

Registered number: 05063463
Charity number: 1102964

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND DIRECTORS AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2020**

Trustees and Directors	P Wilson (resigned 17 December 2019) Revd J Waller (resigned 25 July 2019) N Oakes J Keller R Griffiths A Petrie, Chairman J Chislett B Rainsley F Boland (appointed 25 April 2019) M Redmond (appointed 6 February 2020)
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Company registered number	05063463
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Charity registered number	1102964
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Registered office	Units 4-6 Princes Gate George Lane Folkestone Kent CT20 1RH
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Company secretary	J Jones
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Accountants	Magee Gammon Chartered Accountants Henwood House Henwood Ashford Kent TN24 8DH
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SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2019 to 31 March 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Citizens Advice service aims to:

- Provide the advice people need for the problems they face
- Improve the policies and practices that affect people's lives
- Campaign locally and nationally to influence government and organisations to bring about change in policies and laws
- Ensure that we respond to the needs of our community

The service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Our vision

Shepway Citizens Advice is an independent local charity. Our organisation is a mix of paid staff and volunteers, with volunteers being the key to the delivery of our core/generalist service and paid staff delivering supervisory and specialist services. We work to help prevent the problems of inequality of society and ensure that people are able to secure their rights by:

- Providing advice, information and guidance to everyone in Folkestone and Hythe and the surrounding areas in Kent on their rights and responsibilities
- Improving the policies and practices that affect people's lives.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Objectives and activities (continued)

c. Our objectives

To be proactive in:

- Making advice easily accessible
- Providing information, advice and advocacy that is targeted to the needs of the community
- Exercising a responsible influence over local and national policies.

To ensure the service is:

- Meeting the needs of the population of Shepway
- Independent
- Free of charge
- Confidential
- Impartial
- Easily accessible

d. Social investments

We provide general and specialist advice about welfare benefits, debt, housing, employment and immigration. Additionally, we also provide court desk and litigation services for housing.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

e. Our aims

We aim to:

- Focus on the needs of the client and the community
- Develop individuals through volunteering and training

In order to assist in preventing:

- Poverty
- Homelessness
- Discrimination
- Unfair treatment

f. Volunteers

The Charity receives help and support in the form of voluntary assistance in advising the public and administering the Charity. Excluding Trustees, who are also Volunteers, 15 volunteers contributed work value at an estimated £100,000 to the service during the year.

Achievements and performance

a. Charitable activities

Citizens Advice Shepway dealt with a total of 3400 clients in 2019/20 helping them to resolve 7000 issues (2018/19: 2080 clients and 4,700 issues). 68% of these problems were in relation to debt and welfare benefits, including Universal Credit, with a further 12% of problems relating to housing and employment problems. These problems not only impact on the socio-economic wellbeing of individuals but also on the community – so enabling residents to deal with them not only supports individuals, but also supports the financial and social wellbeing of communities.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

b. Investment performance

The Charity does not currently hold any material investments.

c. Internal and external factors

The Charity is only too well aware of the financial pressures experienced by its major funders, and in view of this, has taken active measures to seek additional sources of funding for its services.

Additional resources have been deployed since the balance sheet date to recover outstanding work in progress on the LAA contract, which is deemed a priority in the year ahead.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

Shepway Citizens Advice is required to ensure that free monies are available in each financial year to meet any reasonably foreseeable contingency. The Bureau will maintain a projection of income for at least one year ahead, in accordance with the terms of two of our main sponsors, and will ensure that funding continues to be derived from as wide a variety of sources possible.

In the event of the cessation of one or more funding streams, Shepway Citizens Advice will take the action necessary to ensure the viability of the organisation, and to maintain the provision of a good quality advice service.

