

Registered number: 05063463
Charity number: 1102964

(A Company Limited by Guarantee)

**SHEPWAY CITIZENS ADVICE BUREAU
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2019**

MAGEE GAMMON

Chartered Accountants
Henwood House
Henwood
Ashford
Kent
TN24 8DH



SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

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**SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees and Directors

P Wilson
Revd J Waller, Chairman
N Oakes
J Mallinson (resigned 30 July 2018)
J Keller
R Griffiths
A Petrie (appointed 3 May 2018)
J Chislett (appointed 4 October 2018)
B Rainsley (appointed 25 October 2018)

Company registered number

05063463

Charity registered number

1102964

Registered office

Units 4-6 Princes Gate, George Lane, Folkestone, Kent, CT20 1RH

Company secretary

Mr J Jones

Accountants

Magee Gammon, Henwood House, Henwood, Ashford, Kent, TN24 8DH

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their annual report together with the financial statements of the company for the year from 1 April 2018 to 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The Citizens Advice service aims to:

- Provide the advice people need for the problems they face
- Improve the policies and practices that affect people's lives
- Campaign locally and nationally to influence government and organisations to bring about change in policies and laws
- Ensure that volunteers are the core of our service

The service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

b. Our vision

Shepway CAB is an independent local charity. Our organisation is volunteer-based and we aim to harness the talents of volunteers and offer personal development as well as a fulfilling role meeting the needs of the community. We strive to help prevent the problems of inequality of society by:

- Providing advice, information and guidance to everyone in Shepway on their rights and responsibilities
- Improving the policies and practices that affect people's lives.

c. Our objectives

To be proactive in:

- Making advice easily accessible
- Providing information that is targeted to the needs of the community
- Providing training to prevent the causes of poverty, homelessness, discrimination and unfair treatment

To ensure the service is:

- Meeting the needs of the population of Shepway
- Independent
- Free of charge wherever possible
- Confidential
- Impartial
- Easily accessible

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

d. Social investments

We provide general and specialist advice about welfare benefits, debt, housing, employment and immigration. Additionally, we also provide court desk and litigation services for housing.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

e. Our aims

We aim to:

- Focus on the needs of the client
- Develop individuals through volunteering and training

In order to assist in preventing:

- Poverty
- Homelessness
- Discrimination
- Unfair treatment

f. Volunteers

The Charity receives help and support in the form of voluntary assistance in advising the public and administering the Charity. Excluding the trustees, who are also volunteers, 15 volunteers contributed work valued at an estimated £100,000 to the service during the year.

Achievements and performance

a. Charitable activities

Citizens Advice Shepway dealt with a total of 2,100 clients in 2018/19 helping them to resolve 4,700 problems (2017/18: 2,400 client enquiries and 4,200 issues). 54% of these problems were in relation to debt and welfare benefits, with a further 19% of problems relating to housing and employment problems. These problems not only impact on the socio-economic wellbeing of individuals but also on the community – so enabling residents to deal with them not only supports individuals, but also supports the financial and social wellbeing of communities.

b. Investment performance

The Charity does not currently hold any material investments.

c. Internal and external factors

The Charity is only too well aware of the financial pressures experienced by its major funders, and in view of this, has taken active measures to seek additional sources of funding for its services.

Additional resources have been deployed since the balance sheet date to recover outstanding work in progress on the LAA contract, which is deemed a priority in the year ahead.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Material investments policy

As required in its Articles, paragraph 3.19, in furtherance of its objectives, and for no other purposes, the Charity has the power to invest any monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

c. Financial position

Incoming resources in the year were £280,701 (2018: £286,850), a decrease on the previous year of £6,149. Major funders were: Legal Aid Agency £136,925, Folkestone and Hythe District Council £67,800, MASDAP £26,004, LIPSS £20,000 and The Roger De Haan Charitable Trust £20,000.

Main changes to the previous year were:

	£'000
LIPSS new 1 year grant	(3)
Legal Aid increased activity	4
MASDAP reduced contract	(9)
Help to Claim - startup grant new project	5
Fundraising	(3)
Total	(6)

Total expenditure incurred during the year was £257,120 (2018: £267,184), a decrease on the previous year of £10,064. This was mainly attributable to £7,000 of restructuring costs in the previous year.

