

Company number: 03110908

Charity Number: 1050358

# The RCJ and Islington Citizens Advice Bureaux

Report and financial statements

For the year ended 31 March 2020



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# **The RCJ and Islington Citizens Advice Bureaux**

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## The RCJ and Islington Citizens Advice Bureaux

### Reference and administrative information

For the year ended 31 March 2020

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<b>Company number</b>	03110908 – incorporated in the UK		
<b>Charity number</b>	1050358 – registered in England and Wales		
<b>Registered office</b>	20 Farringdon Street LONDON EC4A 4EN		
<b>Operational address</b>	Royal Courts of Justice Strand LONDON WC2A 2LL	Central London Family Courts 4 <sup>th</sup> Floor, First Avenue House 42–49 High Holborn LONDON, WC1V 6NP	
	Islington Council 222 Upper Street LONDON, N1 8JH		
<b>Directors</b>	The Directors, who are also trustees under charity law, who served during the year and up to the date of this report are detailed within the directors' report.		
<b>Company secretary</b>	TMF Corporate Administration Services Ltd 20 Farringdon Street LONDON EC4A 4EN		
<b>Bankers</b>	C Hoare & Co Limited 37 Fleet Street LONDON EC4P 4DQ		
<b>Solicitors</b>	Allen & Overy One Bishops Square LONDON E1 6AD	Clifford Chance 10 Upper Bank Street LONDON E14 5JJ	Milbank 10 Gresham St LONDON EC2V 7JD
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane LONDON EC1Y 0TL		

## **The RCJ and Islington Citizens Advice Bureaux**

### **Directors' annual report**

#### **For the year ended 31 March 2020**

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The directors present their report and the audited financial statements for the year ended 31 March 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

### **Objectives and activities**

The 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 and others living or working throughout England and Wales, in particular in the London Borough of Islington and surrounding areas.

The principal activities of the Charity are:

- Legal advice to litigants in person in civil and family law matters including a number of pro bono rotas and Time Together, a court based child contact centre, primarily funded by the Ministry of Justice through the Litigants in Person Strategy (LIPs) and including a family legal aid contract.
- A national consultancy service FLOWS (Finding Legal Options for Women Survivors), a domestic abuse legal advice service targeted at front line workers and individual women, funded by the Department for Digital, Culture, Media and Sport Tampon Tax fund.
- Housing advice to individuals facing or threatened with homelessness, possession of their home, disrepairs or matters relating to anti-social behaviour who are eligible for funding under Legal Aid Agency Contracts in Westminster and Islington.
- Immigration consultancy advice to Local Citizens Advice through a grant from national Citizens Advice initially focusing on EU Settlement and separately including Windrush cases
- Specialist bankruptcy and money advice service funded through the Toynbee Hall Debt Free London Partnership which is delivered within our Central London County Court bankruptcy desk and across Islington.
- Citizens Advice Islington funded by Islington Council and delivering social welfare advice to Islington residents. Citizens Advice Islington also includes:
  - Outreach services across the borough funded through Cripplegate and in job centres funded by Citizens Advice Help to Claim
  - Community Advice, an information and advice service for users of the Highbury Corner Magistrates Court funded through the Hadley Trust via the Centre for Justice Innovation. The Centre for Justice Innovation will take over responsibility for Community Advice in May 2020, including the TUPE transfer of our Community Advice Co-ordinator
- Delivering a course that help parents understand how they can put their children first whilst separating through a contract from CAFCASS to deliver Separated Parent Information Programmes (SPIP) across London

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- Advice and support to victims of miscarriages of justice funded by Her Majesty's Prison and Probation Service (HMPPS).
- Delivering specialist legal advice in the City of London in partnership with Toynbee Hall.

## Achievements and Performance

2019/20 saw the organisation work within the aims specified in our Strategic Plan, specifically focusing on the need to:

- Achieve access to justice through legal advice
- Increase public awareness of, and confidence about, responding to legal issues
- Ensure a fairer Islington where people can access the advice they need to address poverty and disadvantage
- Be a strong and sustainable organisation, recognised by all as an effective provider of legal and social welfare advice

During the later stage of this financial year we implemented our business continuity planning in relation to Covid-19 to ensure the safety of our staff, volunteers and service users. All our services moved to remote delivery from the UK lock down date of 23<sup>rd</sup> March 2020, having successfully completed a move to a new IT provider.

### Under the "access to justice through legal advice" aim:

- We are one of the partners in a support strategy for Litigants in Person (LIPs) in England & Wales. This involves ourselves Support through Court (STC), Law Works, Law for Life and Advocate, together with the Access to Justice Foundation, working collaboratively and in partnership to address the needs of LIPs in civil and family courts. Our role is to deliver legal advice to LIPs, including representation via our facilitation of pro bono rotas and family support such as Time Together. It also includes cascading our legal and service delivery knowledge through our Going to Court guide, our Central London County Court Model and our triage model. At the end of this financial year we launched our CourtNav FL401 module working with HMCTS and national Citizens Advice to achieve a national coverage and access to front line agencies across England and Wales
- Our contribution to the Litigant in Person Strategy for 2019/2020 was legal advice, support and representation to 3,590 individuals, involving 23,846 enquiries, and the delivery of 299 child contact sessions.
- Our civil legal rota assisted 1,666 people with 9,885 enquiries (1,700 people with 8,591 enquiries 2018/19 ) An example of the assistance we provide can be found here: <https://www.rcjadvise.org.uk/case-studies/abdul/> A further 466 enquiries were dealt with by our London County Court desk which includes bankruptcy and debt advice, see for example: <https://www.rcjadvise.org.uk/case-studies/jenny/>
- Our Housing and Debt contract from the Legal Aid Agency has responded to housing queries through contacts based in Westminster and Islington. The following case study illustrates our work: <https://www.rcjadvise.org.uk/case-studies/case-study-suma/>. The number of

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clients helped during the year was 390 (272 2018/19) with 67 Legal Help matters (48 : 2018/19), 45 (38: 2018/19) were assisted with Legal Aid Certificate funding and 278 (186, 2018/9) did not qualify for assistance under the Legal Aid Contract.

Our family legal aid contract helped 14 clients during the year with 15 legal help matters and 9 clients were assisted with Legal Aid Certificate funding under the Legal Aid Contract.

- Our immigration legal advice assisted with 1,031 queries from Local Citizens Advice across England & Wales. This is a new national service delivered by our team in partnership with CA Bolton and CA Stoke on Trent and is focused initially on legal advice about EU Settlement issues and most recently has widened to all immigration matters. Our immigration team also deliver legal advice in Windrush cases and in this financial year worked on 16 Windrush cases.
- Our family legal rota responded to 13,703 enquiries, from 1,628 unique clients. Our FLOWS service assisted 1,941 women with non-molestation orders and other legal matters, responding to 4,296 enquiries. The service also devised a non-molestation order module for CourtNav. We deliver FLOWS with Rights of Women, who deliver an online domestic abuse discussion forum for front line workers. – <https://www.rcjadvise.org.uk/case-studies/flows-delivering-legal-advice-and-representation/>
- We delivered 276 SPIP sessions to 2,470 separated parents.
- We maintained our volunteer workforce and now have over 170 voluntary Honorary Legal Advisers, 8 legal assistants and 30 CAB volunteers.
- We ensured access to pro bono representation for 258 Individuals (243 2018/19) including 4 positive outcomes via our Court of Appeal Scheme (COAS), 142 positive outcomes through CLIPS the scheme delivered by the Chancery Bar Association and represented 31 people in the Queen's Bench Interim Court (Court 37 Scheme). The public family rota in our family service assisted 76 people.
- Our legal advice services taken together responded to the needs of 7,380 clients (9,473 clients 2018/19) with 30,032 enquiries (28,911 enquiries 2018/19)
- All of our teams met or exceeded their target outputs and outcomes, thereby demonstrating value for money to funders.

#### Under the "increase awareness and confidence in responding to legal issues" aim:

The Charity responded to an increased need for advice and we are continually reviewing the effectiveness of our services and have secured additional funding to increase the confidence of other providers, for example FLOWS. Our achievements have included:

- Time Together, our child contact service responded to 38 referrals and hosted 299 visits. Some case studies can be seen here: <https://www.rcjadvise.org.uk/case-studies/case-study-time-together/>. We maintained supervised status and the majority of referrals are now for supervised contact.
- FLOWS aims to provide online-tools and a pathway to free legal-advice options: improving the capacity of front-line domestic-violence agencies to provide access to legal remedies, enabling women and children to protect themselves from violence, gain court-orders, access legal aid and navigate court processes.

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#### For the year ended 31 March 2020

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- We funded North East Law Centre to recruit a FLOWS family solicitor and a solicitor is in place and responding to queries. We identified Brighton and Hove as another advice desert and worked with LAPG and Resolution to devise a model where CA Brighton & Hove hosted one of our FLOWS solicitors from the end of January 2019
- FLOWS has received very positive feedback from front line practitioners about how the legal advice had increased their confidence and enabled them to support women survivors:
  - *Talked me through the process and what our client can expect which was really helpful'*
  - *'Thank you for your legal advice. I hope that our client gets the outcome she wants and I will definitely recommend FLOWS to others'*
  - *'The advice I was given was clear and I really felt they aimed to help me and I was treated with care and respect throughout the call'.*

This support was enhanced through our delivering over 80 workshops on FLOWS and CourtNav across the country. .

We secured £72,923 ( for two years in 2018/19) from Legal Education Foundation to fund a front facing FLOWS website for front line workers and primarily for women including links to high quality public information on domestic abuse and, a directory of FLOWS partners and their services.

Rights of Women, our FLOWS partner, engaged over 300 front line practitioners in the FLOWS discussion forum. Rights of Women send out weekly email bulletin updates to members who are already signed up to generate involvement and engagement. They have added a new section to the Forum to allow members to post updates about their services. Discussion points include

- The call for an inquiry into the treatment of survivors in the family courts.
- Difficulties in relation to legal aid and police disclosure for family law cases
- The Divorce, Dissolution and Separation Bill and how this will benefit survivors.

