

Company Registration Number: 07570403 (England and Wales)

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 March 2018

Beatons Limited  
Chartered Accountants  
7 Three Rivers Business Park  
Felixstowe Road  
Foxhall  
Ipswich  
IP10 0BF



# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## COMPANY INFORMATION AS AT 31 MARCH 2018

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### CONSTITUTION

Felixstowe and District Citizens Advice Bureau is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number: 1141766. Company number: 07570403

### DIRECTORS

The directors of the charitable company (the charity) are its trustees for the purpose of charity law throughout this report are collectively referred to as trustees. The trustees serving during the year and since year end were as follows:

### TRUSTEES

S. Robinson  
R. Foyster (also company secretary)  
D. Wardle  
D. Leney  
D. Savage (and SCDC Representative)  
V. Falconer  
J. Sennington  
M. Doughty (appointed 27th June 2017)

Formal paperwork is currently being processed to register the above details with the Charity Commission and Companies House.

### REPRESENTATIVE TRUSTEES

G. Newman (Suffolk County Council)  
S. Harvey (SCDC Representative)

**REGISTERED CHARITY NUMBER** 1141766

**REGISTERED COMPANY NUMBER** 07570403

**REGISTERED OFFICE** Waterfront House  
Wherry Quay  
Ipswich  
Suffolk  
IP4 1AS

**CHARITY ADDRESS** 2-6 Orwell Road  
Felixstowe  
Suffolk  
IP11 7HD

**ACCOUNTANTS** Beatons Limited  
Chartered Accountants  
7 Three Rivers Business Park  
Felixstowe Road  
Foxhall  
Ipswich  
IP10 0BF

**PRINCIPAL BANKERS** CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

# **FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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The Trustees present their annual report with the financial statements of the company for the year ended 31 March 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The charity operates in accordance with the constitution document. The names of the trustees and bureau address are shown on page 1.

#### **OBJECTS OF THE CHARITY**

The object of the charity is the promotion of any charitable purpose for the benefit of the community in Felixstowe, by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

#### **REVIEW OF ACTIVITIES**

It doesn't seem possible that it is a year since I took over the Chairmanship of Felixstowe and District Citizens Advice Bureau from Susan Robinson and what a year it has been.

The most important and time consuming matter was the work that had to be done preparing for our Leadership Self-Assessment (LSA) which, this year was carried out via a telephone conversation in April with our Citizens Advice LSA assessor. To prepare for this gruelling interview we set up a working group of Trustees who looked at the various aspects of the work of Citizens Advice, consider each question and mark ourselves where we considered we were on a scale of 1 – 5. The group spent many hours considering the numerous questions and in all areas we assessed ourselves at 5. The original call with the assessor should have taken place in February but was cancelled at the last minute, so we had to wait until April for it to take place. I'm thrilled to say that as a result of that call we scored an overall Green result! You can't get better than that and whilst both Graham and I were both exhausted after more than 2 hours on the 'phone, we were both really pleased with the outcome. Not all offices have achieved this result and some are even in the red category!

My sincere thanks to the sub-group of Trustees who met back in February to review the LSA criteria and give us a steer on how to score ourselves. The assessor agreed with our scoring in all the categories except one (Risk Management), where she scored us a 4 rather than 5 but that doesn't impact in a negative way on the overall result.

All of this would not have been achieved without the expertise and dedication of our wonderful CA volunteers so to them too, a big thank you!

The working group also looked at our Business and Development plan and getting this up to scratch as this was an essential part of our LSA. Special thanks to Susan Robinson and David Leney who went into the office and worked on this document in two individual areas – again a lengthy process. The assessor felt some parts of the plan were really good – and bits which she felt we need to improve upon but overall she said that the document was good.

Funding has been and still is a matter of concern. Like many charitable organisations we have lost a percentage of our funding from the County Council and although we were prepared for this eventuality, it still came as a blow. Thankfully, and with immense gratitude, the District Council has maintained its full grant for this year. The Service Level Agreement into which we have entered with the District is quite stringent and covers 15 categories upon which Citizens Advice is expected to give advice. In addition, Universal Credit is being introduced in our area in October and we have been asked by the District to be the first point of contact for help and advice to

## **FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2018**

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claimants. It is an unknown area but preparatory work has been done by Graham working closely with officers at the District so the feeling is that until it happens we cannot do much more than we have already done.

