

Trustees' Annual Report and Financial Statements

**Citizens Advice Cardiff & Vale
(registered as Cardiff and Vale Citizens Advice Bureau Ltd)
(A Company Limited by Guarantee)**

Company Registration Number 4291764

Registered Charity Number 1089294

For the year ended 31 March 2018



Citizens Advice Cardiff & Vale

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1 Trust Information

1.1 Constitution

Cardiff and Vale of Glamorgan Citizens Advice Bureau Ltd (now known as "Citizens Advice Cardiff and Vale") is a charitable company limited by guarantee. It was incorporated under the Companies Act 1985 on the 21st September 2001 (registration number 4291764) and registered as a Charity on the 12th November 2001 (Charity registration number 1089294). The organisation is regulated by its Memorandum and Articles of Association that were amended by minutes of Special Resolution on the 14th February 2003 and further amended by minutes of Special Resolution on 13th March, 2007. An additional Special Resolution was granted at a meeting on 30 March 2016 to extend the area of benefit of the service provided.

1.2 Addresses

The following are the addresses of the Principal Office of the Charity and its Bankers, Legal Advisers and Auditors:

Principal (Registered) Office Citizens Advice Cardiff & Vale
119 Broad Street
Barry
CF62 7TZ

Bankers Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Legal Adviers Paul Archer - HR Adviser
21 Cox Stalls
Wooton Bassett
Swindon
SN4 7AW

 Berry Smith - Conveyancing Adviser
Haywood House
Dumfries Place
Cardiff
CF10 3GA

**Statutory Auditors
& Chartered Accountants** R H Jeffs & Rowe
27/28 Gelliwastad Road
Pontypridd
CF37 2BW

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1.3 Board of Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees and Directors acting during this financial year:

Trustee	Member organisation (if appropriate)	Position
Peter Trott	None	Chair/Trustee/Director
Neil O'Toole	None	Treasurer/Trustee/Director
Peter Leech	None	Trustee/Director (until March 2018)
Simon Berg	None	Trustee/Director
Robin Lynn	None	Trustee/Director
Chris Graham	None	Trustee/Director
David Browne	None	Trustee/Director
Roy Edwards	None	Trustee/Director
Stephen Davis	None	Trustee/Director
Denise Goode	None	Trustee/Director
Jane Clay	None	Company Secretary

1.4 Induction of Trustees

As charity trustees, members of the Trustee Board carry ultimate responsibility for the management of the organisation's assets, including volunteers and staff. Trustees are also volunteers themselves and the induction needs to give them a clear picture of the aims and work of the organisation and expectations of their role in achieving those aims.

It is recognised that Trustees will have varied levels of knowledge of the roles and responsibilities of a charity trustee, the work of a Local Citizens Advice, the advice needs of the local area and links with other external organisations.

It is also recognised that Trustees will bring their own knowledge and experience to the Trustee Board. This provides the organisation with perspectives and contacts with different groups and communities and widens the potential range of skills available.

The induction process 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

Citizens Advice Cardiff & Vale

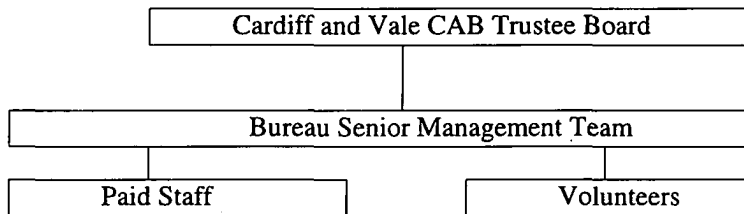
Trustees' Annual Report for the year ended 31 March 2018

An induction checklist is maintained for all Trustees as a way of recording that all activities have been undertaken.

1.5 Conflict of Interest

The Trustee Board is mindful of the possibility of conflicts of interest. The Board has procedures to ensure that no such conflicts exist. We also confirm that outside of the funding shown in note 2 of these accounts, and the provision of salary administration, there have been no related party transactions throughout the year.

1.6 Organisational Structure



1.7 Senior Staff

Chief Executive	Jane Clay
Core Advice Operations Manager	Ceri Morgan
Advice Services Manager	Anthony Phillips
Call Centre & Development Manager	Abbie Morgan O'Sullivan
Resources Manager	Richard Murphy
Executive Assistant	Jo Bryl

1.8 Statutory Requirements

Trustees' Responsibilities in Relation to the Financial Statements

Company law requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing these financial statements, the Board of Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company which enable it to ensure that the financial statements comply with the Companies Act 1985. It is responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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Trustees' Annual Report for the year ended 31 March 2018

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

2 Aims and Objectives

2.1 Aims and Objectives

The objects of the Charity are set out in the Memorandum of Association,

'The Charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of the community in the whole of England and Wales, principally Cardiff and the Vale of Glamorgan, and surrounding areas.'

