



EASTBOURNE CITIZENS ADVICE BUREAU  
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS  
YEAR ENDED 31 MARCH 2017



# EASTBOURNE CITIZENS ADVICE BUREAU

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	M Frayne D Turner P Barrow R Bedford S Holt R Speight	(Appointed 8 November 2016)
<b>Secretary &amp; CEO</b>	A Bruzon	
<b>Charity number</b>	1086163	
<b>Company number</b>	04171801	
<b>Principal address</b>	Unit 6, Highlight House 8 St Leonards Road Eastbourne East Sussex BN21 3UH	
<b>Registered office</b>	Unit 6, Highlight House 8 St Leonards Road Eastbourne East Sussex BN21 3UH	
<b>Independent examiner</b>	Nicholas Brown FCA DChA 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
<b>Bankers</b>	CAF Cash Limited PO Box 289 West Malling Kent ME19 4TA	

---

# EASTBOURNE CITIZENS ADVICE BUREAU

## CONTENTS

---

	<b>Page</b>
Trustees report	1 - 7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the accounts	12 - 23

---

# **CITIZENS ADVICE EASTBOURNE**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 MARCH 2017***

---

The trustees present their report and accounts for the year ended 31 March 2017

The accounts 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 and Republic of Ireland (FRS 102).

#### **Structure, governance and management**

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'.

The charity's objectives are to promote any charitable purpose 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.

The trustees, who are also the directors of the company for the purpose of company law, who served during the year, were:

M Frayne

S Holt

J. Trainor – Resigned 12.07.2017

D Turner

R Bedford

P. Barrow

R. Speight – Appointed 8.11.2017

Trustees are elected from the local community and either reside or work in Eastbourne or the surrounding area.

New trustees are appointed by the committee of management in accordance with the charitable company's memorandum and articles of association.

Newly appointed Trustees are provided with a comprehensive induction to Citizens Advice Eastbourne through the provision of training courses and mentoring by established trustees.

Citizens Advice Eastbourne is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of Citizens Advice Eastbourne and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly. The Trustee Board is independent from management. A register of members' interests is maintained at the registered office, and is available to the public

# **CITIZENS ADVICE EASTBOURNE**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2017**

---

Day to day responsibility for the activities of the bureau is delegated to the Chief Executive Officer, Mr A. Bruzon.

None of the trustees has any beneficial interest in the company.

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

All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

At 31<sup>st</sup> March 2017 Eastbourne Citizens Advice had 12 members.

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

Citizens Advice Eastbourne 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.

Operating policies are independently determined by the Trustee Board of Citizens Advice Eastbourne in order to fulfil its charitable objects and comply with the national membership requirements.

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

Where one of the trustees holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

#### **Major Risks**

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

Included in external risks is that of the loss of funding. The effects of this have been reduced by the procedures in place, which have resulted in funding being obtained from other sources. The charity continues to seek to diversify its funding sources.

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

#### **Objectives**

Citizens Advice Eastbourne aims to provide free, confidential, impartial and independent advice and information for the benefit of the local community, to exercise a responsible influence on the development of social policies and services and to ensure individuals do not suffer through a lack of knowledge or an inability to express their needs effectively.

# CITIZENS ADVICE EASTBOURNE

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

---

### Public Benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by Citizens Advice Eastbourne during the year. The trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

### Contribution of Volunteers

The charity receives help and support in the form of voluntary assistance in advising the public and administering the charity.

54 volunteers contributed approximately 19,000 hours of work to Eastbourne Citizens Advice during the year. We estimate the value of this help in excess £300,000 in respect of the current year, an increase from the figure of the previous year which was estimated at £250,000.

### Achievements and Performance

The principal activity of Citizens Advice Eastbourne is the provision of free, confidential, independent and impartial advice, information and counsel for members of the public.