Overall this represented a surplus in the year of £23,581 (2018: £19,666), attributable to increased activity in Legal Aid. At 31 March 2019, total reserves were £172,808, of which £159,589 represent unrestricted funds and £13,219 represents restricted funds.

**SHEPWAY CITIZENS ADVICE BUREAU
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019**

d. Reserves policy

Shepway CAB is required to ensure that free monies are available in each financial year to meet any reasonably foreseeable contingency. The Bureau will maintain a projection of income for at least one year ahead, in accordance with the terms of two of our main sponsors, and will ensure that funding continues to be derived from as wide a variety of sources possible.

In the event of the cessation of one or more funding streams, Shepway CAB will take the action necessary to ensure the viability of the organisation, and to maintain the provision of a good quality advice service.

Funding for future pay awards has also to be met from reserves as our two main sources of funding, the Shepway District Council grant and the Legal Aid Agency civil contract, are not index-linked. In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that 'free' reserves should be maintained equal to 3 months of normal operating expenditure. The reasons for holding particular reserves are outlined in notes 21 and 22.

e. Deficit

No funds were in deficit at the balance sheet date.

Structure, governance and management

a. Governing document

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 March 2004 and is a registered charity number 1102964.

b. Organisational structure and decision making

Shepway CAB is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Trustees carry the ultimate responsibility for the conduct of Shepway CAB and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management.

The Trustee Board is independent from management. A register of members' interests is maintained at the registered office and is available to the public.

c. Method of appointment or election of Trustees

Trustees, who are also directors of the Company, are recruited via a process which includes an interview with the Chair of the Board. They are then either elected at an AGM or co-opted by the Trustee Board. A separate process agreed by the Trustee Board is followed for election of the Chair.

d. Policies adopted for the induction and training of Trustees

Newly appointed Trustees are provided with a comprehensive induction to Shepway CAB through the provision of an induction pack, visits to the Bureau and access to resources provided by Citizens Advice.

**SHEPWAY CITIZENS ADVICE BUREAU
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019**

e. Related party relationships

Shepway Citizens Advice is a member of Citizens Advice, the operating name of the National Association of Citizens Advice, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards. Operating policies are independently determined by the Trustee Board of Shepway Citizens Advice in order to fulfil its charitable objectives and comply with the national membership requirements.

The Charity also co-operates and liaises with a number of other advisory services, local charities and social services departments on behalf of clients. Where one of the Trustees holds the position of Trustee/Director of another charity, they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

f. Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Shepway Citizens Advice has worked on a Corporate Risk Management exercise. A risk management strategy and risk register are agreed by the Trustee Board. The Trustees recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end, Shepway Citizens Advice is continually monitoring and managing its risk, reviewing the corporate risk register and ensuring action plans are in place to mitigate its key risks.

Included in external risks is that of the loss of funding. The effects of this have been minimised by the procedures in place, which have resulted in funding being secured from a variety of sources. The Charity continues to seek to diversify its funding sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery of all operational aspects of the charitable Company. These procedures are periodically reviewed to ensure that they still meet the needs of the Charity.

Plans for future periods

a. Future developments

Future Developments

Future developments are largely governed by our Annual Reviews of our client and community profiles and our Community Advice Needs Analysis in order to ensure that any developments are relevant to the environment in which we work.

Working with others

We will regularly assess opportunities for working in partnership with other organisations, including pursuing joint funding.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Multi Channel

We continue to work to increase the channels through which clients can access our service, providing advice face to face, via telephone and via email. Our current plans include:

- Increasing telephone access through joining the Citizens Advice national Advice line.
- Extending our current opening hours.
- Extending our on line presence and access through our Facebook page and our website.

Outreach services

Our commitment to developing outreach services in the Marsh area continues but this has not been possible to achieve due to, so far, being unable to secure the necessary funding to support any such initiative. In the meantime we provide advice by telephone and email to people living in these areas and prioritise appointments for people coming from the Marsh area.

