

**ABERDEEN CITIZENS ADVICE BUREAU**

**REGISTERED COMPANY NO. SC123593**  
**REGISTERED CHARITY NUMBER. SC009674**

**TRUSTEES' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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## **ABERDEEN CITIZENS ADVICE BUREAU**

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## **ABERDEEN CITIZENS ADVICE BUREAU**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees' present their report and the audited financial statements for the year ended 31 March 2020. Whilst this report does not go into detail about the activities of ACAB, there is also issued at this time of the year our Annual Report (including the Statement of Financial Activities and Balance Sheet pages) which gives a fuller picture of our activities.

#### **OBJECTIVES AND ACTIVITIES**

The Bureau is a fully independent registered charity with its own Board of Directors. It is a member of The Scottish Association of Citizens Advice Bureaux.

*The aims of our Citizens Advice Bureau are:*

To ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities of the services available to them, or through an inability to express their needs effectively;

To exercise a responsible influence on the development of social policies, both locally and nationally.

The service is independent and provides free, confidential, effective and impartial advice which is accessible to everybody regardless of age, race, gender, religion, disability or sexual orientation.

The main objectives and activities for the year continued to focus upon the giving of advice, empowering clients to solve their issues and acting as advocates or negotiators for those more vulnerable clients.

#### **ACHIEVEMENTS AND PERFORMANCE**

Across the whole of Scotland more than a quarter of all the work carried out by the Citizens Advice Bureau (CAB) is for clients' debts. Even in Aberdeen, which is generally considered to be one of the wealthiest parts of the country, 18% of our cases are debt related, 37% are benefits and national insurance related with 11% relating to employment.

During the year our 32 staff and 80+ volunteers have provided advice and information to 5,677 Clients (of which 4,463 were new to the CAB), 16,649 Client contacts, with 23,232 pieces of advice given. The Combined Financial Gain (CFG) for 646 clients came to £3,693,407 which works out at an average of £5,717 per these clients. All this makes ACAB one of the busiest single Bureaux which involves it in new pressures and tasks. We continue to be indebted to our volunteers and our Board of Directors who give generously of their time and to our dedicated team of paid staff.

We are grateful for the continuing support of our funders, primarily Aberdeen City Council through the Common Good Fund and the Fairer Aberdeen Fund, but also to the Scottish Government, the NHS, Poppy Scotland, Unforgotten Forces, Citizens Advice Scotland, Macmillan Cancer Support and Calsayseat Medical Practice without whom the Bureau would be unable to undertake the wide range of functions it does. We are also grateful to members of the Fundraising Committee for their continued work in seeking new sources of funding, both small and large.

Four years ago we had a staff re-grading exercise to bring us back in line with Aberdeen City Council staff grading that had become separated when the Council moved from SJC pay scales to their current system. However it should be noted that in 2019/20 we agreed to backdate an increase of 2% for 2018/19 salaries, and to add a further 2% to 2019/20 salaries. This was in response to significant increases to Council salaries that had been agreed after a period of dispute, but we no longer matched the amount of those increases because our financial situation could not support that.

## **ABERDEEN CITIZENS ADVICE BUREAU**

### **TRUSTEES' REPORT (CONT'D) FOR THE YEAR ENDED 31 MARCH 2020**

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#### **FINANCIAL REVIEW**

Against a backdrop of limited resources and insecurities over funding, it has been difficult in the year to 31 March 2020 to plan and develop future services. However, this year as before, we continue to be under a Service Level Agreement with Aberdeen City Council which gives us greater financial stability. The various sources of funding, with the support of and through the work of the Board, volunteers and staff, have ensured that Aberdeen Citizens Advice Bureau is in a healthy position.

#### **Reserves Policy**

The Board is committed to implementing a policy in which:

- i) reserves will be at an amount equivalent to at least three months' operating costs.
- ii) The desired level of the reserve will be reviewed on an annual basis. To that end the Treasurer will formally report to the Board at the first meeting after the AGM each year, and will confirm:-
  - (a) the level of the uncommitted reserve as at the previous financial year end;
  - (b) the amount of 3 months' operating costs, based on the previous year's annual accounts (and any material known changes since);
  - (c) based on the foregoing, what the desired level of uncommitted reserves is (based on the Bureau's then policy).
- iii) The Bureau shall then take such steps that are within its power, consistent with maintaining its primary functions, to maintain having uncommitted reserves at the desired level.

