

# CAP Annual Report 2013

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Look how far we have come

christians  
against  
poverty

**CAP**

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Lifting people out of debt and poverty



*I am*  
christians  
against  
poverty  
*are you?*



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# Chairman's introduction

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We are  
passionate  
about  
expanding  
our services



Peter Green | Chair of Trustees

I am very pleased to introduce the Directors' report and accounts for 2013.

It has been a challenging year for the poorest in our society. Benefit changes such as the 'Bedroom Tax', rising energy and food prices, along with the ease of acquiring payday loans, have left many people struggling to survive.

It has been a  
challenging  
year for the  
poorest in our  
society.

Our 2013 Client Survey revealed that 36% of our clients seriously considered or attempted suicide before receiving our help, 67% struggled to feed or clothe their children and 76% said that debt negatively affected their relationships. This survey also revealed that 22% of our clients took out payday loans and, of those, 77% used them for food. Our average client income for 2013 was £12,840 and the total average debt of those starting with us was £12,477, meaning their debt was 97% of their annual income. Those living solely on benefits increased by 1% over the year to 42% of our clients. This is why 25,302 people called our Freephone number in 2013.

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We are therefore passionate about expanding our services, so that we can reach more people who are desperate and on the margins of society.

We managed an average of £67m of secondary debt per month, with our clients paying an average of £1.67m per month of their bills and

For everyone who gave a one-off donation, or gave regularly as one of our 23,337 Life Changers; every company who valued our work through their giving; and every charitable trust and foundation who invested in us – this is your annual report.

## This is your annual report, this is the return on your finance.

Over 2013 we have grown our CAP Debt Centre network to serve 239 communities throughout the UK. We also launched 72 CAP Job Clubs and partnered with 1,138 CAP Money Churches.

The result: 6,254 new client families helped, 6,113 existing client households supported – that's 11,996 clients, or 27,591 individuals. And a phenomenal 2,122 client families became debt free!

debt repayments through their CAP Account. Plus, 450 CAP Job Club members have been helped to take steps to employment, with 60 finding work; and over 10,000 people were helped to manage their finances better through the CAP Money Course.

What does this all mean? That we are breaking the cycle of debt and poverty and tackling the associated causes, both preventing and alleviating poverty. This has ultimately transformed the lives of 38,233 individuals.

This is the return on your finance: entrusted to us, managed diligently, and used to do all that we can to provide what is widely regarded as an unparalleled solution across the UK.

Together, we are  
**Christians Against Poverty**



Peter Green | Chair of Trustees

# Director's report

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The Board of Directors present their annual report, together with the audited accounts, for the year ending 31 December 2013.

We are passionate about releasing people in our nation from a life sentence of debt, poverty and their causes. Our vision is to bring freedom and the good news to people in every UK community through local churches running 3,000 CAP projects by 2021, CAP's 25th birthday.

Through our partnership with 239 local churches, we offer face-to-face support and a comprehensive debt management service, allowing our clients to become debt free. These 239 CAP Debt Centres also provide integral support to combat the emotional and spiritual poverty that is created by the isolating burden of debt. Furthermore, we partner with 1,138 churches to provide our CAP Money Course.

This course is the preventative arm of our charity, allowing around 10,000 people a year to budget, save, spend wisely and ultimately prevent debt. Adding to this, in 2013 we launched CAP Job Clubs, helping 450 jobseekers on their journey to work through coaching, a course and a community of those on a similar journey.

**We are passionate about releasing people in our nation from a life sentence of debt, poverty and their causes.**

Through this, 60 members found work. As a result of all our work, over 38,000 people had their lives transformed as they took control, learnt new financial habits, took steps towards employment, and were freed from the burden of debt in 2013.

Marriages have been restored; children kept fed and clothed; depression and anxiety lifted; and suicides prevented. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our activities. Our service is completely free

and is available to anyone regardless of their race, faith or sexual orientation and the Directors have ensured that the activities undertaken will contribute to the aims and objectives of the charity. The Directors are therefore confident that Christians Against Poverty meets the public benefit requirements.

# We release people from debt and poverty in the UK through:

The relief of poverty for persons in the United Kingdom and elsewhere who are in conditions of need, hardship or distress by reason of their social and/or economic circumstances by providing and promoting the provision of advice and other services.

The advancement of education of the public in all matters relating to the management of their personal finances.

The advancement of the Christian faith and doctrine.

Raising awareness of debt, poverty and their causes in the UK and inspiring churches and individuals to partner with us.

Expanding the work internationally where appropriate.

Emma | CAP Debt Help client



# Relieving poverty

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## Objective for 2013:

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To continue towards our vision of a CAP Debt Centre in every major town and city by opening 50 new CAP Debt Centres, bringing the total to at least 268 centres nationally.

In 2013, we partnered with churches to open 39 new CAP Debt Centres. Partnering with churches to provide our debt help service means that people in these communities receive a very in-depth and personal service as they are visited up to three times in their own homes. We finished the year at a total of 239 CAP Debt Centres.

Our Freephone number received 25,302 calls requesting help for our service in 2013. This is a 44% increase on those seeking help in 2012.

91% of all calls were answered first time. Where possible, all voicemails were responded to within two hours.

This first contact allowed us to book appointments for those within our centres' catchment areas, and send 1,660 self-help packs to those who were not. This figure, 968 less than last year, means that there are fewer people requesting our help who fall outside our catchment areas now that we have expanded.

£67m worth  
of secondary  
debt managed  
per month

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£1.67m repaid  
every month

In 2013, we had 78,438 unique visitors to any page that fell under the 'I want help' section of our website; an average of 6,537 a month. Our website also includes a 'Get help' form. In 2013, 843 unique 'Get help' forms were filled out.

6,496 new clients were visited in their own homes, 18% up on last year. Of these 5,893 went on to receive three home visits and ongoing support until they became debt free. They joined 6,103 existing clients who we are assisting through on-going centralised support and creditor negotiations on their behalf, allowing them to live to an affordable budget.



As a client can represent a single person, a couple, or a family with children, we estimate that 27,591 people benefited from our debt counselling service over the course of the year.

On behalf of these clients, we managed an average of £67m worth of secondary debt per month, with our clients paying an average of £1.67m per month of their bills and debt repayments through their CAP Account. >>



## Relieving poverty (cont)

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2,122 clients  
became  
debt free

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increase in  
debt free clients  
from 2012

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27,591 people  
benefited  
from our debt  
counselling  
service



### In 2014 we aim to:

Open 55 new CAP Debt Centres (bringing our total CAP Debt Centres to 270) as we continue towards our vision of bringing debt freedom to people in every community by 2021.

>> While with us, the vast majority of our clients have the opportunity to save through their CAP Account. We believe that this is essential, not only as part of financial education, but also in breaking the cycle of poverty. With recurring regular costs, such as road tax and M.O.T.s, through to birthdays and Christmas, it is important to have savings, avoiding the need for extra credit around these times of extra cost. Our clients made 1,763 Christmas withdrawals totalling £318,121 in 2013, showing that they really are creating new financial habits, and living within their means.

Savings are also vital to tackle the issues of a poverty premium. Paying for items up front is almost always cheaper, whether those costs are paid on car insurance, a new electrical product, or a sofa. Avoiding credit, hire purchase, or the monthly repayments of catalogue companies can mean significant savings for our clients.

For those on the breadline, this makes an even greater impact. It is therefore vital that we both facilitate and train clients in this discipline, helping them tackle the poverty premium we currently see in the UK.

In 2013, we enabled 2,122 clients to become debt free, a 28% increase on 2012. We know from our 2012 research that 96% of those who go debt free with us stay debt free. This means that we know our service provides a long-term solution. This is thanks to the budgeting skills our clients learn with us, the saving habits they create, and our CAP Money Course – attended by 10,192 delegates in 2013 – which provides further financial education. We also launched a new version of this course in 2013, specifically tailored for our clients, giving them an even better start to their life free from debt and poverty.