FLOWs also succeeded in recruiting 60 domestic abuse accredited legal advice providers to check and verify CourtNav FL401 applications.

- Our Miscarriage of Justice Support Service recruited a wellbeing co-ordinator who mapped local health pathways for our MJSS clients and ensured they accessed health services. Our service delivery, following feedback from clients, moved to an engagement model. We have enhanced the way we work with clients including: having a responsive text messaging service; maintaining regular contact with clients; facilitating an annual client consultation event; and involving clients in activities such as prison visits to potential clients. We have raised the profile of our MJSS service and engaged with a wide range of organisations through devising a guide on working with MJSS clients which has been circulated to all Local Citizens Advice in England & Wales and voluntary organisations, creating a Facebook account for MJSS and contributing a response to the All Party Parliamentary Group on Miscarriages of Justice. We

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also contributed to a JUSTICE report, *Supporting Exonerees: Ensuring Comprehensive and Continuing Support*, and raised awareness of the support we provide.

#### Under the "fairer and accessible Islington" aim

- Citizens Advice Islington continued to deliver generalist advice and casework across the Borough. We work closely with partners including Help on Your Doorstep in delivering advice services to vulnerable clients.
- Adviceline remained the main point of access into CA Islington and worked well.
- Citizens Advice Islington responded to increased needs due to Universal Credit service, including through workers based at Job Centres and digital support funded by Citizens Advice. We have continued to work on increasing access by delivering 12 outreach services and contributing 1021 generalist appointments. The outreach has been established with Help on Your Doorstep, funding from Cripplegate Foundation and referrals services from the local authority housing team. see here for an example of our work: – <https://www.rcjadvic.org.uk/case-studies/mr-ps-pension-payments/>
- Community Advice continues to give invaluable support to defendants attending Highbury Corner Magistrates Court. On May 1<sup>st</sup> 2020 the service will transfer to the Centre for Justice Innovation. The main focus of the service is linking into wider support services to address issues such as homelessness, drug and alcohol dependency and poverty. Here is a link to a case study :- <https://www.rcjadvic.org.uk/case-studies/tonys-story/>
- Our Citizens Advice Islington services assisted 5,144 people (4,612 people 2018/19\_ with 18,699 enquiries (12,454 enquiries 2018/19). We delivered 2,719 generalist enquiries (1,213 2018/10), and 1929 specialist casework appointments.
- Welfare benefits remains the highest type of enquiry and enquiries greatly increased due to Universal Credit. We helped with 3,922 (4,028 2018/19) welfare benefits enquiries and 5,098 Universal Credit (including help to claim) queries (1,027 2018/19) making a total of 9,020 welfare benefit enquiries. Debt increased to 3,507 enquiries (3,496 2018/19), Housing responded to 2,410 enquiries (1,731 2018/19) and employment responded to 1,030 enquiries (1,992 2018/19)
- Across our legal advice and Citizens Advice services we have assisted 12,524 people (11,698 2018.19)) with 48,731 enquiries (30,882 2018/19). This 42% increase in enquiries confirms the complexity of the issues individuals and families are facing.
- Demographic data confirms that a diverse community is accessing the Bureau's services. We have increased our use of Language Line and British Sign Language interpreters to ensure that our service is widely accessible.
- We are seeing an increasing number of people experiencing mental health issues and we are ensuring all staff and volunteers receive mental health training.
- We continue to actively seek client feedback to inform service developments. This includes:
  - Providing a feedback facility at each site.
  - Responding to requests for additional access routes, e.g. outreach and triage referrals

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#### Under the "strong and sustainable" aim

- We tendered our IT support contract and appointed CoopSys. They have worked with us in introducing Office 365 and Microsoft Teams. The team ensured a successful transfer of our data and hardware upgrades in advance of the Covid-19 Lock down
- We have achieved Lexcel accreditation for our legal services and are a London Legal Services Trust Centre of Excellence.
- We have retained our 'Cyber Essentials' accreditation. All staff and volunteers achieve GDPR awareness accreditation
- We comply with, and receive high scores for, every component of our Citizens Advice membership scheme.
- We reviewed the option of introducing a 4 day week but this proved to not be possible due to the level of funding required and impact on service delivery. We continue to explore flexible working options and have introduced wellbeing support packages for staff and volunteers.
- Under the LIP Strategy we are providing a range of services to local Citizens Advice Services and advice agencies. Both our Citizens Advice Islington service and Miscarriages of Justice Support Service work with other Citizens Advice services.
- We generated income through fees for supervised child contact and private SPIP places.
- We have successfully maintained Casebook for our Citizens Advice Islington Services; Cross Data for our legal advice services and Advicepro for our legal aid contract services.
- We maintain 'Twitter' accounts for RCJ Advice and Citizens Advice Islington. Our FLOWS service has established a high profile social media presence.
- We have participated in local research campaigns and our MJSS service has published research on the needs of our clients.
- We continue to actively work on legal aid policy.

#### Plans for future periods

All of our advice services have responded to the considerable challenges presented by Covid -19 and we have recently introduced phone and expanded email services in place of face to face services, which we are in the process of planning the return of. In response to changes and challenges to our funding we continue to review and revise our service delivery to respond to this high level of demand.

Our family legal service has considerably expanded legal advice to front line workers; working with women experiencing domestic abuse through FLOWS and CourtNav FL401 was launched at the end of this financial year.

Our Citizens Advice service that serves Islington residents will continue to increase access through enhancing our role as gateway into advice in the Borough and focusing on effective early intervention casework at outreach venues such as Job Centres and libraries.

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### **Directors' annual report**

#### **For the year ended 31 March 2020**

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We plan to introduce hybrid services (including face to face as well as other channels such as digital) in responding to the ongoing Covid-19 response and the anticipated global recession. We anticipate an increase in debt, housing and family issues and are planning accordingly.

Our business plan for 2020 /2021 focuses on the following aims:

- More Litigants in Person are able to access legal advice through a variety of channels which meet and match their needs and enables them to have access to justice;
- Being more influential and ensuring more people are able to achieve legal advice, information and complementary support through accessible multi-channels;
- Making it easier for Islington residents to receive the advice they need in a way that best suits them, and which resolves their issues as soon as practicable;
- Becoming a stronger, more stable and more efficient organisation where staff and volunteers receive the resources they need to do a good job and we are recognised as providing responsive and quality assured advice.

#### **To ensure more Litigants in Person are able to access legal advice through a variety of channels**

Objectives under this aim are:

- Deliver effective online, in person and phone triage and respond to on the day emergencies
- Facilitate City Law Firm supporters to deliver remote phone and email as well as face to face advice to Litigants in Person across England & Wales. This includes identifying digital platforms to share documents
- Ensure we cover all areas of civil and family law through securing funding to sustain employment law coverage, child and financial family legal assistance
- Deliver casework and representation in the Central London County Court and enhance delivery to include both debt and housing
- Expand our national consultancy services to include core civil and family legal advice and explore working with LIP partners to ensure legal advice is embedded in support packages
- Introduce CourtNav FL401 and work with our 60 partners solicitors to ensure national coverage.
- Secure further funding to sustain FLOWS as the Tampon Tax funding ended on 31<sup>st</sup> March 2020.
- Establishing our civil and family teams as Centres of Excellence, including contributing content to national information resources, expanding referrals and the support available to other advice providers

#### **To be more influential and ensure more people are able to access complementary support as well as legal advice**

We want to develop services that ensure people explore other solutions to legal issues, including earlier non-court remedies (such as mediation and alternative dispute remedies) and encourage child contact where it has been resisted. We want to lead on a complementary and wrap around response to digitisation to maximise the potential for people to be more confident about taking action themselves in relation to court matters.

Objectives under this aim are:

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#### For the year ended 31 March 2020

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- Maximising the impact of CourtNav and our Going to Court guides and explore further tools for people considering court action
- Ensure SPIPS encourages couples into mediation and lead on SPIP developments across London, including remote delivery options
- Expand Time Together, through working across London courts, reviewing parent support training and strengthening links within the community.

#### **To make it easier for Islington residents to receive the advice they need in a way that best suits them, and which resolves their issues as soon as practicable**

To ensure Citizens Advice Islington responds to the needs of Islington residents, we want to be an accessible point of contact in Islington to provide relevant advice and preventative action as early as possible. This will be through phone and digital services but also ensuring safe face to face advice is available for people who need it through building greater networks and cross sector relationships.

Objectives under this aim are:

- Expanding Adviceline coverage and exploring adding email and webchat
- Enhance our outreach service to cover more of the Borough and introduce safe face to face drop in advice by through expanding access to advice and delivering drop in advice at community venues such as Job Centres, libraries, GP surgeries and community groups
- Expand our contribution to Borough wide responses to mental health needs, housing needs, into work support needs and financial confidence

#### **To become a stronger, more stable and more efficient organisation where staff and volunteers receive the resources they need to do a good job and we are recognised as providing responsive and quality assured**

We want to build an awareness of our organisation's values and services and demonstrate the impact we achieve. We will measure progress consistently, encourage feedback and refine our services to ensure improvements and engage inside and outside the organisation. We will make sure we understand the results. We will attract a diverse range of resources to support our organisations work and ensure effective ways of working.

Objectives under this aim are:

- To pursue funding opportunities including enhancing our remote working infrastructure through introducing Microsoft Team Phones and training staff and volunteer to maximise the use of Teams
- To continue to deliver effective financial management
- To continue to develop our IT strategy and ensure we comply with General Data Protection Regulations
- To explore improvements to how we collect data about outcomes and, hence, better demonstrating our impact
- To introduce effective processes to save time and achieve consistency

## Public benefit

The directors have considered the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the Charity's aims and objectives and in planning its future activities.

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

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

The 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 directors review the activities of the Charity against its aims on an on-going 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, including Islington Citizens Advice, has been identified.