Funding for future pay awards has also to be met from reserves as our two main sources of funding, the Shepway District Council grant and the Legal Aid Agency civil contract, are not index-linked. In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that 'free' reserves should be maintained equal to at least 3 months of normal operating expenditure. The reasons for holding particular reserves are outlined in notes 25 and 26.

c. Deficit

No funds were in deficit at the balance sheet date.

d. Material investments policy

As required in its Articles, paragraph 3.19, in furtherance of its objectives, and for no other purposes, the Charity has the power to invest any monies 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.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

e. Financial position

Incoming resources in the year were £292,072 (2019: £280,701), an increase from the previous year of £11,371. Major funders were: Legal Aid Agency £139,207, Folkestone & Hythe District Council £67,800, Help to Claim £40,643, MASDAP £25,960 and Rotary Club £11,662.

Main changes to the previous year were:

	£'000
Help to claim	36
Rotary Club - money Matters	12
Lipss (concluded previous year)	(20)
RDHCT (concluded previous year)	(20)
Total	8

Total expenditure incurred during the year was £283,813 (2019: £257,120), an increase on the previous year of £26,693. This was mainly attributable to Payroll costs partly pre-paid previous year.

Overall this represented a surplus in the year of £8,259 (2019: £23,581). At 31 March 2020, total reserves were £181,067 of which £177,280 represent unrestricted funds and £3,787 represents restricted funds.

f. Covid19

Covid19 had no noticeable effect on the financial accounts for the year ended 31 March 2020.

However, there is likely to be an impact in the next financial year. Demand for advice has reduced, and our ways of working have changed as we have not been open for face to face meetings. We have undertaken risk assessment work to cover all scenarios and have taken action to mitigate the impact and ensure we continue to provide the best possible service in the circumstances.

In the first quarter of financial year 2020/2021, we have seen a reduction in LAA/Housing income in April and May, although the position improved in June and overall performance for the month was on budget. Aside from LAA, other funders are aware of our position and actions and we do not anticipate any other funding shortfalls.

We will continue to monitor the situation carefully but this current reduction in LAA income does not materially diminish our overall healthy financial position, or threaten the viability of Shepway CAB as a going concern.

Structure, governance and management

a. Governing document

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 March 2004 and is a registered charity number 1102964.

b. Methods of appointment or election of Trustees

Trustees, who are also directors of the Company, are recruited via a process which includes an interview with the Chair of the Board. They are then either elected at an AGM or co-opted by the Trustee Board. A separate process agreed by the Trustee Board is followed for election of the Chair.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Shepway Citizens Advice 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 Shepway Citizens Advice and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management.

The Trustee Board annually assesses and reviews its performance in order to ensure its effectiveness and achievement of its objectives.

The Trustee Board is independent from management. A register of members' interests is maintained at the registered office and is available to the public.

d. Policies adopted for the induction and training of Trustees

Newly appointed Trustees are provided with a comprehensive induction to Shepway CAB through the provision of an induction pack, visits to the organisation and access to resources provided by Citizens Advice.

e. Related party relationships

Shepway Citizens Advice is a member of Citizens Advice, the operating name of the National Association of Citizens Advice, 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 Shepway Citizens Advice in order to fulfil its charitable objectives 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.

f. Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Shepway Citizens Advice has worked on a Corporate Risk Management exercise. A risk management strategy and risk register are 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, Shepway Citizens Advice 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 minimised by the procedures in place, which have resulted in funding being secured from a variety of 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 of all operational aspects of the charitable Company. These procedures are periodically reviewed to ensure that they still meet the needs of the Charity.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management (continued)

g. Data Protection – Statement of internal control

The local Citizens Advice trustee board oversee the information security of all personal information of our clients, staff, funders and strategic partners that is processed. The local Citizens Advice hold joint responsibility for client data that is held in our case management system, with the national Citizens Advice Service. An information assurance management team exists to ensure the confidentiality, integrity and availability of all personal and sensitive data is maintained to a level which is compliant with the requirements the General Data Protection Regulation and Data Protection Act 2018.

Plans for future periods

Future Developments

Future developments are largely governed by our Annual Reviews of our client and community profiles and our Community Advice Needs Analysis in order to ensure that any developments are relevant to the environment in which we work.

Working with others

We will regularly assess opportunities for working in partnership with other organisations, including pursuing joint funding.