#### **Principal Funding Sources**

The Bureau is mainly dependent upon grants from other organisations. The details of the income are shown later in the accounts. The Board records its gratitude to the Aberdeen City Council, Macmillan Cancer Support, the NHS, Poppy Scotland, Unforgotten Forces, Calsayseat Medical Practice and the Scottish Government; without these grants the service would not exist.

#### **Investment Policy**

All money held by the Bureau is in (a) a current account with the Clydesdale Bank PLC, (b) an interest-bearing account with the Clydesdale Bank PLC held for dilapidations and (c) three Triodos interest-bearing accounts with various repayment conditions.

#### **Provision for Dilapidations Costs**

It should be noted that six years ago it emerged that in 2008 we had been wrongly advised about the level of provision for dilapidations that we should be progressively aiming to achieve. A second opinion was sought from another firm of chartered surveyors on what the correct figure should be and it became clear that the amount we had set aside well exceeded what was required. The provision is currently £96,000. During 2019/20, the Trustees will review this as part of their negotiations, in the light of the current depressed rented property market, with Langstane Housing Association as we renegotiate the Lease to include a new area in the building. The lease that had run for 15 years and came to an end in September 2019 was extended on a temporary basis whilst the terms of the new lease, agreed in principle during 2019/20 (on the basis of which the refurbishment/adaptation of the existing and new areas to comply with Covid guidelines proceeded in the summer/early autumn of 2020), were finalised in the autumn of 2020. Part of the delay in finalising these was due to getting agreement on the level and conditions of the new dilapidations provision.

## **ABERDEEN CITIZENS ADVICE BUREAU**

### **TRUSTEES' REPORT (CONT'D) FOR THE YEAR ENDED 31 MARCH 2020**

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#### **PLANS FOR FUTURE PERIODS**

##### **Service Developments**

*In the current economic climate (made worse in 2020/2021 because of the pandemic), the demand for the Bureau's services will continue to increase.*

However there remain some uncertainties about the financial resources which will be available, although having a Service Level Agreement with Aberdeen City Council does give us some financial stability.

In the 2017/18 year the Board started to consider a range of strategies and options to respond to this developing situation. This included a consultation exercise involving volunteers and staff over the future direction of ACAB and resulted in a strategic plan being drawn up, discussed by the board and then approved. It also led to serious consideration of how the organisation functions and as a result of this during the previous year a more formalised committee structure was introduced (see note earlier under organisational structure).

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association which sets out the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

##### **Appointment of the Directors**

The Directors of the company also known as Trustees, are appointed and removed under the procedure laid down by the Memorandum and Articles of Association.

The Directors are familiar with the aims and principles of the service while in addition they are encouraged to attend the courses organised by the National Citizens Advice Service covering:

The obligations of Trustees and Directors  
Employment Procedures  
Financial Management  
Financial Planning

##### **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. The Board reviews at regular intervals all aspects of its exposure including:

Governance risks e.g. inappropriate organisational structure, difficulties recruiting Directors with relevant skills and conflict of risk.

Operational risks e.g. service quality and development, contract pricing, employment issues, health and safety issues, fraud and misappropriation and financial risks e.g. accuracy and timeliness of initial information, adequacy of reserves and cash flow, diversity of income sources and investment management. The Board is aware that the level of deficit projected in 2020/21 budget would not be, if repeated in future years, sustainable. We are aware that new sources of funding, including but not limited to new grants from organisations, need to be found, which is one of the tasks of the newly formed Fundraising Standing Committee.

External risks, e.g. public perception and adverse publicity, demographic changes and government policy.

Compliance with law and regulations e.g. break of trust law, employment law and regulative requirements of particular activities such as fund raising.

## **ABERDEEN CITIZENS ADVICE BUREAU**

### **TRUSTEES' REPORT (CONT'D) FOR THE YEAR ENDED 31 MARCH 2020**

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Each year the Chairs of the Standing Committee are asked to respond to the Risk Assessment exercise.