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

The beneficiaries are individuals from across England and Wales having business at the Royal Courts of Justice. Our debt work is under a London wide contract for those or living, visiting or working in the London area. A number of clients who suffered a miscarriage of justice live outside London, as do a proportion of our Litigant in Person clients.

We charge a nominal fee for reports from our child contact centre supervised sessions and a small fee for private SPIP sessions. No fees are charged to individuals for our advice services to ensure maximum access. 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.

### **Structure, governance & management**

#### **Governing document**

RCJ Advice was formed in November 1978. We became a charitable company limited by guarantee, incorporated on 6 October 1995 and registered as a charity on 3 November 1995. The Charity commenced its operations on 7 November 1995. 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.

All directors give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 6 to the accounts.

#### **Appointment of directors**

In accordance with the requirements of the Articles all elected directors shall retire from office at the third annual general meeting following the annual general meeting at which they were elected but may be re-elected. At each of the first three annual general meetings following adoption of these Articles one third of the elected Directors shall retire in rotation but may be re-elected.

A number of the directors have historically been recruited from the law firms that were involved in the major reorganisation of service delivery of the Charity in the 1990s. The Chief Executive is responsible for delivering an induction programme to all new directors. Training opportunities are offered to all directors and a skills audit is conducted biannually.

#### **Organisational structure**

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

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### **Directors' annual report**

#### **For the year ended 31 March 2020**

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The Board of Directors ("the Board") meets quarterly and is responsible for the strategic direction and policy of the Charity. At present the Board has 18 members from professional backgrounds relevant to the work of the Charity. A scheme of delegation is in place and day to day responsibility for the operation of our services rests with the Chief Executive. Client services and delivery are the responsibility of the Director of Legal Services, Director of Family Services and the Director of Citizens Advice Islington. Personnel, ICT and finance matters are the responsibility of the Director of Finance.

The Charity carries out an annual review of salary levels across London Citizens Advice and other relevant organisations including key management posts. Any proposed amendments to salary scales or remuneration of key staff are taken to the Employment & Finance Sub-Committee meeting for initial consideration. Any decision to change salary scales or remuneration levels is then taken to the Board for final decision.

### **Connected organisations**

The Charity is a member of Citizens Advice. Citizens Advice agencies delivering advice services are all individual charities and Citizens Advice itself is also a registered charity, as well as being the membership organisation.

### **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.

The Right Honourable Lord Justice Peter Jackson (Chair)	Roger Leese
Mona Vaswani (Deputy Chair)	Guy Pendell (appointed 24 <sup>th</sup> July 2019)
Nick Atkins (Treasurer)	Andrew Denny (appointed 3 <sup>rd</sup> February 2020)
Alex Carruthers	Nicholas Medniuk (resigned 10 <sup>th</sup> June 2019)
Jon Gale	Kevin Perry (resigned 29 <sup>th</sup> January 2020)
James Gilbey	Patrick Robinson
John Hine	Ali Sallaway
Paula Hodges QC	Paul Thwaite
Christine Howard	Holly Ware (appointed 1 <sup>st</sup> May 2019)
Graham Huntley	
Mr Justice Robin Knowles CBE	

## Senior Management Team

Alison Lamb  
Jeanette Daly Mathias  
Rebecca Scott  
Janice Massingham  
Rita Suglani

Chief Executive  
Director Citizens Advice Islington  
Director of Legal Services  
Director of Finance  
Director of Family Services

## Financial review

The result for the financial year 2019/2020 is a very good one and places us in a strong position to tackle the new operational and funding challenges posed by the Covid 19 pandemic. The income and expenditure shows a surplus on all funds of £157,782 for the year resulting from a surplus on restricted funds of £69,373 and on unrestricted funds of £89,409 after a small transfer of £1,394 from the restricted to general fund.

During the year we have continued to diversify our income streams with the first year of funding for: the Immigration Consultancy Advice project; Islington Help to Claim advice funded by Citizens Advice; and working with Enfield Citizens Advice we secured funding from Enfield Council for a housing solicitor to provide housing advice from Enfield Citizens Advice as well as contributing to the RCJ Advice Legal Aid Housing contract. Our FLOWS project (Finding Legal Options for Women Survivors) was fully operational this year and was funded by the second year of a two year contract from the Tampon Tax Fund. The new FLOWS website was funded from the second year of the Legal Education Foundation grant. The work of the project was recognised and rewarded by being selecting, with Rights of Women, our partner organisation, as finalists of the Nesta Legal Access Challenge which brought with it a £50,000 grant funding prize in September 2019. We then went on to win the challenge in April 2020 and received a further £50,000 funding. This grant funding together with the balance of funding from the Legal Education Fund website grant has ensured that the FLOWS project will continue to be financed in the short term, following the end of the Tampon Tax grant on 31<sup>st</sup> March 2020, whilst we secure ongoing longer term funding for the project.

We continued to deliver our core legal and advice services to litigants in person as a partner in the LIP strategy funded by the Ministry of Justice. At the same time we have been successful in adding to our core service growing and developing new services to meet client need by delivering a family legal aid contract to provide a holistic service to family clients who were unable to access this advice from other legal aid providers, we expanded our housing legal aid team in partnership with Enfield Citizens Advice.

Our funding strategy is to continue to attract funds that will enable us to develop and enhance our core services in partnership with other organisations where appropriate and to ensure need is met. We aim to secure and develop new funding streams which will assist us in diversifying our income, maximise unrestricted income and ensure we are not over dependent on a small number of major funders. Thus, enabling us to remain a financially viable organisation in the future.

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### Directors' annual report

#### For the year ended 31 March 2020

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This strategy is central to our ongoing work as a partner in delivering the Litigant in Person legal advice services funded by the Ministry of Justice and also working in partnership with Islington council and other advice services in the London Borough of Islington.

The net increase in the restricted funds of £69,373 relates mainly to the FLOWS project fund as a result of the NESTA challenge prize fund £50,000 and Legal Education Foundation balance of grant of £35,873 which are carried forward to finance the FLOWS team in the first quarter of 2020/21. In civil and family, the Citizens Advice Immigration project funding had a surplus of £43,016 due to savings resulting from delays and difficulties in recruiting a new paralegal to the project during the year (in common with the current shortage of immigration workers in the legal advice sector). The balance of £6,334 for the Enfield housing solicitor represents funding for the costs in April 2020.

Offsetting the surplus on restricted funds in the year, there was a planned drawdown on the Islington Advice fund by £58,269 in the year. This reflects the cost of new staff joining the service during the year to fill vacancies as well as to enhance the services offered to clients and expand our outreach work in the community. The balance of the Islington Advice fund at 31<sup>st</sup> March 2020 of £64,134 will be used to supplement the current grant funding in the first half year of 2020/21; The grant funding for Islington Advice from Islington Council is a four year funding for the Voluntary and Community sector which ends on 31<sup>st</sup> December 2020. The new grant funding for 2020–2024 is subject to a tender process, the outcome which is expected in December 2020.

The CourtNav fund – generously donated by Freshfields Bruckhaus Deringer LLP – was not drawn on during the year. Investment in developing the CourtNav infrastructure (in particular the new non –molestation court order module) continued to be funded by the Tampon Tax Fund under the FLOWS project. Thus, the CourtNav fund is available to finance new CourtNav developments in the future.

The surplus on the general fund for the year of £89,408 related to a surplus on the Separated Parents Information Programme of £45,839 (which is transferred to a designated fund to be applied for furtherance of supplies of education activities in future years), a surplus on the housing legal aid contract of £10,379 and other donations on unrestricted activities of £33,190.

RCJ Advice & Islington Advice continues to monitor its supplier contracts and costs to ensure we achieve value for money and the most effective use of resources. During the year we faced a significant increase in our IT costs due to a change in the charging policy of Microsoft. We tendered our IT support contract and appointed Coopsys as our new provider with the aim of moving our systems to the public cloud in a planned transition over the next two years. As well as making savings on our future IT cloud desktop costs, Coopsys will support us in developing our IT systems to maximise the use of developing technology to enhance our services. Coopsys worked with us to achieve a successful transition of our IT systems in March 2020 from our previous provider. They also assisted in moving all staff and some of our volunteers onto remote home working at the start of the Covid 19 lockdown.

## The RCJ and Islington Citizens Advice Bureaux

### Directors' annual report

#### For the year ended 31 March 2020

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We have made a significant financial investment in ensuring our IT infrastructure is fit for purpose going forward. We invested £50,700 in upgrading our IT hardware to ensure it was compliant with the current Windows operating system and £29,760 in the project costs of migrating to our new IT support provider and the initial set up costs of Teams for our Immigration Advice line. Since the year end we have secured funding from City Bridge trust to allow us to move all staff and volunteers to Team phones ensuring a consistent and effective phone advice service going forward.

The Charity's income for the year was £3,187,475 (compared to £2,667,329 in 2018/19). The increase in income results from the net changes in funding streams across established services; the new immigration consultancy project and Enfield housing advice service; and other funding streams commencing in the year.

RCJ Advice received increased funding in respect of:

- Civil and family legal services income saw an increase of £278,735 from 2018/19 principally due to new grants and income for Citizens Advice Immigration Consultancy project of £273,568, Enfield Council for a housing solicitor of £25,018 and earned income from the family Legal Aid Agency housing contract of £12,019. The main funding from the Ministry of Justice for the LiP strategy remained at the same level as previous years. An Access to Justice grant of £13,500 was received for costs awards for pro bono work (2018/19: £5,625). services in kind were consistent with last year, with a small increase of £2,487 in the time donated in civil and family services during the year;
- Income for the FLOWS project increased by £284,539 compared to 2018/19. This increase reflects an increased grant from the Tampon Tax Fund in 2019/20 of £649,889 (compared to £440,559 in 2018/19) as the project reached full capacity; and from the Legal Education Foundation for the FLOWS website £48,616 in 2019/20 (compared to £24,307 in 2018/19) as well as receipt of the Nesta challenge prize of £50,000 and miscellaneous training income £900.
- An increase in housing income generated from Legal Aid Agency of £67,405 as a result of a second Legal Aid Contract in London Borough of Islington being delivered from September 2018.
- The Separated Parent Information Programme (SPIP) project income increased by £29,092 in the year due to an increase in the number of participants attending from 1,906 in 2018/19 to 2,470 in 2019/20.