# Tackling unemployment

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We were able to train  
and launch 72 CAP Job  
Clubs in 2013.



Karen | CAP Job Club Manchester



#### In 2014 we aim to:

Tackle unemployment, which is a major cause of debt and poverty, by opening 50 new CAP Job Clubs in partnership with local churches.

#### Objective for 2013

Launch CAP Job Clubs in March, with three training dates throughout the year, training a total of 60 CAP Job Clubs.

2013 saw the launch of our CAP Job Clubs service at the Houses of Parliament. Through three training days, we were able to train and launch 72 CAP Job Clubs.

450 people  
attended the  
course in 2013

60 members  
found work

These 72 CAP Job Clubs were equipped to run the 'Steps to employment' course, provide one-to-one coaching and create a community of people on a similar journey. 450 people attended the course; being trained on things like CV writing, interview skills and transferable skills. By giving the long-term unemployed hope, self-worth and the necessary skills, 60 CAP Job Club members found work in 2013.

# Financial education

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## Objective for 2013

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To continue to expand the CAP Money Course by training 1,300 new CAP Money Coaches from 310 partner churches, with an estimated 10,400 delegates benefiting from the course. We plan to launch an updated CAP Money Course, which includes new DVD resources and provides more varied options for delegates and their requirements. We also plan to release updated versions of our Students course and Youth session along with developing some new resources for primary school aged children.

The CAP Money Course is the preventative arm of our charity. It is a short money management course that teaches people how to budget, save, spend wisely and prevent debt – all by using a cash-based money management system. In 2013, we ran 1,853 courses for 10,192 delegates. We also provided access to more in-depth debt counselling through our follow up service, CAP Money Plus, for 162 delegates who were struggling with unmanageable debt.

At the end of 2013, we had trained 1,357 new CAP Money Coaches on behalf of 376 new churches, bringing our total number of local churches running the CAP Money Course to 1,138.

## In 2013, we launched the course for CAP Debt Centre clients

We saw 76 CAP Money Student courses run for 314 delegates. 110 churches also purchased the CAP Money Youth bolt-on, allowing them to provide financial education for 14-17 year olds. Our work in prisons meant we could assist 200 delegates through CAP Money Prisons.

We launched our CAP Money Course for CAP Debt Centre clients in 2013, with 34 debt centres running the course since its launch in September. We also developed the content and course material for CAP Money Kids aimed at primary school children, allowing them to begin thinking about money and budgeting from an early age. This will be launched in 2014.



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1,853 courses

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10,192  
delegates

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1,357 CAP  
Money Coaches

**In 2014 we aim to:**

Increase the number of churches running the CAP Money Course to 1,500 churches by training 1,300 CAP Money Coaches from 360 new partner churches. We estimate 12,375 delegates will benefit from the course over 2014. We are also going to launch CAP Money Kids, helping those in primary school begin to engage with money management.

Edd Parker | CAP Money Course Manager

Lifting people out of debt and poverty

# Advancement of Christian faith

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## Objective for 2013

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To continue to advance the Christian faith by giving clients the opportunity to respond to God's love in action. To do this through our partnership with the local church and by running 14 Discovery Breaks giving 955 clients (including children) a break from their normal routines of life.

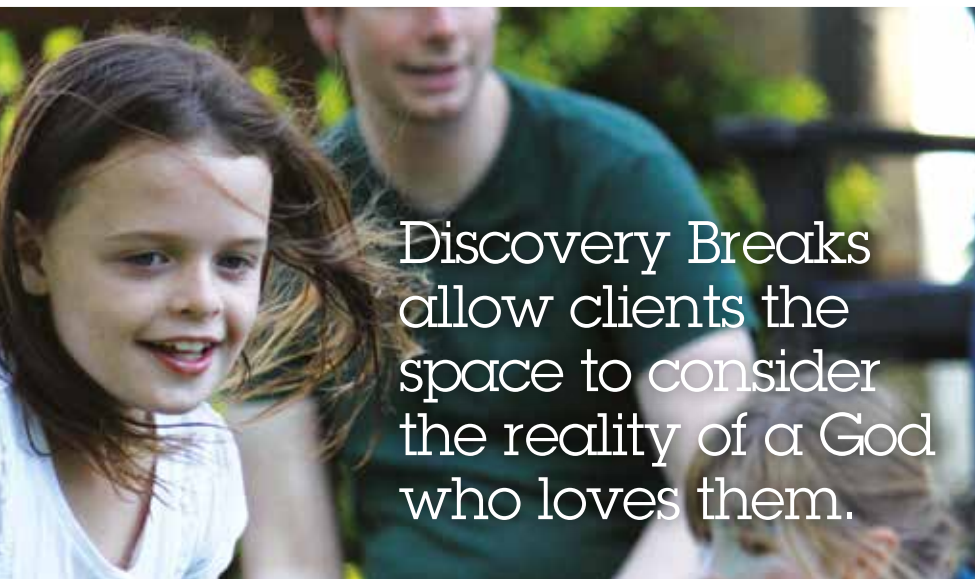
As well as physical poverty, our clients face spiritual poverty, isolation, and emotional struggles. These are often as a result of debt, and in other cases were contributing factors to debt. We partner with local churches because we care about each person's complete wellbeing. When visiting clients, a volunteer befriender accompanies the Debt Coach, offering friendship and support in any area of life, as needed. We offer prayer to clients and, if they are interested, talk to them more about God. In 2013, 717 clients became Christians through our work.

## 857 clients went on a break in 2013

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Discovery Breaks are a highlight of the CAP calendar every year. These two – four day holidays offer our clients a break from the day-to-day realities of debt, precious time with their families, and in some cases, their first ever holiday. Discovery Breaks also allow clients the space to consider the reality of a God who loves and cares for them. In 2013, we held 14 Discovery Breaks. 857 clients attended a break, with 189 of them becoming Christians.





Discovery Breaks  
allow clients the  
space to consider  
the reality of a God  
who loves them.



#### In 2014 we aim to:

Continue to support the local church as they reach out into their communities, giving clients the opportunity to respond to God's love in action. We also plan to run 14 Discovery Breaks to give 985 clients (including children) a break from their normal routine.



# Raising awareness

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## Objective for 2013:

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Continue to raise awareness of debt and poverty in the UK and inspire churches to partner with us through church talks, exhibiting at conferences, quarterly communications with our supporters and through electronic media, such as e-shots and the website. We also plan to further utilise our Pastor Breakfasts and regional Church Partnership Days – specifically focusing on Scotland, Wales and Northern Ireland.



Our vision:  
3,000 CAP  
projects by  
2021

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500 CAP  
Debt Centres



Delegates at the CAP Job Clubs launch in Westminster

Furthermore, we are hosting an event in parliament to launch our new initiative: CAP Job Clubs. This will present a great opportunity to engage MPs and other key voices in the struggles faced by the poor in our nation and the positive effects of our service. We are also the main sponsor of Big Church Day Out. Involving time speaking from the main stage and the opportunity to engage people on a one-to-one basis, this will present a vital opportunity to generate interest and awareness within the Christian community about the problems of debt.

If we are to achieve our vision of 3,000 CAP projects by 2021, then it is crucial that we raise awareness of debt and poverty in the UK and inspire churches to partner with us to open centres, and individuals to support us. >>

## Raising awareness (cont)

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>> During 2013, we exhibited at 21 different conferences including New Wine and Spring Harvest, and spoke at 361 churches. At the end of 2013, we had 60 people trained as part of CAP's Speaker Team.

Big Church Day Out was a great success, allowing us to engage with the 17,000 people (over 13,000 adults) attending the event. We were able to raise awareness through main stage talks, DVD presentations, running a café in partnership with the Costa Foundation, and exhibition stands. Through our presence at the event, 1,242 people signed up to become regular givers to our charity.

