

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Frayne D Turner P Barrow C Dye K Ballard T Coleman P Taylor S Holt R Bedford	(Appointed 22 November 2019) (Appointed 22 November 2019) (Appointed 22 November 2019) (Appointed 22 November 2019) (Resigned 10 March 2020) (Resigned 22 November 2019)
Secretary & CEO	A Bruzon	
Charity number	1086163	
Company number	04171801	
Principal address	Unit 6, Highlight House 8 St Leonards Road Eastbourne East Sussex BN21 3UH	
Registered office	Unit 6, Highlight House 8 St Leonards Road Eastbourne East Sussex BN21 3UH	
Independent examiner	Nicholas Brown FCA DChA BFP 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
Bankers	CAF Cash Limited PO Box 289 West Malling Kent ME19 4TA	

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE CONTENTS

	Page
Trustees report	1 - 9
Independent examiner's report	10
Statement of financial activities	11 - 12
Balance sheet	13
Notes to the financial statements	14 - 25

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their report and accounts for the year ended 31 March 2020.

The financial statements comply with the charity's memorandum and articles of association, the Companies Act 2006, the Charities Act 2011 and 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 (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Eastbourne Citizens Advice Bureau (also known as Citizens Advice Eastbourne) was incorporated on 2 March 2001, company number 04171801, and is registered with the Charity Commission in England and Wales, registration number 1086163. It is governed by its memorandum and articles of association. Further details of the charity including its registered office, principal address and details of professional advisors can be found on the second page of the accounts headed 'Legal and administrative information'.

Governance structure and appointment of trustees

The charity is governed through a trustee board. Trustees who have held office during the year are listed on the flysheet on page 2. The Articles of Association provide for a minimum of three and a maximum of fifteen trustees. The trustees meet at least 4 times per year with additional meetings as required.

Trustees are elected to the Board for a three-year period and are appointed by a resolution of its members at an AGM. The board has powers to co-opt members who shall retire at the following AGM and may offer themselves for re-election.

Citizens Advice appoints a representative who is entitled to attend the Board as a non-voting member. Eastbourne Borough Council is also invited to send a representative from its paid staff, plus a sitting councillor, to attend board meetings as observers. A representative of the charity's volunteers is also invited to attend.

The trustees who have served during the year can be seen on the flysheet on page 2. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustee induction and training

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. They also meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the understanding of their role.

Organisation Structure

The organisation is coordinated from its office in Eastbourne.

Eastbourne Citizens Advice is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards. Eastbourne Citizens Advice is,

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

however, an independent standalone charity, with its own constitution, board of trustees and charitable objects. Operating policies are independently determined by its Board of Trustees in order to both fulfil its own charitable objects and comply with the national membership requirements.

The Chief Officer (CEO), Mr A Bruzon, has been appointed by the trustees to manage the day-to-day operations of the charity. In addition, there is an experienced team of paid staff and volunteers who are key to the service offered by the charity. Decisions are made by the trustee board in line with the Business Development Plan and are reviewed at least annually.

Reports and recommendations are taken to the full board for approval, and their implementation is organised by the Chief Officer and the staff team. There are regular staff and volunteer meetings which ensure that progress is being made against targets, and progress against plan is regularly monitored by the board.

The charity also co-operates and liaises with a number of other advisory services, local charities and social services departments on behalf of clients.

Where one of the trustees holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process. Any potential conflict of interest must be declared at the outset of every board meeting, and a Trustees' register of interests is maintained and regularly updated.

Related party transactions

None of the trustees receive remuneration or other benefits for their work with the charity.

The trustees are not aware of any contractual relationship with a related party and no related party transactions have been reported in the current year.

Major Risks

The Trustees recognise that any major risks to which the charity is exposed need to be reviewed and measures put in place to mitigate those risks. To that end the Trustees maintain a corporate risk register which is reviewed and updated regularly. Citizens Advice Eastbourne is continually monitoring and managing its risk and ensuring action plans are in place to mitigate its key risks.

