

Welfare Benefits Unit

Charity number 1164225

Annual Report and Financial Statements for the year ended 31 March 2018



Welfare Benefits Unit

Annual Report and Financial Statements for the year ended 31 March 2018

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Prepared by West Yorkshire Community Accounting Service

Welfare Benefits Unit

Trustees' report for the year ended 31 March 2018

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Mr Paul Murphy	Chair	
Mr Robert Flint Jenkinson	Treasurer	
Dr Charlotte O'Brien		
Ms Nicola Welch		
Prof. Peter Ball		
Dr Christine Skinner		
Mrs Helen Edwards		
Mr Richard Bridge		

Charity number 1164225 Registered in England and Wales

Registered and principal address	Bankers
Welfare Benefits Unit	Cooperative Bank plc
17 Priory Street	PO Box 250, Delf House
York	Southway
YO1 6ET	Skelmersdale WN8 6WT

Independent Examiner

Simon Bostrom FCIE

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is Charitable Incorporate Organisation (CIO) - Foundation registered 2 November 2015 and governed by a constitution.

Method of recruitment and appointment of trustees

Trustees are recruited by invitation and application. Our Trustees come from a wide range of backgrounds including academia, the Civil Service, law, local government and the advice sector. Trustees' induction includes attendance at provisional meetings and relevant information about the service and Trustee responsibilities.

Objectives and activities

The charity's objects

For the public benefit, the prevention or relief of poverty and financial hardship, the advancement of education and the protection of health in particular, but not limited to, the people of York and north Yorkshire.

These purposes will be advanced in particular but not exclusively by:

The provision of advice and assistance on welfare benefits, and other social welfare matters.

The provision of training, meetings, lectures and events in particular but not exclusively for persons working or engaged in the provision of social welfare.

Raising public awareness of welfare benefits and social welfare provision.

Providing written information, in print, online or otherwise.

Promoting, contributing to or undertaking organised research and experimental work, and disseminating the results thereof.

Providing consultancy for persons interested in welfare benefit provision, and related matters.

Welfare Benefits Unit

Trustees' report (continued) for the year ended 31 March 2018

The charity's main activities

The Welfare Benefits Unit (WBU) offers specialist welfare benefits advice to those who work with members of the public. Our experienced team of advisers provides independent support through our advice line, publications, training, consultancy and project work.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the prevention or relief of poverty and the advancement of education.

Achievements and performance

2017-18 was the first year of operation under our new contract with our main funder, North Yorkshire County Council. This contract includes the extension of our Advice Line service to operate from 9.00am until 5.00pm Monday to Thursday, 9.00am to 4.30pm Friday. In the course of the year we received 1,469 calls, generating 2,639 queries. Over two-thirds of our calls involve complex queries requiring advanced reference material or extended responses. The main issues focused on Universal Credit, Employment and Support Allowance, Personal Independence Payment and Housing Benefit.

THE WBU supports advisers and others across a wide range of organisations, statutory and voluntary sector. This includes community support, social services, health, education, probation, armed forces, charitable trusts, housing, carer and advice services.

Our concise Advisers Guide is very well received. It is supplied free of charge, under our contracts, to City of York and North Yorkshire County Council staff, and Citizens Advice in North Yorkshire; more than 1,000 were distributed. National sales of the Advisers Guide to other parties support the work of the WBU and approximately 2,000 copies were sold.

The WBU also produces leaflets for members of the public; nearly 4,000 copies were distributed regionally. This resource provides clear information and supports advisers in their work.

WBU training is provided contractually to City of York, North Yorkshire County Council staff and North Yorkshire Citizens Advice. It is also a source of revenue. The evaluations shape further courses and the positive feedback the WBU has received continues to show the value of this provision. In total the WBU delivered courses from the WBU training programme to 273 trainees, mostly from North Yorkshire and York. In addition, bespoke training provides an important revenue stream, supporting those in the statutory, voluntary and housing sectors to work effectively with claimants. This year we provided training to 307 trainees at City of York Council, Horton Housing, NASMA, North Yorkshire Advocacy, Age UK and JRF-funded sessions accessed by several community organisations in York.