Other services/development areas

During the next year we will start to deliver a new targeted debt service to target those in the most deprived areas of Folkestone and we will also deliver the new Help to Claim Service which provides support to people claiming Universal Credit.

Other service areas that we will aim to look at over the next three years will include:

Emerging needs

We will proactively monitor and assess emerging needs in order to ensure we respond and change to provide services that are relevant and focused on the needs of the people of Shepway.

Maintaining and increasing access to our services

We will do this by continuing to prioritise the recruitment and training of volunteers into the service.

Communications

We have worked to increase the quality and quantity of our external communications so that we can publicise legislative and policy changes in order to ensure we increase the number of people that we can reach and that we increase our profile in the community. We now have volunteers supporting this and have developed press contacts within the local media.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

**SHEPWAY CITIZENS ADVICE BUREAU
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees' responsibilities statement

The Trustees (who are also directors of Shepway Citizens Advice Bureau for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 23 July 2019 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Revd J Waller', written over a horizontal line.

Revd J Waller, Chairman
Trustee

**SHEPWAY CITIZENS ADVICE BUREAU
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

Independent Examiner's Report to the Trustees of Shepway Citizens Advice Bureau (the 'company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2019.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's Report 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 Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

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:



Dated: 23 July 2019

Roland Parry FCA

Magee Gammon

Chartered Accountants

Henwood House
Henwood
Ashford
Kent
TN24 8DH

SHEPWAY CITIZENS ADVICE BUREAU
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
INCOME FROM:					
Donations and legacies	2	4,255	-	4,255	7,067
Community advice & information	4	204,725	71,023	275,748	279,149
Investment income	3	698	-	698	634
TOTAL INCOME		<u>209,678</u>	<u>71,023</u>	<u>280,701</u>	<u>286,850</u>
EXPENDITURE ON:					
Raising funds		2,186	-	2,186	2,199
Charitable activities		184,586	70,348	254,934	264,985
TOTAL EXPENDITURE	7	<u>186,772</u>	<u>70,348</u>	<u>257,120</u>	<u>267,184</u>
NET INCOME BEFORE TRANSFERS		22,906	675	23,581	19,666
Transfers between Funds	15	477	(477)	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		<u>23,383</u>	<u>198</u>	<u>23,581</u>	<u>19,666</u>
NET MOVEMENT IN FUNDS		23,383	198	23,581	19,666
RECONCILIATION OF FUNDS:					
Total funds brought forward		136,206	13,021	149,227	129,561
TOTAL FUNDS CARRIED FORWARD		<u>159,589</u>	<u>13,219</u>	<u>172,808</u>	<u>149,227</u>

The notes on pages 13 to 26 form part of these financial statements.

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05063463

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019	2018
FIXED ASSETS			
Tangible assets	11	10,095	11,959
CURRENT ASSETS			
Debtors	12	108,897	108,391
Cash at bank and in hand		75,189	70,059
		<u>184,086</u>	<u>178,450</u>
CREDITORS: amounts falling due within one year	13	<u>(21,373)</u>	<u>(41,182)</u>
NET CURRENT ASSETS		162,713	137,268
NET ASSETS		<u>£ 172,808</u>	<u>£ 149,227</u>
CHARITY FUNDS			
Restricted funds	15	13,219	13,021
Unrestricted funds	15	159,589	136,206
TOTAL FUNDS		<u>£ 172,808</u>	<u>£ 149,227</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 23 July 2019 and signed on their behalf, by:



Revd J Waller, Chairman



Mr N Oakes

The notes on pages 13 to 26 form part of these financial statements.

**SHEPWAY CITIZENS ADVICE BUREAU
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Shepway Citizens Advice Bureau meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

SHEPWAY CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' Report for more information about their contribution.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

SHEPWAY CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Property improvements	-	20% straight line basis
Plant and machinery	-	33% and 20% straight line basis

1.7 Interest receivable

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

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

1.13 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

SHEPWAY CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.15 Irrecoverable VAT

The Bureau recovers VAT in accordance with an agreed partial exemption method.