Since the end of the 2019/20 year the ACAB has been able to continue its operations because our Advisors were able to continue to give advice online, working from home. Increasing numbers of volunteers have now been given extra training to enable them to give advice online. The Board considered at a special meeting on 16 June the risk assessments in respect to the pandemic and accepted them. During the summer major changes have been made to the refurbishment plans to create larger consultation spaces which enable us to comply with the new restrictions and resume face to face meetings with clients on an appointments basis. The cost was covered partly by a number of extra grants that the Bureau successfully applied for as well as some Covid-19 related government grants. We are now in a position to continue our operations with a mixture of telephony, online and face to face meetings, and are confident that our main sources of funding will continue.

#### **Organisational Structure**

As part of a consideration, started in 2017/18 and continued this year, of a range of strategies and opinions to respond to our developing situation, the Board decided to set up four standing committees: Communications Committee, Finance Committee, People Matters (HR) Committee, and Policy & Resources Committee, to which was added during the year a fifth standing committee, namely Fundraising Committee. Full Board meetings occur less frequently than before with the Committees meeting in each period between Board Meetings and reporting to them. A scheme of delegation was approved. We also held an away day in October 2019 to consider policies and this will continue as an annual exercise (though it did not occur in 2020 because of Covid-19).

Operational services are conducted from the Bureau office as well as at several outreach centres and through telephone and visits to specific venues. Just before the end of the year because of the Covid-19 lockdown, operations were continued via staff and volunteers working from home using ZOOM, Teams and other forms of remote communication.

The company is a member of Citizens Advice Scotland, follows procedures and is audited by them to ensure that it adopts recognised procedures and that the quality of its service is satisfactory.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company Number**  
SC123593

**Registered Charity Number**  
SC009674

**Registered Office**  
41 Union Street  
Aberdeen  
AB11 5BN

#### **Trustees**

James Henderson  
Valerie Maehle  
Nigel Dower  
Florinda Soldani  
Keith Pirie  
Robin Bowden  
Eleanor Morrison  
Ciarán McRae  
Ewan Sutherland  
Victoria Fletcher  
Robert Aitken  
Alan Finlay  
James Garnett

Chairperson  
Treasurer

Vice Chairperson  
(Resigned 19.12.19)

(Appointed 28.01.20)  
(Appointed 28.01.20)  
(Appointed 28.01.20)

## **ABERDEEN CITIZENS ADVICE BUREAU**

### **TRUSTEES' REPORT (CONT'D) FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Auditors**

Hall Morrice LLP  
6-7 Queens Terrace  
Aberdeen  
AB10 1XL

Bankers  
Clydesdale Bank  
62 Union Street  
Aberdeen  
AB10 1WD

#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Aberdeen Citizens Advice Bureau for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable 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.

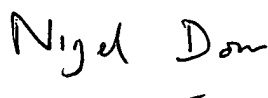
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

Following a tendering exercise undertaken last year, new auditors were be appointed for the 2019/20 financial accounts at the Annual General Meeting in October 2019.

Approved by order of the board of trustees on 12 November 2020 and signed on its behalf by:



Dr N Dower  
Trustee

# **ABERDEEN CITIZENS ADVICE BUREAU**

## **INDEPENDENT AUDITOR'S REPORT**

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### **Opinion**

We have audited the financial statements of Aberdeen Citizens Advice Bureau (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.



## **ABERDEEN CITIZENS ADVICE BUREAU**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out in the directors' report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We 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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## **ABERDEEN CITIZENS ADVICE BUREAU**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Shonagh L Fraser MA CA**  
**Senior Statutory Auditor**  
For and on behalf of Hall Morrice LLP  
Statutory Auditor  
Aberdeen, 12 November 2020