We are still some £3,500 short in our budget for this year and will have to look at every opportunity that we can to try and make up this shortfall. Two of our lovely Trustees David Leney and David Wardle organised a fund raising Concert in April which was brilliant and attracted a large audience and raised the sum of £800 towards our funding and we are all very grateful to both David's and other Trustees who attended the event.

And so as we go on into 2018/19 we need to continue doing what we do so excellently, plus some new initiatives from National Citizens Advice – one of which is social prescribing! Felixstowe already undertakes this with our outreach services in two of our local Doctor's surgeries, but the idea is that the advisors provide a more focussed triage service within the surgeries, thus lessening the calls upon the time of the medical staff if it is deemed that another service might be best placed to resolve the problem. This is an interesting area of development and one which the Trustee Board will consider as we go forward.

Efforts for closer working with the Leiston office failed to produce the outcome for which we were hoping, but with a new Manager there we hope that the excellent relationship we have had with Leiston under the guidance of Nick Mayo will continue. We all wish Nick a very happy retirement. Grateful thanks to all our funders, The Rope Trust without whom our debt advice would not be as good as it is, to the Parish Councils that also provide us with funding and to the many generous people who, from time to time, contribute donations and without whose support we could not provide the help and advice that we do to the 2000 people who sought advice during the past year.

Finally, thank you to Graham Page for being the best Manager ever, and Jane, his Deputy and all our valued and excellent advisors for everything they do for the residents of Felixstowe and beyond. We shall never know all the outcomes of the advice given and how many disasters may have been avoided.

A special "thank you" to David Davies for his work over the years on Research and Campaigning and his service on National committees helping to set new policies for Citizens Advice. David is stepping down from this role and we will miss his valuable input.

Thank you to everyone attending the AGM. Your continued support really is appreciated.

#### **RECRUITMENT PROCESS FOR NEW TRUSTEES**

Prospective trustees will be selected for their ability to make an effective contribution to the bureau through their skills, knowledge and experience. Trustees are recommended to the Board and their nomination is approved at a quarterly Board meeting. Formal elections take place at the AGM.

New trustees will be provided with the 'Welcome to the Citizens Advice service' pack produced by Citizens Advice for new trustees. This gives them a picture of the service as a whole, their role within it and signposts them to further information and support.

## FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

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The induction process will be carried out by the Chairman of the Trustee Board and the Manager and aims to:

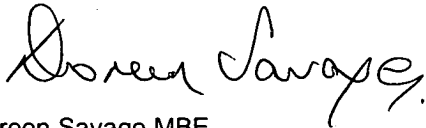
- Inform the new trustee about the roles and responsibilities a trustee board member is expected to carry out;
- Inform the new trustee about the current work of the bureau, the business and development plans, financial and staffing resources, quality and service requirements;
- Identify the knowledge, skills and experience that the trustee brings to the trustee board;
- Identify any further needs for information and possible sources of further support.

#### RESERVES POLICY

It is the policy of the charity to maintain unrestricted funds at the minimum level possible after setting aside specific contingency funds as detailed in note 5.

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

On behalf of the trustees':



Doreen Savage MBE  
Chairman – Trustee Board

Approved by the trustees':  
Date: 26th June 2018

## **FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU**

### **TREASURER'S REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2018**

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As ever, the past financial year has presented many challenges. It has been a difficult year which has brought us down to earth with a jolt following two years in which we had finally managed to increase our total reserves to a reasonably sustainable level.

In the two years preceding 2017/18, our income had been boosted by a number of large donations and two significant bequests. In addition we have benefited from a new income stream from central Citizens Advice for providing advice to clients who then benefited from changing their energy supplier. Over a three year period, a total income in excess of £30,000 was received. However, these boosts to our income are intermittent at best and the energy grants are now being discontinued.

We are extremely grateful to our principal funding bodies, Suffolk Coastal District Council and Suffolk County Council for their continuing support. Felixstowe and District Citizens Advice Bureau was created and still prospers on the promise of annual funding from these Councils but we are also aware of the significant pressures these bodies face from reduced central government funding.

