813,750	-	813,750	825,147
Death in service	3,513	-	3,513	
CitA Pension Costs	1,600	-	1,600	1,600
Recruitment	3,857	-	3,857	1,080
Volunteer's Expenses	11,388	-	11,388	7,349
Stationery	6,796	-	6,796	5,201
Training & Conferences	16,736	-	16,736	17,251
Postage	451	-	451	373
Travelling & subsistence	3,020	-	3,020	8,250
External project	11,500	-	11,500	5,292
<b>Support costs allocated to activities</b>				
Insurance	4,071	-	4,071	3,523
IT & Equipment	24,326	-	24,326	19,443
Consultancy	-	-	-	3,927
Repairs and Maintenance	47,347	-	47,347	919
Miscellaneous	(451)	-	(451)	1,284
Telephone	3,012	-	3,012	3,467
Reference materials	4,054	-	4,054	4,019
Photocopying	5,824	-	5,824	3,935
Fund raising costs	267	-	267	409
Marketing and PR	804	-	804	530
Staff related costs	1,220	-	1,220	609
Professional fees	1,683	-	1,683	5,536
Accountants fees	5,474	-	5,474	2,747
Audit fees	-	3,000	3,000	3,000
Legal fees	8,257	-	8,257	-
Irrecoverable VAT	-	-	-	572
Bank Charges	68	-	68	134
Depreciation	7,421	-	7,421	7,604
	<u>985,987</u>	<u>3,000</u>	<u>988,987</u>	<u>933,201</u>

## 6. DIRECT CHARITABLE EXPENDITURE

	Direct Costs £	Support Costs £	Governance Costs £	Total £
<b>Restricted costs:</b>				
Legal Services Commission	260,543	34,416	979	295,938
Ministry of Justice - MJS	111,087	14,012	398	125,497
London Councils	85,451	10,094	286	95,831
Capitalise BISS	293,914	35,557	1011	330,482
CitA Project Grants	30,336	-	-	30,336
CitA grant Hoxton Apprenticeship	360	-	-	360
Citizens Advice Islington	7,679	648	14	8,341
RNID Interpreters	1,840	-	-	1,840
<b>Total restricted costs:</b>	<u>791,210</u>	<u>94,727</u>	<u>2,688</u>	<u>888,625</u>
<b>Unrestricted costs:</b>				
General fund	81,401	18,650	312	100,363
<b>Total unrestricted costs:</b>	<u>81,401</u>	<u>18,650</u>	<u>312</u>	<u>100,363</u>
<b>Total Charitable Expenditure</b>	<u>872,611</u>	<u>113,377</u>	<u>3,000</u>	<u>988,988</u>

**THE RCJ CITIZENS ADVICE BUREAU**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31st March 2011**

**7. NET INCOMING RESOURCES FOR THE YEAR**

This is stated after charging

Auditors' remuneration

Depreciation of owned fixed assets

2011	2010
£	£
3,000	3,000
7,421	7,604

**8. STAFF COSTS AND NUMBERS**

Wages and salaries

Pension costs

Redundancy costs

2011	2010
£	£
772,482	792,039
35,068	34,708
7,800	-
<b>£815,350</b>	<b>£826,747</b>

There were no employees earning £60,000 or more during the year

The average number of employees during the year was

2011	2010
<b>22 3</b>	<b>21 5</b>

During the year the charity made contributions of £ 49,574 (2010 £ 48,350) to the pension scheme on behalf of employees. The amount owed to pension providers at 31st March 2011 is £292 (2010 £ 290)

**9. TANGIBLE FIXED ASSETS**

	Office Equipment	Computer Equipment	TOTAL
Cost	£	£	£
As at 1st April 2010	32,901	107,387	140,288
Additions	-	-	-
As at 31st March 2011	<b>32,901</b>	<b>107,387</b>	<b>140,288</b>
<b>Depreciation</b>			
As at 1st April 2010	29,476	81,127	110,603
Charge for the year	856	6,565	7,421
As at 31st March 2011	<b>30,332</b>	<b>87,692</b>	<b>118,024</b>
<b>Net Book Value</b>			
As at 31st March 2011	<b>£2,569</b>	<b>£19,695</b>	<b>£22,264</b>
As at 31st March 2010	<b>£3,425</b>	<b>£26,260</b>	<b>£29,685</b>

**10. DEBTORS:**

Prepayments and accrued income

Other debtors

2011	2010
£	£
75,175	22,805
1,017	11,842
<b>£76,192</b>	<b>£34,647</b>

**11. CREDITORS: Amounts falling due within one year**

Accruals and deferred income

Other creditors

Other taxes and social security costs

2010	2011
£	£
14,823	13,173
44,067	2,296
3,079	7,998
<b>£61,969</b>	<b>£23,467</b>