# **ABERDEEN CITIZENS ADVICE BUREAU**

## **STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020**

|                                    | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|------------------------------------|------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Income and endowments from:</b> |      |                            |                          |                    |                    |
| Donations                          |      | 2,503                      | -                        | 2,503              | -                  |
| Charitable activities              | 2    | 311,252                    | 547,505                  | 858,757            | 715,012            |
| Other trading activities           | 3    | 2,302                      | -                        | 2,302              | 1,896              |
| Investment income                  | 4    | 2,093                      | -                        | 2,093              | 1,550              |
|                                    |      | <u>318,150</u>             | <u>547,505</u>           | <u>865,655</u>     | <u>718,458</u>     |
| <b>Expenditure on:</b>             |      |                            |                          |                    |                    |
| Charitable activities              | 5    | 334,871                    | 542,944                  | 877,815            | 769,983            |
|                                    |      | <u>(16,721)</u>            | <u>4,561</u>             | <u>(12,160)</u>    | <u>(51,525)</u>    |
| <b>Net income/(expenditure)</b>    |      |                            |                          |                    |                    |
| Transfers between funds            |      | (496)                      | 496                      | -                  | -                  |
|                                    |      | <u>(17,217)</u>            | <u>5,057</u>             | <u>(12,160)</u>    | <u>(51,525)</u>    |
| <b>Net movement in funds</b>       |      |                            |                          |                    |                    |
| <b>Reconciliation of funds:</b>    |      |                            |                          |                    |                    |
| Total funds brought forward        |      | 108,983                    | 121,761                  | 230,744            | 282,269            |
|                                    |      | <u>91,766</u>              | <u>126,818</u>           | <u>218,584</u>     | <u>230,744</u>     |
| <b>Total funds carried forward</b> |      |                            |                          |                    |                    |
|                                    |      | =====                      | =====                    | =====              | =====              |

# ABERDEEN CITIZENS ADVICE BUREAU

## BALANCE SHEET AS AT 31 MARCH 2020

|   | Note | £               | 2020<br>£               | £               | 2019<br>£               |
|---|------|-----------------|-------------------------|-----------------|-------------------------|
| <b>Fixed assets</b>                                   |      |                 |                         |                 |                         |
| Tangible fixed assets                                 | 9    |                 | 4,090                   |                 | 5,034                   |
| <b>Current assets</b>                                 |      |                 |                         |                 |                         |
| Debtors   | 10   | 111,048         |                         | 71,573          |                         |
| Cash at bank and in hand                              |      | <u>252,304</u>  |                         | <u>305,938</u>  |                         |
|   |      | 363,352         |                         | 377,511         |                         |
| <b>Creditors: amounts falling due within one year</b> | 11   | <u>(52,858)</u> |                         | <u>(55,801)</u> |                         |
| <b>Net current assets</b>                             |      |                 | <u>310,494</u>          |                 | <u>321,710</u>          |
| <b>Total assets less current liabilities</b>          |      |                 | 314,584                 |                 | 326,744                 |
| <b>Provisions for liabilities</b>                     |      |                 | <u>(96,000)</u>         |                 | <u>(96,000)</u>         |
| <b>Net assets</b>                                     |      |                 | <u>218,584</u><br>===== |                 | <u>230,744</u><br>===== |
| <b>Funds</b>  |      |                 |                         |                 |                         |
| Unrestricted funds                                    | 13   |                 | 91,766                  |                 | 108,983                 |
| Restricted funds                                      | 13   |                 | <u>126,818</u>          |                 | <u>121,761</u>          |
|   |      |                 | <u>218,584</u><br>===== |                 | <u>230,744</u><br>===== |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board of Trustees on 12 November 2020

Dr N Dower  
Trustee

*Nigel Dower*

Company Registration No. SC123593

# **ABERDEEN CITIZENS ADVICE BUREAU**

## **STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

|   | 2020<br>£               | 2019<br>£               |
|---|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>                         |                         |                         |
| Cash generated from operations (Note 1)                             | (51,612)                | (33,318)                |
| Interest element of hire purchase and finance lease rental payments | <u>-</u>                | <u>(2,273)</u>          |
| <b>Net cash used in operating activities</b>                        | <b><u>(51,612)</u></b>  | <b><u>(35,591)</u></b>  |
| <b>Cash flows from investing activities</b>                         |                         |                         |
| Purchase of tangible fixed assets                                   | (4,115)                 | (682)                   |
| Interest received   | <u>2,093</u>            | <u>1,550</u>            |
| <b>Net cash (used)/provided by investing activities</b>             | <b><u>(2,022)</u></b>   | <b><u>868</u></b>       |
| <b>Change in cash and cash equivalents in the reporting period</b>  | <b>(53,634)</b>         | <b>(34,723)</b>         |
| Cash and cash equivalents at beginning of the reporting period      | <u>305,938</u>          | <u>340,661</u>          |
| <b>Cash and cash equivalents at end of the reporting period</b>     | <b>252,304</b><br>===== | <b>305,938</b><br>===== |

