

Company No: 3316471
Charity No: 1061055

Blackfriars Advice Centre
Report & Financial Statements
31 March 2013

Independent Auditor's Report to the Members of Blackfriars Advice Centre

For the year ended 31 March 2013

Status	The organisation is a charitable company limited by guarantee, incorporated on 11 February 1997 and registered as a charity on 4 March 1997.
Governing document	The organisation 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.
Company number	3316471
Charity number	1061055
Registered Office	Cambridge House 1 Addington Square London SE5 0HF
Honorary officers	Lisa Harrison/Ros Lucas – Chair 2012/13 Maureen Obi – Vice Chair 2012/13 Chris Sanford – Current Chair Chris Snow – Current Vice Chair
Principal Staff	Helen Rice - Chief Executive Officer Katherine Sutton - Interim - maternity cover
Bankers	Unity Trust Bank Limited Nine Brindley Place Birmingham B1 2HB
Auditors	Haines Watts, Chartered Accountants Old Station House Station Approach Newport Street Swindon Wiltshire Sn1 3DU

Report of the Trustees

The trustees present its report and the audited financial statements for the year ended 31 March 2013.

The 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.

Background

Blackfriars Advice Centre (BAC) was established in 1996 as an independent, generalist advice centre, providing advice and advocacy to the communities of Southwark.

In 1997 BAC became an independent, incorporated charity as part of a move to further improve our services, targeting the increasingly diverse communities we are now able to serve. These included mainly, but not exclusively, Southwark residents and workers.

The organisation has now established a reputation as a flagship advice centre influencing local and national policy.

Our vision is of an increasingly self-confident community that works locally for economic progress and social justice; of a community service that moves beyond citizen information and advice to enablement and empowerment; that is responsive to the diverse needs and aspirations of the people it serves; that communicates effectively and efficiently; and that puts community problem solving at its heart.

We provide a high level holistic advice service through our varying programmes and services. Our objective is to reach as many people in need as possible; 95% of clients who come through our doors are from socially disadvantaged groups. BAC also provides a policy specialism in the area of financial inclusion and is a leading debt agency in South London. Additionally, BAC is the only specialist debt provision agency in the borough and works strategically across London to tackle financial exclusion.

Services

During 2007 BAC delivered services to approximately 5,000 clients in need. In 2008 we saw 7,013 across the organisation. Our most recent numbers now tip 10,000.

Drop-in

Our open door drop-in service is run four mornings a week. Here clients are seen by advisers who establish their needs and provide on the spot advice, do preventative work or make referrals to one of our specialist advisers if this is appropriate.

Specialist Legal Services

Being one of the Legal Aid franchise pilot agencies in the 1990's has put us the forefront of developments within the advice sector, as has our active involvement in forums concerned with the future of legal services.

We are a partner of the Southwark Legal Advice Network and developed the SLAN website. The core partnership alongside BAC consists of;

- Southwark CAB service
- Southwark Law Centre
- Cambridge House Law Centre
- Southwark Refuge Project
- Multi lingual Community Rights Shop
- Afro Asian Advisory Service
- Pierce Glynn Solicitors

- Anthony Gold Solicitors
- Southwark Council Community Engagement Department

The overall aim of SLAN is to improve access to quality assured advice services.

BAC has a LSC contract in Housing, Welfare Benefits and Debt. To enable us to bid for the contracts, BAC helped engineer borough wide consortia to ensure the present VCS providers and private solicitor firms provided a co-ordinated and efficient approach that could not be outbid by the private sector. To meet the needs of the organisation BAC now has an in-house solicitor, enabling us to complete licensed work.

Outreach

An important part of our work is reaching out to people in their immediate locality and for this we provide our Outreach Advice Service aimed at targeting individuals and families within the community who would be unlikely to use our core service. We run our outreach services at:

- Paxton Green Health Centre
- Bengali Community Development Project
- Southwark Somali Refugee Project
- Sure Start Children's Centre's
- Southwark Travellers Action Group
- Southwark Irish Pensioners
- Lambeth County Court drop in
- Mortgage Rescue Scheme

These sessions are offered in recognition that people's health and capacity is often affected by worrying about other problems such as debt and the imminent loss of their homes.