The aims of the Charity are identical to the aims of Citizens Advice:

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

And equally:

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

The Charity operates within the "Citizens Advice Quality Assurance Standards - Membership Agreement (April 2017)". This document sets out the procedures and policies relating to the achievement of these objectives.

2.2 Public Benefit

By providing the services set out in the aims and objectives of the Charity, it is hoped that all members of society will benefit both from access to free advice, and the long term impact on research and campaigns work.

3 Trustees Annual Review

3.1 Introduction

The bureau was successfully audited in July 2016 and has retained Citizens Advice Membership until June 2019.

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3.2 Service provided

The work of the organisation during 2017/18 in the Vale of Glamorgan was based around the office in Barry, with outreach services concentrated in Llantwit Major and Penarth; in Cardiff it was based at Central Library with outreach services in twelve different locations. Since the advent of Adviceline Cymru - the telephone advice service run by Citizens Advice Cymru - we have continued to expand our telephone provision.

The Money Guide service was delivered by us across the Vale, Cardiff & Bridgend and funding for this project ended on 31 December 2017.

We also continued to deliver the Better Advice Better Lives service and the MAS Debt Advice Project across the Vale of Glamorgan and Cardiff.

We received funding from Welsh Government to work in Communities First clusters in Cardiff and the Vale to deliver welfare benefits and debt advice.

We delivered generalist advice via webchat and email and this service has reached a new client group who may not have been able to access our services before.

We also delivered Energy Best Deal advice across Cardiff and the Vale.

We continued to be involved in delivering the Pension Wise project and were successful in obtaining the contract to deliver the service across the whole of Wales (sub-contracting part of it to Citizens Advice Ynys Mon and Citizens Advice Caerphilly & Blaenau Gwent).

We are delighted to still be delivering the Integrated Digital Money Advice Pilot which is testing specialist debt advice via web chat. We are working in partnership with Citizens Advice Torfaen and sub-contracting part of the work to them.

Our Consumer Advice Service (one of seven centres across England and Wales), delivered consumer advice via telephone and webform across England & Wales along with being the sole deliverer of the Welsh Language Consumer Service.

At the start of 2017 we bid to provide the Motor Neurone Disease Association Benefits Helpline service across England and Wales. We were delighted to be successful and the service went live in April 2017 from our call centre in Barry.

All our staff have been involved in research and campaigning and in this year our team continued to progress local campaigns and raise our profile. Regular meetings are held, regular newsletters circulated and written reports were made to the Trustee Board.

The advice given in the Vale of Glamorgan during the 2017-2018 period was: 15,600 clients, 24,120 different issues

The advice given in Cardiff during the 2017-2018 period was: 18,542 clients, 27,141 different issues

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These figures do not include all of the clients we have helped across England and Wales via some of the call centre services.

In 2017/18 we handled 126,497 consumer calls from clients calling in across England and Wales

Our Motor Neurone Disease Helpline assisted 500 clients across England and Wales

3.3 Volunteers

Voluntary workers contribute a considerable amount of time and expertise to the organisation. They provide face to face, telephone and webchat advice, casework and reception services. Although the numbers of hours vary, it is estimated that volunteer hours in the organisation this year have amounted to approximately 11.6 Full Time Equivalent posts and this volunteer input greatly increases the organisation's capacity to provide a service. The monetary value of volunteers has been calculated as £404,516 for the year 2017/18.

3.4 Future Funding & Service Delivery

Funding for 2017/2018 from the Vale of Glamorgan Council was £154,250. This was the final year of a three year service level agreement. We are pleased to confirm that funding for 2018/19 remains at that level.

Our contract with Cardiff Council continues and in 2018/19 we will be in year two of a five year contract.

The Welsh Government Fund for Better Advice, Better Lives, Communities Focus (formerly Communities First), Frontline Advice and Money Advice Service Debt Advice Project will continue until the end of August 2019.

In December Welsh Government will be recommissioning advice services in Wales and Citizens Advice Cymru will be bidding on behalf of Local Citizens Advice in that context.

Our Pension wise, MND, Consumer and IDMA contracts will continue in 2018/2019.