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

- i) Debt advice for people suffering with long term health or mental health problems
- ii) Specialist Welfare Benefit and Debt provision
- iii) Advice on Money Management

Advisory services are provided through face-to-face consultations, telephone advice lines and email.

In addition clients have access to an internet based advice guide.

We have helped 3,887 people during the year and most clients present with more than one problem. In total we helped with 10,103 new problems.

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

	2016/17		2015/16	
	Number	%	Number	%
Benefits & Tax Credits	3291	33	3249	33
Debts	2215	22	1968	20
Employment	901	9	791	8
Housing	721	7	947	9
Relationships	652	6	584	6
Consumer (non-financial)	242	2	320	3
Legal	351	4	448	5
Others	1730	16	1561	16

# **CITIZENS ADVICE EASTBOURNE**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2017**

---

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.

Citizens Advice quantifies the impact and value of our services using a model adapted and approved by HM Treasury. This estimates that for every £1 invested locally approximately £3 is returned in fiscal benefits savings to the government, £14 in public benefit through wider economic and social benefits and £18 directly to individuals. This is about £35 for every £1 invested of which the majority remains in the local community.

We have been actively involved in identifying issues that affect the community and have made representation to the appropriate organisations.

Current issues revolve around zero-hours contracts, reduced benefit entitlement for European nationals, welfare reform and standards of temporary accommodation.

#### **Fundraising Activities**

Total income for the year was £261,413, a reduction of £16,021 on 2015/2016. The major change from last year was the ending of the Advice Services Transition Fund partially offset by other fund raising activity.

The fund raising committee were extremely active during the course of the year.

As a result of their activity we received a grant of £10,000 from the J. Jackson Foundation and £5,000 from the Sussex Community Foundation. We are grateful to both of these organisations.

The funding for the Reaching Communities Project, First Aid for Debt in East Sussex (FADES), came to an end in September but we were able to obtain further funding from the Big Lottery £10,500 and £10,000 from the Eastbourne, Seaford & Hailsham CCG. This enabled the project to be funded through to March 2017. Initial funding for 2017 has been granted by the CCG and it is hoped this can become a fully funded project going forward.

In addition the fund raising committee organised a charity dinner which both raised our profile within the business community but also raised several thousands of pounds for our core activities.

#### **Investment Activity**

The charity does not currently hold material investments.

#### **Financial Position**

There was an overall surplus of £6,961 for the year (2015/16 a deficit of £10,705). At 31 March 2017 total reserves were £76,851 of which £65,457 represented unrestricted funds, £9,000 designated reserves and £2,394 related to restricted funds.

#### **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 3 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.

# **CITIZENS ADVICE EASTBOURNE**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2017**

---

Eastbourne Borough Council is our major funder. We have a three year agreement with EBC but their continued funding is contingent on no significant change in the level of support they receive from central government.

In reviewing the potential costs that could arise should a significant reduction in income be incurred the Trustees have determined that 'free' reserves should not fall below 3 months normal operating expenditure of our core service. This equates to free reserves of £42,952. Current reserves are £65,457 which equates to just over 4 month's normal operating expenditure.

#### **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.

Other significant funders specifically for project work include East Sussex County Council, EBICO, the Big Lottery Fund, the J. Jackson Foundation and the Sussex Community Foundation..

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 are transferred to general reserves.

#### **Investment Policy**

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.

#### **Plans For The Future**

We continue to keep our funding and service offering under review. Local authority funding is under threat and this potentially affects the level of support they can provide.

Eastbourne Borough Council continues to be the major supporter of our core activity, however this support is not sufficient to cover all of our core costs and we try to find project funding which can run alongside our core activity and provide a contribution towards those costs.

We meet regularly with EBC and keep them fully aware of our financial position. They also attend our trustee board meetings.

During 2016/17 we were successful in finding additional sources of income which turned a deficit into a surplus. With the start of a new financial year we have to generate new and hopefully continuing sources of income in order that we can maintain our current services.