Nevertheless faced with these difficulties we have still been able to continue to thrive and even expand over the years with help initially from National Lottery funding and other benefactors. Most importantly, in recent years we have been extremely fortunate to have benefited from the unstinting financial support of The Mrs L D Rope Third Charitable Settlement. This assistance has allowed us to develop a debt counselling service which is comprehensive, highly efficient and cost effective. Without this support, our service to clients in serious financial difficulties would have to be reduced significantly.

Additionally, the Rope Trust at present provides an annual sum of £10,000 to fully finance the post of Financial Capability Worker to support persons in danger of falling into debt.

As an addition to the vital grants already received from the Rope Trust it is essential that we continue to seek out new sources of income to help preserve our hard earned reserves.

Early in the year, a new and much needed I.T. system was installed, which has had the initial effect of increasing the net total of fixed assets in the Balance Sheet to £14,958. The cost of the new equipment was £9,760 and this will be fully written off by depreciation over 4 years. Total depreciation in the current year amounts to £2,812 and is a charge to the General Fund.

A further consequence arising from the purchase of the new system is the need to enter into an annual agreement, to support the maintenance of the equipment, both for normal wear and tear and emergency breakdowns. This is a totally new cost which, as shown in the Administration Expenses statement, amounted to £4,100 in 2017/18 (£4,406 in a full year).

I have been Treasurer since 2003 and during these 15 years have developed a simple but effective spreadsheet on Excel to control, monitor and report quarterly to both our Management Board and Citizens Advice head office. Graham, and Barbara before him, have always been successful in keeping within budget overall and any variance on individual budgets (expenditure and income) were reported to both bodies. However, with effect from 2017/18 Citizens Advice have imposed a completely different system of control, known as Bureau FM (Financial Management) which operates using Quickbooks, a commercial accounting package, for which we pay £250 per annum for use on one terminal only. With the help of a monthly visit from a specialist from Citizens Advice – who is very obliging- both Graham, and to a lesser extent myself, are getting used to operating the system. The final accounts were completed without help from the Bureau FM team but we are both indebted to Lyn at Beatons Group for her patience in facilitating the successful closure of the Accounts and on time too.

**FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU**

**TREASURER'S REPORT**

**FOR THE YEAR ENDED 31 MARCH 2018**

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I would like to express our gratitude to all Beatons Group staff for their invaluable help in producing the printed accounts, and thank them for their generosity in waiving, once again, their annual fee amounting to £1,000, which as a charity Felixstowe Citizens Advice greatly appreciate.

I must emphasise that in the second half of the financial year, Graham and I received excellent and much needed help from Val Hardy, a volunteer with bookkeeping experience, who with cheerful efficiency entered all the financial transactions into the Quickbooks cashbook.

My sincere thanks go to Graham, Jane and all our staff, and to our dedicated volunteers who show such commitment in rising to all challenges so enthusiastically in these difficult days. A special thank you is reserved for those advisers who generously give back their travelling expenses, thereby qualifying for a gift aid tax refund of 25%.



David Wardle  
Hon. Treasurer

Date: 26<sup>th</sup> June 2018.



## **Independent Examiner's Report to the Trustees of Felixstowe and District Citizens Advice Bureau**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31<sup>st</sup> March 2018 which are set out on pages 8 to 17.

### **Responsibilities and basis of report**

As the charity trustees of the company (and also 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 your company's accounts as 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**

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

1. accounting records were not kept in respect of the 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)].

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.

  
.....  
**Jonathan Oakley F.C.A.**

**Beatons Limited  
Chartered Accountants  
7 Three Rivers Business Park  
Felixstowe Road  
Foxhall  
Ipswich  
IP10 0BF**

