

Charity Registration No. 1100450

Company Registration No. 04794809 (England and Wales)



CITIZENS ADVICE SEFTON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

CITIZENS ADVICE SEFTON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms R Bord Mr B Culshaw Ms A M Gibbon Ms L D Gibbs Mr G Hignett Mr E J Murty Ms E Mercer Ms P Hardy Ms J Austin	(Appointed 8 November 2018) (Appointed 8 November 2018)
Secretary	Ms P A Killen	
Charity number	1100450	
Company number	04794809	
Registered office	297 Knowsley Road Bootle Merseyside L20 5DF	
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	

CITIZENS ADVICE SEFTON

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

CITIZENS ADVICE SEFTON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's governing document, 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) (effective 1 January 2015)".

Objectives and activities

Objects

The charity's objects are to promote any charitable purpose for the benefit of the community in Merseyside and surrounding area (the area of benefit) by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

CITIZENS ADVICE SEFTON

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

Aims, Objectives, Strategies and Activities for the Year

The aims of Citizens Advice Sefton are to provide advice people need for the problems they face and to improve the policies and practices that affect people's lives.

The service we provide is free, independent, confidential and impartial. We value diversity, promote equality and challenge discrimination.

We have a strong alliance with all Citizens Advice locally and in preparation for celebrating our 80th year we joined with Liverpool, Halton, St. Helens, Knowsley and Wirral to produce the impact report on How Citizens Advice resolves people's problems across the Liverpool City Region. This 2018 report, "Communities and Growth" was launched at an event hosted in Liverpool by the Liverpool City Region Metro Mayor, Steve Rotherham.

"This report gives a fascinating picture of how this well loved charity, as part of our VS6 partnership, which brings together organisations from across the voluntary, community, faith and social enterprise sector, is helping us achieve our objectives around economic well-being, fairness and quality of life" Steve Rotherham, LCR Metro Mayor,

The report is available at www.seftoncab.org.uk to read in detail. As Citizens Advice Sefton we contributed to promoting healthier communities through our advice and representation work in mental health wards, The Life Rooms and as a delivery partner with Living Well Sefton.

Citizens Advice Sefton contributed to fairness and community cohesion through our use of the ASK routine enquiry. Our advisers are trained to help clients to disclose gender violence and abuse so that they may tailor advice to their situation and offer appropriate support.

Citizens Advice Sefton contributed to growth and stability in employment by supporting people through our Better off Finance Project (a partnership of local Citizens Advice, The Women's Organisation and Raise) This project supports people who lack money management skills or face other challenges moving towards jobs or training. We help them develop skills, self confidence and financial resilience to progress on to new opportunities.

Citizens Advice Sefton works within the Greater Merseyside Money Advice partnership to provide debt advice. In Sefton we continue to offer a mix of money advice appointments and drop in services. In October 2018 we extended the drop in service to Tuesday evenings in Southport so that we can reach those people who are working and in debt.

Our general advice drop in which has relied on the support of volunteers since the inception of the service in 1939 continues to this day alongside the telephone "Adviceline" through our offices in Bootle and Southport. Our volunteers assess, advise and support local people with a wide range of problems such as welfare benefits, universal credit issues, housing and employment problems. Sefton council continue to support this service.

The Freshfield Foundation support Citizens Advice Sefton and Citizens Advice Liverpool to provide tribunal representation for those people who have no support since the abolition of legal aid to challenge welfare benefits decisions.

During the year we continued to offer support within Job Centres for universal credit claimants.

Citizens Advice Sefton is also funded through Citizens Advice and Ofgem to provide energy related advice to local people as part of the Energy Best Deal programme. This helps people to reduce their energy costs through switching supplier or increasing energy efficiency.

CITIZENS ADVICE SEFTON

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

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

In 2018/19 Citizens Advice Sefton provided services delivering advice in social welfare law (primarily debt, welfare benefits, housing, employment and consumer issues) and money management/financial capability advice and support. We also provide a wellbeing mentoring service as part of our work with The Living Well Sefton project. In addition to these services Citizens Advice Sefton undertakes research and campaigns work based on the evidence of clients experience. Raising awareness of scams has been a key part of our work during the year. Problems with universal credit continued in the year with problems with delays in payment being the most reported.