# **ABERDEEN CITIZENS ADVICE BUREAU**

## **NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020**

|   | 2020<br>£       | 2019<br>£       |
|---|-----------------|-----------------|
| <b>1. Cash generated from operations</b>                            |                 |                 |
| Net income/(expenditure) for the year                               | (12,160)        | (51,525)        |
| Adjustments for:  |                 |                 |
| Depreciation charges  | 5,059           | 5,620           |
| Interest received   | (2,093)         | (1,550)         |
| Interest element of hire purchase and finance lease rental payments | -               | 2,273           |
| Increase in debtors   | (39,475)        | (21,595)        |
| (Decrease)/increase in creditors                                    | <u>(2,943)</u>  | <u>33,459</u>   |
|   | <b>(51,612)</b> | <b>(33,318)</b> |
|   | =====           | =====           |

## **2. Analysis of changes in net debt**

|                          | 1 April 2019<br>£ | Cash Flows<br>£ | 31 March 2020<br>£ |
|--------------------------|-------------------|-----------------|--------------------|
| Cash at bank and in hand | 305,938           | (53,634)        | 252,304            |
|                          | =====             | =====           | =====              |

# ABERDEEN CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity has adequate resources and is well placed to manage future risks. The Charity's planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees believe that there are no material uncertainties that call into doubt the Charity's ability to continue. The financial statements have therefore been prepared on the basis that the Charity is a going concern.

#### 1.2 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### 1.3 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### 1.4 Tangible fixed assets

Depreciation of fixed assets is calculated to write off their costs less any estimated residual value over their estimated useful lives, as follows:

|                                |                   |
|--------------------------------|-------------------|
| Office Equipment and Computers | 15% - 33% on cost |
|--------------------------------|-------------------|

Tangible fixed assets are included at cost less depreciation and impairment. The residual value is reassessed at the end of each accounting period.

#### 1.5 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 1.6 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

## ABERDEEN CITIZENS ADVICE BUREAU

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 1.7 Pension costs and other post-retirement benefits

The company operates a defined contribution scheme and the premiums in respect of employer's contributions are charged to the financial statements as they fall due.

#### 1.8 Dilapidations

A provision has been made to cover the estimated dilapidation cost that may rise when the organisation's property lease comes to an end. The provision currently stands at £96,000 which is based on a figure previously provided by a professional valuation firm. The directors are of the view that the provision is adequate to cover any potential cost that may arise and no charge against income was required in the current financial year.

#### 1.9 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

#### 1.10 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 2 Income from charitable activities

|                 | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Grants received | 311,252                    | 547,505                  | 858,757            | 715,012            |
|                 | =====                      | =====                    | =====              | =====              |

Included within income relating to grants received are the following grants:

|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| Aberdeen City Council                           | 407,135   | 432,005   |
| Calsayseat Medical Group                        | 7,620     | 7,620     |
| Scottish Association of Citizens Advice Bureaux | 316,988   | 139,467   |
| EU Support                                      | 17,102    | 2,000     |
| Macmillian Cancer Care                          | 84,541    | 100,000   |
| Robert Gordon University                        | 560       | -         |
| NHS PASS  | 10,797    | 10,920    |
| Robertson Trust                                 | 12,000    | 12,000    |
| Aberdeen Cyrenians                              | 2,014     | -         |
| Bank of Scotland                                | -         | 11,000    |
|   | 858,757   | 715,012   |
|   | =====     | =====     |

In 2019 £410,464 was attributable to Restricted funds and £304,548 to Unrestricted funds.