The increases in income were offset by reductions in income in respect of:

- A decrease in donations and legacies of £32,699 mainly due to timing of receipt of donations, and a reduction in the level of in kind human resources pro bono services from £12,500 in 2018/19 to £2,283 (the need for this HR support was less in the current year).

## The RCJ and Islington Citizens Advice Bureaux

### Directors' annual report

#### For the year ended 31 March 2020

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- A decrease in Bankruptcy and Debt income of £49,730. The grant for the Debt Free Money Advice project for 2019/20 was for a reduced level of outputs compared to previous years. This followed a staff vacancy for the first half year due to difficulties in recruiting a debt advice worker which resulted in a reduced grant received in the year. Following successful recruitment of new staff in the second half year the outcomes for the project were met.
- A net decrease of £15,251 in Islington Advice income arising from:
  - New income from Citizens Advice of £103,588 to fund the Universal Support Help to Claim project which was set up in March 2019.
  - A decrease in funding from Islington Council of £40,000 due to one off grant in 2018/19 for support advice for clients with Universal credit claims.
  - Increases in annual grant value for the Highbury Magistrates Community Advice project funded through Centre for Justice Innovation of £10,072 and a contribution towards student volunteer expenses from London Metropolitan University of £380 in 2019/20
  - Increase in grant for Three Agencies Project (TAP) outreach advice project of £1,100 funded by The Cripplegate Foundation
  - The increases in income were offset by changes from other income streams coming to an end – the Big Lottery Make it Work employment project (£62,285), Toynbee Hall for specialist employment advice £11,97, and a one off Access to work support grant £1,563 in 2018/19.
- A decrease of £30,696 in Miscarriage of Justice income relating to the Trust for London funding and earned income for the Immigration & Asylum solicitor which ended on 31<sup>st</sup> March 2019. The Immigration and Asylum solicitor transferred to the Citizens Advice Immigration Consultancy project at the start of 2019/20.

We are grateful for the continuing support of donors who have made generous donations of funds and pro bono support. Total services in kind this year from all donated services is valued at £330,333 (2018/19: £338,863) a small decrease of £8,580.

This change reflects:

- The pro bono hours for human resources consultancy support of £2,283 compared to £12,500 in 2018/19. This support is based on need and reflects a reduced level of advice requested in 2019/20.
- Total in-kind hours donated by Honorary Legal Advisers this year has remained steady with a small increase in the services in kind valuation of £2,487. The number of 45 minute advice sessions donated this year for the civil rota were 1,439 (2018/9: 1,467) and for the family rota

## The RCJ and Islington Citizens Advice Bureaux

### Directors' annual report

#### For the year ended 31 March 2020

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1,478 (1,224: 2017/18). There is no change in the hourly rate used to value the solicitors' time as the level of experience of solicitors volunteering on the rotas has remained consistent in the last year.

As in previous years we have an ongoing programme to recruit and train Honorary Legal Advisers from the City Legal firms to meet the demand of the civil rota and from family practises to meet the significant demand for our family legal advice service. The Honorary Legal Advisers continued to provide services after the Covid 19 lockdown through telephone advice.

The Charity continued to receive very generous on-going support from Herbert Smith Freehills LLP in providing human resources support and advice of £2,283 (2018/19: £12,500).

The charity received consultancy support from Freshfields relating to CourtNav developments for FLOWS of £360 (2018/19: £800)

Services in kind continue to represent a significant and important contribution to the work of the Charity in meeting client need.

The Charity benefits from a significant donation of time from volunteers who provide general advice to members of the public at Islington Advice or who volunteer as legal assistants or in administrative roles or as a trustee of the Charity. In accordance with the SORP, this time is not included in the accounts but the value of the contribution is estimated at £154,096 (2018/19: £176,745). We have a programme of continual recruitment and training of volunteers across the services as a significant number of our volunteers successfully move on to paid employment.

The Charity's total expenditure in 2019/20 was £3,028,693 (compared to £2,547,384 in 2018/19), a total increase of £481,309. The increase in expenditure generally reflects the operational changes associated with changing income streams and new projects in the year and is the net effect of:

- A decrease in the Debt Free London Money Advice Service project spend of £34,986 reflecting the reduction in grant value in 2019/20 and the debt adviser salary costs which were less than planned as a result of recruitment slippage.
- A net increase in civil and family spend (£237,510) arising mainly from the new Immigration Consultancy service staff costs and partner payments to Rights of Women who work with us in delivering the project.
- Expenditure on the FLOWS project increased by £199,838 in 2019/20 as the service became fully operational. Staff costs increased by £102,845 compared to 2018/19 reflecting staff in post for the full year and new FLOWS solicitors joining the RCJ Advice team. We also extended our partnership working to include an additional family legal adviser at Rights of Women and a second solicitor based in Brighton and Hove Citizens Advice with an increase

## The RCJ and Islington Citizens Advice Bureaux

### Directors' annual report

#### For the year ended 31 March 2020

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in partnership costs of £94,096. There was a small increase in other expenditure of £2,879 which includes CourtNav development and promotion and marketing costs.

- An increase in housing expenditure of £36,311 reflects the additional salary costs of the second housing solicitor for the new Islington Legal Aid contract and the increased costs relating to delivery of advice for the contract.
- An increase in Islington Advice spend by £89,739 of which £75,889 relates to staff costs and reflects the first operational year of the Help to Claim team project staff costs. Other non salary costs increased by £13,850 during the year and mainly related to increased IT support costs. The Islington Financial Inclusion project ended at the beginning of 2018/19 resulting £5,097 change from the position in 2018/19.
- A decrease in the Miscarriage of Justice project spend (£23,330) of which £13,529 relates to a net change in salary costs from 2018/19 to 2019/20 relating to the Immigration and Asylum solicitor funded by Trust for London funding in 2018/19 and the one off costs of redundancy of the Miscarriage of Justice Support Coordinator in May 2019 following restructure of the team. Other non –salary and support costs reduced in the year reflecting the change in staff numbers working on the project.
- A decrease of £18,972 expenditure on the SPIPS projects compared to 2018/19 reflects the savings on costs of delivering the service as a result of the average number of participants per course increasing in the current year to 8.5 from 6 per session.

Restricted reserves carried forward at 31st March 2020 include:

- £37,577 towards the continuing development of the CourtNav online tools.
- £64,134 of Islington Council funding to finance the Islington Advice service in 2019/20.
- £43,016 for the Citizens Advice Immigration Consultancy service. £6,334 to fund the Enfield housing solicitor in 2019/2020
- £85,873 of funding for the FLOWS project in the first quarter of 2019/20 to 31 March 2020.

The Charity held funds of £938,579 at 31<sup>st</sup> March 2020 of which £236,934 related to restricted funds set out above and £701,645 to unrestricted funds. Of the unrestricted funds, £120,221 have been designated by trustees for specific purposes: £45,839 surplus generated from the SPIPS project are designated for furtherance of the supplies of education in future years and £74,382 was tied up in fixed assets.

## **Fundraising**

The Chief Executive leads on all fundraising activities and submits all bids for contracts and grants. RCJ Advice does not use professional fundraisers or commercial participators. We do not seek donations from individuals or use third parties to undertake fundraising activities on our behalf. The Charity has received no complaints in relation to fundraising.

## **Reserves policy and risk management**

The directors have reviewed the reserves of the Charity. The review encompassed an analysis of current and future income streams, the identification of the core services that are provided by the Charity and the likelihood of income continuing in the future. The directors have adopted a risk based approach. An analysis was undertaken of our services alongside a review of committed expenditure for all service delivery areas, cash flow and consideration of the major risks to which the Charity is exposed.

Reserves levels have been reviewed based on the impact on funding in the charitable sector posed by the current Covid 19 pandemic and the risk of a global economic downturn together with our previous experience of delays in the agreement and receipt of established core funding grants. The directors consider that it would take between three to six months to replace funding for the Charity's core strategic services and/or to restructure the services in response to a reduction in funding. Accordingly, the reserve should represent the expenditure that would be incurred during such period in continuing to deliver and/or in restructuring the affected services and meeting any closure costs associated with winding down areas of services. At current levels of activity, the prudent level of reserves required is between £522,000 and £885,000 to protect key core purpose and essential legal advice services and infrastructure costs and if necessary leave sufficient working capital to continue the activities of a restructured organisation.

In the current environment the level of actual free reserves held are sufficient for us to move to a restructure or potential closure of services sooner than is ideal but in a managed way. The risk being that we lose services from the loss of valuable staff and knowledge when replacement funding may be within reach.

The current level of free reserves is £581,424, the value of the general funds. Designated funds held of £120,221 are not included as they represent the fixed asset reserve and fund for supplies of education which is not easily realisable.