A new service we will be delivering in 2018/2019 is the Welsh Language Adviceline service. We bid for this grant in December 2017 and were delighted to be successful. The new service starts from our call centre in Barry in April 2018 and we will deliver this across the whole of Wales.

We have also been successful in obtaining Frontline Advice funding (Welsh Government) to provide specialist welfare benefits casework in Cardiff. This will start in April 2018.

The organisation is committed to fundraising to increase service delivery and is working to develop several social enterprise projects including marketing of training courses. We have already secured significant contracts to deliver training in 2018/2019 to Welsh Government and local authorities.

Due to expansion and the need to secure sustainable and more spacious premises the organisation is currently exploring the possibility of purchasing a building in Barry.

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3.5 Employment Success

Volunteers - Of the 16 volunteer staff leavers in the year, 5 went into paid employment = 31%
Job creation - Number of new jobs created in 2017/18 : 37

4 Financial Review

4.1 Financial Review of the Year

The statement of financial activities (SOFA) on page 15 together with the relevant notes (pages 18 to 29) show the work that the charity has undertaken in the past year together and how these activities are financed. Incoming resources, detailing the type and source of income received together with the funds brought forward, constitute the resources available. The resources expended section details how the incoming resources were spent on charitable activities.

The SOFA also shows the division of resources between Restricted and Unrestricted. Restricted resources are funds received by the charity that can only be spent in the provision of a specific service. These types of funds typically stipulate how the money is to be spent, and will have clawback clauses for unspent money. In these circumstances the charity is simply acting as an agent on behalf of the funder. Full details of the restricted projects being undertaken by the charity can be seen in note 14 of these accounts.

Unrestricted funds are those funds provided to the charity that the management and Trustees can spend as they wish, within the requirements of the objectives of the charity. Often these resources will have been paid by the funder with the agreement that the charity provide a service with decision as to how to allocate funds being left to the discretion of the management and Trustees of the charity.

The Balance sheet (page 16) shows the cash value of the charity as at the close of business 31 March 2018 and 31 March 2017. This value is broken down into its constituent parts, the highest of which is cash at bank and in hand.

The charity has seen an increase in the level of incoming resources from £1,738,339 generated last year to £2,624,188 generated this year. This is due largely to an increase in grants and contracts successfully bid for by the charity. The full details of this can be seen in note 2 of these accounts on page 21. The largest increase in grant income was paid by the Department for Business, Energy & Industrial Strategy for the first year of the Citizens Advice Consumer Service. The Trustees would like to thank all the funders for their support over the last twelve months. This support is especially valuable in the current economic climate where our services are in significant demand.

The resources expended reflect the additional work being undertaken as a result of the increase in income with money spent on charitable activities increasing from £1,784,964 last year to £2,489,050 this year. The full details of how the charity resources have been expended are shown in notes 3, 4 and 5 on pages 22 - 24.

Note 3 shows the costs incurred by the activities undertaken during the year. Costs pertaining to the provision of advice on consumer issues have been highlighted following the addition of the consumer call centre. The total costs incurred for providing advice in this area were £866,817.

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Costs incurred during the year are presented as direct costs and support costs. Direct costs are those incurred when delivering advice services to clients and which include staff salaries and travel. Disbursements paid to Local Citizens Advice Caerphilly and Blaenau Gwent, Ynys Mon and Torfaen as well as The Speakeasy are also included. The total direct costs incurred during the year were £2,096,944 (LY: £1,324,632). Support costs are operational costs and include the provision of office space and relevant equipment as well as management costs. The total support costs incurred during the year were £392,106 (LY: £460,332).

This year has seen an increase in the level of service provided by the charity together with a corresponding increase in funding. The charity has generated a surplus of £135,138 (LY: a deficit of £46,625) which is comprised of both restricted (£66,706) and unrestricted (£68,432) funds. This means that the charity has increased in size from the £403,943 cash worth at the end of 31 March 2017 to £539,081 at the end of 31 March 2018.

The cash position of £539,081 is broken down into its constituent parts in the balance sheet on page 16. As at 31 March 2018 the charity had £482,253 in the bank from which it was committed to pay £116,723 to various creditors. The breakdown of the creditors figure is shown in note 9. The charity was owed £154,598 at the year-end which is mainly comprised of the final instalments of income payable by project funders.

The charity is now firmly in place providing services not only for the Vale and Cardiff areas but also across England and Wales. This has resulted in significant increases in income as well as costs and the Trustees are very aware of the additional complications this has brought in terms of financial management.

The Trustees are confident that sufficient systems and controls are in place to help the charity manage these additional responsibilities. The financial health of the charity remains good and the Trustees remain committed to continuing to provide easy access to advice for the public at a time when life is becoming more complicated.