26<sup>th</sup> June 2018

## FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2018

	General Fund	Designated Contingency Fund	Friends of Fel CAB Fund	Other Restricted Funds	Total Year Ended 31.03.18	Total Year Ended 31.03.17
	Unrestricted £	Unrestricted £	Unrestricted £	Restricted £	£	£
<b>INCOME AND EXPENDITURE</b>						
<b>Incoming Resources</b>						
SCDC Grant	57,700				57,700	58,438
SCC Grant	32,087				32,087	32,994
Leiston/Saxmundham CA	1,668				1,668	1,749
Felixstowe Town Council	1,500				1,500	1,500
Parish Council Grants	200				200	200
Citizens Advice-Energy Advice	6,250				6,250	10,058
Citizens Advice-Rebranding	-				-	500
HMP Hollesley Bay	1,500				1,500	-
Other Donations	4,067				4,067	23,397
Friends Fund Raising	-		200		200	200
The Rope Trust - Grants	-			26,060	26,060	26,000
Sundry Income	1,212				1,212	1,423
Bank Interest Received						
<b>Total Incoming Resources</b>	<b>106,184</b>	<b>-</b>	<b>200</b>	<b>26,060</b>	<b>132,444</b>	<b>156,459</b>
<b>Resources Expended</b>						
Administration Expenses	109,893			26,700	136,593	129,946
Depreciation	2,812				2,812	1,241
<b>Total Resources Expended</b>	<b>112,705</b>	<b>-</b>	<b>-</b>	<b>26,700</b>	<b>139,405</b>	<b>131,187</b>
<b>Net Incoming Resources for the year</b>	<b>( 6,521)</b>	<b>-</b>	<b>200</b>	<b>( 640)</b>	<b>( 6,961)</b>	<b>25,272</b>
Fund balances brought forward at 1 April 2017	25,559	43,734	9,338	2,088	80,719	55,447
Transfer between funds	2,738	( 2,000)	-	( 738)	-	-
<b>Fund Balances carried forward at 31 March 2018</b>	<b>21,776</b>	<b>41,734</b>	<b>9,538</b>	<b>710</b>	<b>73,758</b>	<b>80,719</b>

The notes on pages 11 to 17 form part of these financial statements

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## ADMINISTRATION EXPENSES FOR THE YEAR ENDED 31 MARCH 2018

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	Year Ended 31.03.18 Total £	Year Ended 31.03.17 Total £
<b>EXPENDITURE</b>		
Salaries	92,382	89,752
Travelling Expenses	5,472	4,870
Training Costs	1,866	1,409
Repair, Maintenance & Cleaning	3,962	3,392
I.T Support	4,100	0
Rates	1,416	1,322
Rents	10,660	10,660
Insurance	1,688	1,620
Heat & Light	1,576	1,661
Telephones	1,850	2,275
Printing & Stationery	1,305	1,400
Subscriptions	3,442	3,794
Postages	1,580	1,568
Photocopier Lease	1,848	1,848
Sundry Expenses	2,047	2,342
Office Equipment	399	376
Advertising	0	757
Independent Examiners fee (donated)	1,000	900
<b>TOTAL EXPENSES</b>	<b><u>136,593</u></b>	<b><u>129,946</u></b>

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## BALANCE SHEET AS AT 31 MARCH 2018

	Notes	31.03.18		31.03.17	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	2		14,958		8,010
<b>CURRENT ASSETS</b>					
Prepayments		1,777		1,777	
Debtor		-		1,500	
Cash at Bank and in hand		58,713		71,244	
		60,490		74,521	
<b>CURRENT LIABILITIES</b>					
Accruals and deferred income		(1,690)		(1,812)	
<b>NET CURRENT ASSETS</b>			58,800		72,709
<b>NET ASSETS</b>			<u>73,758</u>		<u>80,719</u>
<b>REPRESENTED BY FUNDS</b> 5					
<b>Unrestricted Funds</b>					
Friends of Felixstowe Citizens Advice Bureau			9,538		9,338
Designated Contingency Fund			41,734		43,734
General Fund			21,776		25,559
<b>Restricted Funds</b>					
Other			710		2,088
			<u>73,758</u>		<u>80,719</u>

For the financial period ended 31 March 2018 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.



Trustee  
Felixstowe and District Citizens Advice Bureau  
Date: 26th June 2018

Company Registration No. 07570403

The notes on pages 11 to 17 form part of these financial statements

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1. STATEMENT OF ACCOUNTING POLICIES

#### **Basis of preparation**

Felixstowe and District Citizens Advice Bureau is a company limited by guarantee and a registered charity governed by its memorandum and articles of association in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the promotion of any charitable purpose for the benefit of the community in Felixstowe, by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16th July 2014 (as updated through Update Bulletin 1 published on 2nd February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation of tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Leased Assets	Over the term of the lease
Fixtures, Fittings and Equipment	15% on reducing balance
Computer Equipment	25% straight line

#### **Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

#### **Income Recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amount and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

#### **Judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

#### **Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### **Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### **Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### **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 charity 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 charity for particular purposes. The cost 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.

#### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **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.