The Board carries out an annual risk management review to update its risk register. The Charity's risk register is reviewed, monitored and updated quarterly by the Employment & Finance Sub-Committee. It is reported to all directors on a quarterly basis at the full Board meetings. The Board 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 manage our exposure to the major risks. A summary of the major risks is set out below:

<b>Principal risks / uncertainties</b>	<b>Actions in place to manage risk</b>
<b>Significant reduction or loss of income and inability to replace funding for strategically important projects.</b>	Regular liaison and meetings with funders and stakeholders. Ongoing programme of promotion of new strategically important services to raise the profile of project work and embed importance of services as part of the organisations core offer. A fundraising plan is in place to identify and establish new funding streams for the medium to longer term and diversify income to reduce the risk of dependency on individual high value funders. This plan is reviewed quarterly by the Employment & Finance Sub-Committee. Ongoing development of service delivery is launched to meet changing client need.
<b>Change in government / minister /government approach to importance of Litigants in Person (LiPs) strategy.</b>	Maintain key contacts communication on importance of Litigant in Person strategy and what it is delivering. Website is in place to assist with effective triage, LiP's referrals and access to services. Implement changes in service delivery model as set out in the Three- year Business Plan to ensure more LiP's are able to access legal advice through a variety of channels, respond to on the day emergencies and meet ongoing developments in LiP strategy.
<b>Courts to change status and withdraw or change the free space and facilities provided.</b>	Monitor and maintain liaison with court staff. Continue to demonstrate contribution of RCJ Advice services to the courts.
<b>Impact of pandemic on operations, finances and staff &amp; volunteers.</b>	Regular contact / liaison with current funders maintained. Service delivery maintained, clients made aware of services on offer. Business continuity plan put in place to manage work from home and access to clients for telephone advice and support. Developing a plan to move to a new model of working to provide as good, reactive and appropriate service as possible, meet the predicted increase in demand for all our services

## The RCJ and Islington Citizens Advice Bureaux

### Directors' annual report

For the year ended 31 March 2020

<b>Principal risks / uncertainties</b>	<b>Actions in place to manage risk</b>
	and ensure the health of our staff, volunteers and clients is protected. Support staff and volunteers through lockdown and return to work through weekly socials, employee support scheme is in place, weekly team meetings and supervision in place.
<b>Assault on member of staff/ volunteer.</b>	Lone working and health & safety policies are in place and regularly reviewed. Security staff at each site. Risk assessments carried out. Safeguarding training carried out for all staff and volunteers.
<b>Risk of terrorist attack at RCJ site</b>	Staff and volunteers are consulted and advised on procedure in the event of terrorist attack. Provision is put in place to implement the procedure.
<b>Lack of time/ resources to effectively plan and implement procedures and processes needed for SMART working.</b>	Recruit skilled and experienced staff. Ensure budgets for new projects include appropriate costs to fully support the project and any extra resource implications for the whole organisation on full cost recovery basis. Behaviour beliefs are embedded and applied in recruitment and induction process for new staff. Introducing and enforcing processes with timely reviews
<b>Data protection breach</b>	Information Assurance Small Medium Enterprises (IASME) and Cyber Essentials Combined Scheme Self Assurance accreditation has been achieved and is renewed annually. Data protection and security policies are in place and form part of the office manual which is accessible to all staff and volunteers. Staff and volunteers undertake annual data protection training. Egress and R Mail encrypted e-mail are in place. Cyber insurance is in place.

**Directors' annual report**

**For the year ended 31 March 2020**

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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 Service Delivery Sub-Committee and to all directors on a quarterly basis. Health and Safety is within the remit of the Director of Finance and key health and safety risks are identified and monitored as part of the organisation's risk assessment process.

## Statement of directors' responsibilities

The directors (who are also trustees of the Charity for the purposes of charity law) are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable 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 charitable company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors 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.

The RCJ and Islington Citizens Advice Bureaux

Directors' annual report

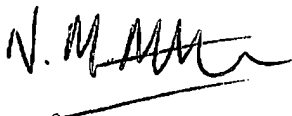
For the year ended 31 March 2020

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## Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Approved by the directors on 22 July 2020 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'N. M. Atkins', with a horizontal line drawn underneath it.

Nicholas Mark Atkins  
Director

## Independent auditor's report

To the members of

**The RCJ and Islington Citizens Advice Bureaux**

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### Opinion

We have audited the financial statements of The RCJ and Islington Citizens Advice Bureaux (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 Financial Reporting Standard 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 2020 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
- 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Independent auditor's report**

**To the members of**

**The RCJ and Islington Citizens Advice Bureaux**

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### **Other information**

The other information comprises the information included in the directors' annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the directors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The directors' annual report has been prepared in accordance with applicable legal requirements

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' annual 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors 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 directors' annual report and from the requirement to prepare a strategic report.

## **Independent auditor's report**

**To the members of**

**The RCJ and Islington Citizens Advice Bureaux**

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### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities set out in the directors' annual report, the directors (who are also the trustees of the charitable company for the purposes of charity 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 directors 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 directors 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 directors 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the

## Independent auditor's report

To the members of

**The RCJ and Islington Citizens Advice Bureaux**

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audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## 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.

Joanna Pittman (Senior statutory auditor)

30 July 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The RCJ and Islington Citizens Advice Bureaux

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2020

	Note	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
<b>Income from:</b>							
Donations and legacies	2	48,892	-	48,892	81,591	-	81,591
Charitable activities							
Bankruptcy & Debt	3a	-	196,970	196,970	-	246,700	246,700
Civil & family	3b	342,174	744,353	1,086,527	328,078	479,714	807,792
CourtNav	3c	-	-	-	-	10,000	10,000
FLAWS	3d	900	748,505	749,405	-	464,866	464,866
Housing	3e	112,422	4,988	117,410	45,017	1,496	46,513
Islington Advice	3f	380	661,875	662,255	3,190	674,315	677,505
Islington Financial Inclusion	3g	-	-	-	-	5,097	5,097
Miscarriage of Justice	3h	-	100,000	100,000	696	130,000	130,696
SPIPS	3i	224,244	-	224,244	195,152	-	195,152
Other trading activities		-	242	242	175	-	175
Investments		1,529	-	1,529	1,242	-	1,242
<b>Total income</b>		<b>730,541</b>	<b>2,456,933</b>	<b>3,187,475</b>	<b>655,141</b>	<b>2,012,188</b>	<b>2,667,329</b>
<b>Expenditure on:</b>							
Raising funds		176	-	176	180	-	180
Charitable activities							
Bankruptcy & Debt		2,526	203,930	206,456	1,702	239,740	241,442
Civil & family		355,238	694,941	1,050,179	332,650	480,019	812,669
FLAWS		3,143	661,238	664,381	2,014	462,529	464,543
Housing		102,043	4,988	107,031	68,924	1,496	70,420
Islington Advice		996	727,642	728,638	24,498	614,401	638,899
Islington Financial Inclusion		-	-	-	-	5,097	5,097
Miscarriage of Justice		-	93,427	93,427	682	116,075	116,757
SPIPS		178,405	-	178,405	197,377	-	197,377
<b>Total expenditure</b>	4a	<b>642,527</b>	<b>2,386,166</b>	<b>3,028,693</b>	<b>628,027</b>	<b>1,919,357</b>	<b>2,547,384</b>
<b>Net income for the year</b>	5	<b>88,015</b>	<b>70,767</b>	<b>158,782</b>	<b>27,114</b>	<b>92,831</b>	<b>119,945</b>
Transfers between funds		1,394	(1,394)	-	2,337	(2,337)	-
<b>Net movement in funds</b>		<b>89,409</b>	<b>69,373</b>	<b>158,782</b>	<b>29,451</b>	<b>90,494</b>	<b>119,945</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		612,236	167,561	779,797	582,785	77,067	659,852
<b>Total funds carried forward</b>		<b>701,645</b>	<b>236,934</b>	<b>938,579</b>	<b>612,236</b>	<b>167,561</b>	<b>779,797</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

The RCJ and Islington Citizens Advice Bureaux

Balance sheet

Company no. 03110908

As at 31 March 2020

	Note	£	2020 £	£	2019 £
<b>Fixed assets:</b>					
Tangible assets	10		<u>74,382</u>		<u>16,424</u>
<b>Current assets:</b>					
Work in progress		51,149		23,537	
Debtors	11	150,308		110,290	
Cash at bank and in hand		<u>1,005,997</u>		<u>1,090,526</u>	
			<u>1,207,455</u>	<u>1,224,353</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	12	<u>(317,167)</u>		<u>(433,346)</u>	
<b>Net current assets</b>			<u>890,288</u>		<u>791,007</u>
<b>Total assets less current liabilities</b>			<u>964,671</u>		<u>807,431</u>
Creditors: amounts falling due after more than one year	14		<u>(26,091)</u>		<u>(27,634)</u>
<b>Total net assets</b>	16a		<u>938,579</u>		<u>779,797</u>
<b>The funds of the charity:</b>	17a				
Restricted income funds			<u>236,934</u>		<u>167,561</u>
Unrestricted income funds:					
Designated funds		120,221		26,424	
General funds		<u>581,424</u>		<u>585,812</u>	
<b>Total unrestricted funds</b>			<u>701,645</u>		<u>612,236</u>
<b>Total charity funds</b>			<u>938,579</u>		<u>779,797</u>

Approved by the trustees on 22 July 2020 and signed on their behalf by



Nicholas Mark Atkins  
Director

The RCJ and Islington Citizens Advice Bureaux

Statement of cash flows

For the year ended 31 March 2020

Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	158,782	119,945
Depreciation charges	31,989	9,502
Dividends, interest and rent from investments	(1,529)	(1,242)
(Increase) in work in progress	(27,612)	(2,616)
(Increase)/decrease in debtors	(40,018)	88,007
(Decrease) / increase in creditors	(116,179)	352,790
<b>Net cash provided by operating activities</b>	<b>5,432</b>	<b>566,386</b>

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities	5,432	566,386
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets	(89,947)	(7,091)
Dividends, interest and rents from investments	1,529	1,242
<b>Net cash provided (used in) investing activities</b>	<b>(88,418)</b>	<b>(5,849)</b>
<b>Cash flows from financing activities:</b>		
Net repayment of pensions deficit	(1,543)	(1,246)
<b>Net cash provided by / (used in) financing activities</b>	<b>(1,543)</b>	<b>(1,246)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(84,529)</b>	<b>559,291</b>
Cash and cash equivalents at the beginning of the year	1,090,526	531,235
<b>Cash and cash equivalents at the end of the year</b>	<b>1,005,997</b>	<b>1,090,526</b>

**1 Accounting policies**

**a) Statutory information**

The RCJ and Islington Citizens Advice Bureaux is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is c/o TMF Group, 20 Farringdon Street, London, EC4A 4EN

**b) 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) (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

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

**d) Going concern**

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Sufficient funding is secured until 22nd July 2021 with adequate reserves and cashflow in place to enable the organisation to continue operating for the foreseeable future.