Many of these locations were selected to allow greater accessibility to the Centre's core services in geographical areas that lack advice provision. For example, our session at the Rockingham Estate targets Bengali women who face cultural and language barriers to accessing mainstream services.

We have developed our community outreach and our multi-lingual services with the introduction of our Rights Reach Programme funded by the Big Lottery Fund. We are also developing our policy and prevention function including a financial capability training programme.

Face to Face services

The recession has created a huge demand for our debt services and as such we have managed to double the size of our debt contract and gain financial education funding. The Face to Face project funded by Money Advice Service through the Capitalise Lead Agency Toynbee Hall, which is a partnership of over 20 organisations delivering face to face debt advice. Through this contract we are delivering debt advice to users across London and neighbouring boroughs, including an outreach in Bromley Council. We see close to 2,000 people a year solely through this project, supporting people through difficult and stressful situations ranging from utility debts through to Debt Relief Orders and Bankruptcy.

Debt and financial capability training

We have recently developed a policy specialism in financial inclusion and also deliver high level training and support in financial capability. We have recently received 5 years of Big Lottery funding to ensure we are able to reach communities that do not traditionally access advice and develop a range of prevention initiatives that enables clients to help themselves through our new on-line self-help centre and language services at Cambridge House.

Projects in partnership

These include:

Court Services - BAC is the lead agency for the LSC Duty Scheme consortium in Southwark. The Duty Scheme provides last minute advice and representation for a large range of possession hearings at the Lambeth County Court.

Irish Community Advice Project – serves the Irish Community in Southwark including targeted work with Irish pensioners and residents at Traveller sites.

Sure Start – Sure Start is a government programme to improve life chances for families with young children. Our advisers work in partnership with health professionals, staff from social services and with other voluntary organisations.

Face-to-face – a MAS funded project designed to tackle debt advice through co-ordinated networking between agencies.

Southwark Somali Refugee Project - BAC provides a generalist advice service on an appointment basis to the Somali Community through outreach services.

Bengali Community Development Project - BAC offers a drop in session each week, along with an advisor we provide a translator to assist with advice and support.

We've just started our financial education programme called Money Savvy Southwark providing financial education workshops to those who are high risk of defaulting on rent payments.

Policy Context

The current economic problems are causing problems at all levels – reducing the amount of spending in the public sector (and by association on contracts for voluntary sector providers), reducing the money individuals have in their pockets, and increasing costs for organisations and individuals – meaning an increase in demand for support services at the same time as significant cuts are facing the organisations who traditionally would have supported them.

Southwark has a growing population, with complex and diverse needs. Whilst there are improvements in some areas, the borough still faces significant issues linked to deprivation and poverty which affect the quality of life for local people.

Significant welfare reform is scheduled for the coming years, with radical changes to the benefits system with the introduction of Universal Credit, and the localisation (and real-term reduction in spend) of many benefits and social support payments. Such change will impact across Southwark's communities, and organisations will need to be prepared to offer early intervention to ensure people are aware of the changes, whilst also preparing for an inevitable surge in demand for advice and support from those surprised by the changes or who experience problems through the transition and implementation periods.

The growing emphasis on localisation, from public health decision-making to community budgets, means organisations such as Blackfriars Advice Centre need to consider their role in working with communities to ensure local voices are heard in the decision-making process – many decisions and policies which were previously the reserve of central Government (and thus open to influence by national lobbying organisations and evidence) will now be taken at a local level, meaning the role of advocating for local people will move to local organisations and groups.

Moves to change the way public services are delivered, in particular a move to online mechanisms, will also impact on local people, and the need to ensure digital exclusion does not lead to financial and social exclusion through changes to public services will need to be carefully considered by organisations working with local people.

