

Midlothian Financial Inclusion Network

Annual Report and Accounts 2007-2008

Company limited by guarantee 282964

Scottish charity SC035964



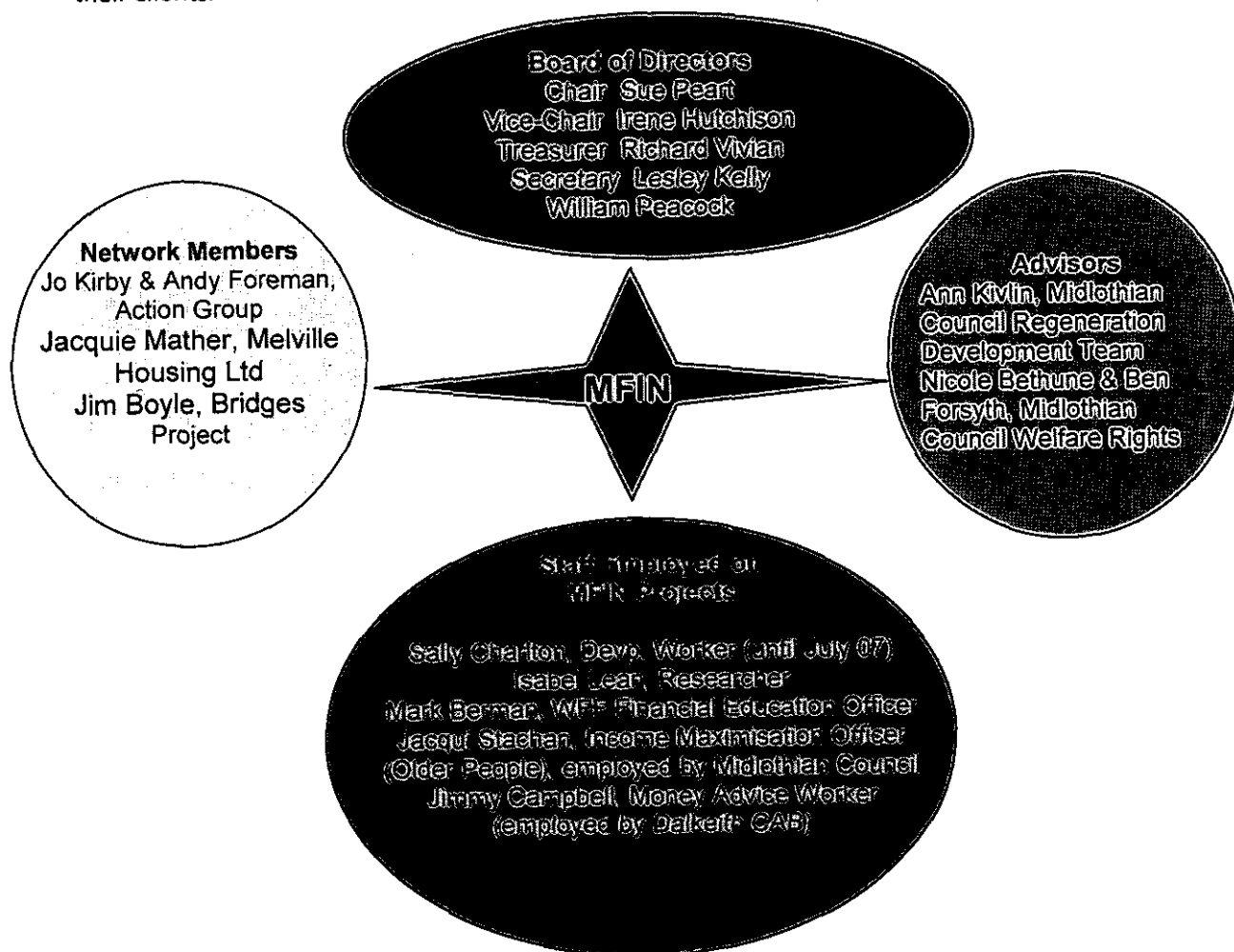
Midlothian Financial Inclusion Network

MFIN is a charity (SC035964) and a company limited by guarantee (282964). We were first constituted in May 2004, and became a company in April 2005.

MFIN's objective, as outlined in our Memorandum of Association is:

'To relieve poverty and to advance public education in all matters relating to the management of personal finances.'

We aim to increase awareness of money advice; increase access to money advice services; target help on vulnerable groups and areas; and build the capacity of community-based groups to support their clients.