The trustees, staff and volunteers are all working together to try and generate additional funding. Our financial position is kept under constant review.



# **CITIZENS ADVICE EASTBOURNE**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 MARCH 2017***

---

Our organisation is dependent on the continued support of our volunteers who give of their time so generously. I would also like to thank our small team of paid staff and my fellow trustees for their support.

### **Citizens Advice East Sussex**

We continue to actively support Citizens Advice East Sussex (CAES). CAES is a consortium of the bureaux within East Sussex. We work together to improve the service across the county by identifying county wide funding opportunities, enabling best practice and a consistent approach to service across the county.

Alan Bruzon works for CAES on a part time basis in addition to his role as CEO of Eastbourne. He takes the lead identifying opportunities and acting as the single point of contacts for major funders. CAES is charged for his time.

### **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
- (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.

**CITIZENS ADVICE EASTBOURNE**  
**TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**  
***FOR THE YEAR ENDED 31 MARCH 2017***

---

**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 and Republic of Ireland (FRS 102) and the provisions applicable to companies subject to the small companies regime.

Approved on behalf of the Board of Trustees on 7 November 2017.

M Frayne

**Trustee**

# EASTBOURNE CITIZENS ADVICE BUREAU

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF EASTBOURNE CITIZENS ADVICE BUREAU

---

I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 9 to 23.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of Eastbourne Citizens Advice Bureau for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of Chartered Accountant.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Nicholas Brown FCA DChA

Chartered Accountant  
18 Hyde Gardens  
Eastbourne  
East Sussex  
BN21 4PT

Dated: 7 November 2017

# EASTBOURNE CITIZENS ADVICE BUREAU

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds general £	Unrestricted funds Designated £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	148,755	-	-	148,755	170,762
Income Resources from Charitable Activities	5	-	-	84,604	84,604	88,067
Investments	4	10,075	-	-	10,075	10,214
Other income	6	17,979	-	-	17,979	8,391
<b>Total income</b>		<b>176,809</b>	<b>-</b>	<b>84,604</b>	<b>261,413</b>	<b>277,434</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	7	171,809	-	82,643	254,452	288,139
<b>Net incoming/(outgoing) resources before transfers</b>		<b>5,000</b>	<b>-</b>	<b>1,961</b>	<b>6,961</b>	<b>(10,705)</b>
Gross transfers between funds		3,497	-	(3,497)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>8,497</b>	<b>-</b>	<b>(1,536)</b>	<b>6,961</b>	<b>(10,705)</b>
Fund balances at 1 April 2016		56,960	9,000	3,930	69,890	80,595
<b>Fund balances at 31 March 2017</b>		<b>65,457</b>	<b>9,000</b>	<b>2,394</b>	<b>76,851</b>	<b>69,890</b>

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

## BALANCE SHEET

AS AT 31 MARCH 2017

---

	Notes	2017 £	£	2016 £	£
<b>Current assets</b>					
Debtors	12	27,594		24,829	
Cash at bank and in hand		61,099		52,453	
		<u>88,693</u>		<u>77,282</u>	
<b>Creditors: amounts falling due within one year</b>	13	(11,842)		(7,392)	
Net current assets			76,851		69,890
			<u>76,851</u>		<u>69,890</u>
<b>Income funds</b>					
Restricted funds	15		2,394		3,930
<u>Unrestricted funds</u>					
Designated funds	16	9,000		9,000	
General unrestricted funds		65,457		56,960	
		<u>74,457</u>		<u>65,960</u>	
			76,851		69,890
			<u>76,851</u>		<u>69,890</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 7 November 2017

M Frayne  
Trustee

D Turner  
Trustee

Company Registration No. 04171801

# EASTBOURNE CITIZENS ADVICE BUREAU

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

---

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	20		(1,429)		11,426
<b>Investing activities</b>					
Interest received		10,075		10,214	
<b>Net cash generated from investing activities</b>			10,075		10,214
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			8,646		21,640
Cash and cash equivalents at beginning of year			52,453		30,813
<b>Cash and cash equivalents at end of year</b>			61,099		52,453

---

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2017*

---

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

The accounts 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 time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the 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 accounts.