With reductions in the funding available through legal aid for advice services, at the same time as uncertainty about the levels of funding that will be available from other sources (including the local authority and grant funders) and moves to payment for services in different ways (through individual budgets and payment by results), organisations will need to carefully consider their strategies to ensure they are financially sustainable and able to continue to provide the much-needed services that local people need.

Economic austerity

Central Government is committed to reducing the national budget deficit through cuts to public spending, and has been working on this agenda since the 2010 election. It is clear from the announcements of the government that future cuts will need to be anticipated for at least the next four years – public sector spending figures, published by the Treasury following the Budget in 2012, set out a 0.9% fall in public sector spending in the two years after the current comprehensive spending review period ends in 2014-15, accompanied by a statement from the Treasury to say that there will need to be “significant real reductions” in public sector spending in 2015-16 and 2016-17.

Financial impact on individuals

With the wider economic uncertainty, the Bank of England maintaining interest rates at a low level has benefited some (e.g. those with mortgages), whilst negatively impacting on others (in particular those who have retired, or who have savings), and a freeze on salary rises in most sectors at a time when inflation continues to rise has hit some hard, with the net result that individuals have less disposable income to spend now than at any point in the last ten years (according to figures from the Office for National Statistics).

The local context:

Demography

Southwark is a borough of contrasts – from gentrified and affluent areas, to some of the most deprived parts of the capital (and indeed the country). The local population represents the full spectrum of diversity, and there is an active voluntary and community sector. Although a full summary of community data will be available when the 2011 Census results are published, the following statistics give a flavour of the demographic mix in the borough:

- The borough had a population of 256,700 at the 2001 census, and the initial results of the 2011 Census show this has risen by 12.3% to 288,300. At 95.1 persons per hectare, Southwark has a population density about twice the London average;
- Southwark’s population is ethnically diverse, with a high proportion of Black Africans (12.7%, concentrated in Peckham, Liversey, Foundry, Camberwell Green) and Black Caribbean’s (6.6%, concentrated in Peckham, Nunhead, the Lane and Camberwell Green) compared to both the national and London average. The White British population, who make up around 52.6% of the borough’s population, are concentrated around Southwark Village, Surrey Docks, Rotherhithe, South Bermondsey and Riverside;
- 8,751 people (or around 3% of residents) in the borough are accessing mental health support services;
- 13,160 people (or around 5% of residents) in the borough are in receipt of disability living allowance, of whom around two-thirds have been in receipt for over five years.

Challenges

There are many challenges in the borough that services could be targeted at resolving:

- 34% of children in the borough live in poverty;
- Southwark is in the top six of boroughs in London for premature death (death before the age of 65) with around 220 deaths per 100,000 people. This is around twice the level seen in more affluent boroughs such as Richmond or Kensington & Chelsea;
- Southwark is in the top five of all boroughs in England for conception in girls under 16;
- Around 19% of the borough's residents are in jobs paying less than the London Living Wage, and just over 15% of residents are claiming out-of-work benefits (with Southwark being the 2nd most deprived borough in London on the employment scale);
- 18% of borough are living in households with less than £15k household income;
- Just over 4% of the borough's households are accepted as homeless, putting Southwark in the top six homelessness boroughs in London.

Improvements

It's not all doom and gloom – Southwark is also a borough that shows positive improvements in many measures, including:

- Southwark was the 26th most deprived borough in England (of 354) in 2007, improving from 17th most deprived in 2004;
- Southwark was the 9th most deprived borough in London in 2007, improving from 6th position in 2004;
- Southwark is one of the most 'improved' boroughs in London, when it comes to the proportion of people receiving out of work benefits. In 2002, it had the fifth highest rate of reciprocity in London. By 2009, it was 13th.