Internal risks are minimised by the implementation of policies and procedures for authorisation of all transactions and projects, and to ensure consistent quality of delivery and the upholding of our values for all operational aspects of the charitable company. These policies and procedures are periodically reviewed to ensure that they still meet the needs of the charity.

A key external risk is of loss of funding from our traditional sources, both to fund specific projects and, potentially, to fund our core service. This is a perennial risk which has been amplified this year by the Covid-19 pandemic, and has been the focus of the Fundraising Committee's work. This work has resulted in funding being obtained from a number of new sources, as noted under 'Fundraising Activities' below. Despite this, funding remains a key risk and the charity continues to implement its longer-term fundraising strategy and to seek to diversify its funding sources.

The Covid-19 pandemic has created a number of significant risks. The charity maintains a Business Continuity Plan which facilitated a rapid move to homeworking in March and April 2020, as explained more fully under 'Covid-19' below, and this has enabled us both to mitigate risks around health and safety and prevent any significant reduction in our service levels. Plans are currently being drawn up to enable a partial re-opening of the office, in which the health and safety of staff, volunteers, clients and the public will be paramount.

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

OBJECTIVES AND ACTIVITIES

Objects

The charity's objects, as set out in its memorandum and articles of association, are to promote any charitable purpose, in particular, but without limitation, for the benefit of the community in East Sussex by advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

Citizens Advice's aims are focused on the following:

- To provide the advice people need for the problems they face, and
- To improve the policies and practices that affect people's lives.

Citizens Advice provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. We value diversity, promote equality and challenge discrimination.

Citizens Advice Eastbourne has developed its own mission statement to reflect more accurately its purpose and role within the local community:

*We provide **free, confidential advice** to help people overcome their problems, and we **campaign on big issues** when their voices need to be heard. We are a **trusted local charity** providing responsive, high quality services to help people find a way forward and meet community needs. Our work and presence gives us **unique insight into the needs of our community**. We are a constant in the face of change, but with the flexibility to innovate and stay ahead.*

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. The annual review seeks to examine our achievements and outcome, together with the success of individual key projects and the benefits that have been derived from them. In carrying out the review we are ensuring that that our aims, objectives and activities are in line with our stated purpose.

Our main objectives for the year have been focused on developing our service so that it really meets the needs of the clients we are trying to support. Key activities have included:

- Working to make our service more accessible to all, especially those most in need of our help, working where appropriate in partnership with other organisations
- Obtaining new funding to continue, and where possible expand, our specialist debt and welfare benefits services
- Diversifying our approach to funding to minimise the risks associated with over-dependence on our key funder
- Using our well-respected Research and Campaigns work to maximise our influence with key stakeholders in order to effect necessary change for our clients

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

Our main activities and who we try to help are described below. All our charitable activities focus on providing the advice people need for the problems they face and are undertaken specifically to provide public benefit. The board of trustees have had due regard to the Charity Commission guidance on public benefit and have complied with the duty in section 4 of the Charities Act 2011.

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

Advice and Information Services

The main areas of charitable activity are:

- the provision of general advice and information services
- the provision of specialist advice and casework services in the debt and welfare benefits categories of social welfare law, and
- helping people to make applications for Universal Credit

Throughout the year we have continued to offer general advice and information in the following ways

- Face to face drop in – during the year we have been open 5 days a week. An initial assessment takes place ensuring that clients are dealt with in the most appropriate way, urgent issues are responded to and clients are not turned away.
- Advice Line – participation continues as part of a county-wide telephone service. The line is covered on a rota basis between the hours of 10.00am and 4.00pm from Monday to Friday. Outside of these times there is an automated advice service 24 hours a day.
- Full advice – general and specialist advice through our team of trained advisers and paid staff.
- Information and self help, particularly through online resources.

In addition to generalist advice the following specialist advisory services were provided:

- i) Debt advice for people on a low income
- ii) Specialist Welfare Benefit and Debt provision
- iii) Helping people to make applications for Universal Credit via telephone, webchat and face to face.

Contribution of Volunteers and Paid Staff

The charity's success could not be achieved without the hard work and dedication of our volunteers and staff. The trustee board recognises the tremendous contribution made by the charity's volunteers in advising the public and administering the service without which the service could not operate. Throughout 2019/20 the service employed 10 paid workers (7.3 FTE), and 50 volunteers together delivering 5 projects, including the core service.