2. Income from donations and legacies

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
Donations	£ 4,255	£ -	£ 4,255	£ 7,067
Total 2018	£ 7,067	£ -	£ 7,067	

3. Investment income

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
Deposit account interest	£ 698	£ -	£ 698	£ 634
Total 2018	£ 634	£ -	£ 634	

4. Income from charitable activities

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
Community Advice & Information	£ 204,725	£ 71,023	£ 275,748	£ 279,149
Total 2018	£ 200,719	£ 78,430	£ 279,149	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

5. Direct costs

	Voluntary Costs	Charitable Activities	Total 2019	Total 2018
Community Advice & Information	-	58,588	58,588	68,275
Staff costs	2,186	186,389	188,575	189,672
Depreciation	-	6,610	6,610	5,980
	<u>£ 2,186</u>	<u>£ 251,587</u>	<u>£ 253,773</u>	<u>£ 263,927</u>
Total 2018	<u>£ 2,199</u>	<u>£ 261,728</u>	<u>£ 263,927</u>	

6. Governance costs

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
Independent Examiner's Remuneration	850	900	1,750	1,650
Staff costs	1,597	-	1,597	1,607
	<u>£ 2,447</u>	<u>£ 900</u>	<u>£ 3,347</u>	<u>£ 3,257</u>

7. Analysis of Expenditure by expenditure type

	Staff costs 2019	Depreciation 2019	Other costs 2019	Total 2019	Total 2018
Expenditure on generating voluntary income	2,186	-	-	2,186	2,199
Costs of raising funds	<u>2,186</u>	<u>-</u>	<u>-</u>	<u>2,186</u>	<u>2,199</u>
Charitable Activities	186,389	6,610	58,588	251,587	261,728
Expenditure on governance	1,597	-	1,750	3,347	3,257
	<u>£ 190,172</u>	<u>£ 6,610</u>	<u>£ 60,338</u>	<u>£ 257,120</u>	<u>£ 267,184</u>
Total 2018	<u>191,279</u>	<u>5,980</u>	<u>69,925</u>	<u>267,184</u>	

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

8. Net income/(expenditure)

This is stated after charging:

	2019	2018
Depreciation of tangible fixed assets:		
- owned by the charity	6,610	5,980
Independent examiner's remuneration	1,750	1,650
	<u> </u>	<u> </u>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

9. Independent Examiners' remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,750 (2018: £1,650).

10. Staff costs

Staff costs were as follows:

	2019	2018
Wages and salaries	177,656	179,029
Social security costs	10,199	11,040
Other pension costs	2,317	1,210
	<u> </u>	<u> </u>
	£ 190,172	£ 191,279
	<u> </u>	<u> </u>

The average number of persons employed by the company during the year was as follows:

	2019	2018
Charitable Activities	11	11

Average headcount expressed as a full time equivalent:

	2019	2018
Charitable Activities	7	7

No employee received remuneration amounting to more than £60,000 in either year.

SHEPWAY CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

11. Tangible fixed assets

	Property Improve- ments	Office Equipment	Total
Cost			
At 1 April 2018	34,009	69,217	103,226
Additions	-	4,746	4,746
At 31 March 2019	<u>34,009</u>	<u>73,963</u>	<u>107,972</u>
Depreciation			
At 1 April 2018	22,050	69,217	91,267
Charge for the year	5,980	630	6,610
At 31 March 2019	<u>28,030</u>	<u>69,847</u>	<u>97,877</u>
Net book value			
At 31 March 2019	<u>£ 5,979</u>	<u>£ 4,116</u>	<u>£ 10,095</u>
At 31 March 2018	<u>£ 11,959</u>	<u>£ -</u>	<u>£ 11,959</u>

12. Debtors

	2019	2018
Prepayments and accrued income	<u>£ 108,897</u>	<u>£ 108,391</u>

13. Creditors: Amounts falling due within one year

	2019	2018
Other taxation and social security	10,994	8,936
Other creditors	10,379	12,246
Accruals and deferred income	-	20,000
	<u>£ 21,373</u>	<u>£ 41,182</u>

Deferred income

Deferred income at 1 April 2018	20,000
Resources deferred during the year	-
Amounts released from previous years	(20,000)
Deferred income at 31 March 2019	<u>£ -</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

14. Financial instruments

	2019	2018
Financial assets measured at amortised cost	£ 75,189	£ 70,059
	<u> </u>	<u> </u>

Financial assets measured at amortised cost comprise cash and bank balances.