Housing

Housing is one of the main advice issues in the borough, with the following statistics on the local housing market helping to illustrate some of the issues in this area:

- Levels of social renting (at 43.5% in 2011) are among the highest in London (and much higher than in England as a whole, for which the figure is 17.8%);
- 43% of properties in Southwark were constructed before 1919 and 14% between 1919 and 1964 – important as older properties tend to be in greater disrepair and be less energy efficient than more modern homes;
- About 37% of homes in Southwark have a category 1 hazard (under the Housing Health and Safety Rating System, indicating a risk to vulnerable communities in particular);
- The government-defined Decent Home Standard is not met by 44% of council properties.

Objectives and activities in response to the needs of clients

BAC provides advice, legal services and financial education programmes to the people of Southwark, Lambeth and neighbouring boroughs. The organisation aims to reduce poverty and enable clients to achieve their rights and entitlements by empowerment and targeting services at the most vulnerable through outreach work and through lobbying to implement best practice on both a local and national level.

Vision

A society where people live without poverty and tackle social injustice

Mission

- To tackle poverty, social injustice, disadvantage and discrimination
- To ensure citizens understand and are enabled to exercise their legal rights and responsibilities
- To actively promote financial and social inclusion for all
- To educate and advise those in financial need

Values

- Respecting the rights of individuals and enabling them to make informed choices for themselves
- Being positive and solution focused
- Providing high quality client centred services
- Challenging discrimination in all forms
- Valuing diversity and difference
- Working collaboratively with other agencies
- Minimising our impact on the environment
- Respecting our working environment and understanding our impact on others
- Making a positive difference
- Proactively asking for and sharing information and knowledge
- Being committed and valuing each other

Strategic Objectives 2011 – 2013

Externally Focused

- To ensure clients are at the heart of everything we do
- To provide an outstanding service
- To be a pioneer of social justice
- To strengthen our reputation

Internally Focused

- To build a robust organisation to enable the fulfilment of our vision
- To promote staff wellbeing
- To have the space to deliver the services our clients need

Future Plans

BAC continues to diversify its funding base and is implementing a growth strategy to ensure it continues to flourish in this competitive market place. We are implementing a 'Beyond Advice' strategy.

At the core of our approach is an emphasis on building and enhancing citizen capability and the community's capacity to fulfil its full potential. This can be achieved through developing mutual networks of support, while promoting civil responsibility and citizen activism at a local level. We are also keen to adapt to change and ensure future sustainability.

Putting our vision into practice: civic and citizen capability

It is at the local level where the capacity to enhance civic or citizen capability can be most effective, and it is in areas of greatest social disadvantage where the need is the greatest. Enhancing citizen capability includes working collaboratively with local communities to solve individual and community problems; building community and individual education; building knowledge and people's vocational skills and employability; developing health capability and addressing the social determinants of health that create health inequalities; tackling issues affecting people's financial capability, civic capability and digital capability.

Our approach

We help to develop the capacity and skills of the members of a community in such a way that they are better able to identify and meet their needs and to participate more fully in society. We deal with problems in a holistic way providing practical information, advice and, where necessary, legal representation and support to help change people's lives for the better.

Our activities

We put the community at the heart of our problem solving approach. We do this through a number of different mechanisms:

- Working with community groups and front line workers to provide information, advice and capability services built around people's everyday affairs that are focused on early intervention and prevention and relevant to the specific needs of individuals and communities
- Running training and development for our volunteers who provide community support and information on all basic aspects of community and individual well-being while enhancing their employability skills
- Providing education and guided self-help services to all members of the community who are able to take more responsibility for their own lives.
- Providing online and digital services aimed at tackling the digital divide through developing an online centre to meet the requirements and demands of e-government through the raft of welfare reform changes - helping communities and individuals to help themselves.
- Providing advice and information on key aspects of personal well-being including housing, welfare benefits, debt, employment, immigration and health and social care
- Developing support and link services for the most vulnerable of our clients who require wider services to support their needs, helping advise, advocate and challenge on their behalf whilst providing on-going support with the stresses of daily life.
- Working in collaborative networks with the not-for-profit, public and private sectors to maximise resources to deliver bottom-up, localised services that deliver lasting results and that help to reduce social inequalities and promote social justice
- Actively campaigning on social policy issues at a local, regional and national level

Our emphasis is on prevention and early intervention to provide citizens with the information, advice and the tools they need to develop their talents; to access services in a timely and efficient fashion; to increase self-reliance and to build resilience; and to involve citizens in the design of new services. We provide a high level holistic advice service through our varying programmes. Our objective is to reach many people in need from socially disadvantaged groups through a range of techniques including outreach and open door to deliver results that make a real difference to people's lives.