Our twice-yearly Forum meetings are well attended and provide an opportunity for advisers to network and share good practice. Updating information is provided and guest speakers provided information on a wide range of subjects, including:

- CPAG Early Warning System, Dan Norris (CPAG)
- Lessons from UC Research, Sue Royston (Craven and Harrogate Citizens Advice)

Our Universal Credit Focus project, funded by City of York council, extended advice provision for those who supported new UC claimants as it was rolled out in York. Briefing sessions, emailings and factsheets provided extra detail and information. The project also monitored claimants' experience of UC in the first year of implementation in York area. In 2017/18 JRF funding provided support with WBU development costs.

Welfare Benefits Unit

Trustees' report (continued) for the year ended 31 March 2018

Financial review

The net income for the year was £1,143.

Reserves policy

The Trustees maintain the charity's reserves at a level which is at least equivalent to nine months' operational expenditure and not exceeding twelve months' operational expenditure. This level of reserves would allow the opportunity to explore other areas of income generation whilst maintaining service provision if funding was not renewed, in particular taking into account the need to meet differing contractual obligations.

The charity's free reserves, excluding fixed assets, at the year end were £161,687. This represents approximately 9.5 months of estimated annual expenditure, 2018/19.

Signed on behalf of the board of trustees:

Signed..... (Trustee)

Name.....Paul Murphy.....

Date.....

Welfare Benefits Unit

Independent examiner's report to the trustees of Welfare Benefits Unit Charitable Incorporated Organisation ('the CIO')

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2018, which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: Name: Simon Bostrom

Relevant professional qualification or body: FCIE

Date:

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Welfare Benefits Unit

Statement of Financial Activities

(including summary income and expenditure account)

for the year ended 31 March 2018

	Notes	2018 Unrestricted funds £	2018 Restricted funds £	2018 Total funds £	2017 Total funds £
Income from:					
Grants, contracts and service level agreements	(2)	101,998	41,557	143,555	140,401
Sales and fees		33,957	-	33,957	29,399
Donations		391	-	391	252
Other income		55	-	55	23
Bank interest		-	-	-	116
Transfer on incorporation		-	-	-	190,624
Total income		136,401	41,557	177,958	360,815
Expenditure on:					
Salaries and NIC and pensions	(3)	69,544	48,912	118,456	132,537
Freelance workers		5,560	2,110	7,670	1,306
Payroll charges		1,176	-	1,176	1,097
Staff travel and subsistence		986	-	986	314
Volunteer expenses		56	-	56	55
Training and conferences		1,083	-	1,083	2,144
Printing and reproduction		5,825	2,425	8,250	11,656
Training delivery costs		4,565	2,055	6,620	5,628
Materials and resources		2,496	-	2,496	2,006
Rent and service charges		9,853	5,174	15,027	14,370
Office and administration		645	719	1,364	2,338
IT maintenance		1,003	1,118	2,121	2,115
Telephone and internet		876	978	1,854	2,196
Postage		819	994	1,813	1,958
Advertising and publicity		500	305	805	74
Bank charges		73	-	73	166
Insurance		1,343	1,294	2,637	474
Independent examination		900	-	900	900
Legal and professional		330	-	330	2,833
Consultancy		996	263	1,259	9,227
Recruitment		345	-	345	1,032
Bad debts		78	-	78	181
Depreciation		1,416	-	1,416	-
Total expenditure		110,468	66,347	176,815	194,607
Net income / (expenditure)		25,933	(24,790)	1,143	166,208
Transfers between funds		(24,790)	24,790	-	-
Net movement in funds		1,143	-	1,143	166,208
Fund balances brought forward		166,208	-	166,208	-
Fund balances carried forward	(4)	167,351	-	167,351	166,208

All incoming resources and resources expended derive from continuing activities.