## THE RCJ CITIZENS ADVICE BUREAU

## Notes to the Financial Statements (continued)

For the year ended 31st March 2011

## 12 MOVEMENT IN FUNDS

	Balance 1st April 2010	Movement in resources		Transfers	Balance 31st March 2011
	£	Incoming £	Outgoing £	£	£
<b>Restricted funds:</b>					
Legal Services Commission	12,309	283,000	295,938	629	-
Ministry of Justice - MJS	-	124,917	125,497	580	-
London Councils	2,120	86,720	95,831	6,991	-
Capitalise BISS	-	329,763	330,482	719	-
CitA Project Grant	-	30,336	30,336	-	-
CitA re Hoxton Apprenticeships	-	5,000	360	-	4,640
Citizens Advice Islington	-	28,060	8,341	-	19,719
RNID interpreters	-	1,840	1,840	-	-
<b>Total restricted funds:</b>	<b>14,429</b>	<b>889,636</b>	<b>888,625</b>	<b>8,919</b>	<b>24,359</b>
<b>Unrestricted funds:</b>					
CitA Annual Grant	24,341	-	24,341	-	-
Designated Fund - Fixed assets	29,685	-	-	(7,421)	22,264
General Funds	299,919	65,684	76,022	(1,498)	288,083
<b>Total unrestricted funds:</b>	<b>353,945</b>	<b>65,684</b>	<b>100,363</b>	<b>(8,919)</b>	<b>310,347</b>
<b>Total Funds</b>	<b>368,374</b>	<b>955,321</b>	<b>988,988</b>	<b>-</b>	<b>334,706</b>

The restatement of funds brought forward relates to a misallocation of expenditure in a prior year

Purposes of restricted funds

Ministry of Justice-Miscarriage of Justice	Support and advice to victims of miscarriages of justice whose cases are referred to the Court of Appeal by the Criminal Cases Review Commission
Legal Services Commission	Provision of a mixture of traditional Citizens Advice work (e.g. generalist advice) and pro bono legal assistance to litigants in person in cases in the High Court, the Principal Registry of the Family Division and the Court of Appeal
Capitalise BISS	The Capitalise Project, a London-wide partnership which aims to reduce debt & exclusion by improving peoples' capacity to manage their debts, help people to take control of their finances and make informed choices in the future. We now have an additional 1.5 full time equivalent
London Councils	London Councils funding to provide cross-borough, sub-regional or London wide services to improve access to legal casework, case preparation and representation to all areas of social welfare law, increase access to information, advice and advocacy in relation to all areas of social welfare law, increase awareness and knowledge of rights & benefits entitlements, improve referral arrangements between voluntary orgs, London boroughs and other service providers, actively promote equality for disadvantaged groups. The RCJ Citizen Advice Bureau is providing this service in partnership with another charity, LawWorks, who provide an outreach advice clinic on our behalf
CitA Project Grants	Funds to provide Additional hours/ financial capability/ save xmas/ Money active project and debt relief orders
CitA grant Hoxton Apprenticeship	Provides funds for financial capability training for Hoxton Apprenticeships schemes



**THE RCJ CITIZENS ADVICE BUREAU**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31st March 2011**

**Purposes of restricted funds (continued)**

Citizens Advice Bureau Islington	Citizens Advice Bureau Islington funded the costs of managing the website for CAB Islington and an initial start up grant for setting up the Bureau
RNID Interpreters	Funding to support the Chancery Lane Deaf Clinic

**13. RELATED PARTY TRANSACTIONS**

During the year The Royal Courts of Justice Citizens Advice Bureau received a grant from London Legal Walk of £22,640 (2010 £31,360) of which Graham Huntley and Michael Smyth are Trustees and Bob Nightingale is Chief Executive

**14. COMPANY STATUS**

The Royal Courts of Justice Advice Bureau is a company limited by guarantee and, as such, has no share capital. The memorandum and articles of association restrict the liability of members on a winding up to £1.

In the event of winding up, none of the accumulated funds are distributable to members but shall be transferred to one or more charitable institutions having similar objectives.

**15. PENSION COMMITMENTS**

The Royal Courts of Justice Advice Bureau participates in the Citizens Advice Pension and Assurance Plan (1991) which is a defined benefit arrangement. The pension charge for the year for former employees who are deferred members of the scheme is £1,600 (2010 - £1,600). A full actuarial valuation was carried out at 31 March 2010 and updated to 31 March 2011 by a qualified actuary, independent of the scheme's sponsoring employer.