Reserves policy

During the 2012 - 2013 financial year we felt the full impact of both:

- Reduced organisational income caused by statutory funding cuts.
- A large increase in the amount of people seeking our services – driven mainly by the vast array of welfare reform changes.

In light of this increasingly challenging and paradoxical financial environment a decision was made to maintain, and in some cases increase current resource levels (mainly through temporary and sessional workers) in order to effectively tackle the increasing volumes of clients in serious need of our services. Much of this was due to our new face to face project. Alongside this, a large sum of money was spent to reconstitute accounts after the liquidation of Charity Business and the recruitment of another accountancy firm which also incurred high costs. All of which has contributed to a temporary reduction in our available reserves of £64,892.

The above decisions were made with full confidence and belief in increasing organisational efficiency as well as diversifying income sources going forward in to the following financial year. We have been successful in achieving both of these objectives by securing the face to face project for a further 18 months and bringing our finance function back in house and making a saving of 30%. The 6 month accounts April-September 2013 show a surplus of £47,500, almost completely rebuilding the reserve in this first half of the financial year. We expect to have rebuilt the reserve in full by the end of March 2014.

Our reserves are designated at £50K for unforeseen staffing costs such as maternity leave, recruitment, sickness etc.

Principal funding sources

We would like to thank our funders for their support during the year:

London Borough of Southwark
Legal Services Commission
Irish Government
Toynbee Hall (The Money Advice Service)
Bromley Council
Office for Civil Society
The Big Lottery Fund
Southwark CAB (The Big Lottery Fund)
Climate Energy Service

Public benefit

The objectives and activities, and achievement and performance sections of this report clearly set out that the activities which the charity undertakes are for the public benefit.

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission in determining the activities undertaken by Blackfriars Advice Centre.

Organisational structure

The trustees delegate everyday decisions of running of Blackfriars Advice Centre (BAC) to a Chief Executive, who is supported by the senior management team. Staff are split into specialist senior casework roles, generalist advisors or operational roles.

Risk assessment

The trustees and staff team carry out an annual organisational risk assessment and have prioritised the risks and planned how to manage each of them.

Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those financial statements, the charitable company is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue to operate.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable it to ensure that the financial statements comply with the Companies Act 2006. It is 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.

Each member of the trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Members of the trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the trustee board

The following served as trustees during the year and up to the date of this report unless otherwise indicated:

Ros Lucas	(Chair until May 2013)
Tim Van Dyke	(resigned 4 th December 2012)
Maureen Obi	(resigned 4 th December 2012)
Robert Perrett	
Cheryl Newsome	
Lisa Harrison	
Neil Bissett	(resigned 4 th December 2012)
Chris Snow	(Vice Chair from May 2013)
Chris Sanford	(appointed 12 th March 2013, Chair from May 2013)
Denise Owusu-Ansah	(appointed 12 th March 2013)

Trustees members have no beneficial interest in the company and are not remunerated.

Membership of the trustee board

At each annual general meeting, all members must retire. All are eligible for re-election provided that no one shall serve for more than six consecutive years without vacating office for at least one year. No person or body is entitled to appoint a Board Member.

Members are recruited to provide the skills and experience needed to run the charity. BAC uses open recruitment processes and seeks to fill vacancies where there are specific skills deficits on the board. The CEO and Chair meet with prospective trustees and provides an organisational brief, ensuring that all financial, HR and strategic issues are covered. Prospective trustees are then invited to attend a board meeting as an observer. The prospective trustee then indicates if they would like to join the board and then at the next board meeting the trustees take a vote on perspective new board members.