Multi Channel

We continue to work to increase the channels through which clients can access our service, providing advice face to face, via telephone and via email. Our current plans include:

- Increasing telephone access through delivering the Citizens Advice national Advice line.
- Extending our current opening hours.
- Extending our on line presence and access through our Facebook page and our website.

Outreach services

Our commitment to developing outreach services in the Marsh area continues but this has not been possible to achieve due to, so far, being unable to secure the necessary funding to support any such initiative. In the meantime we provide advice by telephone and email to people living in these rural isolated areas and prioritise appointments for people coming from the Marsh area.

Other services/development areas

Other service areas that we will aim to look at over the next three years will include:

Emerging needs

We will proactively monitor and assess emerging needs in order to ensure we respond and change to provide services that are relevant and focused on the needs of the people of Folkestone and Hythe and the surrounding areas.

Maintaining and increasing access to our services

We will do this by continuing to prioritise the recruitment and training of volunteers into the service.

Communications

We have worked to increase the quality and quantity of our external communications so that we can publicise legislative and policy changes in order to ensure we increase the number of people that we can reach and that we increase our profile in the community. We now have volunteers supporting this and have developed press contacts within the local media.

SHEPWAY CITIZENS ADVICE BUREAU
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 24 July 2020 and signed on their behalf by:



A Petrie
(Chair of Trustees)

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

Independent examiner's report to the Trustees of Shepway Citizens Advice Bureau ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2020.

Responsibilities and basis of report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the 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 accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 the Institute of Chartered Accountants in 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:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:


R G Parry FCA

Dated: 24 July 2020

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	1,720	-	1,720	4,255
Charitable activities	4	206,950	82,390	289,340	275,748
Investments	5	1,012	-	1,012	698
Total income		209,682	82,390	292,072	280,701
Expenditure on:					
Charitable activities	6	192,118	91,695	283,813	257,120
Total expenditure		192,118	91,695	283,813	257,120
Net income/(expenditure)		17,564	(9,305)	8,259	23,581
Transfers between funds	15	127	(127)	-	-
Net movement in funds		17,691	(9,432)	8,259	23,581
Reconciliation of funds:					
Total funds brought forward		159,589	13,219	172,808	149,227
Net movement in funds		17,691	(9,432)	8,259	23,581
Total funds carried forward		177,280	3,787	181,067	172,808

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

The notes on pages 12 to 26 form part of these financial statements.

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)
REGISTERED NUMBER: 05063463

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	9,945	10,095
Current assets			
Debtors	12	133,237	108,897
Cash at bank and in hand		57,048	75,189
		<u>190,285</u>	<u>184,086</u>
Creditors: amounts falling due within one year	13	(19,163)	(21,373)
Net current assets		<u>171,122</u>	<u>162,713</u>
Total net assets		<u><u>181,067</u></u>	<u><u>172,808</u></u>
Charity funds			
Restricted funds	15	3,787	13,219
Unrestricted funds	15	177,280	159,589
Total funds		<u><u>181,067</u></u>	<u><u>172,808</u></u>


The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.


The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 24 July 2020 and signed on their behalf by:


A Petrie
(Chair of Trustees)


N Oakes

The notes on pages 12 to 26 form part of these financial statements.

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

1. General information

Shepway Citizens Advice Bureau is a private company limited by guarantee. The company registration number is 05063463 and the registered office is Units 4-6 Princes Gate, George Lane, Folkestone, Kent, England, CT20 1RH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Shepway Citizens Advice Bureau meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating the Income and Expenditure Account.