17,000 people  
attended  
Big Church  
Day Out

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We took 200  
volunteers



CAP volunteers at Big Church Day Out

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1,242 Life  
Changers  
signed up

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£5.32 av  
monthly gift

In 2013, our Church Partnership team ran Pastor Breakfasts in five targeted regions across the UK – with three breakfasts in Scotland, six in the South East, six in the South West, three in our South region and three across Yorkshire and the Midlands. These breakfasts provide our team the chance to engage church leaders around the

problem of debt and poverty in their area. These church leaders were then encouraged to seriously consider opening a CAP Debt Centre.

2013 also saw twelve Church Partnership Days, including five regional Church Partnership Days, with one in Wales, and one in Northern Ireland.

#### **In 2014 we aim to:**

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Continue to raise awareness of debt and poverty in the UK and inspire churches to partner with us through church talks, exhibiting at conferences, quarterly communications with our supporters, and through electronic media, such as e-shots and the website. We also plan to further utilise our Pastor Breakfasts and regional Church Partnership Days, as well as running a specific Church Partnership Day in Scotland.



# International development

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## Objective for 2013:

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To continue our support for Australia and New Zealand and to launch our CAP service in Canada.

CAP UK provides leadership support to the work of Christians Against Poverty in Australia and New Zealand, and now Canada, although they are completely autonomous organisations. Most of this support comes from John Kirkby, our Founder and International Director, who travels to the countries at least twice a year to give them hands on support.

### In 2014 we aim to:

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Continue to lead and support the work of Christians Against Poverty in Australia, New Zealand and Canada, with a specific focus to launch CAP Job Clubs in New Zealand.



CAP Australia | Launched: 2001

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38 debt centres

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491 CAP Money Churches



CAP New Zealand | Launched: 2008

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26 debt centres

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250 CAP Money Churches



CAP Canada | Launched: 2013



four debt centres

41 CAP Money Churches

## Australia

Ross Buttenshaw, National Director, CAP Australia writes:

I have to say; 2013 was the most momentous year for CAP in Australia! We saw encouraging growth, with our services going from strength to strength. Furthermore, we saw a massive breakthrough in our fundraising efforts, allowing us to finish the year in a strong financial position.

Though we were able to end the year with a surplus, our key result is in regards to the growth of our regular income – or Life Changer programme – which saw an increase from 62.8% to 71.2% of our total income. This was enabled largely due to cost control procedures and a 17.2% increase in the number of supporters donating regularly to our work.

Another area of positive growth can be seen in the opening of eight new CAP Debt Centres, which brings our total number of centres to 38. Alongside this,

99 churches have been trained to run the CAP Money Course, which brings the total to 491, an encouraging 25% increase.

This growth is reflected in the help we have been able to provide. In 2013, CAP helped 6,331 people through our main services: our CAP helpline, CAP Debt Centres, and CAP Money Course. This is a marked increase on the previous year, in which we helped 4,925.

We saw a 25% increase in the number of clients becoming debt free, from 248 in 2012, to 311 in 2013. This is a very positive result, and one we are extremely happy with. Our most encouraging statistic is that 154 people made a decision to become a Christian through our work.

All in all, 2013 was a year characterised by positive growth and encouraging results, and one that serves as a platform to greater things in 2014 as we strive to take CAP to a new level.'

# International development (cont)

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## New Zealand

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Aimee Cringle, National Director, CAP New Zealand writes:

'2013 was a year of sizeable expansion for CAP New Zealand. We began the year with 13 CAP Debt Centres

Financially, our regular income increased as a percentage by 4.9%, reaching 64.9% regular funding for the year, much of this fueled by 685 new Life Changers (beating the year's target by 10%).

## 2013 was a year of sizeable expansion for CAP New Zealand.

and ended the year with 26 centres, with the 27th trained and set to open in mid-February 2014. The CAP Money Course added another 78 church partners, finishing the year with a total of 250 and more than 700 coaches.

Overall income finished at \$1,513,000, with \$154,000 in the bank to start 2014.

Our service outcomes continue to be extremely positive. By the end of the year, we were working with 507 families on their journey out of debt. Throughout 2013, 44 families became debt free. Most excitingly, ten clients recommitted their faith, and 57 people made the life-transforming first-time decision to follow Jesus Christ.'





## Canada

Helen Johnson, National Director, CAP Canada writes:

'March 2013 saw the launch of CAP in Canada and in just nine months, we saw some real miracles. From nothing, we finished the year with 41 churches trained to run the CAP Money Course and helped 180 participants through the course. We opened four CAP Debt Centres, helping 42 clients.

By the end of the year we were managing \$150,000 on behalf of our clients and had seen our first client become debt free. Most exciting was seeing our first salvation in November, and she is being well supported by her local church.

Our regular income was above target, raising over \$30,000 from 160 Life Changers and \$8,000 from churches. This meant we were 27% regularly funded, an incredible start for our first year. Our total income over the year was \$196,000 and our expenditure was \$171,000, leaving us with \$25,000 in the bank. This has put us in a very strong position to continue our expansion.'



## Australia

Income: \$ 2,285,000

Expenditure: \$2,129,000



## New Zealand

Income: \$1,514,000

Expenditure: \$1,522,000



## Canada

Income: \$196,000

Expenditure: \$171,000

# Further charity developments

Heading into 2014, CAP is looking to launch two initiatives tackling addictions.

CAP Release Groups will allow churches to provide a solution to low-grade addictions, such as gambling, smoking and lifestyle habits.

CAP Community Detox will tackle severe alcohol and drug dependencies, partnering with GPs and churches to provide supported, phased detox within the community. Due to the complex nature of addictions, these programmes will be researched, developed and piloted over 2014, looking to officially launch them in 2015.



CAP Job Clubs launch in Westminster.



# Income and expenditure

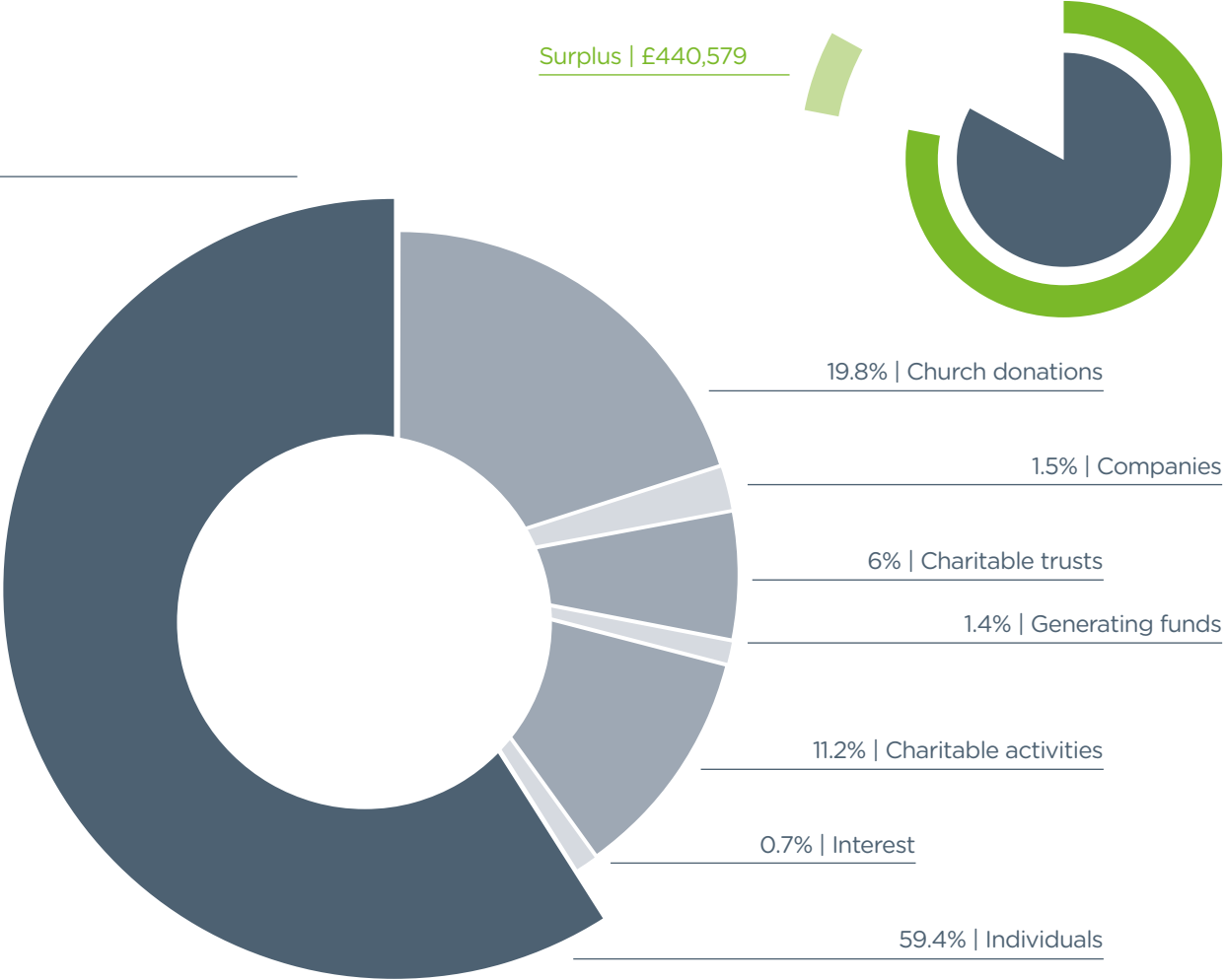
The Directors are pleased to report another year of strong financial growth.