A full induction is prepared by the CEO and senior management team and training is provided as requested by trustees to ensure that all board members are properly supported to undertake their role.

Auditors

Haines Watts, Chartered Accountants were reappointed as auditors during the year and have expressed their willingness to continue in that capacity.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

A handwritten signature in black ink, appearing to read 'CSanford', is written in a cursive style.

Approved by the trustees on 27th November 2013 and signed on its behalf by Chris Sanford - Chair

Independent Auditor's Report

We have audited the financial statements of Blackfriars Advice Centre for the year ended 31 March 2013 which comprise the Statement of Financial Activities (incorporating the summary income and expenditure account), the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 11 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on the financial statements

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 2013, 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of the trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Susan Plumb
Senior Statutory Auditor
For and on behalf of Haines Watts, Chartered Accountants and Statutory Auditors
Old Station House
Station Approach
Newport Street
Swindon
SN1 3DU

5 December 2013

Blackfriars Advice Centre
Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31 March 2013

	Note	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income		-	-	-	-
Interest received		-	63	63	443
<i>Incoming resources from charitable activities:</i>					
	2				
Advice Centre		-	353,390	353,390	361,368
Duty Scheme		-	110,766	110,766	71,489
Irish advice		20,000	-	20,000	20,000
LSC funded advice work		-	133,238	133,238	120,346
Sure Start projects		-	61,137	61,137	75,248
Home Visits		-	-	-	-
Hardship		-	-	-	-
Capitalise		249,150	-	249,150	124,427
Right Reach Project		83,613	-	83,613	85,086
Transition fund		-	-	-	125,000
Santander		-	-	-	9,650
Other incoming resources		-	1,732	1,732	-
Total incoming resources		352,763	660,326	1,013,089	993,057
Resources expended					
<i>Charitable expenditure</i>					
Advice Centre		-	336,994	336,994	297,275
Court services		-	149,966	149,966	88,201
Irish advice		24,654	-	24,654	20,000
LSC funded advice work		-	174,364	174,364	178,319
Sure Start projects		-	53,143	53,143	66,820
Capitalise		249,150	-	249,150	130,740
Right Reach Project		88,220	-	88,220	77,467
Transition fund		-	-	-	124,085
Santander		-	-	-	9,650
<i>Governance costs</i>		-	3,100	3,100	3,000
Total resources expended	3	362,024	717,567	1,079,591	995,557
Net (outgoing) / incoming resources for the year before transfers	5	(9,261)	(57,241)	(66,502)	(2,500)
Transfers between funds	9			-	-
Net movement in funds		(9,261)	(57,241)	(66,502)	(2,500)
Funds 1 April 2012		13,534	117,860	131,394	133,894
Funds 31 March 2013		4,273	60,619	64,892	131,394

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 9 to the financial statements.

Blackfriars Advice Centre (Limited by Guarantee)

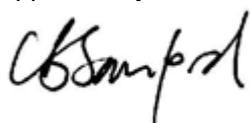
Balance sheet

As at 31 March 2013

	Note	2013 £	2012 £
Tangible fixed assets	6	<u>4,481</u>	<u>3,855</u>
Current assets			
Debtors	7	164,331	112,780
Cash at bank and in hand		<u>2,041</u>	<u>108,764</u>
		166,372	221,544
Creditors: Amounts falling due within one year	8	<u>105,961</u>	<u>94,005</u>
Net current assets		<u>60,411</u>	<u>127,539</u>
Net assets	10	<u>64,892</u>	<u>131,394</u>
Funds			
Restricted funds		4,273	13,534
Unrestricted funds		<u>60,619</u>	<u>117,860</u>
Total funds	9	<u>64,892</u>	<u>131,394</u>

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

Approved by the management committee on 27th November 2013 and signed on its behalf by