SHEPWAY CITIZENS ADVICE BUREAU
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Property improvements	- 20% straight line basis
Plant and machinery	- 33% and 20% straight line basis

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

SHEPWAY CITIZENS ADVICE BUREAU
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.14 Irrecoverable VAT

The Bureau recovers VAT in accordance with an agreed partial exemption method.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	1,720	1,720	4,255
	<u>1,720</u>	<u>1,720</u>	<u>4,255</u>
<i>Total 2019</i>	<u>4,255</u>	<u>4,255</u>	

4. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Community Advice & Information	206,950	82,390	289,340	275,748
	<u>206,950</u>	<u>82,390</u>	<u>289,340</u>	<u>275,748</u>
<i>Total 2019</i>	<u>204,725</u>	<u>71,023</u>	<u>275,748</u>	

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Deposit account interest	1,012	1,012	698
	<u>1,012</u>	<u>1,012</u>	<u>698</u>
<i>Total 2019</i>	<u>698</u>	<u>698</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable Activities	189,606	91,695	281,301	254,934
Expenditure on generating voluntary income	2,512	-	2,512	2,186
	<u>192,118</u>	<u>91,695</u>	<u>283,813</u>	<u>257,120</u>
<i>Total 2020</i>	<u>192,118</u>	<u>91,695</u>	<u>283,813</u>	<u>257,120</u>
	<u>186,295</u>	<u>70,825</u>	<u>257,120</u>	
<i>Total 2019</i>	<u>186,295</u>	<u>70,825</u>	<u>257,120</u>	

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable Activities	216,105	7,997	57,199	281,301	254,934
Expenditure on generating voluntary income	2,512	-	-	2,512	2,186
	<u>218,617</u>	<u>7,997</u>	<u>57,199</u>	<u>283,813</u>	<u>257,120</u>
<i>Total 2020</i>	<u>218,617</u>	<u>7,997</u>	<u>57,199</u>	<u>283,813</u>	<u>257,120</u>
	<u>190,172</u>	<u>6,610</u>	<u>60,338</u>	<u>257,120</u>	
<i>Total 2019</i>	<u>190,172</u>	<u>6,610</u>	<u>60,338</u>	<u>257,120</u>	

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable Activities	281,301	281,301	254,934
Expenditure on generating voluntary income	2,512	2,512	2,186
Total 2020	<u>283,813</u>	<u>283,813</u>	<u>257,120</u>
<i>Total 2019</i>	<u>257,120</u>	<u>257,120</u>	

Analysis of direct costs

	Charitable Activities 2020 £	Voluntary Income 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	214,269	2,512	216,781	188,575
Depreciation	7,997	-	7,997	6,610
Community Advice & Information	55,249	-	55,249	58,588
Governance costs	3,786	-	3,786	3,347
Total 2020	<u>281,301</u>	<u>2,512</u>	<u>283,813</u>	<u>257,120</u>
<i>Total 2019</i>	<u>254,934</u>	<u>2,186</u>	<u>257,120</u>	

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,950 (2019 - £1,750).

SHEPWAY CITIZENS ADVICE BUREAU
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Staff costs

	2020 £	2019 £
Wages and salaries	203,112	177,656
Social security costs	11,999	10,199
Other pension costs	3,506	2,317
	<u>218,617</u>	<u>190,172</u>

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Charitable activities	<u>13</u>	<u>11</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Charitable activities	<u>8</u>	<u>7</u>

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, no Trustee expenses have been incurred (2019 - £NIL).

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

11. Tangible fixed assets

	Property Improvements £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2019	34,009	73,963	107,972
Additions	-	7,847	7,847
At 31 March 2020	<u>34,009</u>	<u>81,810</u>	<u>115,819</u>
Depreciation			
At 1 April 2019	28,030	69,847	97,877
Charge for the year	5,979	2,018	7,997
At 31 March 2020	<u>34,009</u>	<u>71,865</u>	<u>105,874</u>
Net book value			
At 31 March 2020	<u>-</u>	<u>9,945</u>	<u>9,945</u>
At 31 March 2019	<u>5,979</u>	<u>4,116</u>	<u>10,095</u>

12. Debtors

	2020 £	2019 £
Due within one year		
Prepayments and accrued income	133,237	108,897
	<u>133,237</u>	<u>108,897</u>

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	8,623	10,994
Other creditors	10,540	10,379
	<u>19,163</u>	<u>21,373</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

14. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	57,048	75,189

Financial assets measured at fair value through income and expenditure comprise cash and bank balances.