Income: £8,290,272

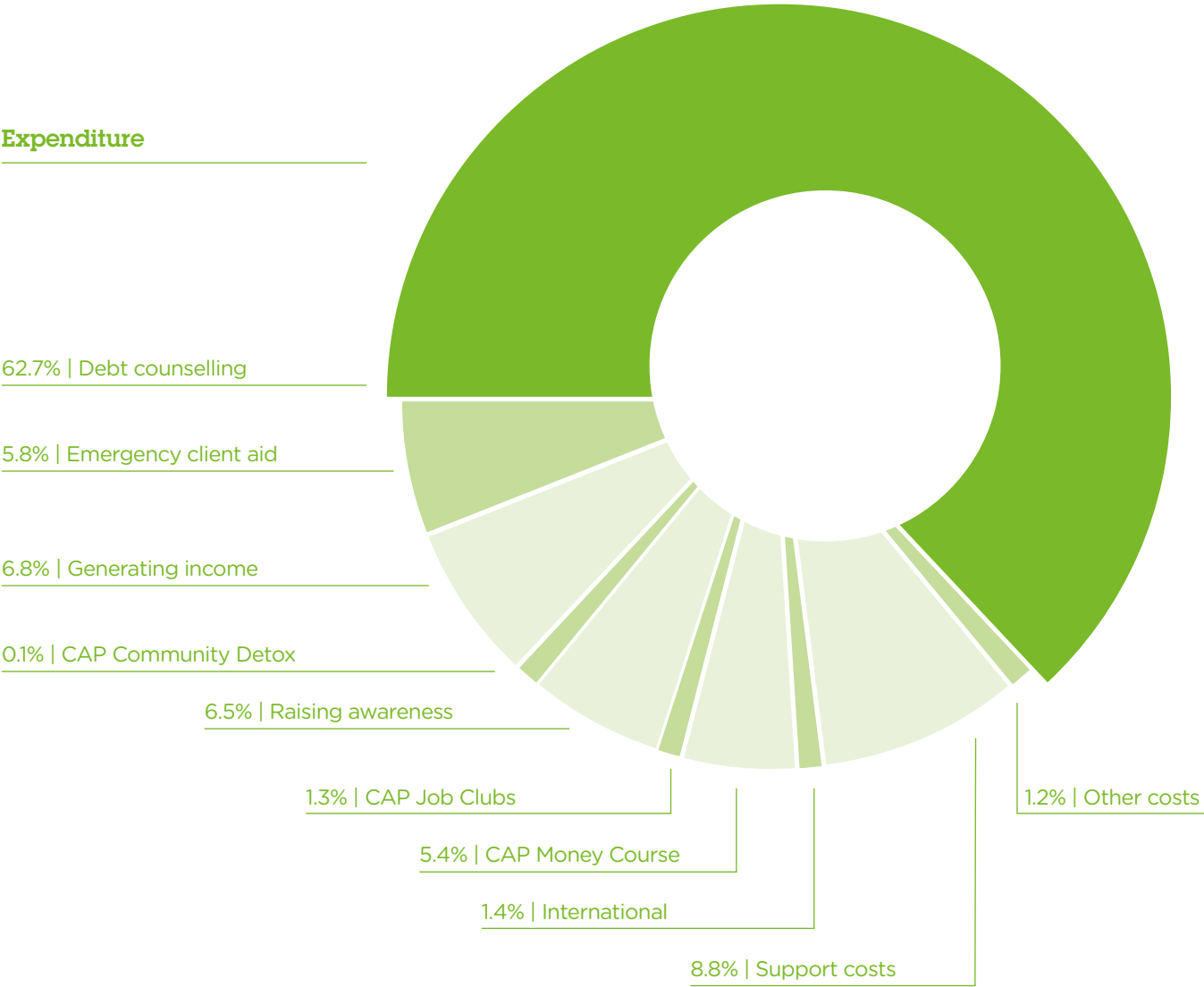
Expenditure: £7,849,693

Surplus | £440,579

## Income



Expenditure



# Income and expenditure (cont)

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## Income

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CAP continues to rely on voluntary donations from individuals and organisations as its principal source of funding. Total income for the year increased by 7% to £8.3m (2012: £7.4m).

Our regular giving programme (Life Changers) generated income of £3.47m (2012: £3.0m); an increase of 16%. At the end of 2013, there were more than 23,000 Life Changers, each giving an average of £11.29 per month (excluding Gift Aid). We will continue to put all our efforts into increasing the number of Life Changers so that the charity has a solid foundation of support on which it can build.

Regular church giving continues to be an important source of funds, particularly from our partner churches, and over the year £1.5m (2012: £1.3m) came from this source; an increase of 15%.

Finance companies are also encouraged to give regularly through our Fairshare scheme. At the end of the period, 31 companies were giving 10% of all debts paid to them through the CAP Account back into the charity, raising a total of £645k (£2012: £644k) during the year.

Overall regular monthly giving, whether from individuals, churches or finance companies, represented 71% (2012: 72%) of our total income. This is 75% (2012: 73%) of total expenditure for the year. This is in line with the Directors' and Management's strategy to increase the level of regular giving in order to reduce the need for increasingly large levels of one-off income as the charity grows.

Whilst every effort is put into increasing the level of regular giving, there is still a need for significant one-off income and, in 2013, total one-off gifts from individuals totalled £1.45m (2012: £1.3m). Many individuals who already make monthly Life Changer donations gave additional gifts that are part of this £1.45m. A further £105k (2012: £115k) was generated from fundraising events.

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Income from charitable trusts continues to be an important income stream for the charity and in 2013 we received £499k (2012: £405k). We are indebted to the many trusts that agreed to support our work in this way. As part of this income, we received £100k from Souter Charitable Trust as the first payment of a £1.4m grant towards the future growth of our debt centre, job clubs and addictions projects. The remaining £1.3m is payable over the next three years and we are particularly grateful to Souter Charitable Trust for the confidence they have shown in the charity to be able to deliver on these growth plans.