Chris Sanford - Chair

Blackfriars Advice Centre

Notes to the financial statements

For the year ended 31 March 2013

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).
- b) All incoming resources are included in the statement of financial activities when the charity is entitled to the income and it can be quantified with reasonable accuracy. The following specific provisions are applied:-
 - b) Voluntary income received by way of donations is included in full in the statement of financial activities when receivable.
 - c) Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Fee income is included in the statement of financial activities on a receivable basis.
 - d) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets those criteria is identified to the fund.
 - e) Designated funds are funds earmarked by the management committee for specified purposes.
 - f) Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as general funds.
 - g) Resources expended, which include attributable VAT that cannot be recovered, 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 overhead costs of the central function, is apportioned on the basis of staff time spent on each activity.

Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

- h) 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:

Computer equipment	3 years
Fixtures, fittings and office equipment	4 years

Items of equipment are capitalised where the purchase price exceeds £500. 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.

- i) All leases of property and equipment are operating leases, and rental costs are recognised on a straight line basis over the period of each lease. No assets are held under hire purchase agreements.

2. Incoming resources from charitable activities

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Advice Centre				
London Borough of Southwark	-	318,143	318,143	333,144
Southwark CAB	-	-	-	8,450
LB Bromley	-	13,950	13,950	14,100
Other incoming resources	-	21,297	21,297	5,674
Duty Scheme				
Legal Services Commission	-	110,766	110,766	71,489
Irish advice				
DION	20,000	-	20,000	20,000
LSC funded advice work				
Legal Services Commission	-	133,238	133,238	120,346
Sure Start projects				
Southwark Primary Care Trust	-	61,137	61,137	75,248
Capitalise				
Toynbee Hall	249,150	-	249,150	124,427
Big Lottery Fund				
Right Reach Project	83,613	-	83,613	85,086
Transition Fund	-	-	-	125,000
Santander				
Santander Foundation	-	-	-	9,650
Other incoming resources	-	1,732	1,732	-
	<u>352,763</u>	<u>660,263</u>	<u>1,013,026</u>	<u>992,614</u>

Blackfriars Advice Centre

Notes to the financial statements

For the year ended 31 March 2012

3. Total resources expended

	Sure Start £	LSC Advice £	Advice Centre £	Court Services £	Right Reach £	Irish Advice £	Capitalise £	Governance £	2013 Total £	2012 Total £
Staff costs (note 4)	24,653	138,620	214,464	70,719	56,406	24,647	220,625	-	750,134	694,759
Freelance and consultants	1,666	1,666	9,576	-	24,774	-	1,666	-	39,348	44,139
Other staff costs	6,995	6,994	23,633	-	511	-	7,016	-	45,149	11,911
Premises	7,187	7,187	41,190	-	6,247	-	7,187	-	68,998	74,316
Administration	8,546	9,840	26,993	5,994	282	7	8,840	-	60,502	71,120
Other	2,937	2,690	7,809	2,000	-	-	2,657	-	18,093	1,275
Client court services	-	6,207	1,409	71,253	-	-	-	-	78,869	50,546
Depreciation	173	174	2,682	-	-	-	173	-	3,202	4,885
Audit	-	-	-	-	-	-	-	3,100	3,100	3,000
Bank charges	12	12	364	-	-	-	12	-	400	376
Committee expenses and training	45	45	222	-	-	-	45	-	357	14,559
Insurance	929	929	1,859	-	-	-	929	-	4,646	3,265
Legal & Professional	-	-	1,402	-	-	-	-	-	1,402	18,256
Irrecoverable VAT	-	-	5,391	-	-	-	-	-	5,391	3,150
Total resources expended	53,143	174,364	336,994	149,966	88,220	24,654	249,150	3,100	1,079,591	995,557

Blackfriars Advice Centre
Notes to the financial statements
For the year ended 31 March 2013