#### **Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

#### **Financial Instruments**

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the statement of financial activities, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year and not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective rate of interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 2. TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment £	Total £
<b>Cost</b>		
At 1 April 2017	43,657	43,657
Additions	9,760	9,760
Disposals	-	-
<b>At 31 March 2018</b>	<u>53,417</u>	<u>53,417</u>
<b>Depreciation</b>		
At 1 April 2017	35,647	35,647
Charge for year	2,812	2,812
Disposals	-	-
<b>At 31 March 2018</b>	<u>38,459</u>	<u>38,459</u>
<b>Net book value at 31 March 2018</b>		
	<u>14,958</u>	<u>14,958</u>
At 1 April 2017	<u>8,010</u>	<u>8,010</u>

### 3. REVENUE COMMITMENTS

At the period end the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	Land and buildings		Other	
	YEAR ENDED 31.03.18 £	YEAR ENDED 31.03.17 £	YEAR ENDED 31.03.18 £	YEAR ENDED 31.03.17 £
Within 1 year	10,660	10,660	-	-
Within 2 - 5 years	13,325	23,985	-	-
More than five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The term of the lease is for nine years from 1 July 2011. The lease can be terminated when the rent is reviewed.

£10,660 of rental payments have been recognised as an expense during the year.

### 4. NET INCOMING RESOURCES FOR THE PERIOD

	YEAR ENDED 31.03.18 £	YEAR ENDED 31.03.17 £
Net incoming resources for the year are stated after charging:		
Independent Examiner's Fees	1,000	900
Payroll Services	1,368	1,284
	<u>2,368</u>	<u>2,184</u>

The Independent Examiner's fee is the valuation of a donated service.

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 5. FUNDS

#### General Fund

The general fund represents the free funds of the charity which are not designated for particular purposes.

#### Designated Contingency Fund

The purpose of this reserve is to set aside a provision for contingent liabilities that may arise as a result of contractual wage obligations. This reserve also covers for any sick pay that may have to be paid, replacement of any computer equipment, and redecoration of the buildings.

An annual transfer is made from the general reserve to provide for this.

#### Friends of Felixstowe CAB Fund

This fund represents donations by Friends from fund raising events for Felixstowe and District Citizens Advice Bureau which may be utilised to purchase unspecified assets or replace a shortfall in budgeted core funded expenses.

#### Restricted Funds

The Rope Trust Fund represents monies received from The Rope Trust to assist funding a comprehensive debt counselling service, and funding a financial capability worker. The balance of £710 represents monies held for emergencies for clients.

	Balance 01.04.17 £	Income £	Expenditure/ Transfers £	Balance 31.03.18 £
Rope Trust	650	26,060	26,000	710
Funds for future expenditure:-				
National Citizens Advice-rebranding	700		700	0
SCDC-public computers	738		738	0
	<u>2,088</u>	<u>26,060</u>	<u>27,438</u>	<u>710</u>

### 6. EMPLOYEE COSTS

Employee costs for the period were as follows:-

	YEAR ENDED 31.03.18 £	YEAR ENDED 31.03.17 £
Wages and salaries	88,705	86,638
Employer's NIC	3,087	2,990
Defined contribution pension costs	590	124
Operating costs of pension scheme	792	564
	<u>93,174</u>	<u>90,316</u>

The average number of employees in the period was 6 (2017: 7).  
There were no high paid employees earning more than £60,000.

### 7. TRUSTEES EXPENSES

During the year no expenses or remuneration was paid to the trustees.

# FELIXSTOWE AND DISTRICT CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Designated Contingency Fund	Friends of Fel CAB Fund	Other Funds	Total	Total
	Unrestricted	Unrestricted	Unrestricted	Restricted	31.03.18	31.03.17
	£	£	£	£	£	£
Fund balances at 31 March 2018 are represented by:						
Fixed Assets	14,958				14,958	8,010
Current Assets	8,508	41,734	9,538	710	60,490	74,521
Current Liabilities	(1,690)				(1,690)	(1,812)
	<u>21,776</u>	<u>41,734</u>	<u>9,538</u>	<u>710</u>	<u>73,758</u>	<u>80,719</u>

### 9. FINANCIAL INSTRUMENTS

	2018 £	2017 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	<u>0</u>	<u>1,500</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>1,690</u>	<u>1,812</u>