Total one-off income from all sources was £2.4m (2012: £2.1m), an increase of 14%.

At a time when the economic outlook is uncertain, the Directors wish to thank all our supporters for the financial contribution they have made towards the success of the charity.

## Expenditure

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Total expenditure increased by 7% to £7.8m (2012: £7.2m) as a result of the increased activity of the charity and further investment for future growth. £6.5m (2012: £6.1m) related directly to charitable activities, representing 83% (2012: 85%) of total expenditure. The costs of generating funds were £529k (2012: £426k) representing 6.7% (2012: 5.6%) of total expenditure, reflecting the additional cost incurred sponsoring The Big Church Day Out. Essential support costs of £693k (2012: £618k), representing 8.8% (2012: 8.5%) of total expenditure, have been allocated to activities on the basis of headcount. Staff costs of £5m (2012: £4.7m) represented 64% (2012: 65%) of the total expenditure. (See Note 5 of the Financial Statements for a detailed breakdown of the Total Resources Expended).

Overall, there was a surplus for the year before other recognised gains and losses of £441k (2012: £183k). With no other recognised gains or losses (2012: £Nil), the resulting net surplus was £441k (2012: £183k) for the year.

# Financial review

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## Balance Sheet

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The surplus for the year had a very positive effect on the strength of the Balance Sheet. A strong cash position at the end of the year resulted in net current assets being £685k (2012: £266k) with the net assets of the charity at 31 December 2013 being £2.18m (2012: £1.74m).

As per Note 12 of the Notes to the Financial Statements, in July 2013, the Directors took the opportunity to refinance the secured loans on the charity's two main buildings, which had previously been purchased and refurbished using loans from private investor/supporters and also a mortgage from Kingdom Bank. The Directors acknowledge that without this generous support at the time, the charity would not have been able to provide the excellent facilities that we now have. However, a ten year loan facility at a fixed rate of 3.86%, secured against both buildings, was offered by the charity's main bankers,

Lloyds Bank plc., which, as well as saving in the region of £22k per annum in interest, is in line with the Directors' aim to be debt free within 10 years.

## Tangible fixed assets for the use of the charity

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Details of movements in fixed assets are set out in Note 6 to the financial statements. There were no major additions to fixed assets during the year, although we did take the opportunity to purchase a strip of land adjacent to the Jubilee Centre to create improved access from Jubilee Mill at a cost of £1,000. During the year, we also did a complete inventory of all of our IT equipment, prior to the setting up of an asset register. This resulted in us writing off £232k of historic equipment that we no longer had and which had a nil net book value. These are shown as disposals in Note 6 to the financial statements.

We still managed to contain our operations within Jubilee Mill so the Jubilee Centre continued to be let out on a short-term rental to a local church, The Light Church, which not only runs a CAP Debt Centre but also provides much needed help for the local community through their Food Bank. Allowing The Light Church to use the building in this way not only brings in additional income to the charity, but we believe it also fulfils many of our charitable objectives in the way that they reach the poor and the marginalised. It is anticipated that we will move some of our staff into the Jubilee Centre during the second quarter of 2014. The Trustees are still of the opinion that both buildings represent great assets to the charity over and above their actual valuations.

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## Reserves policy

The Directors of the charity continually aim to maintain the correct balance between the strong growth strategy of the charity with the desire to achieve a prudent level of reserves. The fact that CAP has a high percentage of unrestricted regular private income is, in many respects, one of the strongest long-term reserves the charity could hope for. With over 23,000 people giving an average of £11.29 per month, this income represents 41% (2012: 41%) of our total income, or around three months' worth of expenditure. Total regular income represented 75% (2012: 73%) of total expenditure, an increase of 2%, which is in line with the charity's strategy to increase this percentage to 75-80% of total expenditure.

The increase in regular giving, coupled with the substantial one-off gifts raised during the year, resulted in a cash balance at the end of the year of £902k (2012: £554k). This represents almost four months' worth of our one-off funding target for the year.

The Directors are confident that this level of reserves, combined with the continued drive to increase regular income, will enable the charity to continue with its current growth strategy.

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## Investment powers and policy

Under the Memorandum and Articles of Association, the Directors have the power to invest the monies of the charity not immediately required for the furtherance of the objects in or upon such investments, securities or property as may be thought fit. Bearing in mind the need for high liquidity to offset the seasonal nature of the cash flow, the Directors have therefore established a policy where surplus funds are invested in fixed-term or call deposits with the charity's bankers. >>

# Financial review (cont)

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## Structure, governance and management

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The Directors, who are also Trustees of the charity for the purposes of charity law, meet five times a year to review strategy and operational/financial performance in conjunction with the charity's Founder and International Director, its Chief Executive Officer, and other members of the senior management team. These meetings are also attended by a staff representative and a client representative, so their views can be taken into consideration during the decision making process.

The Directors have authority to appoint as Director any person who, by virtue of personal or professional qualification, is able to make a contribution to the pursuit of the charity's objects or management. Director training is carried out on an on-going basis making use of the Charity Commission website and other charity publications.

The day-to-day implementation of the strategic plan, together with the development of strategy, is led by the Chief Executive and senior management team, consisting of members of each area of the charity. Key Performance Indicators are used to measure and review performance against the strategic plan with monthly meetings ensuring that corrective action is taken where needed. Monthly management accounts are also used to ensure that financial targets are being met. If any significant matters of policy or key decision making arise during these meetings, then these will be referred to the Directors for approval.

The Directors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 in preparing the Annual Report and Financial Statements of the charity.

The Directors actively review the major risks that the charity faces on a regular basis together with controls over key financial systems carried out through an internal audit programme. The Directors have also examined other operational and business risks that the charity faces and confirm they have established systems to mitigate the significant risk.

The charity is constituted as a company limited by guarantee, formed on 3 February 2003, and is therefore governed by its Memorandum and Articles of Association. The company took over the operations of Christians Against Poverty as constituted under a Declaration of Trust dated 29 August 1996, on 1 June 2003.

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## Employees

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The work of Christians Against Poverty relies on the commitment and hard work of its valued staff, both those directly employed at head office and also those employed by our partner churches in our debt centres. At the end of the year, more than 600 people were directly involved in delivering the service of Christians Against Poverty, the part played by each one being vital to the charity's success. Regular communication with staff through monthly staff meetings, team meetings and podcasts ensure that they are kept informed of any decisions taken by the Management Board, and our annual staff surveys consistently show a high level of job satisfaction. Full training is given to each member of staff in their specific roles whilst further management training is available to all members of staff through our Reach intern programme.

We are committed to equality in recruiting, training, promotion, and career development and continually seek to promote from within before seeking external candidates.

## Volunteers

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CAP values the work of its volunteers in the head office in Bradford and across the UK. Appropriate policies and procedures, clarifying the extent of the volunteer's remit and providing checks and balances in relation to the key areas of the Management and HR Strategy, have been introduced and a dedicated person appointed to oversee their work and well-being.

During the year, 40 volunteers have worked at our head office in Bradford, performing various part-time administrative and ad-hoc roles, providing 4,185 hours of valuable support to us in total. We estimate the value of this work to be in the region of £30k. The number of volunteers within our centre network is far more difficult to quantify but we acknowledge that, without their invaluable contribution, our clients would not receive the help and support that they do.

The Directors, therefore, wish to acknowledge the enormous contribution made by employees and volunteers, both at head office and in our partner churches, without whom we would not be able to transform lives across the nation. >>

# Financial review (cont)

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## Work in Scotland

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We are required by the Office of the Scottish Charity Regulator to report separately upon the activities that Christians Against Poverty has undertaken in Scotland. Whilst we do not report our Income/Expenditure separately for our Scottish activities, statistically the work was as follows:

- At the end of 2013, we had 16 full CAP Debt Centres in Scotland, including four new ones opened during the year.
- 403 (2012: 379) families operated a CAP Account during the year, thereby helping around 927 individuals (2012: 872).
- 61 (2012: 43) Scottish clients were helped to apply for Sequestration.
- 127 CAP Money Coaches from 42 churches were trained and 80 CAP Money Courses were run.
- Two churches were trained to run CAP Job Clubs.
- 27 church talks were booked in order to raise awareness of debt and poverty.