Volunteers represent the indispensable core of the service. The volunteers contribute, on average, 355 hours per week. This may be expressed as an annualised value of £296,108. However, their value is inadequately expressed in monetary terms. Without our volunteers, there simply would not be a Citizens Advice service.

We are currently reviewing our approach to volunteering, with a view to expanding the number and types of volunteer roles available. It is our intention to regularly monitor our approach to volunteering, to provide an accessible, welcoming and rewarding volunteering experience.

Who used and benefited from our services?

We have helped 4,705 people during the year (2018/19: 3,264). Most clients present with more than one problem. In total we helped with 11,803 new problems (2018/19: 11,221).

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The major problem areas identified during the course of the year were as follows:

	<u>2019-2020</u>		<u>2018-2019</u>	
Benefits & tax credits	2,694	23%	2,775	25%
Benefits Universal Credit	2,261	19%	1,318	12%
Consumer goods & services	321	3%	373	3%
Debt	1,806	15%	1,678	15%
Discrimination	81	1%	76	1%
Education	49	0%	43	0%
Employment	883	7%	979	9%
Financial services & capability	114	1%	108	1%
Health & community care	182	2%	153	1%
Housing	1,025	9%	1,165	11%
Immigration & asylum	241	2%	243	2%
Legal	437	4%	472	4%
Other	850	7%	817	7%
Relationships & family	547	5%	675	6%
Tax	69	0%	85	1%
Travel & transport	139	1%	134	1%
Utilities & communications	104	1%	127	1%
Grand Total	11,803		11,221	

There has been no significant change in the split of problems which have required our assistance. Benefits and debt continue to account for over 50% of all problems, with Universal Credit taking on greater prominence following its introduction into Eastbourne the previous year.

Citizens Advice uses an external Treasury-approved model that allows us to put a financial value on a handful of key areas where we can evidence the value we create locally through our advice provision and from working with volunteers. This estimates that, in 2019/20, for every £1 invested in our service, £4.57 is returned in fiscal benefits savings to the government, £29.64 in public benefit through wider economic and social benefits to the local community, and £23.29 directly to individuals.

We have been actively involved in identifying issues that affect the community and have made representation to the appropriate organisations. Current key issues revolve around maternity leave, disabled parking and Sickness and Disability Benefit appeals.

Factors Affecting the Achievement of Objectives

Maintaining sufficient funding to continue delivering the service remains a continual challenge. We invest significant time in fundraising, and we focus on delivering the most cost-effective service we possibly can.

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

This isn't about simply cutting costs; it is about delivering a service that genuinely meets clients' needs so that we can make the funding we receive work as effectively as possible.

The complexity of the issues that clients are facing, and the additional challenges that clients are experiencing, place additional demands on our service. Support networks that were previously in place for people are changing or have been removed; as a result, we are asked at times to offer support that falls outside the remit of direct advice. Where people are vulnerable, it is essential that we offer support in a way appropriate to that person, and whilst necessary this can be particularly resource intensive.

Covid-19

In common with most other charities and commercial businesses, Eastbourne Citizens Advice was obliged to close its offices when the UK government announced a general lockdown from 30 March 2020. However, due to the hard work of our Chief Officer, Alan Bruzon, the commitment of the staff team, and the dedication of our volunteer advisors, we were able to switch to providing a nearly-full service to clients on a remote basis within two weeks. Whilst homeworking has not been without its challenges, and whilst the absence of a face-to-face service has inevitably restricted accessibility for some clients, we have continued to help nearly as many clients each week, since the lockdown was announced, as we were helping before.

The key immediate challenge the pandemic created for us was, in line with much of the charity sector, that certain fundraising activities we had budgeted for were no longer possible; further, a number of funding bids which we had submitted shortly before the lockdown were shelved. However, due to the hard work of the Fundraising Committee, a Covid-19 specific bid to the National Lottery has recently been successful, which will secure the charity's financial position for the year 2020/21 and will allow additional debt advisory resource to be recruited in anticipation of significantly increased demand as the government's furlough scheme is removed in the second half of 2020.