4.2 Risk Assessment

The charity has undertaken a review of the financial risks it might face. The results of this review indicate that although the charity is unlikely to face a sudden and major loss of funding, there remains a risk of one of the major funders' withdrawing funding. The charity believes that the reserve policy needs to reflect the level of resources required to give the organisation time to either renegotiate funding, seek new funding or to withdraw services in a timely manner, causing as little damage as possible. In view of the changes in the charity the Trustees will review this on an annual basis.

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**Trustees' Annual Report
for the year ended 31 March 2018**

4.3 Reserves Policy

Following the work undertaken in the risk assessment, the organisation's reserves policy is to hold three months unrestricted operating expenses and one month's restricted operating expenses. On this basis the current requirement is reserves of £238,496. Unrestricted cash reserves currently stand at £216,574 and Designated Funds at £256,465 giving a total of £473,039. This represents a reserve of just under two and a half months worth of total expenditure at current levels. Close monitoring and a service review will be undertaken to ensure that activities do not deplete this level of reserves and to ensure timely fundraising takes place.

4.4 Investment Policy

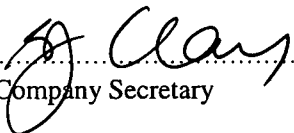
The charity holds a current account which provides us with a better rate of interest than the one held previously with our former bankers. We are considering options for opening a higher interest reserve account.

5 Independent Auditors' Report and Financial Statements

The following are the Independent Auditors' report and financial statements, including Statement of Financial Activities and Balance Sheet for the bureau as at 31 March 2018, by R H Jeffs and Rowe, Chartered Accountants, 27/28 Gelliwastad Road, PONTYPRIDD, CF37 2BW prepared these documents.

The Trustees confirm that this report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

This report was approved by the Trustees on the 25 October 2018 and signed on its behalf by:


.....
Jane Clay - Company Secretary

Independent auditors' report to the members of Citizens Advice Cardiff & Vale
Registered as Cardiff and Vale Citizens Advice Bureau Ltd - Company limited by guarantee

Opinion

We have audited the financial statements of Cardiff and Vale Citizens Advice Bureau Ltd (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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 2018 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.

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 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.

We have nothing to report in this regard.

Independent auditors' report to the members of Citizens Advice Cardiff & Vale
Registered as Cardiff and Vale Citizens Advice Bureau Ltd - Company limited by guarantee

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, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charity has not kept adequate accounting records, 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 trustees' 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 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

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Independent auditors' report to the members of Citizens Advice Cardiff & Vale
Registered as Cardiff and Vale Citizens Advice Bureau Ltd - Company limited by guarantee**

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Robert Thomas BSc FCA
Senior Statutory Auditor
for and on behalf of R H Jeffs & Rowe,
Statutory Auditors & Chartered Accountants
27/28 Gelliwastad Road
Pontypridd
CF37 2BW
1 November 2018**

Citizens Advice Cardiff & Vale

**Statement of Financial Activities
for the year ended 31 March 2018**

	Notes	Unrestricted & Designated	Restricted	Total	Total
		£	£	2018 £	2017 £
Income & Endowments					
Incoming resources from Charitable activities					
Grants & contracts	2	200,509	2,369,304	2,569,813	1,718,213
Other Charitable activities	2	52,445	-	52,445	13,454
Voluntary income					
Gifts, donations & training	2	1,930	-	1,930	4,161
Investment income					
Bank interest		-	-	-	191
Other income	2	-	-	-	2,320
Total Income & Endowments		<u>254,884</u>	<u>2,369,304</u>	<u>2,624,188</u>	<u>1,738,339</u>
Expenditure					
Charitable activities	3	186,452	2,302,598	2,489,050	1,784,964
Total Expenditure		<u>186,452</u>	<u>2,302,598</u>	<u>2,489,050</u>	<u>1,784,964</u>
Movement in total funds for the year:					
Net Income/(Expenditure) for the Year	4	68,432	66,706	135,138	(46,625)
Transfer Between Funds		664	(664)	-	-
Fund Balances brought forward		403,943	-	403,943	450,568
Fund Balances carried forward		<u>473,039</u>	<u>66,042</u>	<u>539,081</u>	<u>403,943</u>

The Statement of Financial Activities includes all gains and losses in the year. All Income and Expenditure derive from continuing activities. This statement includes the charities' Income & Expenditure account.