SHEPWAY CITIZENS ADVICE BUREAU
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018	Income	Expenditure	Transfers in/out	Balance at 31 March 2019
Designated funds					
Designated Property Maintenance Fund	39,685	2,250	(7,245)	-	34,690
Designated Legal Services Fund	27,286	136,975	(101,645)	-	62,616
	<u>66,971</u>	<u>139,225</u>	<u>(108,890)</u>	<u>-</u>	<u>97,306</u>
General funds					
General Fund	69,235	70,453	(77,882)	477	62,283
Total Unrestricted funds	<u>136,206</u>	<u>209,678</u>	<u>(186,772)</u>	<u>477</u>	<u>159,589</u>
Restricted funds					
MASDAP	-	26,004	(26,004)	-	-
LIPSS	-	20,000	(20,000)	-	-
DHT	13,021	20,000	(20,756)	-	12,265
Help to Claim	-	5,019	(3,588)	(477)	954
	<u>13,021</u>	<u>71,023</u>	<u>(70,348)</u>	<u>(477)</u>	<u>13,219</u>
Total of funds	<u>£ 149,227</u>	<u>£ 280,701</u>	<u>£ (257,120)</u>	<u>£ -</u>	<u>£ 172,808</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2017	Income	Expenditure	Transfers in/out	Balance at 31 March 2018
Designated funds					
Designated Property Maintenance Fund	45,665	-	(5,980)	-	39,685
Designated Legal Services Fund	4,441	132,919	(110,074)	-	27,286
	<u>50,106</u>	<u>132,919</u>	<u>(116,054)</u>	<u>-</u>	<u>66,971</u>
General funds					
General Fund	77,319	75,501	(86,207)	2,622	69,235
Total Unrestricted funds	<u>127,425</u>	<u>208,420</u>	<u>(202,261)</u>	<u>2,622</u>	<u>136,206</u>
Restricted funds					
MASDAP	2,136	35,430	(34,972)	(2,594)	-
LIPSS	-	23,000	(22,972)	(28)	-
DHT	-	20,000	(6,979)	-	13,021
	<u>2,136</u>	<u>78,430</u>	<u>(64,923)</u>	<u>(2,622)</u>	<u>13,021</u>
Total of funds	<u>£ 129,561</u>	<u>£ 286,850</u>	<u>£ (267,184)</u>	<u>£ -</u>	<u>£ 149,227</u>

Summary of funds - current year

	Balance at 1 April 2018	Income	Expenditure	Transfers in/out	Balance at 31 March 2019
Designated funds	66,971	139,225	(108,890)	-	97,306
General funds	69,235	70,453	(77,882)	477	62,283
	<u>136,206</u>	<u>209,678</u>	<u>(186,772)</u>	<u>477</u>	<u>159,589</u>
Restricted funds	13,021	71,023	(70,348)	(477)	13,219
	<u>£ 149,227</u>	<u>£ 280,701</u>	<u>£ (257,120)</u>	<u>£ -</u>	<u>£ 172,808</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Statement of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2017	Income	Expenditure	Transfers in/out	Balance at 31 March 2018
Designated funds	50,106	132,919	(116,054)	-	66,971
General funds	77,319	75,501	(86,207)	2,622	69,235
	<u>127,425</u>	<u>208,420</u>	<u>(202,261)</u>	<u>2,622</u>	<u>136,206</u>
Restricted funds	2,136	78,430	(64,923)	(2,622)	13,021
	<u>£ 129,561</u>	<u>£ 286,850</u>	<u>£ (267,184)</u>	<u>£ -</u>	<u>£ 149,227</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019
Tangible fixed assets	10,095	-	10,095
Current assets	170,867	13,219	184,086
Creditors due within one year	(21,373)	-	(21,373)
	<u>£ 159,589</u>	<u>£ 13,219</u>	<u>£ 172,808</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2018	Restricted funds 2018	Total funds 2018
Tangible fixed assets	11,959	-	11,959
Current assets	165,429	13,021	178,450
Creditors due within one year	(41,182)	-	(41,182)
	<u>£ 136,206</u>	<u>£ 13,021</u>	<u>£ 149,227</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,317 (2018 - £1,210). Contributions totalling £Nil (2018 - £Nil) were payable to the fund at the balance sheet date.