Whilst we anticipate that the current home-working model will continue for some time to come, plans are currently being drawn up to facilitate a partial re-opening of the office to enable us also to service clients whom it is impossible to help on a remote basis. In drawing up these plans, we hold the health and safety of our staff, volunteers, clients and the general public as paramount.

FINANCIAL REVIEW

The availability of funding in the charity sector remains difficult. The charity is focused on providing added value to its funders from a base of sound financial management and ensuring that our services remain relevant to the strategic objectives of stakeholders at local and national level.

The charity is working hard to deliver a cost-effective service that genuinely meets the needs of our clients. It remains a challenging prospect to meet the ever-increasing demand with restricted funding sources.

There was an overall surplus of £1,089 for the year (2018/19 surplus of £550). At 31 March 2020 total reserves were £96,181 of which £83,456 represented unrestricted funds, £9,000 designated reserves and £3,725 related to restricted funds.

Fundraising Activities

Total income for the year was £278,260 an increase of £23,075 on 2018/2019.

The Fundraising Committee was extremely active during the course of the year. As a result of their activity we were successful in obtaining grants from the Henry Smith Foundation which will enable us to continue

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

work on Money Advice for the next 3 years. We were also able to attract a grant from the Meads Fund of £20,000 per annum for the next 3 years which contributes to our core costs. We received a further grant of £2,500 from the Sussex Community Foundation, and we continue to have the support of the Rotary Clubs of Eastbourne. We are very grateful to these organisations for their continuing support.

As referred to in last year's report, Eastbourne, Hailsham & Seaford CCG have also continued their support of the Welfare Benefits service.

In addition, members of the Fundraising Committee either organised or undertook fundraising activities in the form of sponsored walks and local collections. The support given by the local community through participation in such activities forms a very important part of our funding.

Funding was also provided via Citizens Advice of £23,753 to provide assistance to clients with claims for Universal Credit.

Investment Policy and Activity

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

The charity does not currently hold material investments.

Reserves Policy

Citizens Advice Eastbourne is required to ensure that free monies are available in each financial year to meet any reasonable foreseeable contingency. Citizens Advice Eastbourne maintains a projection of income for three years ahead and tries to ensure that this continues to be derived from as wide a variety of sources possible. We take all necessary steps to ensure that at no time within this period would it be possible for the cessation of one or more funding streams (apart from funding received from Eastbourne Borough Council) to present so serious a challenge to the future of the organisation that it could not be managed so as to continue to provide a best value advice service.

The trustees therefore consider that it is prudent to maintain an amount equivalent to three months of operating expenditure in respect of the core activity. This requires reserves of £40-50,000 based on the current year.

In addition the trustees review every year the amount required to cover potential staff and other liabilities which could be payable in the event of closure of Eastbourne Citizens Advice; this is estimated at approximately £45,000.

At the end of 2019/20 the actual level of free reserves (i.e. unrestricted funds less designated and fixed assets) was £83,456.

Principal Funding Sources

The Trustees extend their gratitude to Eastbourne Borough Council who continued to provide the majority of support for the core operating capacity of the charity. EBC is our major funder and we have a three-year agreement with them ending in March 2022. Their continued funding is contingent on no significant change in the level of support they receive from central government.

As mentioned under Fundraising Activities, significant funding has also been provided by Henry Smith Charity, the Meads Fund, and Eastbourne, Hailsham and Seaford CCG during the year.

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The charity did not have any borrowings from either providers of funding or other sources at the balance sheet date.

Funds in Deficit

If at the end of a project the fund is in deficit, that deficit is written off against general reserves. Any surpluses not required to be returned to funders are transferred to general reserves.

FUTURE PLANS

Developing a sustainable service that meets the needs of our clients remains a priority of the trustee board for 2020/21. The charity will build on the work completed in the previous financial year to develop diversified funding streams to increase our sustainability and enable us to build a diverse service that is responsive to client needs.