Citizens Advice Cardiff & Vale

Company Number: 4291764

**Balance sheet
as at 31 March 2018**

		2018		2017	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	7		30,367		42,568
Current Assets					
Debtors	8	154,598		23,056	
Cash at bank and in hand		482,253		423,808	
		<u>636,851</u>		<u>446,864</u>	
Creditors: amounts falling due within one year	9	<u>(116,723)</u>		<u>(62,710)</u>	
Net Current assets			<u>520,128</u>		<u>384,154</u>
Total Assets Less Current Liabilities			550,495		426,722
Deferred income	10		<u>(11,414)</u>		<u>(22,779)</u>
			<u>539,081</u>		<u>403,943</u>
Funds					
Unrestricted Funds	14		216,574		147,478
Designated Funds	14		256,465		256,465
Restricted Funds	14		66,042		-
	14		<u>539,081</u>		<u>403,943</u>

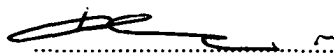
The notes on pages 18-29 form part of these accounts.

Under the Companies Act 2006 the Trustees have the right to amend these financial statements if subsequently proven to be defective.

The financial statements were approved by the Trustee Board on and signed on its behalf by



.....
Peter Trott - Chair of Trustees



.....
Neil O'Toole - Treasurer

Citizens Advice Cardiff & Vale

**Cash flow statement
for the year ended 31 March 2018**

	Notes	2018 £	2017 £
Reconciliation of operating loss to net cash outflow from operating activities			
Net Movement in funds		135,138	(46,625)
Depreciation	3	26,749	25,060
(Increase) in debtors	8	(131,542)	31,907
Increase in creditors	9	54,013	35,979
Increase in Deferred income	10	11,365	22,779
Adjustment			5
Net cash outflow from operating activities		<u>72,993</u>	<u>69,105</u>
Net cash outflow from operating activities		72,993	69,105
Capital expenditure		(14,548)	(40,982)
Increase/(Decrease) in cash in the year		<u>58,445</u>	<u>28,123</u>
Cash & Cash equivalents at start of the year		<u>423,808</u>	<u>395,685</u>
Cash & Cash equivalents at end of the year		<u>482,253</u>	<u>423,808</u>

Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018

Statutory Information

Citizens Advice Cardiff & Vale (registered as Cardiff & Vale Citizens Advice Bureau Ltd) is a registered charity and private company limited by guarantee having no share capital. The company is incorporated in Wales in the United Kingdom. The registered office is 119 Broad Street, Barry, South Glamorgan, CF62 7TZ. The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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.

1. Accounting Policies

1.1. Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Cardiff and Vale Citizens Advice Bureau Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. Given the current levels of cash, unrestricted reserves and the promised funding for future years the trustees are confident that Cardiff & Vale Citizens Advice Bureau Ltd will be able to tailor service provision in line with the funding available and will continue to attempt to obtain additional funding from other sources. With there being no material concerns over Going Concern the trustees consider it appropriate for the financial statements to be prepared on a going concern basis.

1.2. Fund Accounting

The unrestricted funds of the Charity comprise those monies which are available to be used towards the meeting of the charitable objectives of the Charity at the discretion of the Management Committee.

The restricted funds are monies raised or received for a specific purpose and accounted for in accordance with the donors imposed conditions.

Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018

1.3. Income & Endowments

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. This includes capital grants.

- a. Voluntary income is received by way of donations, gifts and unconditional grants and are included in full in the Statement of Financial Activities when receivable.
- b. Income for charitable services is received by way of grants, donations and contracts. Such income is included in the Statement of Financial Activities when the charity has earned the consideration and the income is certain and accurately measurable.
- c. Where relevant, donated services and assets are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- d. Investment income is included when receivable.

It is not the policy of the charity to show income net of expenditure.

Debtors

Debtors are recognised at the settlement amount due after any trade or other discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.4. Expenditure

Expenditure is recognised on an accrual basis as a liability incurred. Expenditure includes any VAT which cannot be fully recovered.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

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 after allowing for any trade discounts due.

Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	-	33 1/3% straight line
Equipment directly related to above	-	33 1/3% straight line
Fixtures and fittings	-	25% written down value

1.6. Pensions

The organisation operates a defined contribution scheme for its employees. Contributions are charged to the Statement of Financial Activities when incurred and are invested from the assets of the charity. Details of contributions made are shown in note 5 of the accounts.

Historically, joining the scheme has been at the discretion of each employee. However, as of February 2016 the organisation was legally obligated under the Pension Act 2008 to automatically enrol all employees who fulfil specified criteria and who are not already enrolled in the pension scheme. The organisation's staging date was 1 February 2016 but this was postponed until 1 May 2016. The scheme is now up and running and has been since that date.