18. Operating lease commitments

At 31 March 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
Amounts payable:		
Within 1 year	13,250	13,250
Between 1 and 5 years	91,204	54,601
After more than 5 years	-	49,853
	<hr/>	<hr/>
Total	£ 104,454	£ 117,704
	<hr/> <hr/>	<hr/> <hr/>

19. Related party transactions

Shepway Citizens Advice Bureau is a member of the National Association of Citizens Advice Bureaux ('Citizens Advice').

	2019	2018
Professional services, including membership fees	2,710	3,851
Publications	599	539
Insurance	2,402	1,572
	<hr/> <hr/>	<hr/> <hr/>

There have been no other related party transactions identified.

20. Controlling party

The Trustees are the ultimate controlling parties.

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

21. Purposes of designated funds

Property Maintenance Fund

Designated by the Trustees for the purposes of major maintenance and refurbishment of the charity premises which is not provided for through core funding.

Legal Services Fund

Designated by the Trustees for the purpose of covering contingencies including inflation increases e.g. pay awards not funded by the Legal Aid Agency.

22. Purposes of restricted funds

Citizens Advice (MASDAP)

A debt advice project funded by the Money Advice Service.

The Roger De Haan Charitable Trust (DHT)

The grant has funded our new Training Supervisor post which is responsible for the recruitment and training of new Volunteers largely within the core/generalist service. The post also supports other training activities including the training and development of our existing volunteers.

The Litigants in Person Support Service (LIPSS)

Funding is through the Access to Justice Foundation. The Litigants in Person Support Service is to support clients who are either taking or defending court action and who cannot access legal representation due to there being no legal aid available and/or due to them not being able to afford the costs of instructing a legal representative. The project provides advice and assistance up to representation to clients covering a range of legal issues including non-legally aided housing and family matters. The funding funds a dedicated part time worker supervised and supported by our in house Solicitor.

Help to Claim

The grant is funding a multi-channel service to enable our clients to access support in the way that is right for them. The service will operate a no wrong door policy so that people are able to access support through the pathway developed by the Citizens Advice. The grant will help to fund employees costs and general overheads to enable this to be achieved.

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	2019	2018
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,255	7,067
Investment income		
Deposit account interest	698	634
Charitable activities		
Folkestone and Hythe District Council	67,800	67,800
Legal Aid Agency	136,925	132,919
Help to Claim	5,019	-
MASDAP	26,004	35,430
LIPSS	20,000	23,000
The Roger De Haan Charitable Trust	20,000	20,000
	<hr/> 275,748	<hr/> 279,149
Total incoming resources	<hr/> 280,701	<hr/> 286,850
EXPENDITURE		
Raising donations and legacies		
Wages	2,042	2,058
Social security	117	127
Pensions	27	14
	<hr/> 2,186	<hr/> 2,199
Charitable activities		
Wages	174,122	175,467
Social security	9,996	10,820
Pensions	2,271	1,186
Rent, rates and insurance	20,005	20,645
Light, heat and cleaning	3,788	4,742
Telephone	5,423	5,169
Postage and stationery	6,406	6,722
Sundries	3,098	5,128
Training	980	1,087
Travel	4,886	4,587
Recruitment	43	-
Repairs and maintenance	3,269	2,633
Restructuring	-	7,275
Computer and equipment	5,850	5,367
Publications	599	595
Legal fees	4,241	4,325
Depreciation of fixed assets	6,610	5,980
	<hr/> 251,587	<hr/> 261,728
Support Costs		
Governance Costs		
Wages	1,492	1,504
Social security	86	93
Pensions	19	10
Independent examiner's remuneration	1,750	1,650
	<hr/> 3,347	<hr/> 3,257
Total resources expended	<hr/> 257,120	<hr/> 267,184
Net income	<hr/> 23,581	<hr/> 19,666

This page does not form part of the statutory financial statements