Whilst Eastbourne Borough Council continues to be the major supporter of our core service, this support is not sufficient to cover all of our core costs and we try to find projects which can run alongside our core service and provide a contribution towards those costs. We also undertake local fundraising activities when we can.

As noted above, the Covid-19 related funding support from the National Lottery should allow us to continue funding the core service at current levels during 2020/21, despite the current constraints on fundraising. However, with the start of each new financial year we have to generate new and hopefully continuing sources of income in order that we can maintain our current services and so fundraising will continue to be a key focus for the trustee board.

The Covid-19 emergency and its consequences are having a significant effect on our plans for 2020/21. Whilst we have had to shelve plans to increase accessibility of our service through a series of outreach centres (primarily due to lack of funding whilst the current emergency continues), we hope to be able to return to this in some form in the future. In the meantime, we hope the National Lottery's support will enable us to expand our debt advisory capability.

Whilst the Covid-19 emergency has created many challenges, it has also created opportunities. The homeworking model of providing our service has proven to be highly effective, and is likely to continue for some time to come. Over the remainder of 2020, the board will be reviewing the impact of Covid-19, in terms of both challenges and opportunities, on our medium-term plans and priorities.

Our organisation is wholly dependent on the continued support of our volunteers who give of their time so generously. The trustees would like to thank all our volunteers, as well as our small team of paid staff, for their continued support, especially through the unique and challenging period that we are currently living through.

DIRECTORS' RESPONSIBILITIES

Company Law and Charity Law require the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of Citizens Advice Eastbourne and of the surplus or deficit for that period. In preparing those financial statements, the directors are required to:

- (a) select appropriate accounting policies and then apply them consistently
- (b) observe the methods and principles in the Charities SORP

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

- (c) make judgements and estimates that are reasonable and prudent,
- (d) state whether applicable accounting standards have been followed, and explain where they haven't been followed, and
- (e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Citizens Advice Eastbourne and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorised use and to prevent and detect fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant information of which the company's examiners are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's examiners are aware of that information.

Basis of Preparation

This report has 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 (FRS 102)..

Approved on behalf of the Board of Trustees on 30 September 2020

Peter Barrow
Trustee

EASTBOURNE CITIZENS ADVICE BUREAU CITIZENS ADVICE EASTBOURNE INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EASTBOURNE CITIZENS ADVICE BUREAU

I report to the trustees on my examination of the financial statements of Eastbourne Citizens Advice Bureau (the charity) for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

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

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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Nicholas Brown FCA DChA BFP

Chartered Accountant
18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Dated: 30 September 2020

**EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2020

Current financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>						
Donations and legacies	3	152,405	-	-	152,405	170,391
Income Resources from Charitable Activities	5	-	-	112,684	112,684	71,707
Investments	4	10,171	-	-	10,171	10,087
Other income	6	3,000	-	-	3,000	3,000
Total income		165,576	-	112,684	278,260	255,185
<u>Expenditure on:</u>						
Charitable activities	7	163,511	-	113,660	277,171	254,635
Net incoming/(outgoing) resources before transfers		2,065	-	(976)	1,089	550
Net incoming/(outgoing) resources before transfers		2,065	-	(976)	1,089	550
Gross transfers between funds		(875)	-	875	-	-
Net income/(expenditure) for the year/ Net movement in funds		1,190	-	(101)	1,089	550
Fund balances at 1 April 2019		82,266	9,000	3,826	95,092	94,542
Fund balances at 31 March 2020		83,456	9,000	3,725	96,181	95,092

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2020

Prior financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds Designated 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and legacies	3	170,391	-	-	170,391
Income Resources from Charitable Activities	5	-	-	71,707	71,707
Investments	4	10,087	-	-	10,087
Other income	6	3,000	-	-	3,000
Total income		183,478	-	71,707	255,185
<u>Expenditure on:</u>					
Charitable activities	7	177,442	-	77,193	254,635
Net incoming/(outgoing) resources before transfers		6,036	-	(5,486)	550
Gross transfers between funds		(1,363)	-	1,363	-
Net income/(expenditure) for the year/ Net movement in funds		4,673	-	(4,123)	550
Fund balances at 1 April 2018		77,593	9,000	7,949	94,542
Fund balances at 31 March 2019		82,266	9,000	3,826	95,092

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EASTBOURNE CITIZENS ADVICE BUREAU

CITIZENS ADVICE EASTBOURNE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Eastbourne Citizens Advice Bureau, also known as Citizens Advice Eastbourne, is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 6, Highlight House, 8 St Leonards Road, Eastbourne, East Sussex, BN21 3UH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants receivable are accounted for in the period to which they relate.