Welfare Benefits Unit

Balance sheet

as at 31 March 2018

	2018 Unrestricted £	2018 Restricted £	2018 Total £	2017 Total £
Fixed assets				
Tangible assets (5)	5,664	-	5,664	-
Total fixed assets	<u>5,664</u>	<u>-</u>	<u>5,664</u>	<u>-</u>
Current assets				
Debtors and prepayments (6)	10,458	-	10,458	5,402
Cash at bank and in hand (7)	264,462	-	264,462	269,157
Total current assets	<u>274,920</u>	<u>-</u>	<u>274,920</u>	<u>274,559</u>
Current liabilities: amounts falling due within one year				
Creditors and accruals (8)	113,233	-	113,233	108,351
Total current liabilities	<u>113,233</u>	<u>-</u>	<u>113,233</u>	<u>108,351</u>
Net current assets / (liabilities)	<u>161,687</u>	<u>-</u>	<u>161,687</u>	<u>166,208</u>
Net assets	<u>167,351</u>	<u>-</u>	<u>167,351</u>	<u>166,208</u>
Funds				
Unrestricted funds	167,351	-	167,351	166,208
Restricted funds	-	-	-	-
Total funds	<u>167,351</u>	<u>-</u>	<u>167,351</u>	<u>166,208</u>

The financial statements were approved by the board of trustees on

Date:

Signed:

(Trustee)

NameRobert Jenkinson.....

Welfare Benefits Unit

Notes to the accounts

for the year ended 31 March 2018

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice:

Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Office equipment: over 5 years

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Welfare Benefits Unit

Notes to the accounts continued for the year ended 31 March 2018

2 Grants, contracts and service level agreements

	2018 Unrestricted funds £	2018 Restricted funds £	2018 Total funds £	2017 Total funds £
City of York Council (CYC)	-	22,700	22,700	22,700
North Yorkshire County Council	101,998	-	101,998	106,261
Joseph Rowntree Foundation (JRF)	-	5,465	5,465	-
CYC Financial Inclusion Steering Group	-	13,392	13,392	8,472
CYC Income Max	-	-	-	2,968
	<u>101,998</u>	<u>41,557</u>	<u>143,555</u>	<u>140,401</u>

3 Staff costs and numbers

	2018 £	2017 £
Gross salaries inc accrued holiday pay	107,356	122,495
Accrued holiday pay	840	1,314
Social security costs	8,140	7,806
Employment allowance	(3,000)	(3,000)
Pensions	<u>5,120</u>	<u>3,922</u>
	<u>118,456</u>	<u>132,537</u>

The average number employees during the year was 6.1, being an average of 4 full time equivalent (2017: 6.3, 4.2 FTE).

There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2018 £	2017 £
Costs of the scheme to the charity for the year	5,120	3,922
Amount of any contributions outstanding at the year end	-	-
Amount of any contributions prepaid at the year end	-	-

4 Restricted funds

	Balance b/f £	Incoming £	Outgoing £	Transfers £	Balance c/f £
CYC	-	22,700	47,490	24,790	-
JRF	-	5,465	5,465	-	-
Universal Credit Focus	-	13,392	13,392	-	-
	<u>-</u>	<u>41,557</u>	<u>66,347</u>	<u>24,790</u>	<u>-</u>

Fund name

Purpose of restriction

CYC	City of York Council (Communities and Equalities) – funding to provide our core service: advice line, training, publications and campaigns.
JRF	Funding to provide development support.
Universal Credit Focus	Funding from CYC (Financial Inclusion Steering Group) towards the Universal Credit Focus project.

Welfare Benefits Unit

Notes to the accounts continued for the year ended 31 March 2018

5 Tangible assets

	Office equipment £	Total £
<u>Cost</u>		
At 1 April 2017	-	-
Additions	7,080	7,080
At 31 March 2018	<u>7,080</u>	<u>7,080</u>
<u>Depreciation</u>		
At 1 April 2017	-	-
Charge for year	1,416	1,416
At 31 March 2018	<u>1,416</u>	<u>1,416</u>
<u>Net book value</u>		
At 31 March 2018	<u>5,664</u>	<u>5,664</u>
At 31 March 2017	<u>-</u>	<u>-</u>

6 Debtors and prepayments

	2018 £	2017 £
Debtors	9,414	5,086
Prepayments	1,044	316
	<u>10,458</u>	<u>5,402</u>

7 Cash at bank and in hand

	2018 £	2017 £
Co-op Bank	254,133	269,127
Undeposited funds	316	-
Paypal account	-	6
Funds held at payroll company	10,000	-
Cash in hand	13	24
	<u>264,462</u>	<u>269,157</u>

8 Creditors and accruals

	2018 £	2017 £
Creditors	737	2,007
Accruals	1,852	2,214
Fees paid in advance	8,645	2,132
Deferred income	101,999	101,998
	<u>113,233</u>	<u>108,351</u>

The deferred income relates to the North Yorkshire County Council contract relating to work to be carried out in the April 2018 to March 2019 period.