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 accounts.

#### 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.

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.

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

---

#### 1 Accounting policies

(Continued)

Rental income relates to that due from the projects and 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.

##### **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.



# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

### 1 Accounting policies (Continued)

#### ***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 to income 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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	528	1,479
Grants Receivable for core activities	148,227	169,283
	<u>148,755</u>	<u>170,762</u>
<b>Grants receivable for core activities</b>		
Eastbourne Borough Council	115,000	115,000
Reaching Communities	-	27,988
CAES	11,413	10,375
Citizens Advice	6,814	9,000
East Sussex County Council	-	6,920
Sussex Community Foundation	5,000	-
J Jackson Foundation	10,000	-
	<u>148,227</u>	<u>169,283</u>

### 4 Investment Income

	2017	2016
	£	£
Rental income	10,000	10,072
Interest receivable	75	142
	<u>10,075</u>	<u>10,214</u>

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

### 5 Income Resources from Charitable Activities

	2017	2016
	£	£
Project Funds	84,604	88,067
	<u>84,604</u>	<u>88,067</u>
<b>Performance related grants</b>		
Advisory Services Transition Fund	-	33,748
ESCC General Benefits	33,672	32,485
EBICO	12,433	12,434
Advice for All	-	9,400
FADES	38,499	-
	<u>84,604</u>	<u>88,067</u>

### 6 Other Incoming Resources

	2017	2016
	£	£
Other income	17,979	8,391
	<u>17,979</u>	<u>8,391</u>

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 7 Total Charitable Expenditure

	Advisory services £	Project costs £	Total 2017 £	Total 2016 £
Staff costs	118,383	67,839	186,222	203,499
Travel & Subsistence	2,709	711	3,420	4,251
Training	248	635	883	1,942
Telephone	6,020	-	6,020	6,433
Postage, Printing & Photocopying	3,024	1,756	4,780	5,130
Computer Expenses	1,121	176	1,297	5,233
Subscriptions	100	-	100	75
Legal & Professional Fees	10,524	169	10,693	7,453
CAES Administration Costs	2,513	-	2,513	3,885
Bank Charges	25	-	25	-
Office Equipment	-	-	-	1,588
Sundry Expenses	2,161	2,153	4,314	4,445
Management fees	(5,000)	5,000	-	-
	<u>141,828</u>	<u>78,439</u>	<u>220,267</u>	<u>243,934</u>
Share of support costs (see note 8)	28,439	4,204	32,643	42,285
Share of governance costs (see note 8)	1,542	-	1,542	1,920
	<u>171,809</u>	<u>82,643</u>	<u>254,452</u>	<u>288,139</u>
<b>Analysis by fund</b>				
Unrestricted funds - general	171,809	-	171,809	
Restricted funds	-	82,643	82,643	
	<u>171,809</u>	<u>82,643</u>	<u>254,452</u>	
<b>For the year ended 31 March 2016</b>				
Unrestricted funds - general	199,574	-		199,574
Restricted funds	-	88,565		88,565
	<u>199,574</u>	<u>88,565</u>		<u>288,139</u>

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 8 Support costs

	Support costs	Governance costs	2017	2016
	£	£	£	£
Rent and rates	19,244	-	19,244	19,604
Insurance	1,765	-	1,765	1,691
Light and heat	9,095	-	9,095	9,095
Cleaning	2,190	-	2,190	2,596
Repairs and renewals	349	-	349	9,299
Independent Examination	-	1,542	1,542	1,620
Taxation services	-	-	-	300
	<u>32,643</u>	<u>1,542</u>	<u>34,185</u>	<u>44,205</u>
<u>Analysed between</u>				
Charitable activities	<u>32,643</u>	<u>1,542</u>	<u>34,185</u>	<u>44,205</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 £1,542, being £1,542 (2016: £1,620) for the independent examination and £Nil (2016: £300) for taxation services.