Rental income is accounted for when it falls due.

1.5 Resources expended

All expenditure is inclusive of VAT, accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

Where costs cannot be directly attributable to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Support costs are those incurred directly in support of expenditure on the objects of the charity and include governance costs. Governance costs are those costs associated with meeting the statutory requirements of the charity, and include independent examination fees and costs linked to the strategic management of the charity.

Any expenditure on equipment and assets exceeding £1,000 is capitalised.

1.6 Cash and cash equivalents

Cash and cash equivalents 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.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial 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 are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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.

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	2020	2019
	£	£
Donations and gifts	13,447	16,020
Grants Receivable for core activities	138,958	154,371
	<u>152,405</u>	<u>170,391</u>
Grants receivable for core activities		
Eastbourne Borough Council	116,250	115,000
Meads	13,300	-
CAES	1,119	9,154
EBC Budget support	-	12,609
EBC Digital services	-	12,608
Sussex Community Foundation	2,500	5,000
UC Help to claim	5,789	-
	<u>138,958</u>	<u>154,371</u>

4 Investment Income

	2020	2019
	£	£
Rental income	10,000	10,000
Interest receivable	171	87
	<u>10,171</u>	<u>10,087</u>

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

5 Income Resources from Charitable Activities

	2020	2019
	£	£
Performance related grants	112,684	71,707
	<u> </u>	<u> </u>
Performance related grants		
ESCC General Benefits	54,719	33,972
Money Advice	40,001	37,735
UC Help to claim	17,964	-
	<u> </u>	<u> </u>
	<u>112,684</u>	<u>71,707</u>

6 Other Incoming Resources

	2020	2019
	£	£
Other income	3,000	3,000
	<u> </u>	<u> </u>

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

7 Total Charitable Expenditure

	Advisory services £	Project costs £	Total 2020 £	Total 2019 £
Staff costs	114,959	94,471	209,430	189,264
Travel & Subsistence	2,374	71	2,445	2,861
Training	1,243	495	1,738	1,234
Telephone	4,327	-	4,327	4,300
Postage, Printing & Photocopying	3,968	1,876	5,844	6,682
Computer Expenses	3,685	521	4,206	1,460
Subscriptions	394	137	531	-
Legal & Professional Fees	9,295	504	9,799	10,657
CAES Administration Costs	-	-	-	1,500
Bank Charges	60	-	60	60
Office Equipment	449	885	1,334	119
Sundry Expenses	1,152	-	1,152	1,722
Management fees	(11,400)	11,400	-	-
	<u>130,506</u>	<u>110,360</u>	<u>240,866</u>	<u>219,859</u>
Share of support costs (see note 8)	30,765	3,300	34,065	32,726
Share of governance costs (see note 8)	2,240	-	2,240	2,050
	<u>163,511</u>	<u>113,660</u>	<u>277,171</u>	<u>254,635</u>
Analysis by fund				
Unrestricted funds - general	163,511	-	163,511	
Restricted funds	-	113,660	113,660	
	<u>163,511</u>	<u>113,660</u>	<u>277,171</u>	
For the year ended 31 March 2019				
Unrestricted funds - general	177,442	-		177,442
Restricted funds	-	77,193		77,193
	<u>177,442</u>	<u>77,193</u>		<u>254,635</u>

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

8 Support costs	Support costs	Governance costs	2020	2019
	£	£	£	£
Rent and rates	19,357	-	19,357	19,244
Insurance	1,891	-	1,891	1,822
Light and heat	9,096	-	9,096	9,095
Cleaning	2,441	-	2,441	1,999
Repairs and renewals	1,280	-	1,280	566
Independent Examination	-	2,150	2,150	2,050
Taxation services	-	90	90	-
	<u>34,065</u>	<u>2,240</u>	<u>36,305</u>	<u>34,776</u>
<u>Analysed between</u>				
Charitable activities	<u>34,065</u>	<u>2,240</u>	<u>36,305</u>	<u>34,776</u>

Support costs have been allocated to the charitable activities on a basis consistent with the use of the resources.