## Directors' responsibilities in relation to the financial statements

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The Directors are required by company law to prepare financial statements for each financial year that give a true and fair view of the financial activities of the charity and of its financial position at the end of that year.

In preparing those financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis, unless it is inappropriate to assume that the charity will continue in operation.

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The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware and all steps have been taken by the Trustees to make themselves aware of relevant audit information and to establish that the auditor is aware.

### Auditor

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A proposal to re-appoint Clarkson & Company as auditor of the charity will be put to the Annual General Meeting.

### Approval

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This report was approved by the board of Directors on 4 March 2014 and signed on its behalf.



Peter Green | Chair of Trustees

# Auditor's report

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I have audited the financial statements of Christians Against Poverty for the year ending 31 December 2013, that comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in a Report of the Auditor and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body, for my audit work, for this report, or for the opinions I have formed.

## **Respective responsibilities of Trustees and auditor**

As explained more fully in the Directors' Responsibilities Statement on page 36, 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.

I have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

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## Opinion on financial statements

In my opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31st December 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.
- Have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires me to report to you if, in my opinion:

- The charitable company has not kept proper and adequate accounting records or returns adequate for my audit have not been received from branches not visited by me; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.

## Opinion on other matter prescribed by the Companies Act 2006

In my opinion, 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.



Robert H Clarkson, FCA  
Senior Statutory Auditor

Clarkson & Company,  
Chartered Accountant and  
Statutory Auditor,  
Centre of Excellence,  
Hope Park,  
Trevor Foster Way,  
Bradford,  
West Yorkshire,  
BD5 8HH

Date: 5 March 2014

# Statement of financial activities

For the 12 months ended 31 December 2013

<b>Incoming resources</b>	<b>Note</b>	<b>General funds (£)</b>	<b>Restricted funds (£)</b>	<b>Total funds 2013 (£)</b>	<b>Total funds 2012 (£)</b>
Incoming resources from generated funds					
Voluntary income	2	6,716,414	472,858	7,189,272	6,261,374
Activities for generating funds	3	114,752	-	114,752	144,196
Investment income	-	54,548	-	54,548	35,603
Incoming resources from charitable activities	4	931,700	-	931,700	985,048
Other incoming resources	-	-	-	-	-
<b>Total incoming resources</b>		<b>7,817,414</b>	<b>472,858</b>	<b>8,290,272</b>	<b>7,426,221</b>
<b>Resources expended</b>					
Costs of generating funds					
Costs of generating voluntary income		537,430	1,462	538,892	423,532
Fundraising trading		25,018	-	25,018	34,688
Charitable activities		6,738,097	445,020	7,183,117	6,680,702
Governance costs		29,050	-	29,050	9,740
Other resources expended		73,616	-	73,616	95,049
<b>Total resources expended</b>	<b>5</b>	<b>7,403,211</b>	<b>446,482</b>	<b>7,849,693</b>	<b>7,243,711</b>
Net incoming resources before other recognised gains and losses		414,203	26,376	440,579	182,510
Loss on revaluation of fixed assets		-	-	-	-
<b>Net movement in funds</b>		<b>414,203</b>	<b>26,376</b>	<b>440,579</b>	<b>182,510</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,544,076	195,806	1,739,882	1,557,372
<b>Total funds carried forward</b>		<b>1,958,279</b>	<b>222,182</b>	<b>2,180,461</b>	<b>1,739,882</b>

# Balance sheet

As at 31 December 2013

	Note	Unrestricted funds (£)	Restricted funds (£)	Total funds 2013 (£)	Total funds 2012 (£)
<b>Fixed assets</b>					
Tangible assets	6	2,890,834	-	2,890,834	2,963,523
Investment	7	100	-	100	100
<b>Total fixed assets</b>		<b>2,890,934</b>	<b>-</b>	<b>2,890,934</b>	<b>2,963,623</b>
<b>Current assets</b>					
Stock		-	-	-	2,344
Debtors	10	322,497	-	322,497	312,132
Cash at bank and in hand		679,200	222,182	901,382	554,369
<b>Total current assets</b>		<b>1,001,697</b>	<b>222,182</b>	<b>1,223,879</b>	<b>868,845</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	(539,220)	-	(539,220)	(602,409)
<b>Net current assets</b>		<b>462,477</b>	<b>222,182</b>	<b>684,659</b>	<b>266,436</b>
Total assets less current liabilities		3,353,411	222,182	3,575,593	3,230,059
Creditors: amounts falling due after one year	12	(1,395,132)	-	(1,395,132)	(1,490,177)
<b>Net assets</b>		<b>1,958,279</b>	<b>222,182</b>	<b>2,180,461</b>	<b>1,739,882</b>
<b>The funds of the charity</b>					
Restricted income funds				222,182	195,806
Unrestricted income funds				1,702,742	1,288,539
Revaluation reserve				255,537	255,537
				<b>2,180,461</b>	<b>1,739,882</b>

Approved by the board of Directors and Trustees on 4 March 2014 and signed on its behalf.



Peter Green | Chair of Trustees

# Notes to the financial statement

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## 1. Statement of accounting policies

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The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, and in accordance with applicable accounting standards and the Charities Statement of Recommended Practice (SORP 2005) issued in March 2005 and the Companies Act 2006. The charity and its subsidiary undertaking comprise a small group. The charity has taken advantage of the exemptions provided by SORP 2005, and the Companies Act 2006 not to prepare group accounts. The financial statements therefore present information about the charity as an individual undertaking and not about its group.

## Funds held by the charity

Unrestricted funds represent funds received that are available to the Trustees to apply for the general purposes of the charity as set out in the governing document. Unrestricted funds include a revaluation reserve representing the amount by which the property valuation exceeds its historical cost.

Restricted funds represent funds received for a specific purpose as defined by the donor.

## Incoming resources and policies

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income, receipt is certain and the amount can be quantified with reasonable accuracy. The following specific policies apply to the categories of income:

### – Legacies

Recognition of legacy income is dependent on the type of legacy, with pecuniary legacies recognised when notification is received and residuary legacies when final estate accounts are received. No value is included where the legacy is subject to a life interest held by another party.

### – Gifts of fixed assets

Gifts of fixed assets are fully recognised as income in the year they are received.

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## Resources expended policies

All expenditure of the charity is accounted for on an accruals basis and provision is included in the Financial Statements for all known liabilities at the Balance Sheet date. Irrecoverable VAT is attached to the specific expense incurred.

Costs of generating voluntary income comprise of the direct costs of fundraising staff together with quantifiable direct costs. Other support costs are allocated on the basis of headcount.

Charitable activities comprise of the direct costs of staff involved in the delivery of activities and services to the charity's beneficiaries. Direct costs are included where quantifiable and all other support costs are allocated on the basis of headcount.

Governance costs comprise of the direct costs of the charity that are not related to fund generation or charitable activities. The Trustees consider that any apportionment of indirect costs would not be material.

## Pensions

The charity operates a defined contribution pension scheme, Christians Against Poverty Stakeholder Pension Plan, and the pension charge represents the amounts payable by the charity to the fund in respect of the period.

## Assets policies

Fixed assets are included at cost with the exception of freehold buildings which are included at a professional valuation. All fixed assets with a value in excess of £200 are capitalised.