Midlothian Financial Inclusion Network is a Company Limited by Guarantee No 282964 and is recognised as a Charity by the Inland Revenue - Reference Number SC035964
Registered office: 14a John Street, Penicuik, EH26 8AB

Chair's Report

Once again I have the privilege to report on the activities of the charity I am delighted to note once again how much has been achieved with so few resources. Those few resources I speak of are the dynamic individuals who have taken forward the strategy and achieved remarkable results. My thanks go to everyone who has contributed so positively to the work of the network and the results of their contributions for Midlothian's most vulnerable are detailed within this report.

During the year the network has continued the Older Peoples Income Maximization Project and the equally successful Working for Families Project. Sadly Sally Charlton left us at the start of the year and we thank her for her considerable contribution but Isobel Lean was engaged to complete the enormous task of establishing our website which she did so ably.

Sue Peart, Chair

This partnership working has continued to develop this year with links with Midlothian Council's Arrears Team being established. It seems difficult to imagine that any more could be achieved but the year ended on another high note with a successful bid to Awards for All for a Business Plan and our sincere thanks go to Lesley Kelly and Ann Kivlin for their commitment and talent without which the application could not have been made.

Sue Peart

MFIN Chair



Contact



MFIN can be contacted c/o



Lesley Kelly, MFIN Secretary
c/o MVA, 4/6 White Hart Street, Dalkeith EH22 1AE
0131 663 9471 lesley.kelly@mvacvs.org.uk



Sue Peart, MFIN Chair,
c/o Penicuik CAB, 14A John Street,
Penicuik, EH26 8AB
01968 675284

Quality Of Life Funding 2007/8 – Older People's Project

MFIN secured funding in June 2005 of £56,000 from the Pension Service to employ an Income Maximising Officer (IMO) to promote benefit uptake for older people. They subcontracted the post to Midlothian Council's Welfare Rights Team based at Loanhead Social Work Offices.

MFIN was successful in securing a further £20,000 funding from The Quality of Life Funding to continue the project from July 2007 - 31st March 2008.

The Aims of the Older Peoples Project

- 1) To encourage benefit uptake and maximise income of those aged 60 or over.
- 2) To work in partnership with the local Pension Service and other agencies to promote social inclusion.
- 3) Target the hard to reach/vulnerable groups of older people to alleviate financial hardship.
- 4) Give advice on Midlothian Council's services and to refer to other key agencies.

The Older Peoples Project Final Outcomes

- 1) The Income Maximising Officer (IMO) has contacted **1040 clients**. She has assisted older people in making claims for benefits and made referrals to other services on their behalf.

Total Benefit Gains

- 2) The benefit claims made during the project have generated weekly benefit gains and lump sum arrears payment to **318 clients**. The increases of weekly benefit and lump sum payments of arrears of benefit have improved the benefit take up of older people in Midlothian and helped to alleviate their financial hardship.

WEEKLY BENEFIT GAINS – JULY 07 to MARCH 08	LUMP SUM ARREARS – JULY 07 to MARCH 08
£ 6, 783.61	£ 49, 912.53

The total benefit gains will increase over the following 2-3 months as benefit claims made since January have not yet had all their outcomes decided.

Partnership working

- 3) The project has promoted joint working with partners to ensure that the hard to reach vulnerable group receive the benefits they are entitled to and enjoy an improved quality of life. The project was externally evaluated in 2007 and the summary report concluded that 65% of the referrals to the project came from areas of deprivation. (Gorebridge, Mayfield and Easthouses.)

A questionnaire was sent to all older people helped by the project in 2007. The Evaluator of the project confirmed in her report findings from the questionnaire that the project was reaching its target group of over 75s.

*Of the questionnaire returned 55% were over 75.

*78% had a disability.

*34% were finding it difficult in accessing services.

With some individuals fitting into all of the above 3 categories.

Request to The Community Planning Working Group to deviate from the original bid

In January 08 a request was made to use an under spend in the project to employ a temporary worker to undertake a review of the successful clients who had received benefit gains with the Council's Social Work non- residential care clients. The CPWG agreed to the proposal and a temporary worker was employed to carry out this task.

The collated statistics have provided valuable information on how many Social Work clients have been assisted by the IMO and identified the increase in non –residential care charges as a consequence of the benefit claimed. As a result of this work the Social Work Department have put in place a new benefit gain recording procedure to ensure accurate financial gains can be monitored.

A presentation of the successful outcomes of The Older Peoples Project was given to the CPWG in March 08.