Accordingly, the Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern and the going concern position is appropriate.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1 Accounting policies**

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

For donated legal services the value of the donated services is an estimated figure based on the average value the civil lawyers firm places on their time and the external market salary rate in the case of family lawyers.

**g) Interest receivable**

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

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## The RCJ and Islington Citizens Advice Bureaux

### Notes to the financial statements

For the year ended 31 March 2020

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#### 1 Accounting policies (continued)

##### j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time of the amount attributable to each activity

● Raising funds	0.0%
● Bankruptcy and Debt	12.4%
● Civil & Family	34.3%
● FLOWS	16.1%
● Housing	2.7%
● Islington Advice	26.4%
● Islington Financial Inclusion – 'Fit Money'	0.0%
● Miscarriage of Justice	4.4%
● SPIPS	3.6%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

##### k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

##### l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Fixtures and fittings & Computer equipment	4 years
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##### m) Work in progress

Work in progress represents the value of open Legal Help escape fees and Legal Aid cases in housing matters. The cases are opened under the Legal Aid Agency Contract and are not completed at 31st March 2020. Work in progress is valued at the lower of cost and realisable value.

##### n) 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.

Notes to the financial statements

For the year ended 31 March 2020

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**1 Accounting policies (continued)**

**o) Cash at bank and in hand**

Cash at bank and cash 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.

**p) 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.

**q) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**r) Pensions**

The charity operates a defined contribution 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 charity 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 102, the charity has therefore treated its pension contributions to the scheme as if they were paid to a defined contribution scheme. As the charity has an agreed deficit contribution scheme in place, a liability has been included for the value of these future payments, discounted to their present value.

The scheme is now closed and deficit contributions amount to £2,400 per annum in respect of the one remaining member of this scheme.

# The RCJ and Islington Citizens Advice Bureaux

## Notes to the financial statements

For the year ended 31 March 2020

### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Allen & Overy LLP	5,000	-	5,000	5,000	-	5,000
Citizens Advice	-	-	-	750	-	750
Clifford Chance	200	-	200	800	-	800
Clyde & Co LLP	-	-	-	8,000	-	8,000
Freshfields Bruckhaus Deringer LLP	-	-	-	15,000	-	15,000
Herbert Smith Freehills LLP	10,000	-	10,000	10,000	-	10,000
Linklaters LLP	5,000	-	5,000	5,000	-	5,000
London Legal support Trust	10,000	-	10,000	10,000	-	10,000
London Legal walk	4,322	-	4,322	6,228	-	6,228
Slaughter & May Charitable Trust	5,000	-	5,000	5,000	-	5,000
Stephenson Harwood	5,000	-	5,000	-	-	-
Other donations & gifts	2,088	-	2,088	2,513	-	2,513
Donated services - Human resources & consultancy **	2,282	-	2,282	13,300	-	13,300
	<b>48,892</b>	<b>-</b>	<b>48,892</b>	<b>81,591</b>	<b>-</b>	<b>81,591</b>

\*\* The pro bono human resources services represents support and advice provided by Herbert Smith Freehills LLP totalling £2,282 (2019: £12,500) and consultancy support for FLOWS Courtnav development from Freshfields of £nil (2019: £800).

### 3 Income from charitable activities

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Capitalise Money Advice Service (formally BIS)	-	196,736	196,736	-	246,547	246,547
CitA Project grants	-	234	234	-	153	153
<b>3a Sub-total for Bankruptcy &amp; debt</b>	<b>-</b>	<b>196,970</b>	<b>196,970</b>	<b>-</b>	<b>246,700</b>	<b>246,700</b>
Access to Justice Foundation	-	13,500	13,500	-	5,625	5,625
CAFCASS	-	2,805	2,805	-	2,500	2,500
Citizens Advice	780	273,568	274,348	-	-	-
Enfield Council	-	25,018	25,018	-	-	-
Legal Aid Agency	12,019	-	12,019	-	-	-
Legal Education Foundation	-	-	-	-	47,117	47,117
London Legal support trust	-	1,500	1,500	-	-	-
Mediation services	-	-	-	920	-	920
Ministry of Justice	-	422,974	422,974	-	422,976	422,976
Pro Bono Legal Services*	328,050	-	328,050	325,563	-	325,563
Toynbee Hall	-	4,988	4,988	-	1,496	1,496
Time Together Child Contact Centre fee	1,325	-	1,325	1,595	-	1,595
<b>3b Sub-total for civil &amp; family</b>	<b>342,174</b>	<b>744,353</b>	<b>1,086,527</b>	<b>328,078</b>	<b>479,715</b>	<b>807,792</b>

### 3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Freshfields Bruckhaus Deringer LLP	-	-	-	-	10,000	10,000
3c Sub-total for CourtNav	-	-	-	-	10,000	10,000
Department for Digital, Culture, Media & Sport	-	649,889	649,889	-	440,559	440,559
Legal Education Foundation	-	48,616	48,616	-	24,307	24,307
NESTA	-	50,000	50,000	-	-	-
Training income	900	-	900	-	-	-
3d Sub-total for FLOWS	900	748,505	749,405	-	464,866	464,866
Legal Aid Agency	112,422	-	112,422	45,017	-	45,017
Toynbee Hall	-	4,988	4,988	-	1,496	1,496
3e Sub-total for Housing	112,422	4,988	117,410	45,017	1,496	46,513
Access to Work	-	-	-	-	1,563	1,563
Big Lottery – Make it Work	-	-	-	-	62,285	62,285
Citizens Advice services	-	103,589	103,589	3,190	11,382	14,572
Centre for Justice Innovation	-	67,130	67,130	-	57,058	57,058
Cripplegate Foundation	-	21,156	21,156	-	20,056	20,056
Islington Council	-	470,000	470,000	-	510,000	510,000
London Metropolitan University	380	-	380	-	-	-
Toynbee Hall	-	-	-	-	11,971	11,971
3f Sub-total for Islington Advice	380	661,875	662,255	3,190	674,315	677,505
Big Lottery Islington Financial Inclusion	-	-	-	-	5,097	5,097
3g Sub-total for Islington Financial Inclusion Project	-	-	-	-	5,097	5,097
Ministry of Justice	-	100,000	100,000	-	100,000	100,000
Trust for London	-	-	-	-	30,000	30,000
Immigration solicitor profit costs earned	-	-	-	696	-	696
3h Sub-total for Miscarriage of Justice	-	100,000	100,000	696	130,000	130,696
CafCASS	220,644	-	220,644	191,484	-	191,484
SPIPS fees individually funded	3,600	-	3,600	3,668	-	3,668
3i Sub-total for SPIPS	224,244	-	224,244	195,152	-	195,152
Total income from charitable activities	680,120	2,456,691	2,387,406	572,133	2,007,092	2,584,321

\* The pro bono legal services represents services provided by lawyers working in approximately 60 City firms who provide free legal advice to people who do not have solicitors representing them. The value of the donated services is an estimated figure based on the solicitors guideline hourly rates of pay for civil lawyers and the market rate salary scale in the case of family lawyers. The valuation used for the hourly rate of pay for civil lawyers and family lawyers has been adjusted to reflect the average level of the post qualification status of solicitors volunteering on the civil and family rotas.

Government grants received during the year include: The Ministry of Justice grant funds the civil & family legal advice service as part of the Litigants In Person Strategy; the National Offenders Management Service (NOMS) office of the Ministry of Justice funds the Miscarriage of Justice support service and the Department of Digital Culture Media and Sport funds the FLOWS project which provides legal advice and support to agencies supporting victims of domestic abuse.

The RCJ and Islington Citizens Advice Bureaux

Notes to the financial statements

For the year ended 31 March 2020

4a Analysis of expenditure (current year)

	Charitable activities											2020 Total £	2019 Total £
	Cost of raising funds £	Bankruptcy & debt £	Civil & family £	Flows £	Housing £	Islington Advice £	Islington Financial Confidence FIT Money £	Miscarriage of Justice £	SPIPS £	Governance costs £	Support costs £		
Staff costs (Note 6)	-	158,423	508,304	219,177	81,464	615,071	-	66,189	64,357	-	203,548	1,916,531	1,598,952
Pro bono services	19	205	328,688	271	96	910	-	87	58	-	-	330,334	338,863
Direct staff costs & volunteer expenses	-	1,340	12,368	10,234	2,275	5,284	-	1,307	944	-	20,743	54,495	41,146
Office, marketing, publications, IT & depreciation costs, website & Courtnav development costs	-	2,584	28,792	173,651	4,280	12,328	-	1,669	2,705	-	114,280	340,288	297,514
Client costs, consultant & professional fees, commissioned projects and other direct service costs	-	-	12,077	16,200	9,322	1,446	-	2,543	97,619	15,322	-	154,529	171,053
Grants payable	-	-	-	-	-	-	-	6,000	-	-	-	6,000	6,000
Partner payments	-	-	38,564	187,952	-	-	-	-	-	-	-	226,516	93,856
	19	162,552	928,793	607,484	97,436	635,039	-	77,795	165,683	15,322	338,570	3,028,693	2,547,384
Support costs	156	42,462	116,856	55,050	8,972	87,726	-	15,034	12,313	-	(338,570)	-	-
Governance costs	1	1,442	4,529	1,846	623	5,873	-	598	409	(15,322)	-	-	-
<b>Total expenditure 2020</b>	<b>176</b>	<b>206,456</b>	<b>1,050,179</b>	<b>664,381</b>	<b>107,031</b>	<b>728,638</b>	<b>-</b>	<b>93,427</b>	<b>178,405</b>	<b>-</b>	<b>-</b>	<b>3,028,693</b>	<b>2,547,384</b>
Total expenditure 2019	180	241,442	812,669	464,543	70,420	638,899	5,097	116,757	197,377	-	-	2,547,384	

Partner payments relate to payments to agencies worked with us in delivering the FLOWS national consultancy service and our Immigration Consultancy service to Local Citizens Advice within the civil legal team. FLOWS partners are Rights of Women which deliver the FLOWS discussion forum, North East Law Centre where a FLOWS solicitor is in place and Brighton and Hove Citizens Advice host one of our FLOWS solicitors. Rights of Women work with us in delivering the Immigration Consultancy service providing legal advice to women experiencing domestic abuse, trafficking or harassment.