4. Staff costs and numbers

	2013	2012
	£	£
Salaries	680,537	629,896
Social Security costs	69,597	64,863
	<u>750,134</u>	<u>694,759</u>

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2013	2012
	No.	No.
Advice Centre	9.0	10.0
Court services	0.9	0.9
Irish advice	0.5	0.6
LSC funded advice work	4.0	4.0
Sure Start projects	1.3	1.3
Capitalise	2.5	2.5
Santander	0.0	0.3
Right Reach	1.5	1.5
	<u>19.7</u>	<u>21.1</u>

No employee earned more than £60,000 (2011: Nil)

5. Net incoming/(outgoing) resources for the year

	2013	2012
	£	£
This is stated after charging:		
Depreciation	3,204	4,886
Operating lease costs	-	-
Auditors' remuneration:		
Current year audit	3,100	3,000

No reimbursed expenses were paid to members of the management committee (2012: Nil)

6. Tangible fixed assets

	Computer equipment	Total
	£	£
COST		
At 1 April 2012	19,765	19,765
Additions in year		-
Disposals in year	<u>3,830</u>	<u>3,830</u>
At 31 March 2013	<u>23,595</u>	<u>23,595</u>
DEPRECIATION		
At 1 April 2012	15,910	15,910
Charge for year	3,204	3,204
Disposals in year		-
At 31 March 2013	<u>19,114</u>	<u>19,114</u>
NET BOOK VALUE		
At 31 March 2013	<u>4,481</u>	<u>4,481</u>
At 31 March 2012	3,855	3,855

7. Debtors

	2013 £	2012 £
Accrued income	150,004	98,510
Prepayments	525	1,652
Trade debtors	12,612	10,250
Other debtors	1,190	2,368
	<u>164,331</u>	<u>112,780</u>

Accrued income represents payments on results for work completed at the year end.

8. Creditors: Amounts falling due within one year

	2013 £	2012 £
Taxation & Social Security	56,824	31,873
Accruals	18,767	32,688
Other creditors and deferred income	30,370	29,444
	<u>105,961</u>	<u>94,005</u>

All deferred income is released in the following period.

9. Movement in funds

	At 1 April 2012 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2013 £
Restricted funds:					
Irish advice	5,000	20,000	(24,654)	-	346
Right Reach Project	7,619	83,613	(88,220)	-	3,012
Transition fund	915	-	-	-	915
Capitalise	-	249,150	(249,150)	-	-
Total restricted funds	<u>13,534</u>	<u>352,763</u>	<u>(362,024)</u>	<u>-</u>	<u>4,273</u>
Unrestricted funds:					
General funds	50,860	660,326	(717,567)	17,000	10,619
Designated reserves					
Staffing	57,000	-	-	(7,000)	50,000
ICT	10,000	-	-	(10,000)	-
Total unrestricted funds	<u>117,860</u>	<u>660,326</u>	<u>(717,567)</u>	<u>17,000</u>	<u>60,619</u>
Total funds	<u>131,394</u>	<u>1,013,089</u>	<u>(1,079,591)</u>	<u>-</u>	<u>64,892</u>

Outgoing resources include a proportion of the governance costs.

Purposes of restricted funds

Capitalise	To co-ordinate and provide money advice in South London through face to face contacts.
Irish advice	Advice and advocacy services for members of the Irish community. Funded by London Borough of Southwark and the DION committee.
Right Reach Project	Advices services to improve our reach into migrant communities
Transition Fund	To transform services to ensure the sustainability of BAC
Santander	Financial Education training development and delivery
Designated funds	Details of designated funds is given in the reserves policy in the Trustees Report.

10. Analysis of net assets between funds

	Restricted funds	Unrestricted funds	2013
	£	£	£
Tangible fixed assets	-	4,481	4,481
Current assets	9,273	157,099	166,372
Current liabilities	(5,000)	(100,961)	(105,961)
Net assets at 31 March 2013	<u>4,273</u>	<u>60,619</u>	<u>64,892</u>

11. Taxation

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.