Governance costs for the year include payments to the independent examiner's firm of £2,150 (2019: £2,050) for independent examination services and £90 for taxation services (2019: £Nil).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were reimbursed to the trustees during the year.

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Charitable activities	10	6

Employment costs

	2020	2019
	£	£
Wages and salaries	190,296	170,845
Social security costs	15,584	14,489
Other pension costs	3,550	3,930
	<u>209,430</u>	<u>189,264</u>

Remuneration paid to key management personnel during the year was £31,304 (2019: £32,368).

The charity receives help and support in the form of voluntary assistance in advising the public and administering the charity. 50 volunteers contributed approximately 17,040 hours of work to the charity during the year. We estimate the value of this help to be approximately £296,108 in respect of the current year.

There were no employees whose annual remuneration was £60,000 or more.

11 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	117	18,111
Prepayments and accrued income	21,910	30,353
	<u>22,027</u>	<u>48,464</u>

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	3,945	3,762
Trade creditors	2,423	10
Accruals and deferred income	25,800	2,250
	<u>32,168</u>	<u>6,022</u>

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

13 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,550 (2019 - £3,930).

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2019	Incoming resources	Expended	Transfers	Balance at 31 March 2020
	£	£	£	£	£
Homeless Fund	1,360	-	-	-	1,360
Awards for All	92	-	-	-	92
Surviving Winter	270	-	-	-	270
ESCC General Benefits	2,104	54,719	(57,698)	875	-
Money advice	-	40,001	(37,998)	-	2,003
UC Help to claim	-	17,964	(17,964)	-	-
	<u>3,826</u>	<u>112,684</u>	<u>(113,660)</u>	<u>875</u>	<u>3,725</u>

The Homeless Fund is monies held to pay for the expenses and short stay accommodation of homeless people.

The Awards for All Fund is a Lottery grant to upgrade IT systems.

The Surviving Winter Fund is a specific fund administered on behalf of the Sussex Community Foundation to support individuals in financial need with heating costs during the winter months.

The ESCC General Benefits Fund is to increase capacity in the area of general advice.

The Money Advice Fund provides information and assistance to clients with financial problems.

The UC Help to claim fund is monies held to assist with Universal Credit claims.

Eastbourne Citizen's Advice manages these independently funded schemes within the main offices and receives contributions from the funds towards its infrastructure costs.

EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2018	Incoming resources	Balance at 1 April 2019	Incoming resources	Balance at 31 March 2020
	£	£	£	£	£
Property Dilapidations	4,000	-	4,000	-	4,000
Archiving	2,000	-	2,000	-	2,000
Refurbishment	3,000	-	3,000	-	3,000
	<u>9,000</u>	<u>-</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
	<u><u>9,000</u></u>	<u><u>-</u></u>	<u><u>9,000</u></u>	<u><u>-</u></u>	<u><u>9,000</u></u>

The Property Dilapidations Reserve is set aside for potential renovations to the offices at Highlight House.

The archiving reserve is to digitalise paper records.

The Refurbishment Reserve is set aside to allow for refurbishment or renewal of furniture and fittings.

**EASTBOURNE CITIZENS ADVICE BUREAU
CITIZENS ADVICE EASTBOURNE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

17 Operating lease commitments

Lessee

The operating lease commitments represent leases to third parties for the rental of the charity's offices. The current rental lease ends at 31 March 2020. The charity is currently in negotiation with the landlord regarding renewal of the lease and a rent increase has been agreed.

Lease payments in the year were £19,244 (2019: £19,244).

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	27,500	19,244
	<u> </u>	<u> </u>

18 Related parties and control

There were no related party transactions during the year.

The charitable company was under the control of the trustees throughout the year.