**Financial Reporting Standard 17 (FRS17) - Retirement Benefits**

The company participates in a defined benefit pension scheme where its contributions are affected by any surplus or deficit in the scheme but it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reliable basis. In accordance with FRS 17, the company has therefore treated its pension contributions to the scheme as if they were paid to a defined contribution scheme.

The defined benefit pension scheme was valued at 31st March 2010 by a qualified independent actuary in accordance with FRS 17 and updated on an approximate basis to 31st March 2011. The valuation showed that the scheme had a deficit of £32,238,000 (2010 £36,475,000).

**Assumptions**

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	As at 31/03/2011	As at 31/03/2010	As at 31/03/2009	As at 31/03/2008
Inflation	3.60% p.a.	3.60% p.a.	3.00% p.a.	3.50% p.a.
Salary increases	0.00% p.a.	0.00% p.a.	0.00% p.a.	0.00% p.a.
Rate of discount	5.50% p.a.	5.50% p.a.	6.80% p.a.	6.40% p.a.
Pension in payment increases	3.60% p.a.	3.60% p.a.	3.00% p.a.	3.50% p.a.
Revaluation rate for deferred pensioners	n/a	3.60% p.a.	3.00% p.a.	3.50% p.a.
<b>Illustrative balance sheet figures</b>				
	As at 31/03/2011	As at 31/03/2010	As at 31/03/2009	As at 31/03/2008
Assets	£65,866,000	£61,518,000	£47,971,000	£59,926,000
Liabilities	£98,104,000	£97,993,000	£82,123,000	£87,794,000
Deficit	£32,238,000	£36,475,000	£34,152,000	£27,868,000

**THE RCJ CITIZENS ADVICE BUREAU**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31st March 2011**

**15 PENSION COMMITMENTS (continued)**

**Assets**

	<b>As at 31/03/2011</b>	<b>As at 31/03/2010</b>	<b>As at 31/03/2009</b>	<b>As at 31/03/2008</b>
Equities	£41,621,000	£39,442,000	£30,599,000	£43,668,000
Gilts	£330,000	£395,000	£13,750,000	£13,370,000
Corporate Bonds	£14,579,000	£12,578,000	£3,331,000	£2,790,000
Cash	£7,060,000	£7,251,000	£291,000	£98,000
Property	£2,276,000	£1,852,000	-	-

**Expected long term rate of return**

	<b>Period commencing 01/04/2010</b>	<b>Period commencing 01/04/2009</b>	<b>As at 31/03/2008</b>
Equities	8.00% p a	7.50% p a	8.40% p a
Gilts	4.40% p a	3.70% p a	4.50% p a
Corporate Bonds	5.50% p a	6.80% p a	6.40% p a
Cash	4.40% p a	3.70% p a	4.20% p a
Property	7.50% p a	n/a	-
Overall for the scheme	7.03% p a	6.34% p a	-

**16. INTANGIBLE INCOME**

Throughout the year the charity has received professional advice, services, time and accommodation from various individuals and companies. The value of this cannot be quantified. However, the Committee would like to thank everyone who has volunteered their time, professional knowledge or any other service for this valuable contribution without which the charity could not exist.

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Restricted Funds 2011 £</b>	<b>Unrestricted Funds 2011 £</b>	<b>Total Funds 2011 £</b>	<b>Total Funds 2010 £</b>
Tangible fixed assets	-	22,264	22,264	29,685
Current assets	76,813	297,598	374,412	362,156
Creditors' amounts falling due within one year	52,454	9,515	61,969	23,467
	<u>24,359</u>	<u>310,348</u>	<u>334,707</u>	<u>368,374</u>

**THE RCJ CITIZENS ADVICE BUREAU**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31st March 2011**

**18. OPERATING LEASE COMMITMENTS**

At 31st March 2011 the charity had annual commitments under non-cancellable operating leases for office equipment as follows

	2011 £	2010 £
Expiry date		
Within one year	1,781	-
Between 1 to 5 years	3,053	3,413
After more than 5 years	<u>-</u>	<u>-</u>

**19. TAXATION**

The company is a Charity and therefore exempt from Corporation Tax on its charitable activities

**20. SECTION 37 STATEMENT**

Under Section 37 of the Local Government and Housing Act 1989, we are required to report specifically on grant aid of £86,720 (2010- £86,720 from London Councils (formerly the Association of London Government (ALG)) to improve access to legal casework, case preparation and representation to all areas of social welfare law, increase access to information, advice and advocacy in relation to all areas of social welfare law, increase awareness and knowledge of rights & benefits entitlements, improve referral arrangements between voluntary orgs, London boroughs and other service providers, actively promote equality for disadvantaged groups. The grant was fully used for this purpose