Grants payable relates to annual grant payments to local citizens advice for advice and support to Miscarriage of Justice Support Service clients in their local community.

The RCJ and Islington Citizens Advice Bureaux

Notes to the financial statements

For the year ended 31 March 2020

4b Analysis of expenditure (prior year)

	Charitable activities											2019 Total £
	Cost of raising funds £	Bankruptcy & debt £	Civil & family £	Flows £	Housing £	Islington Advice £	Islington Financial Confidence FIT Money £	Miscarriage of Justice £	SPIPS £	Governance costs £	Support costs £	
Staff costs (Note 6)	-	188,925	390,382	116,332	53,365	539,182	5,097	79,718	63,734	-	162,217	1,598,952
Pro bono services	116	1,702	328,875	1,952	407	4,731	-	681	399	-	-	338,863
Direct staff costs & volunteer expenses	-	1,087	7,344	3,656	2,125	4,446	-	2,130	777	-	19,581	41,146
Office, marketing, publications, IT & depreciation costs, website & Courtnav development costs	-	1,095	11,253	192,427	4,389	7,990	-	2,229	2,275	-	75,856	297,514
Client costs, consultant & professional fees, commissioned projects and other direct service costs	-	62	2,480	28,381	4,380	1,403	-	3,333	118,705	12,309	-	171,053
Grants payable	-	-	-	-	-	-	-	6,000	-	-	-	6,000
Partner payments	-	-	-	93,856	-	-	-	-	-	-	-	93,856
	116	192,871	740,334	436,604	64,666	557,752	5,097	94,091	185,890	12,309	257,654	2,547,384
Support costs	64	46,843	68,889	26,796	5,369	76,625	-	21,966	11,102	-	(257,654)	-
Governance costs	-	1,728	3,446	1,143	385	4,522	-	700	385	(12,309)	-	-
<b>Total expenditure 2019</b>	<b>180</b>	<b>241,442</b>	<b>812,669</b>	<b>464,543</b>	<b>70,420</b>	<b>638,899</b>	<b>5,097</b>	<b>116,757</b>	<b>197,377</b>	<b>-</b>	<b>-</b>	<b>2,547,384</b>

Partner payments relate to payments to agencies worked with us in delivering the FLOWS national consultancy service and our Immigration Consultancy service to Local Citizens Advice within the civil legal team. FLOWS partners are Rights of Women which deliver the FLOWS discussion forum and North East Law Centre where a FLOWS solicitor is in place.

Grants payable relates to annual grant payments to local citizens advice for advice and support to Miscarriage of Justice Support Service clients in their local community.

# The RCJ and Islington Citizens Advice Bureaux

## Notes to the financial statements

For the year ended 31 March 2020

### 5 Net income resources for the year

This is stated after charging / crediting:

	2020 £	2019 £
Depreciation	31,989	9,502
Operating lease rentals:		
Other	5,338	5,266
Auditor's remuneration (excluding VAT):		
Audit (net of VAT)	6,650	6,500

### 6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	1,658,646	1,401,381
Redundancy and termination costs	21,765	10,732
Social security costs	153,410	119,721
Employer's contribution to defined contribution pension schemes	76,630	67,118
Agency costs	6,080	-
	<u>1,916,531</u>	<u>1,598,952</u>

The redundancy and termination costs were settled and paid at the balance sheet date.

One employee earned between £60,000 and £70,000 during the year (2019: 1).

The total employee benefits including pension contributions and employer's national insurance contributions of the key management personnel were £283,565 (2019: £278,135).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil).  
No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

### 7 Staff numbers

The full time equivalent and average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 FTE	2019 FTE	2020 No.	2019 No.
Raising funds	0.4	0.4	0.4	0.4
Bankruptcy & debt	3.9	5.1	3.9	5.3
Civil & family	12.2	10.0	14.9	11.8
FLAWS	5.2	3.5	5.4	3.5
Housing	1.8	1.2	1.8	1.2
Islington CAB	17.4	14.2	21.9	18.4
Miscarriage of Justice	1.7	2.1	2.5	3.5
SPIPS	1.1	1.2	1.8	1.6
Support	3.5	3.1	3.5	3.2
Governance	0.2	0.2	0.2	0.2
	<u>47.4</u>	<u>41.0</u>	<u>56.2</u>	<u>49.4</u>

The RCJ and Islington Citizens Advice Bureaux

Notes to the financial statements

For the year ended 31 March 2020

**8 Related party transactions**

There were no transactions with related parties during the year (2019: Nil)

**9 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**10 Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At the start of the year	6,466	60,194	66,660
Additions in year	6,324	83,623	89,947
At the end of the year	12,790	143,817	156,607
<b>Depreciation</b>			
At the start of the year	4,106	46,130	50,236
Charge for the year	2,368	29,621	31,989
At the end of the year	6,474	75,751	82,225
<b>Net book value</b>			
At the end of the year	6,316	68,066	74,382
At the start of the year	2,360	14,064	16,424

All of the above assets are used for charitable purposes.

**11 Debtors**

	2020 £	2019 £
Trade debtors	4,142	55,270
Other debtors	7,939	3,460
Prepayments	23,749	24,006
Accrued income	114,478	27,554
	<u>150,308</u>	<u>110,290</u>

**12 Creditors: amounts falling due within one year**

	2020 £	2019 £
Trade creditors	205,813	112,888
Other creditors	16,783	7,362
Accruals	94,571	30,872
Deferred income	-	282,224
	<u>317,167</u>	<u>433,346</u>

## The RCJ and Islington Citizens Advice Bureaux

### Notes to the financial statements

For the year ended 31 March 2020

#### 13 Deferred income

Deferred income comprises grants received from the Centre for Justice Innovation to cover costs for the Highbury Magistrates Community Advice Project in April 2019 and the Cripplegate Foundation to cover outreach advice in April to June 2019 and funding for the new EU settlement project for 2019/20.

	2020 £	2019 £
Balance at the beginning of the year	282,224	8,958
Amount released to income in the year	(282,224)	(8,958)
Amount deferred in the year	-	282,224
Balance at the end of the year	-	282,224

#### 14 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Pension creditor	26,091	27,634
	<u>26,091</u>	<u>27,634</u>

#### 15 Pension scheme

The RCJ and Islington Citizens Advice Bureaux participates in the National Association of Citizens Advice Bureaux Pension and Assurance Plan (1991) which is a defined benefit arrangement. The pension charge for the year for the employees who are members of the scheme is £2,400 (2019: £2,400). A full actuarial valuation of the Plan was carried out as at 31 March 2020 by a qualified independent actuary, based upon membership data as at 31 March 2019, allowing for assumed membership movements over the period from this date, and any material membership movements significantly different from those assumed (e.g. transfers out). The formal triennial actuarial valuation as at 31 March 2019 is currently being undertaken.

The charity's 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 in the scheme on a consistent and reliable basis. In accordance with FRS 102, the charity has therefore treated its pension contributions to the scheme as if they were paid to a defined contribution scheme. As the charity has an agreed deficit contribution scheme in place, a liability has been included for the value of these future payments, discounted to their present value.

The major assumptions used by the actuary were (in nominal terms) as follows:

##### Assumptions

	2020 %	2019 %
Discount Rate	2.40	2.50
Inflation (RPI)	2.80	3.50
Inflation (CPI)	2.00	2.50
Revaluation of deferred pensions in excess of GMP	2.00	2.50
Allowance for pension in payment increases of RPI or 5% p.a. if less	n/a	n/a
Allowance for pension in payment increases of CPI or 5% p.a. if less	2.00	2.50
Allowance for pension in payment increases of CPI inflation since retirement or 5% p.a. compound if less	2.00	2.50
Allowance for pension in payment increases of - CPI or 3% p.a. if less	1.90	2.30
Allowance for commutation of pension for cash at retirement	75% of HMRC Maximum	75% of HMRC Maximum

Notes to the financial statements

For the year ended 31 March 2020

15 Pension scheme (continued)

Assumed life expectancies on retirement at age 65 are:

	Life expectancy at age 65 (Years)	
Male retiring today	21.2	22.0
Female retiring today	24.1	24.8
Male retiring in twenty years time	22.6	23.4
Female retiring in twenty years time	25.6	26.3

The most recent formal actuarial valuation of the Plan was as at 31 March 2016 and revealed a funding deficit of £52,374,000. In the recovery plan agreed following the valuation, the Principal Employer and other participating employers agreed to pay deficit reduction contributions of £1,749,000 per annum with the view to eliminating the deficit by 31 December 2033. As mentioned above, the formal triennial actuarial valuation as at 31 March 2019 is currently ongoing and once this has been finalised a new recovery plan is likely to be put in place.

In accordance with the schedule of contributions in force over the 2020/21 accounting year, the contributions to the Plan for the year ending 31 March 2021 are expected to be £2,049,000, which includes £1,749,000 towards the deficit and £300,000 as an allowance for administration expenses and all scheme levies. A new schedule of contributions is likely to be agreed during the year following the completion of the actuarial valuation as at 31 March 2019. However, this has not yet been finalised.

The charity expects to contribute £2,400 per annum.