SHEPWAY CITIZENS ADVICE BUREAU
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
Designated funds					
Designated Property Maintenance Fund	34,690	-	(7,520)	-	27,170
Designated Legal Services Fund	62,616	139,207	(117,644)	-	84,179
	<u>97,306</u>	<u>139,207</u>	<u>(125,164)</u>	<u>-</u>	<u>111,349</u>
General funds					
General Funds	<u>62,283</u>	<u>70,475</u>	<u>(66,954)</u>	<u>127</u>	<u>65,931</u>
Total Unrestricted funds	<u>159,589</u>	<u>209,682</u>	<u>(192,118)</u>	<u>127</u>	<u>177,280</u>
Restricted funds					
MASDAP	-	25,960	(25,960)	-	-
RDHCT	12,265	-	(9,432)	-	2,833
Help to Claim	954	40,643	(40,643)	-	954
Help to Claim - Ashford	-	4,125	(4,125)	-	-
Rotary Club - Money Matters	-	11,662	(11,535)	(127)	-
	<u>13,219</u>	<u>82,390</u>	<u>(91,695)</u>	<u>(127)</u>	<u>3,787</u>
Total of funds	<u>172,808</u>	<u>292,072</u>	<u>(283,813)</u>	<u>-</u>	<u>181,067</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2019 £</i>
Unrestricted funds					
Designated funds					
Designated Property Maintenance Fund	39,685	2,250	(7,245)	-	34,690
Designated Legal Services Fund	27,286	136,975	(101,645)	-	62,616
	<u>66,971</u>	<u>139,225</u>	<u>(108,890)</u>	<u>-</u>	<u>97,306</u>
General funds					
General Funds	<u>69,235</u>	<u>70,453</u>	<u>(77,882)</u>	<u>477</u>	<u>62,283</u>
Total Unrestricted funds	<u>136,206</u>	<u>209,678</u>	<u>(186,772)</u>	<u>477</u>	<u>159,589</u>
Restricted funds					
MASDAP	-	26,004	(26,004)	-	-
LIPSS	-	20,000	(20,000)	-	-
RDHCT	13,021	20,000	(20,756)	-	12,265
Help to Claim	-	5,019	(3,588)	(477)	954
	<u>13,021</u>	<u>71,023</u>	<u>(70,348)</u>	<u>(477)</u>	<u>13,219</u>
Total of funds	<u>149,227</u>	<u>280,701</u>	<u>(257,120)</u>	<u>-</u>	<u>172,808</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

16. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	97,306	139,207	(125,164)	-	111,349
General funds	62,283	70,475	(66,954)	127	65,931
Restricted funds	13,219	82,390	(91,695)	(127)	3,787
	<u>172,808</u>	<u>292,072</u>	<u>(283,813)</u>	<u>-</u>	<u>181,067</u>

Summary of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds	66,971	139,225	(108,890)	-	97,306
General funds	69,235	70,453	(77,882)	477	62,283
Restricted funds	13,021	71,023	(70,348)	(477)	13,219
	<u>149,227</u>	<u>280,701</u>	<u>(257,120)</u>	<u>-</u>	<u>172,808</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	8,991	954	9,945
Current assets	187,452	2,833	190,285
Creditors due within one year	(19,163)	-	(19,163)
Total	<u>177,280</u>	<u>3,787</u>	<u>181,067</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	10,095	-	10,095
Current assets	170,867	13,219	184,086
Creditors due within one year	(21,373)	-	(21,373)
Total	<u>159,589</u>	<u>13,219</u>	<u>172,808</u>

18. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £3,507 (2019: £2,317). Contributions totalling £Nil (2019: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

19. Operating lease commitments

At 31 March 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	13,526	13,250
Later than 1 year and not later than 5 years	55,650	55,264
Later than 5 years	22,028	35,940
	<u>91,204</u>	<u>104,454</u>

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

20. Related party transactions

Shepway Citizens Advice Bureau is a member of the National Association of Citizens Advice Bureaux ('Citizens Advice').