Depreciation is calculated to write down the cost or valuation, less estimated residual values of all fixed assets over their expected useful lives. It is calculated at the following rates:

Buildings	Nil
Computer equipment	33 1/3%
Furniture and fittings	25% on written down value
Equipment	20% on cost

No depreciation is charged on freehold property, as this has been included at a valuation appropriate at 31 December 2013.

# Notes to the financial statement (cont)

## 2. Voluntary income

	Unrestricted funds (£)	Restricted funds (£)	Total funds 2013 (£)	Total funds 2012 (£)
Regular supporters	2,865,453	64,798	2,930,251	2,548,568
Individual gifts	1,040,913	169,608	1,210,521	1,089,089
Churches	1,629,119	9,226	1,638,345	1,409,604
Companies	99,270	25,429	124,699	91,048
Charitable trusts	295,206	203,797	499,003	404,486
Legacies	-	-	-	25,001
	5,929,961	472,858	6,402,819	5,567,796
Gift Aid	786,453	-	786,453	693,578
<b>Total donations</b>	<b>6,716,414</b>	<b>472,858</b>	<b>7,189,272</b>	<b>6,261,374</b>

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### 3. Activities for generating funds

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	2013 (£)	2012 (£)
Fundraising events	106,604	115,073
Sales of cards, books and other merchandise	8,148	29,123
<b>Total</b>	<b>114,752</b>	<b>144,196</b>

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### 4. Income from charitable activities

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	2013 (£)	2012 (£)
Received from clients	181,583	286,069
Service companies	653,263	644,089
CAP Money resources	49,492	12,390
	884,338	942,548
Rents received	47,362	42,500
<b>Total</b>	<b>931,700</b>	<b>985,048</b>

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# Notes to the financial statement (cont)

## 5. Total resources expended

Costs of generating funds	Direct costs (£)	Support costs (£)	Total funds 2013 (£)	Total funds 2012 (£)
Costs of generating voluntary income	504,839	34,053	538,892	423,532
Sponsored events and trading	25,018	-	25,018	34,688
	529,857	34,053	563,910	458,220
Charitable activities				
Debt counselling – debt centres	1,267,660	106,701	1,374,361	1,389,177
Debt counselling – head office	3,655,042	475,614	4,130,656	3,610,226
Client welfare	452,553	8,703	461,256	480,574
International	106,450	3,405	109,855	224,996
CAP Money Course	424,364	23,081	447,445	449,603
CAP Job Clubs	101,103	5,676	106,779	11,515
CAP Community Detox	10,305	-	10,305	-
Raising awareness	506,515	35,945	542,460	514,611
	6,523,992	659,125	7,183,117	6,680,702
Governance costs	29,050	-	29,050	9,740
Other costs	73,616	-	73,616	95,049
Total resources expended	7,156,515	693,178	7,849,693	7,243,711
Support costs and the basis of their allocation are as follows:	Principal basis of allocation to activities		Total funds 2013 (£)	Total funds 2012 (£)
General management and support	Headcount		85,505	116,063
Financial management	Headcount		177,931	160,032
Human resources	Headcount		129,665	117,591
Supporter relations	Headcount		252,069	180,649
IT	Headcount		48,008	43,553
Total			693,178	617,888

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## 6. Fixed assets

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<b>Costs</b>	<b>Freehold land &amp; buildings (£)</b>	<b>Computer equipment (£)</b>	<b>Furniture &amp; equipment (£)</b>	<b>Total (£)</b>
As at 31 December 2012	2,730,000	598,044	205,266	3,533,310
Additions	1,000	804	22,735	24,539
Disposals	-	(232,077)	(6,999)	(239,076)
Loss on revaluation	-	-	-	-
<b>As at 31 December 2013</b>	<b>2,731,000</b>	<b>366,771</b>	<b>221,002</b>	<b>3,318,773</b>

### Depreciation

As at 31 December 2012	-	456,940	112,847	569,787
Charge for year	-	67,760	24,569	92,329
Disposals	-	(232,077)	(2,100)	(234,177)
<b>As at 31 December 2013</b>	<b>-</b>	<b>292,623</b>	<b>135,316</b>	<b>427,939</b>

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<b>Net book value as at 31 December 2012</b>	<b>2,730,000</b>	<b>141,104</b>	<b>92,419</b>	<b>2,963,523</b>
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<b>Net book value as at 31 December 2013</b>	<b>2,731,000</b>	<b>74,148</b>	<b>85,686</b>	<b>2,890,834</b>
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# Notes to the financial statement (cont)

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## 6. Fixed assets (cont)

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The net book value of Freehold Land and Buildings comprises:

Premises at North Street, Bradford, known as Jubilee Mill, at valuation: **£1,600,000**

Premises at Norman Terrace, Eccleshill, Bradford at valuation: **£130,000**

Premises at Jermyn Street, Bradford, known as The Jubilee Centre, at valuation: **£1,000,000**

The valuations for the premises at North Street and Jermyn Street were carried out by Andrew Idle Associates, Chartered Surveyors on 6 January 2012. The valuation for the premises at Norman Terrace was carried out on 25 July 2009 by Eddisons, Chartered Surveyors.

The basis for all the valuations was Open Market Value and the Trustees are not aware of any factors that would affect the valuation of either of the freehold properties at the balance sheet date.

The historical cost of freehold land and buildings is **£2,345,463**

## 7. Investment

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	2013 (£)	2012 (£)
Shares in group undertakings	100	100

The charity owns 100 £1 Ordinary shares, being 100% of the issued share capital, in CAP Life Limited whose principal activity is that of life insurance brokers.

The aggregate amount of share capital and reserves of CAP Life Limited as at 31 December 2013, being the date of the last set of accounts, was £1,172 (2012 £1,105) and the profit for the year then ended was £67 (2012 profit £78).

8. Employee emoluments

	2013 (£)	2012 (£)
Salaries	4,359,085	4,073,599
Social Security costs	388,548	370,648
Pension costs	296,839	249,076
<b>Total</b>	<b>5,044,472</b>	<b>4,693,323</b>

The number of employees whose emoluments (salaries, wages and benefits in kind) fell within the following bands:

	2013	2012
£60,000 - £69,999	2	1

During the year, pension contributions on behalf of these employees amounted to £11,205 (2012: £6,334).

Average number of full-time equivalent employees during the year.

	2013	2012
Head office	201	189
Debt centres	-	-
<b>Total</b>	<b>201</b>	<b>189</b>

# Notes to the financial statement (cont)

## 9. Auditors' remuneration

	2013 (£)	2012 (£)
Audit services	5,400	5,220
Non-audit services	-	-
<b>Total</b>	<b>5,400</b>	<b>5,220</b>

## 10. Debtors

	Total funds 31 Dec 2013 (£)	Total funds 31 Dec 2012 (£)
Income Tax recoverable	70,653	65,847
Accounts receivable	161,046	212,758
Accrued income	60,340	9,922
Prepayments	27,272	11,092
Other debtors	2,150	4,204
CAP International	1,036	8,309
<b>Total</b>	<b>322,497</b>	<b>312,132</b>

## 11. Creditors: amounts due within one year

	Total funds 31 Dec 2013 (£)	Total funds 31 Dec 2012 (£)
Building Fund loans	125,800	299,493
Other loans	-	-
Bank loan	124,777	8,776
Mortgage	1,909	19,123
PAYE/National Insurance	105,761	102,853
Accruals & other creditors	74,477	65,761
Trade creditors	106,496	106,403
<b>Total</b>	<b>539,220</b>	<b>602,409</b>

## 12. Creditors: amounts due after one year

	Total funds 31 Dec 2013 (£)	Total funds 31 Dec 2012 (£)
Building Fund loans	-	933,211
Other loans	-	-
Mortgage	101,354	487,222
Bank loan	1,293,778	69,744
<b>Total</b>	<b>1,395,132</b>	<b>1,490,177</b>

		31 Dec 2013 (£)	31 Dec 2012 (£)
Loans outstanding at the period end amounted to £1,647,617 (31 Dec 2012: £1,817,569) and these are repayable as follows:	Within one year	252,485	327,392
	Between two and five years	558,606	788,043
	After more than five years	836,526	702,134

On 11 July 2013, a loan for £1,469,000 was taken out with Lloyds Bank plc. This loan is fully secured against the freehold properties known as Jubilee Mill, North Street, Bradford and The Jubilee Centre, Jermyn Street, Bradford and replaces all

other secured loans against those properties. The loan is repayable over a period of ten years and interest is fixed at 3.86% for its duration. The balance of the loan at 31 December 2013 was £1,418,554, which represents 55% of the balance sheet value of the property.