1.7. Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities when incurred.

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018**

2. Incoming Resources From Charitable Activities	Total	Total
	2018	2017
	£	£
<u>Grants & contracts</u>		
Welsh Government	492,629	595,458
Money Advice Service	215,374	141,177
Citizens Advice	18,200	1,976
Ofgem	20,475	16,875
Cardiff County Council	440,000	440,000
Vale of Glamorgan County Borough Council	162,567	203,069
Department for Work & Pensions	377,651	129,408
BEIS	800,434	190,250
MND Association	42,483	-
	<u>2,569,813</u>	<u>1,718,213</u>
<u>Charitable Activities</u>		
Social Enterprise Training Income	52,445	3,454
Management Fee (netted against Disbursements expenditure)	-	10,000
	<u>52,445</u>	<u>13,454</u>
Voluntary Income		
Donations	1,930	4,161
	<u>1,930</u>	<u>4,161</u>
Other Income		
Shelter Cymru Room Hire	-	2,320
	<u>-</u>	<u>2,320</u>

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018**

3. Total resources expended		Basis of Allocation	Welfare Benefits Advice	Debt Advice	Financial Guidance	Financial Capability	Consumer Advice	General Advice	Admin	Total 2018	Total 2017
			£	£	£	£	£	£	£	£	£
Costs directly allocated to activities											
Staff Costs	-Salaries	Direct	350,607	287,494	77,446	14,300	678,961	255,958	-	1,664,766	1,077,200
	-Pensions	Direct	7,672	6,291	1,695	313	14,858	5,601	-	36,430	30,780
	-Other	Direct	6,344	5,202	1,401	259	12,286	4,632	-	30,124	45,161
Sub Contracted	-Disbursements	Direct	39,404	97,046	196,090	-	-	-	-	332,540	153,474
Travel Costs	-Volunteer	Direct	1,188	974	262	48	2,300	867	-	5,639	5,752
	-Staff	Direct	5,780	4,739	1,277	236	11,193	4,220	-	27,445	12,265
			<u>410,995</u>	<u>401,746</u>	<u>278,171</u>	<u>15,156</u>	<u>719,598</u>	<u>271,278</u>	-	<u>2,096,944</u>	<u>1,324,632</u>
Support costs allocated to activities											
Staff Costs	-Salaries	Direct	34,733	28,481	7,672	1,417	67,262	25,357	-	164,922	213,661
Property Costs	-Rent	Staff	10,616	8,705	2,345	433	20,557	7,750	-	50,406	49,069
	-Other	Staff	5,057	4,147	1,117	206	9,793	3,692	-	24,012	13,671
Office Overheads	-Telephone	Staff	6,568	5,386	1,451	268	12,719	4,795	-	31,187	33,025
	-Printing, postage & stationery	Staff	3,065	2,513	677	125	5,935	2,237	-	14,552	24,179
	-General insurance	Staff	1,066	874	236	44	2,065	779	-	5,064	5,039
	-Equipment & software rental	Staff	8,985	7,368	1,985	366	17,401	6,560	-	42,665	68,953
	-Books & publications	Staff	2,398	1,966	530	98	4,644	1,751	-	11,387	3,280
	-Other	Staff	-	-	-	-	-	-	-	-	3,511
Finance Costs	-Bank charges	Staff	213	174	47	4	412	155	-	1,005	675
Fees	-Legal & professional	Direct	3,321	2,723	734	135	6,431	2,424	-	15,768	16,225
	-Audit	Direct	-	-	-	-	-	-	2,800	2,800	2,800
Other	-Trustees expenses	Direct	-	-	-	-	-	-	1,589	1,589	1,184
	-Depreciation	Direct	-	-	-	-	-	26,749	-	26,749	25,060
			<u>76,022</u>	<u>62,337</u>	<u>16,794</u>	<u>3,096</u>	<u>147,219</u>	<u>82,249</u>	<u>4,389</u>	<u>392,106</u>	<u>460,332</u>
			<u>487,017</u>	<u>464,083</u>	<u>294,965</u>	<u>18,252</u>	<u>866,817</u>	<u>353,527</u>	<u>4,389</u>	<u>2,489,050</u>	<u>1,784,964</u>

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018**

Note 3 (Continued)