Welfare Benefits Unit

Notes to the accounts continued

for the year ended 31 March 2018

9 Trustee expenses

During the year 1 trustee was paid a total of £25 in respect of travel (2017: £17)

10 Related party transactions

Key management personnel

Transactions involving the key management personnel of the charity related to the Chief Executive only. The total employee benefits of the key management personnel of the charity were £26,877 (2017: £25,788).

There were no other related party transactions during the year.

11 Contingent liabilities - Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit pension scheme. No new members can be enrolled into this scheme.

The scheme is accounted for as a defined contribution plan because sufficient information is not available to use defined benefit accounting.

Where an agreed deficit funding arrangement is in place a liability for this obligation will be recorded in the accounts. This would be the net present value of the deficit contributions payable.

For the current scheme a revised recovery plan took effect in April 2016.

Annual deficit contributions under this plan for the charity from April 2018 are nil.

The estimated cost of withdrawal (i.e. the contingent liability) has been calculated to be £17,391.

Welfare Benefits Unit

Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 March 2018

	2018 Unrestricted funds £	2017 Unrestricted funds £	2018 Restricted funds £	2017 Restricted funds £	2018 Total funds £	2017 Total funds £
Income						
Grants, contracts and SLAs	101,998	106,261	41,557	34,140	143,555	140,401
Sales and fees	33,957	29,399	-	-	33,957	29,399
Donations	391	252	-	-	391	252
Other income	55	23	-	-	55	23
Bank interest	-	116	-	-	-	116
Transfer on incorporation	-	190,624	-	-	-	190,624
Total income	136,401	326,675	41,557	34,140	177,958	360,815
Expenditure						
Salaries and NIC and pensions	69,544	80,131	48,912	52,406	118,456	132,537
Freelance workers	5,560	879	2,110	427	7,670	1,306
Payroll charges	1,176	687	-	410	1,176	1,097
Staff travel and subsistence	986	170	-	144	986	314
Volunteer expenses	56	34	-	21	56	55
Training and conferences	1,083	1,342	-	802	1,083	2,144
Printing and reproduction	5,825	7,303	2,425	4,353	8,250	11,656
Training delivery costs	4,565	3,526	2,055	2,102	6,620	5,628
Materials and resources	2,496	1,258	-	748	2,496	2,006
Rent and service charges	9,853	9,003	5,174	5,367	15,027	14,370
Office and administration	645	1,415	719	923	1,364	2,338
IT maintenance	1,003	1,325	1,118	790	2,121	2,115
Telephone and internet	876	1,242	978	954	1,854	2,196
Postage	819	1,227	994	731	1,813	1,958
Advertising and publicity	500	46	305	28	805	74
Bank charges	73	105	-	61	73	166
Insurance	1,343	297	1,294	177	2,637	474
Independent examination	900	563	-	337	900	900
Legal and professional	330	1,906	-	927	330	2,833
Consultancy	996	6,208	263	3,019	1,259	9,227
Recruitment	345	694	-	338	345	1,032
Bad debts	78	122	-	59	78	181
Depreciation	1,416	-	-	-	1,416	-
Total expenditure	110,468	119,483	66,347	75,124	176,815	194,607
Net income / (expenditure)	25,933	207,192	(24,790)	(40,984)	1,143	166,208
Transfers between funds	(24,790)	(40,984)	24,790	40,984	-	-
Net movement in funds	1,143	166,208	-	-	1,143	166,208
Fund balances brought forward	166,208	-	-	-	166,208	-
Fund balances carried forward	167,351	166,208	-	-	167,351	166,208