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 10 Employees

#### Number of employees

The average monthly number employees during the year was:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	7	8

#### Employment costs

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	170,744	186,062
Social security costs	13,827	15,614
Other pension costs	1,651	1,823
	<u>186,222</u>	<u>203,499</u>

Remuneration paid to key management personnel during the year was £31,976 (2016: £33,012).

Redundancy payments of £Nil (2016: £1,157) were paid in the year.

Payments into defined contribution pension schemes during the year amounted to £1,651 (2016: £1,823).

The charity receives help and support in the form of voluntary assistance in advising the public and administering the charity. 54 volunteers contributed approximately 19,000 hours of work to the charity during the year. We estimate the value of this help to be in excess of £300,000 in respect of the current year, an increase from the figure of the previous year which was estimated at £250,000.

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

### 11 Financial instruments

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	618	12,052
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	8,270	3,555

### 12 Debtors

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	618	12,052
Prepayments and accrued income	26,976	12,777
	<u>27,594</u>	<u>24,829</u>

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

### 13 Creditors: amounts falling due within one year

	2017	2016
	£	£
Other taxation and social security	3,572	3,837
Trade creditors	520	1,745
Accruals and deferred income	7,750	1,810
	<u>11,842</u>	<u>7,392</u>
	<u><u>11,842</u></u>	<u><u>7,392</u></u>

### 14 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 £1,651 (2016 - £1,823).

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

---

#### 15 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 2016	Incoming resources	Expended	Transfers	Balance at 31 March 2017
	£	£	£	£	£
Homeless Fund	1,360	-	-	-	1,360
Awards for All	92	-	-	-	92
Surviving Winter	270	-	-	-	270
ESCC General Benefits	-	33,672	(33,000)	-	672
FADES	-	38,499	(37,585)	(914)	-
EBICO	2,208	12,433	(12,058)	(2,583)	-
	<u>3,930</u>	<u>84,604</u>	<u>(82,643)</u>	<u>(3,497)</u>	<u>2,394</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 FADES Fund is used to support a Money Advice caseworker as part of a countywide project called First Aid for Debt in East Sussex (FADES). This funding was from the Big Lottery Reaching Communities Fund.

The EBICO Fund supports advice on money management.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

---

#### 16 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:

	Balance at 1 April 2016 £	Movement in funds		Balance at 31 March 2017 £
		Incoming resources £	Expended £	
Property Dilapidations	4,000	-	-	4,000
Archiving	2,000	-	-	2,000
Computer Upgrade	3,000	-	-	3,000
	<u>9,000</u>	<u>-</u>	<u>-</u>	<u>9,000</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.

#### 17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Current assets/(liabilities)	65,457	9,000	2,394	76,851
	<u>65,457</u>	<u>9,000</u>	<u>2,394</u>	<u>76,851</u>

# EASTBOURNE CITIZENS ADVICE BUREAU

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

### 18 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. There are no break points between now and the end of the lease.

Lease payments in the year were £19,244 (2016: £19,244). We have not been made aware of any increase in the current lease payments of £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:

	2017 £	2016 £
Within one year	19,244	19,244
Between two and five years	57,732	76,976
	<u>76,976</u>	<u>96,220</u>

### 19 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.

20 Cash generated from operations	2017 £	2016 £
Surplus/(deficit) for the year	6,961	(10,705)
Adjustments for:		
Investment income recognised in profit or loss	(10,075)	(10,214)
Movements in working capital:		
(Increase)/decrease in debtors	(2,765)	34,179
Increase/(decrease) in creditors	4,450	(1,834)
<b>Cash (absorbed by)/generated from operations</b>	<u>(1,429)</u>	<u>11,426</u>