In the final quarter of 2018/19 Citizens Advice Sefton prepared to deliver the new Help to Claim service from April 2019 delivered from Job Centres and the council One Stop Shops as well as our own offices. Staff and volunteers were recruited for these new roles which were designed to support the Universal credit claimant to navigate the claims process for the first time.

Contribution of Volunteers

The charity relies on the help and support of volunteers in advising the public and administering and governing the charity. The goodwill and commitment given by volunteers is essential to the existence of the charity. Volunteers improve not just the capacity of Citizens Advice to improve lives but the communities in Sefton in general benefit. It is also well documented that volunteering improves wellbeing, strengthens communities, improves social cohesion and gives people a greater stake in their local area.

Using a Treasury approved cost benefit analysis tool devised by New Economy we have estimated our volunteers' contribution to Citizens Advice Sefton in 2018/19 is £464,037.

Achievements and performance

During the year our staff and volunteers helped 8,113 people with 32,156 issues. This represented a 5% rise in numbers of clients seen and a 13% rise in number of issues dealt with in the previous year. Welfare benefits accounted for 46% (44% the previous year) of all issues dealt with and debt accounted for 28% (25% the previous year) The income gained for our clients amounted to £5,817,223. We achieved reimbursements to the value of £7,122 for clients and debts of £3,937,296 were written off. In addition we helped clients to reschedule repayments totaling £204,956 to ensure that those repayments would be more manageable and our clients could cope going forward.

In January 2019 it was announced that Citizens Advice Sefton would provide the best practice lead in Universal Support -Help to Claim for Merseyside. This new role aims to gather learning and draw insight on how Universal Credit and Universal Support is working across a Jobcentre district. Best Practice Leads from each district are developing an approach to sharing this learning with relevant partners including Jobcentres, local Citizens Advice and national Citizens Advice.

Fundraising activities

Income from fundraising activities for the year to 31 March 2019 was £2,308 (2018: £2,484) Expenditure incurred in fundraising was £nil (2018: £nil).

Investment activities

The charity does not currently hold material investments.

Factors affecting the achievements of objectives

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

CITIZENS ADVICE SEFTON

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

Financial review

The charity achieved a net income in 2018/19 of £78,135 (2017/18 - £51,071). This outcome continued to validate the Board's strategic decision in earlier years to retain a core level of human resources and delivery capability despite changeability and uncertainty surrounding several projects. The strategy reflects the Board's confidence in the management team's ability to continually source replacement funding as projects expire. After adjusting for £96,074 of Big Lottery partner receipts which were passed on, year over year income reduced by less than 1% from £936,393 to £927,790.

Reserves policy

The surplus increased the general reserve to £418,321, which continues to comply with the Bureau's policy of being capable of funding 3-6 months working capital requirements. The designated premises reserve remains at £100,000. This reserve is primarily intended to fund the relocation to improved premises in Southport, which is anticipated to occur in 2020.

Funds in deficit

No funds were in deficit at the balance sheet date.

Principal Funding Sources

The Directors extend their gratitude to;

The Big Lottery and The European Social Fund who fund the Better Off Finance project across the Liverpool City region helping us to work with our partners to support people experiencing issues including unemployment and lack of financial skills.

Sefton Borough Council who continue to support the core operating capacity of the charity and who also support the work of Citizens Advice Sefton through public health funding for Living Well Sefton and in partnership with DWP for personal budgeting support for Universal credit claimants.

The trustees of The Freshfield Foundation who fund Citizens Advice Sefton and Citizens Advice Liverpool to provide tribunal representation and support which is no longer funded through legal aid.

Mersey Care and South Sefton and Southport and Formby Clinical Commissioning Groups for supporting vital work supporting a vulnerable client group in health settings.

The Money Advice Service (now Money Advice and Pensions Service) who funds the Greater Merseyside Money Advice Partnership which enables Citizens Advice Sefton to deliver money advice services in Sefton.