# ABERDEEN CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 3 Other trading activities

|                    | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|--------------------|----------------------------|--------------------------|--------------------|--------------------|
| Fundraising events | 2,302<br>=====             | -<br>=====               | 2,302<br>=====     | 1,896<br>=====     |

In 2019 all other trading activities related to unrestricted funds.

### 4 Investment income

|                          | Unrestricted<br>Funds<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|--------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Deposit account interest | 2,093<br>=====             | -<br>=====               | 2,093<br>=====     | 1,550<br>=====     |

In 2019 all investment income related to unrestricted funds.

### 5 Charitable activities

|                               | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Wages                         | 246,554                    | 421,091                  | 667,645            | 588,200            |
| Pensions                      | 11,689                     | 14,213                   | 25,902             | 22,208             |
| Rent, rates and insurance     | 46,413                     | 15,830                   | 62,243             | 64,706             |
| Cleaning                      | 28,512                     | 693                      | 29,205             | 14,717             |
| Heat, light and power         | 10,322                     | 996                      | 11,318             | -                  |
| Repairs and renewals          | 5,055                      | 456                      | 5,511              | 6,328              |
| Telephone                     | 7,780                      | 3,197                    | 10,977             | 8,988              |
| Stationery, printing and post | 7,231                      | 3,650                    | 10,881             | 12,486             |
| Sundries                      | 4,881                      | 916                      | 5,797              | 5,842              |
| Training, books and info      | 11,107                     | 4,122                    | 15,229             | 15,027             |
| Volunteer expenses            | 2,237                      | -                        | 2,237              | 4,249              |
| Travel expenses               | 1,607                      | 3,860                    | 5,467              | -                  |
| Depreciation                  | 5,059                      | -                        | 5,059              | 5,620              |
| Equipment leasing             | 2,369                      | -                        | 2,369              | 2,273              |
| Core cost contribution        | (64,070)                   | 64,070                   | -                  | -                  |
| Management charges            | (9,600)                    | 9,600                    | -                  | -                  |
| Governance costs              |                            |                          |                    |                    |
| Auditors remuneration         | 7,000                      | -                        | 7,000              | 6,960              |
| Other accountancy             | 8,419                      | -                        | 8,419              | 10,159             |
| Legal and professional        | 2,306                      | 250                      | 2,556              | 2,220              |
|                               | 334,871<br>=====           | 542,944<br>=====         | 877,815<br>=====   | 769,983<br>=====   |

In 2019 £303,375 was attributable to Restricted funds and £466,608 to Unrestricted funds.

# ABERDEEN CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 6 Net income/(expenditure)

|                             | Total<br>2020<br>£ | Total<br>2019<br>£ |
|-----------------------------|--------------------|--------------------|
| Auditors' remuneration      | 7,000              | 6,960              |
| Depreciation – owned assets | 5,059              | 5,620              |
|                             | =====              | =====              |

### 7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

### 8 Staff costs

|                               | 2020<br>£ | 2019<br>£ |
|-------------------------------|-----------|-----------|
| Wages and salaries            | 624,668   | 588,200   |
| Employer's national insurance | 42,977    | -         |
| Other pension costs           | 25,902    | 22,208    |
|                               | =====     | =====     |
|                               | 693,547   | 610,408   |

The average monthly number of employees during the year was as follows:

| 2020 | 2019 |
|------|------|
| 32   | 31   |
| ===  | ===  |

No employees received emoluments in excess of £60,000.

The pension charge for the year was £25,902 (2019 £22,208)

# **ABERDEEN CITIZENS ADVICE BUREAU**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

### **9 Tangible fixed assets**

|                       | <b>Computer &amp;<br/>office equipment<br/>£</b> |
|-----------------------|--|
| <b>Cost</b>           |  |
| At 1 April 2019       | 111,997  |
| Additions             | 4,115  |
|                       | <hr/>  |
| At 31 March 2020      | 116,112  |
|                       | <hr/>  |
| <b>Depreciation</b>   |  |
| At 1 April 2019       | 106,963  |
| Charge for year       | 5,059  |
|                       | <hr/>  |
| At 31 March 2020      | 112,022  |
|                       | <hr/>  |
| <b>Net book value</b> |  |
| At 31 March 2020      | 4,090  |
|                       | <hr/>  |
| At 31 March 2019      | 5,034  |
|                       | <hr/>  |