Details of Expenses

	Total 2018 £	Total 2017 £
Staff Costs -Other		
Accident & illness Insurance	4,552	9,604
Staff training	3,374	14,763
Recruitment costs	9,208	6,140
Miscellaneous	12,990	8,525
Settlement costs	-	6,129
	<u>30,124</u>	<u>45,161</u>
Property Costs -Other		
Cleaning & maintenance	18,277	10,210
Gas & Electric	55	-
Building repairs	4,689	3,326
Other	991	135
	<u>24,012</u>	<u>13,671</u>
Office Overheads -Other		
Miscellaneous	-	3,511
	<u>-</u>	<u>3,511</u>
4. Net Incoming Resources	Total 2018 £	Total 2017 £
This is stated after charging:		
Depreciation	26,749	25,060
Auditors remuneration	2,800	2,800
Trustees expenses	1,589	1,184
	<u>1,589</u>	<u>1,184</u>

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
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5. Staff costs	2018	2017
	£	£
Staff costs during the year comprised of the following:		
Staff salaries (including Social Security costs)	1,829,688	1,290,861
Pension costs	36,430	30,780
Other costs	30,124	45,161
	<u>1,896,242</u>	<u>1,366,802</u>

The average number of employees during the year, calculated on the basis of full time equivalents, was 90 (LY: 55).

There were no employees earning more than £60,000 per annum (2017 - none).

The Directors/Trustees did not receive any remuneration or benefits in connection with the performance of their duties, except for the reimbursement of expenses amounting to £358 with remainder of Trustees' expenses spent on room hire for meetings, (2017 - £1,184) which was paid to 2 Directors/Trustees (2017 - 11).

6. Taxation

As a charity, Cardiff & Vale Citizens Advice Bureau Ltd is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of the Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018**

7. Tangible fixed assets

	Fixtures & equipment
	£
Cost	
At 1 April 2017	137,926
Additions	14,548
At 31 March 2018	<u>152,474</u>
Depreciation	
At 1 April 2017	95,358
Charge for the year	26,749
At 31 March 2018	<u>122,107</u>
Net book values	
At 31 March 2018	<u>30,367</u>
At 31 March 2017	<u><u>42,568</u></u>

	2018	2017
	£	£
8. Debtors		
Prepayments and accrued income	<u>154,598</u>	<u>23,056</u>
9. Creditors: amounts falling due within one year		
Trade creditors	-	10,935
Other taxes and social security costs	966	966
Accruals and deferred income	<u>115,757</u>	<u>50,809</u>
	<u><u>116,723</u></u>	<u><u>62,710</u></u>

Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018

10. Deferred income		2018	2017
		£	£
	Consumer Services Project		
	Increase in year	11,414	22,779
	At 31 March 2018	<u>11,414</u>	<u>22,779</u>

11. Related party transactions

The Trustees received re-imbursement for expenses during the year totaling £1,589 (2017 - £1,184)

The Charity is part of the Citizens Advice Bureau national network. This year the Charity received £776,304 (2017 - £749,982) in income distributed through the Citizens Advice network for projects such as Better Advice; Better Lives, MASDAP, Communities First, IDMA, Pension Wise, Ofgem, Consumer Services Project and Money Advice. The Charity also incurred costs of £335,039 (2017 - £143,068) from other Bureaus in the year.

Except for the transactions above, and those disclosed in note 5 of these accounts, there were no other transactions with members of the management committee.

No trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year (2017 - Nil).

12. Company limited by guarantee

Every member of the company undertakes to contribute to the assets of the company, in the event of the company being wound up, such amounts as may be required not exceeding £1.

13. Analysis of Net Assets between Funds

	Unrestricted	Restricted	Total
	£	£	Funds
			£
Tangible Fixed Assets	30,367	-	30,367
Net Current Assets	442,672	77,456	520,128
Deferred Income	-	(11,414)	(11,414)
Net assets at 31 March 2018	<u>473,039</u>	<u>66,042</u>	<u>539,081</u>