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	74,382	-	74,382
Net current assets	607,515	45,839	236,934	890,288
Long term liabilities	(26,091)	-	-	(26,091)
<b>Net assets at 31 March 2020</b>	<b>581,424</b>	<b>120,221</b>	<b>236,934</b>	<b>938,579</b>

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	16,424	-	16,424
Net current assets	613,446	10,000	167,561	791,007
Long term liabilities	(27,634)	-	-	(27,634)
<b>Net assets at 1 April 2019</b>	<b>585,812</b>	<b>26,424</b>	<b>167,561</b>	<b>779,797</b>

The RCJ and Islington Citizens Advice Bureaux

Notes to the financial statements

For the year ended 31 March 2020

17a Movements in funds (current year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
<b>Restricted funds:</b>					
<b>Bankruptcy &amp; debt</b>					
Debt Free London (formally Capitalise Money Advice Service)	6,960	196,736	(203,696)	-	-
CitA Debt relief order grant	-	234	(234)	-	-
<b>Civil &amp; family</b>					
Access to Justice Foundation	-	13,500	(13,500)	-	-
CAFF CASS	-	2,805	(2,805)	-	-
Citizens Advice	(305)	273,568	(230,248)	-	43,016
Enfield Council		25,018	(18,684)		6,334
London Legal Support Trust		1,500	(1,500)		-
Ministry of Justice	-	422,974	(422,974)	-	-
Toynbee Hall	-	4,988	(4,988)	-	-
Great Legal Cake Bake	-	242	(242)	-	-
<b>CourtNav</b>					
Freshfields Bruckhaus Deringer LLP	37,577	-	-	-	37,577
<b>FLAWS</b>					
Department for Digital, Culture, Media & Sport	-	649,889	(648,496)	(1,394)	-
Legal Education Foundation	-	48,616	(12,743)	-	35,873
NESTA	-	50,000	-	-	50,000
<b>Housing</b>					
Toynbee Hall	-	4,988	(4,988)	-	-
<b>Islington Advice</b>					
Citizens Advice Service	-	103,589	(103,589)	-	-
Centre for Justice Innovation	-	67,130	(67,130)	-	-
Cripplegate Foundation	-	21,156	(21,156)	-	-
Islington Council	121,403	470,000	(527,269)	-	64,134
Miscarriage of Justice project grants	-	-	(8,498)	8,498	-
Toynbee Hall	-	-	-	-	-
<b>Miscarriage of Justice</b>					
Ministry of Justice	1,925	100,000	(93,427)	(8,498)	-
<b>Total restricted funds</b>	<b>167,560</b>	<b>2,456,933</b>	<b>(2,386,166)</b>	<b>(1,394)</b>	<b>236,934</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Designated funds – Fixed Assets	16,424	-	-	57,958	74,382
Designated funds – Website development	10,000	-	(3,744)	(6,256)	-
Designated funds – supplies of education	-	-	-	45,839	45,839
<b>Total designated funds</b>	<b>26,424</b>	<b>-</b>	<b>(3,744)</b>	<b>97,541</b>	<b>120,221</b>
<b>General funds</b>	<b>585,813</b>	<b>730,541</b>	<b>(638,783)</b>	<b>(96,147)</b>	<b>581,424</b>
<b>Total unrestricted funds</b>	<b>612,237</b>	<b>730,541</b>	<b>(642,527)</b>	<b>1,394</b>	<b>701,645</b>
<b>Total funds</b>	<b>779,797</b>	<b>3,187,474</b>	<b>(3,028,693)</b>	<b>-</b>	<b>938,579</b>

The RCJ and Islington Citizens Advice Bureaux

Notes to the financial statements

For the year ended 31 March 2020

17b Movements in funds (prior year)

	At 1 April 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 April 2019 £
<b>Restricted funds:</b>					
<b>Bankruptcy &amp; debt</b>					
Capitalise Money Advice Service (formally BIS)	-	246,547	(239,587)	-	6,960
CitA Debt relief order grant	-	153	(153)	-	-
<b>Civil &amp; family</b>					
Access to Justice Foundation	-	5,625	(5,625)	-	-
CAFF CASS	-	2,500	(2,500)	-	-
Citizens Advice	-	-	(305)	-	(305)
Legal Education Foundation	-	47,117	(47,117)	-	-
Ministry of Justice	-	422,976	(422,976)	-	-
Toynbee Hall	-	1,496	(1,496)	-	-
Thompson Reuters Holdings	-	-	-	-	-
<b>CourtNav</b>					
Freshfields Bruckhaus Deringer LLP	27,577	10,000	-	-	37,577
<b>FLAWS</b>					
Department for Digital, Culture, Media & Sport	-	464,866	(462,529)	(2,337)	-
<b>Housing</b>					
Toynbee Hall	-	1,496	(1,496)	-	-
<b>Islington Advice</b>					
Access to work	-	1,563	(1,563)	-	-
Big Lottery Make it Work	-	62,285	(62,285)	-	-
Citizens Advice Service	-	11,382	(11,382)	-	-
Centre for Justice Innovation	-	57,058	(57,058)	-	-
Cripplegate Foundation	-	20,056	(20,056)	-	-
Islington Council	49,489	510,000	(438,086)	-	121,403
Miscarriage of Justice project grants	-	-	(12,000)	12,000	-
Toynbee Hall	-	11,971	(11,971)	-	-
<b>Islington Financial Inclusion – FIT Money</b>					
Big Lottery Islington Financial Inclusion	-	5,097	(5,097)	-	-
<b>Miscarriage of Justice</b>					
Ministry of Justice	-	100,000	(86,075)	(12,000)	1,925
Trust for London	-	30,000	(30,000)	-	-
<b>Total restricted funds</b>	<b>77,066</b>	<b>2,012,188</b>	<b>(1,919,357)</b>	<b>(2,337)</b>	<b>167,560</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Designated funds – Fixed Assets	18,835	-	-	(2,411)	16,424
Designated funds – Website development	10,000	-	-	-	10,000
Designated funds – strengthening reserves	65,000	-	-	(65,000)	-
<b>Total designated funds</b>	<b>93,835</b>	<b>-</b>	<b>-</b>	<b>(67,411)</b>	<b>26,424</b>
<b>General funds</b>	<b>488,951</b>	<b>655,141</b>	<b>(628,027)</b>	<b>69,748</b>	<b>585,813</b>
<b>Total unrestricted funds</b>	<b>582,786</b>	<b>655,141</b>	<b>(628,027)</b>	<b>2,337</b>	<b>612,237</b>
<b>Total funds</b>	<b>659,852</b>	<b>2,667,329</b>	<b>(2,547,384)</b>	<b>-</b>	<b>779,797</b>

**17 Movements in funds (continued)**

**Purposes of restricted funds**

**Bankruptcy and Debt**

The Debt Advice Project funded by the Debt Free London is a London-wide partnership which aims to reduce debt and exclusion by improving peoples' capacity to manage their debts, help people to take control of their finances and make informed choices in the future.

**Civil and Family**

Legal advice to litigants in person in civil and family law matters funded by the Ministry of Justice through the Litigants in Person Strategy in the High Court, the Central London Family Courts, the Court of Appeal and the London County Court. Access to Justice grant from pro bona cost awards contributed towards the costs of the billing clerk and paralegal post. The Legal Education Foundation provide funding for the trainee family solicitor and CafCass contributed to the salary costs of the Child Contact Centre Coordinator. Toynbee Hall funded the costs of specialist family advice for referrals from the City Workers Adviceline project. Citizens Advice funded the EU Settlement Immigration advice service and separate Windrush advice and the London Legal Support Trust funded the purchase of an electronic interactive flipchart for our family legal work.

**CourtNav**

CourtNav is a unique and innovative online application to support Litigants in Person to complete court forms. This has been developed through a working partnership with Freshfields Bruckhaus Deringer LLP.

**Finding Legal Options for Women Survivors – FLOWS**

FLOWs is delivered in partnership with Right of Women, Newcastle Law Centre and Brighton & Hove Citizens Advice and provides legal advice and tools to front line agencies across England to increase their confidence in ensuring women experiencing domestic abuse are aware of legal remedies. FLOWs further expands the modules available on Courtnav with the development of the FL401 non molestation order.

**Islington Advice**

Islington Council funds the costs of running the Islington Citizens Advice service and provided additional funding in 2018/19 to support clients with Universal Credit. Citizens Advice funds Universal Support Help to Claim project. The Centre for Justice Innovation funds the community advice service in Highbury Corner Magistrates Court. Big Lottery Reaching Communities fund the Make It Work project which supports low paid workers, self-employed workers and micro businesses in the borough. Cripplegate Foundation fund outreach generalist advice work in the London Borough of Islington & Access to Work funded work adaptations for a member of the Islington Advice staff team.

**Islington Financial Inclusion – FIT Money**

Big Lottery funded the FIT Money project which aims to increase the financial confidence of people living in Islington Social Housing in Islington. The main focus of the project was mainstreamed within Islington Advice services from August 2016. The balance on the restricted funding financed the preventative housing advice and solicitor in 2018/19.

**Miscarriage of Justice**

The Ministry of Justice funded support and advice to victims of miscarriages of justice whose cases are referred to the Court of Appeal by the Criminal Cases Review Commission. Trust for London funded the costs of an Immigration solicitor for three days a week to work with asylum seeker referrals in 2018/19.

**Purposes of designated funds**

**Fixed assets**

The fixed asset fund represents the net book value of assets held in the Charity for everyday use and is set aside to reflect the proportion of unrestricted funds which are not freely available to spend.

The website development fund funded the cost of an interactive triage tool for civil and family legal clients in 2019/20.

Supplies of education fund relates to the ringfenced profits from the Separated Parents Information Programme in the year which will be used to further future education and training activities within the charity.

The Strengthening Reserves fund was established to raise core donations to increase the charity's general reserves and finance cashflow during periods of delays in receipt of major grant funding. This fund was transferred to the general funds in 2018/19 to reflect the nature of funds being to top up our general reserves level.

**17 Purposes of designated funds (continued)**

**Transfer between funds**

The transfer of £8,584 (2019: £12,000) from the Miscarriage of Justice fund to the Islington Advice fund represents the grants payable contribution to Citizens Advice Islington Advice in providing support and advice during the year to the Miscarriage of Justice clients resident in Greater London.

The transfer of £1,394 (£2,337:2018/19) from the FLOWS fund to the general fund represents the remaining net book value of the assets purchased as capital items from the grant being transferred to the unrestricted reserves to be written off in future years.

**18 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Equipment 2020 £	2019 £
Less than one year	4,077	5,242
One to five years	680	6,734
	<u>4,757</u>	<u>11,976</u>

**19 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.