### **10 Debtors: amounts falling due within one year**

|                                | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|--------------------------------|-------------------|-------------------|
| Other debtors                  | 97,507            | 51,445            |
| Prepayments and accrued income | 13,541            | 20,128            |
|                                | <hr/>             | <hr/>             |
|                                | 111,048           | 71,573            |
|                                | <hr/>             | <hr/>             |

In 2020 £94,997 was attributable to Restricted funds (2019 £50,476) and £16,051 to Unrestricted funds (2019 £21,097).

### **11 Creditors: amounts falling due within one year**

|                                 | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|---------------------------------|-------------------|-------------------|
| Trade creditors                 | 28,805            | 20,818            |
| Social security and other taxes | 11,803            | 9,202             |
| Other creditors                 | 4,550             | 14,791            |
| Accrued expenses                | 7,700             | 10,990            |
|                                 | <hr/>             | <hr/>             |
|                                 | 52,858            | 55,801            |
|                                 | <hr/>             | <hr/>             |

In 2020 £4,476 was attributable to Restricted funds (2019 £nil) and £48,382 to Unrestricted funds (2019 £55,801).

## ABERDEEN CITIZENS ADVICE BUREAU

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 12 Provisions for liabilities

Provision

Dilapidations; £96,000 (2019 £96,000)

The dilapidations provision made by the Bureau is in respect of the premises it occupies. The liability will crystallise when the lease ends or when the Bureau leaves the premises. Further information in this regard is given within the Report of the Trustees.

#### 13 Movements in funds

|                               | As at<br>01.04.19<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | As at<br>31.03.20<br>£ |
|-------------------------------|------------------------|----------------------------|----------------------------|----------------|------------------------|
| Unrestricted funds            | 108,983                | 318,150                    | (334,871)                  | (496)          | 91,766                 |
| Aberdeen City Council –       |                        |                            |                            |                |                        |
| Money Advice Outreach         | 570                    | 102,719                    | (94,480)                   | -              | 8,809                  |
| Macmillan Cancer Care Project | 20,725                 | 84,541                     | (110,273)                  | 5,007          | -                      |
| Money Advice In House         | 18,592                 | 20,802                     | (43,170)                   | 3,776          | -                      |
| Aberdeen City Council – ARI   | 16,275                 | -                          | (551)                      | (15,724)       | -                      |
| Patient and Advice Support    |                        |                            |                            |                |                        |
| Service                       | (6,498)                | 10,797                     | (5,412)                    | 1,113          | -                      |
| Armed Services Advice Project | 22,961                 | 31,654                     | (36,493)                   | -              | 18,122                 |
| Calsayseat Project            | 1,890                  | 7,620                      | (7,783)                    | -              | 1,727                  |
| Welfare Reform                | 8,631                  | 38,167                     | (34,923)                   | -              | 11,875                 |
| Kinship Care                  | 14,687                 | 27,261                     | (22,986)                   | -              | 18,962                 |
| Pension Wise                  | 10,075                 | 3,385                      | -                          | -              | 13,460                 |
| Aged Veterans                 | 3,672                  | 11,956                     | (13,154)                   | -              | 2,474                  |
| Financial Health Checks       | 5,448                  | 30,400                     | (27,964)                   | -              | 7,884                  |
| US Face to Face/Help to Claim | (206)                  | 156,247                    | (117,593)                  | -              | 38,448                 |
| US Multi-Channel              | 2,939                  | 4,854                      | (13,741)                   | 5,948          | -                      |
| EU Support                    | 2,000                  | 17,102                     | (14,045)                   | -              | 5,057                  |
| COVID-19                      | -                      | -                          | (376)                      | 376            | -                      |
|                               | 121,761                | 547,505                    | (542,944)                  | 496            | 126,818                |
|                               | 230,744                | 865,655                    | (877,815)                  | -              | 218,584                |

##### Fund details

The general fund is an unrestricted fund which the Trustees are free to use in accordance with the charitable objectives of the company. Unrestricted funds are mainly based on a large grant made by Aberdeen City Council to provide advisory support to the people of Aberdeen and North-East Scotland.