Conclusion

The Older Peoples Project has been providing a valuable service to older people in Midlothian for over 2 years. The Quality of Life Funding has come to an end on 31st March 08 and although Midlothian Councils Social Work Department have confirmed funding until June 08 the continuation of the project beyond that date remains uncertain.

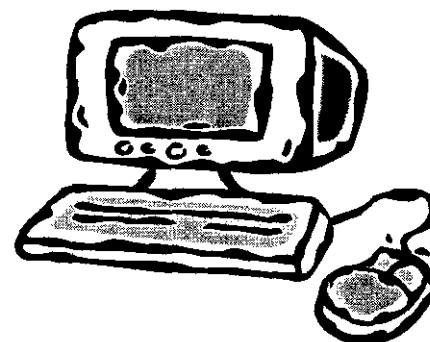
MFIN are in the process of sourcing other funding to continue the project.



We are proud to announce that MFIN now has its own website at

www.mfin.org.uk

We hope you will find it useful!



Working for Families

MFIN were involved in two Working for Families Projects:

- Project 02: Money Advice Worker, Development Worker;
- Project 15: Financial Education Worker.

Target areas: The services available through the projects were promoted to and were offered to agencies & clients throughout the Midlothian local authority area.

Target groups: The 3 projects met all the target groups they were aiming for, these were: Parents on low income; Parents using formal childcare arrangements for the first time; Multiple stresses; Hard to reach clients; Lone parents pre New Deal; Parents in two parent households; Parents in Education; Parents with drug and alcohol issues; Disability – parents with additional support needs.

Estimated number of clients:

The Money Advice Project achieved a target of **92%** of the estimated **250** clients

Financial Education Worker achieved a target of **78%** of the estimated **60** clients

Outputs & outcomes for years 1 & 2

Money advice:

- **230** clients have received advice and support between April 2006 and March 2008, although this target has not been met, it is not due to lack of referrals, but is as a result of the workload being very heavy and clients' cases taking up more time than first anticipated due to the complex nature of the client's financial situations.
- The Money Advice Worker offered a successful outreach drop-in service in order to reach those who could not get to CAB and to promote the services offered by Working for Families (WFF), this resulted in further referrals for WFF Key Workers.
- Confirmed financial gains totalling **£284,056** were achieved in terms of sequestrations, protected trust deeds, debt write offs and refunds.
- A successful mortgage to rent application was submitted on behalf of one client, preventing loss of the family home.

Clients establishing savings accounts with the Credit Union:

- Money Advice & Development Worker Projects helped to establish **345** savings accounts with the Credit union, which was **245** over the original target of **100**.

Organisations supporting working parents receive capacity building sessions on supporting clients with financial inclusion issues:

- Financial Education achieved a target of **70%**
- Development Worker achieved a target of **95%**

Organisations supporting working parents receive the MFIN e-newsletter with information on financial inclusion issues relevant to their clients;

- The overall target reached by the Development Worker project was that of **131** organisations receiving the e-newsletter on a quarterly basis, **30% more than the original target of 100**.

The shortfall on some targets can be attributed to:

Estimated number of clients;

- There was a delay in the recruitment of workers for both projects
- A significant number of WFF referrals came through the job centres. At this stage, many of the clients were already at a later stage of their opportunity search and had already chosen a pathway and only required confirmation of their decision. In other cases, referrals from Sure Start will have already been through household management training and support and the referral was, again, mainly to confirm options that had already been discussed.
- There seems further confirmation of this the Financial Education Worker did not have a single referral from the Money Adviser for any additional budgeting or financial education work. This means either that the MA did not feel there was a need or that he was doing this work himself.

Organisations supporting working parents receive capacity building sessions on supporting clients with financial inclusion issues;

- The delay in recruitment of Financial Education Worker.
- The Development Worker responsible left the post and the recruitment process meant that the remaining time for the new worker was focused on the construction of the website.

SUMMING UP

Overall the two projects have achieved great success in all aspects of work they have undertaken, particularly the Money Advice, which has, as a result secured further funding to continue this much needed service. What did become apparent through the Financial Education Project was that People registering with WFF in Midlothian appear to have at least some level of financial sophistication and motivation. All benefits appeared to be being paid through bank accounts, with no one using Post Office Accounts, and as parents they all had basic budgeting skills and there did not appear to be a demand for follow-up work. This could in turn be as a result of the effects of the initial contact clients had with the Money Advice Worker, who may have passed on educational and budgeting advice when dealing with clients' financial issues.

Perhaps also to be considered for any future Financial Education Projects, is the widening out of its services to other partners, such as those who deal specifically with drug and alcohol client groups or NEET (Not in Education Employment or Training). This will provide an efficient networking system that ensures that they are reaching those who may be suffering from lack of support but are not registered with Working for Families.