	2020 £	2019 £
Professional services, including membership fees	2,689	2,710
Publications	605	599
Insurance	1,100	2,402
	<u>4,394</u>	<u>5,711</u>

21. Controlling party

The Trustees are the ultimate controlling parties.

22. Purposes of designated funds

Property Maintenance Fund

Designated by the Trustees for the purposes of major maintenance and refurbishment of the charity premises which is not provided for through core funding.

Legal Services Fund

Designated by the Trustees for the purpose of covering contingencies including inflation increases e.g. pay awards not funded by the Legal Aid Agency.

SHEPWAY CITIZENS ADVICE BUREAU
(A company limited by guarantee)

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

23. Purposes of restricted funds

Citizens Advice (MASDAP)

A debt advice project funded by the Money Advice Service.

The Roger De Haan Charitable Trust (RDHCT)

The grant has funded our new Training Supervisor post which is responsible for the recruitment and training of new Volunteers largely within the core/generalist service. The post also supports other training activities including the training and development of our existing volunteers.

The Litigants in Person Support Service (LIPSS)

Funding is through the Access to Justice Foundation. The Litigants in Person Support Service is to support clients who are either taking or defending court action and who cannot access legal representation due to there being no legal aid available and/or due to them not being able to afford the costs of instructing a legal representative. The project provides advice and assistance up to representation to clients covering a range of legal issues including non-legally aided housing and family matters. The funding funds a dedicated part time worker supervised and supported by our in house Solicitor.

Help to Claim

The grant is funding a multi-channel service to enable our clients to access support in the way that is right for them. The service will operate a no wrong door policy so that people are able to access support through the pathway developed by the Citizens Advice. The grant will help to fund employees costs and general overheads to enable this to be achieved.

Help to Claim - Ashford

Funding was to provide additional services where Ashford clients needed advice over and above advice regarding Universal Credit issues and as there is no Citizens Advice in Ashford they would be referred to their closest Citizens Advice. The funds amounted to £5500 per Citizens Advice for the year 19/20 paid through Canterbury Citizens Advice. There will be no further funding.

Money Matters

This is a restricted project funded by the Rotary Club, the partnership agreement is for funding to be £1023.50 per month to provide Money Advice Services.

SHEPWAY CITIZENS ADVICE BUREAU
(A Company Limited by Guarantee)
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,720	4,255
Investment income		
Deposit account interest	1,012	698
Charitable activities		
Folkestone and Hythe District Council	67,800	67,800
Legal Aid Agency	139,150	136,925
Help to Claim	40,643	5,019
Help to Claim - Ashford	4,125	-
MASDAP	25,960	26,004
LIPSS	-	20,000
The Roger De Haan Charitable Trust	-	20,000
Rotary Club - Money Matters	11,662	-
	<hr/> 289,340	<hr/> 275,748
Total incoming resources	292,072	280,701
EXPENDITURE		
Raising donations and legacies		
Wages	2,334	2,042
Social security	138	117
Pensions	40	27
	<hr/> 2,512	<hr/> 2,186
Charitable activities		
Wages	199,072	174,122
Social security	11,760	9,996
Pensions	3,437	2,271
Rent, rates and insurance	19,727	20,005
Light, heat and cleaning	4,164	3,788
Telephone	5,795	5,423
Postage and stationery	6,501	6,406
Sundries	2,515	3,098
Training	754	980
Travel	3,907	4,886
Recruitment	-	43
Repairs and maintenance	3,136	3,269
Computer and equipment	4,763	5,850
Publications	647	599
Legal fees	3,340	4,241
Depreciation of fixed assets	7,997	6,610
	<hr/> 277,515	<hr/> 251,587
Support Costs		
Governance Costs		
Wages	1,706	1,492
Social security	101	86
Pensions	29	19
Independent examiner's remuneration	1,950	1,750
	<hr/> 3,786	<hr/> 3,347
Total resources expended	283,813	257,120
Net income	<hr/> 8,259	<hr/> 23,581

This page does not form part of the statutory financial statements