Restricted funds are funds which have been given for particular purposes as detailed below:

The Money Advice Outreach Project is funded by Aberdeen City Council through the Fairer Aberdeen Fund to provide advice in the 15% most deprived areas in the City of Aberdeen.

The Money Advice Project is grant funded by The Robertson Trust, Bank of Scotland Foundation and Citizens Advice Scotland to provide a money advice service. This enables the Bureau to employ staff specifically to advise on debt and post Christmas debt advice to citizens of Aberdeen.

## **ABERDEEN CITIZENS ADVICE BUREAU**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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#### Fund details (Cont'd)

The Patient Advice and Support Service project is funded by the NHS Scotland to provide independent advice for clients with regard to NHS complaints.

The Macmillan Cancer Care Project, at Roxburghe House, is funded by Macmillan Cancer Support to provide benefits and grant advice to those receiving cancer treatments and their family and carers across the Grampian region.

The Armed Services Advice Project is funded by Poppy Scotland and others to provide advice to members of the Armed Forces and their dependents.

The Calsayseat project is funded by the Calsayseat Medical Practice to provide advice covering house and welfare benefits to patients of the practice.

The Welfare Reform Service is funded by the Scottish Government via Citizens Advice Scotland to provide a complex welfare benefits case work and an appeal process to include where required, tribunal representation for clients appealing at First Tier Tribunals for welfare reform related Appeals.

The Kinship Care Project is funded by Citizens Advice Scotland and provides tier 2 advice and support to Kinship Carers and other organisations across the North of Scotland in the provision of financial assistance.

We receive funding from Pensionwise to host a Pensionwise Adviser 2 days per fortnight, who provides advice on Pensions.

The Unforgotten Forces (formerly Aged Veterans Project) is funded by Poppy Scotland via Citizens Advice Scotland and provides advice to Veterans aged 65 and over.

The Financial Health Checks Project (recently rebranded Money Talk Team) is funded by the Scottish Government, via Citizens Advice Scotland, to assist particular target groups to determine they are receiving all the benefits and grants they are entitled to and also undertaking low-level budgeting. We also receive funding, as at the start of 2019, towards the running of a telephone and webchat service for this project.

In 2018/19 we have also received some smaller grants via Citizens Advice Scotland for promoting the Energy Best Deal project.

In March 2019 funding was also received via Citizens Advice Scotland from the Department for Work and Pensions to set up a telephone and webchat advice service in early 2019 to assist people to make claims for Universal Credit. This has been followed up with face-to-face support which started in April 2019.

EU Support is funded by the UK Government, via Citizens Advice Scotland. This is to assist EU nationals to apply for Settled and Pre-Settled Status. It helps to support clients face to face and via a helpline.

Help to Claim is funded by DWP, via Citizens Advice Scotland. This is to assist people to make claim for Universal Credit and assist them with any issues which occur until they receive their first payment, including applies for an advance, understanding the agreement they sign and managing their claim.

COVID-19 has been set up to assist in tracking all funding being received to assist the charity with COVID related issues.

## ABERDEEN CITIZENS ADVICE BUREAU

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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| 14 | Analysis of assets between funds                | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£      |
|----|---|----------------------------|--------------------------|-----------------|
|    | Fixed assets                                    | 4,090                      | -                        | 4,090           |
|    | Current assets                                  | 231,758                    | 131,594                  | 363,352         |
|    | Creditors – amounts falling due within one year | (48,082)                   | (4,776)                  | (52,858)        |
|    | Provisions for liabilities                      | <u>(96,000)</u>            | <u>-</u>                 | <u>(96,000)</u> |
|    |   | 91,766                     | 126,818                  | 218,584         |
|    |   | =====                      | =====                    | =====           |

#### 15 Related party disclosure

There were no related party transactions for the year ended 31 March 2020.

#### 16 Company limited by guarantee

Aberdeen Citizens Advice Bureau is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.