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018**

14. Movement in Funds

	At 01/04/17	Incoming Resources	Outgoing Resources	Fund Transfers	At 31/03/18
	£	£	£	£	£
Restricted funds:					
Cardiff Advice	-	440,000	(437,543)	-	2,457
Better Advice; Better Lives	-	170,403	(164,174)	48,548	54,777
MASDAP	-	119,346	(104,170)	(15,176)	-
Integrated Digital Money Advice	-	96,028	(75,548)	(20,480)	-
Communities First	-	285,000	(285,000)	-	-
Pension Wise	-	359,174	(353,311)	-	5,863
Citizens Advice Consumer Service	-	789,069	(787,243)	-	1,826
Energy Best Deal	-	20,475	(6,919)	(13,556)	-
Advice Line Cymru	-	10,100	(8,981)	-	1,119
Money Talks	-	37,226	(37,226)	-	-
Motor Neurone Disease Association	-	42,483	(42,483)	-	-
Total Restricted Funds	<u>-</u>	<u>2,369,304</u>	<u>(2,302,598)</u>	<u>(664)</u>	<u>66,042</u>
Designated funds:					
Emergency Reserve	256,465	-	-	-	256,465
Unrestricted funds:					
General Fund	147,478	254,884	(186,452)	664	216,574
Total Unrestricted Funds	<u>403,943</u>	<u>254,884</u>	<u>(186,452)</u>	<u>664</u>	<u>473,039</u>
Total Funds	<u>403,943</u>	<u>2,624,188</u>	<u>(2,489,050)</u>	<u>-</u>	<u>539,081</u>

The balance carried forward for Better Advice; Better Lives in 2016/17 was £0. However, the correct figure should have been £48,548. This amount was originally transferred to unrestricted reserves at the end of 2016/17 but has now been transferred to restricted reserves as agreed with Citizens Advice. The carried forward figure as at 31 March 2018 reflects this change.

Funds Transfers relate to funding for which the time period has expired and no clawbacks are expected.

Purposes of Restricted Funds

Cardiff Advice :

This is a contract issued by Cardiff Council that requires the provision of generalist and specialist advice to be delivered in Cardiff.

Better Advice Better Lives :

Funded by Welsh Government this project delivers advice in primary health care settings in Cardiff and the Vale of Glamorgan and is based on the premise that timely legal advice has an impact on the health of the individual.

**Citizens Advice Cardiff & Vale
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Money Advice Service Debt Advice Project (MASDAP) :

A Money Advice Service funded project to deliver face to face debt advice in Cardiff and the Vale of Glamorgan.

Communities First :

This project is part of the Welsh Government Community Focussed Tackling Poverty Programme. The programme supports the most disadvantaged people in the most deprived areas of Wales with the aim of contributing to alleviating persistent poverty. Face to face welfare benefits and debt advice is delivered in Cardiff and the Vale of Glamorgan.

Pension Wise :

Funding from the Department for Work and Pensions to deliver face to face guidance on defined contribution pensions to people approaching retirement. The service is delivered across Wales.

Citizens Advice Consumer Service :

Funding from the Department for Business, Energy & Industrial Strategy to provide clients in England and Wales with advice and information via telephone and e-mail on consumer rights. The service is delivered from a call centre located in the organisation's Barry office.

Energy Best Deal :

Funding to deliver public awareness sessions and face to face advice to vulnerable consumers in order to raise awareness of the savings that can be made by switching fuel providers, inform consumers about how they might save money by using less energy, and provide them with sources of advice and help around energy. The services are delivered in Cardiff and the Vale of Glamorgan.

Advice Line Cymru :

Funding from Welsh Government to deliver telephone advice to clients. The original funding was recommissioned following the end of the original service delivery agreement on 31 March 2018. Citizens Advice: Cardiff and Vale became the new service provider will deliver the service from 1 April 2018. The expenditure incurred in 2017-18 pertained to building renovation to accommodate the project.

**Citizens Advice Cardiff & Vale
Notes to the Financial Statements
for the year ended 31 March 2018**

Money Talks :

Welsh Government funding to provide money advice and guidance to clients on topics such as budgeting, borrowing, saving and retirement planning. Citizens Advice: Cardiff and Vale had previously received funding from the Money Advice Service to deliver a similar service from April 2011 to September 2016. In October 2016 the Welsh Government agreed to provide funding to allow the service to continue until December 2017.

Motor Neurone Disease Association :

Since April 2017 Citizens Advice Cardiff and Vale has been contracted by the Motor Neurone Disease Association to provide distance benefit advice to people with and affected by Motor Neurone Disease including the Association's care centres, health and social care professionals, and the Association's staff and volunteers. The service is delivered from a call centre located in the organisation's Barry office.

Purposes of Designated Funds

Emergency Reserve :

The Committee had designated an emergency fund as recommended by the Charities Commission. The value of this fund was calculated with reference to the financial risk assessment undertaken by the Committee. The emergency fund will ensure that the Charity can continue to provide services uninterrupted should an emergency funding situation occur.

15. Post Year End Event

The charity is in negotiations to purchase part of its Barry premises. It's intended that a grant will cover the deposit, with the balance covered by a mortgage. It's anticipated that the savings in rent will cover the mortgage payments.