Full Report available from www.mfin.org.uk

Midlothian Financial Inclusion Network, SC282964

Annual Accounts to 31 March 2008

	<u>2007-2008</u>		<u>2006-2007</u>
RECEIPTS			
Midlothian Council Grant (SPR Fund)	3000		677
Working for Families	35383		13791.25
Pensions Service	28000		13500
Tyne & Esk Leader Plus	0		9328.60
Quality of Life	40481		0
Bank	447		369.95
Total	<u>116711</u>		<u>37666.80</u>
	£116711		£30,516.75
PAYMENTS			
Payments for charitable purposes			
Staff costs			
Salaries	405		1534
Recruitment advertising	1186		0
Web Site	5898		
Postage, telephone & consumables	467		
Dalkeith			
Robertson Trust			7000
Tyne & Esk Leader Plus	0		3348.68
Working for Families	32900		8744.56
Penicuik			
Tyne & Esk Leader Plus			3348.68
MARC	21380		3935.33
Working for Families			
Consultancy	3000		
Income Maximisation			
Travel	491		115.98
Insurance	394		512.25
Bank tax	74		73.94
Premises			39
Bonar Associates	2973		0
Bank charges	86		
Total payments for charitable purposes		100163	28687.42
Governance			
Companies House	30		140
Independent Examiner	180		180
GAP Training	90		
Information Commissioner			35
Annual General Meeting			250
Total payments for governance		300	595
Total Expenditure	<u>100463</u>		<u>29247.42</u>
Unrestricted funds			
Balance Carried Forward	<u>16248</u>		<u>£8419.38</u>

Midlothian Financial Inclusion Network Abbreviated Balance Sheet

Balance Sheet as at 31st. March, 2008

SC282964

	<u>2008</u>	<u>2007</u>
	£	£
Current assets		
Cash at bank	42542	30775
Current Liabilities		
Creditors MVA	0	39
Dalkeith CAB	0	<u>4442</u>
	0	<u>4481</u>
Net current assets	<u>42542</u>	<u>26294</u>
Financed by		
Reserves brought forward	26294	17875
Surplus for year	<u>16248</u>	<u>8419</u>
	<u>42542</u>	<u>26294</u>

1) Accounting Policies

Accounting Convention: The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover: Turnover represents amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers.

Depreciation: Depreciation is calculated to write off the cost of fixed assets on a straight-line basis as follows:-

Office Equipment	25%
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2) Fixed Assets

	2008	2007
	Nil	Nil

At valuation

3) The Company is a registered charity and the liability of its members is limited by Guarantee. Registered Charity no: SCO 35964

4) No remuneration was paid to Directors.

For the year ended 31 March, 2008, the company was entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act, 1985

No notice has been deposited with the company under Section 249B(2) of that Act requiring an audit to be carried out.

The directors acknowledge their responsibilities for:-

- (a) ensuring the company keeps accounting records in accordance with Section 221 of the Companies Act 1985; and
- (b) preparing financial statement which give a true and fair view of the state of the company as at the end of its financial year and its profit or loss for each financial year in accordance with the requirement of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relative to financial statements.

These accounts have been prepared in accordance with the special provision of Part VII of the Companies Act relating to small companies.

The financial statements were approved by the board on 15 October 2008 and signed on its behalf:-


Susan Peart, Chairman, Director.

15th October, 2008

Report by the Independent Examiner and Reporting Accountant

I report on the accounts of the Midlothian Financial Inclusion Network for year ended 31 March 2008. I have examined the Trustees' report; the association's accounting records, and the Receipts and Payments Account and Statement of Balances that are attached as part of this document.

Respective responsibilities of trustees and examiner

The charity trustees or directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10 (1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by accounts.

Independent examiner's statement

- (a) the accounts of the company for the financial year in question are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985; and
- (b) having regard only to, and on the basis of, the information in those accounting records, those accounts have been drawn up in a manner consistent with the provisions of the Act as specified in subsection (6) of section 249C, so far as applicable to the company;
- (c) having regard only to, and on the basis of, the information in the accounting records, the company satisfied the requirements of section 249A(4), for the financial year in question, and did not fall within section 249B(1)(a) to (f) at any time within that financial year.
- (d) In the course of my examination, no matter has come to my attention
 - (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
 - to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:

12th October 2008

Graham McG White, FCA. Bellwood Accountancy Services, 5 High Street, Penicuik.