On 29 July 2009, a 30-year mortgage was taken out with Kingdom Bank for £110,500 secured against the freehold property at Norman Terrace, Eccleshill. The balance of the mortgage at 31 December 2013 was £103,263 and represents 79% of the balance sheet value of the property.

# Notes to the financial statement (cont)

## 13. Other financial commitments

At the year end, the company had annual commitments under non-cancellable operating leases as set out below:

### Operating leases which expire: 31 Dec 2013 (£) 31 Dec 2012 (£)

Within one year	602	-
Between two and five years	4,793	5,383
After more than five years	-	-

## 14. Capital commitments

There were no capital commitments as at 31 December 2013.

## 15. Budgeting and insolvency services

Monies paid in by clients to enable their utility and debt repayments to be made are held in a separate bank account from the charity's own funds and cannot be used by the charity to fund its operations. The balance in this separate account as at 31 December 2013 was £3,273,278 (2012 - £3,250,947).

## 16. Transactions with Trustees

During the year no remuneration was paid to any of the Trustees (2012: £Nil).

During the year no Trustee (2012: none) received any other remuneration or expenses from the charity.

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## 17. Related party transactions

During 2013, the charity donated £Nil (2012: £42,237) to CAP Australia, a charity registered in Australia of which John Kirkby, Founder and International Director, is a Trustee.

On 2 December 2013, the Directors issued a 'Letter of Comfort' to CAP Australia undertaking to financially support CAP Australia to the full extent of any liabilities incurred by them that are unable to be satisfied by the assets of CAP Australia. It was agreed that this would be up to a maximum of \$350k (approx. £188k) with preventative measures to be put in place once CAP Australia's liabilities exceed their assets by \$250k. At 31 December 2013 CAP Australia had net assets of \$22,511.

In March 2013 the charity launched a separate charity in Canada, CAP Canada, of which John Kirkby is a Trustee. In launching the new venture, the charity agreed to 'seed fund' the first two month's cost so that CAP Canada could get established. The cost of this 'seed funding' was £13,043.

In September 2010, The Light Church, a church of which John Kirkby, Josie Barlow and Tim Morfin are Trustees, moved into the Jubilee Centre on an 18-month lease at a monthly rental of £2,750 plus utilities. CAP continue to have priority use of the building when it is needed.

The charity rents a domestic property owned by Matt Barlow, Chief Executive, at a rent of £475 per month. The property is used to house Reach intern students who contribute towards the rent and running costs of the house. The rent on the property is subject to an annual renewal depending on our requirements.

On 20 May 2003, County Financial Ltd., of which Peter Green is a Director, lent the charity £15,000 at an annual interest rate of 2%. The loan is repayable on one month's notice.

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## 18. Pension commitments

The charity operates a defined contribution pension scheme, Christians Against Poverty Group Stakeholder Pension Plan, for all employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. All contributions due have been fully paid.

# Five-year summary

<b>Incoming resources</b>	<b>Total funds 2009 (£)</b>	<b>Total funds 2010 (£)</b>	<b>Total funds 2011 (£)</b>	<b>Total funds 2012 (£)</b>	<b>Total funds 2013 (£)</b>
Voluntary income	3,816,889	4,665,697	5,747,652	6,261,374	7,189,272
Activities for generating funds	219,410	204,223	138,005	144,196	114,752
Investment income	43,813	38,871	21,904	35,603	54,548
Charitable activities	702,322	833,774	1,007,130	985,048	931,700
Other incoming resources	130,000	-	-	-	-
<b>Total incoming resources</b>	<b>4,912,434</b>	<b>5,742,565</b>	<b>6,914,691</b>	<b>7,426,221</b>	<b>8,290,272</b>
<b>Resources expended</b>					
Costs of generating funds	315,436	351,110	446,402	458,220	563,910
Charitable activities					
Debt counselling	3,330,577	3,848,603	4,221,803	4,999,403	5,505,017
Client welfare	284,564	371,836	435,031	480,574	461,256
International	96,847	133,496	88,872	224,996	109,855
CAP Money Course	130,877	175,074	259,577	449,603	447,445
CAP Job Clubs	-	-	-	11,515	106,779
CAP Community Detox	-	-	-	-	10,305
Raising awareness	295,465	419,523	479,486	514,611	542,460
<b>Total charitable activities</b>	<b>4,138,330</b>	<b>4,948,532</b>	<b>5,484,769</b>	<b>6,680,702</b>	<b>7,183,117</b>
Governance costs	4,350	8,596	12,052	9,740	29,050
Other costs	61,950	88,065	104,428	95,049	73,616
<b>Total resources expended</b>	<b>4,520,066</b>	<b>5,396,303</b>	<b>6,047,651</b>	<b>7,243,711</b>	<b>7,849,693</b>
<b>Net incoming resources</b>	<b>392,368</b>	<b>346,262</b>	<b>867,040</b>	<b>182,510</b>	<b>440,579</b>
Profit/(Loss) on revaluation of assets	-	-	(125,864)	-	-
<b>Net movement in funds</b>	<b>392,368</b>	<b>346,262</b>	<b>741,176</b>	<b>182,510</b>	<b>440,579</b>

# Five-year summary (cont)

<b>Ratios</b>	<b>Total funds 2009</b>	<b>Total funds 2010</b>	<b>Total funds 2011</b>	<b>Total funds 2012</b>	<b>Total funds 2013</b>
Voluntary income	77.70%	81.25%	83.12%	84.31%	86.72%
<b>Percentage of total expenditure</b>					
Cost of generating funds	6.98%	6.51%	7.38%	6.33%	7.18%
Charitable activities	91.55%	91.7%	90.69%	92.23%	91.51%
Governance costs	0.10%	0.16%	0.20%	0.13%	0.37%
Support costs (included in Resources Expended)	11.02%	11.12%	10.32%	8.53%	8.83%

## Director, senior staff and advisers

### Registered office

Jubilee Mill, North Street, Bradford,  
West Yorkshire, BD1 4EW

### Auditors

Clarkson & Company  
Chartered Accountant and  
Statutory Auditor  
Centre of Excellence,  
Hope Park, Trevor Foster Way,  
Bradford, BD5 8HH

### Solicitors

Anthony Collins & Co,  
St Philip's Gate, 5 Waterloo Street,  
Birmingham, B2 5PG

### Bankers

Lloyds TSB, Hustlergate, Bradford,  
West Yorkshire, BD1 1NT

Kingdom Bank, Ruddington  
Fields Business Park,  
Mere Way, Ruddington,  
Nottingham, NG11 6JS

### Directors

Peter Green BA(Hons), CFP, ACII,  
ACIB, MSFA (Chair)  
Rev Ian Nundy  
Tim Morfin  
Andrew Parker FCA  
Matthew Frost  
Kathryn Foster

### Secretary

Andy Thomas ACMA

### Leadership team

Matt Barlow (Chief Executive)  
John Kirkby (Founder & Intl Director)  
Josie Barlow (Communications)  
Siân Wrangles (Partnership)  
Andy Thomas (Finance and Facilities)  
Chris Brown (Centre Development)  
Simon Wilce (Client Services)  
Ellie Gage (HR and Staff Development)



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