Citizens Advice; who have supported delivery of energy advice to the public in Sefton through the Energy Best Deal Extra programme funded by OFGEM, and also fund the sub contract for the Help to Claim Service and Best Practice Lead (Merseyside)

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

Investment policies

As required in its Memorandum paragraph 4.15 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.

CITIZENS ADVICE SEFTON

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

Major risks

Citizens Advice Sefton has worked on a 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 Sefton is continually monitoring and managing its risk, reviewing the corporate risk register and ensuring action plans are in place to mitigate key risks. The trustees confirm that there were no serious incidents or other matters relating to the charity during the financial year ending 31st March 2019.

Citizens Advice Sefton has adopted the recommended Citizens Advice information risk policy. The trustees review any non compliance with procedures. There were no incidences of data breaches to report.

Plans for the future

We continue to strive to modernise our service to the community by extending our opening hours, particularly by telephone and webchat. We intend to improve our social media profile so that we tell our collective client stories more frequently, celebrate success and share our concerns about local and national policies and practices.

Our premises are a constraint as they are not as easily accessible as we would like them to be particularly in our Southport office. We would like to offer better waiting facilities so that clients can take advantage of access to digital services. Our dated premises do not reflect the modern advice service that we offer to clients. Identification of new premises that we can make accessible will be a priority.

There is an increase in demand for the advice service so we need to ensure that we have appropriate levels of funding and staff. We need to ensure that we can attract, support, train and retain staff and volunteers who provide the front line of the service.

We want to continue our work in helping people build resilience as they face problems. We will do this with Living Well Sefton and with the Better Off project encouraging more people to engage in mentoring and confidence building activities.

All our activities contribute to achieving a strong sustainable service capable of responding to local community need, making it easier to get advice and information, being more influential in preventing problems and championing and challenging discrimination.

Structure, governance and management

Citizens Advice Sefton is a registered charity and a company limited by guarantee. It is also known and referred to as Sefton CAB. The maximum liability of each member is limited to one pound. It is governed by a Memorandum and Articles of Association 2003 as amended on 15th January 2008 and was incorporated under the Companies Act as a private company on 11th June 2003.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms R Bord

Mr B Culshaw

Ms A M Gibbon

Ms L D Gibbs

Mr G Hignett

Mr E J Murty

Ms E Mercer

Ms P Hardy

Ms J Austin

(Appointed 8 November 2018)

(Appointed 8 November 2018)

CITIZENS ADVICE SEFTON

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

Recruitment, Appointment and Induction of Trustees

Trustees, who are also Directors of the Company, are elected in accordance with the Articles and Memorandum of Association. An Elections Committee, made up of Trustees, the Company Secretary and chaired by the Chair is established to oversee the elections process for Board appointments. A separate process agreed by the Trustee Board is followed for the election of the Chair. No other persons or bodies external to the charity were entitled to appoint persons to the Trustee Board.

New Trustees follow a programme of induction into the CAB service and are issued with an induction pack.

The Chair of the Trustee Board is Alison Gibbon. The Treasurer of the Trustee Board is Edward Murty.

Organisational Structure

Citizens Advice Sefton 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 Sefton and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet at a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management. A register of Directors' interests is maintained at the registered office, and is available to the public.

Key management remuneration

Pay scales for senior staff are benchmarked against similar posts in the Citizens Advice network.

Related parties

Citizens Advice Sefton 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 Sefton 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 statutory and voluntary services, local and national charities 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.

Auditor

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Ms P A Killen

Secretary

Dated: 7th November 2019

CITIZENS ADVICE SEFTON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

The trustees, who are also the directors of Citizens Advice Sefton for the purpose 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CITIZENS ADVICE SEFTON

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CITIZENS ADVICE SEFTON

Opinion

We have audited the financial statements of Citizens Advice Sefton (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CITIZENS ADVICE SEFTON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CITIZENS ADVICE SEFTON

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

CITIZENS ADVICE SEFTON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CITIZENS ADVICE SEFTON

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Andrew Moss BA FCA (Senior Statutory Auditor)
for and on behalf of DSG

Chartered Accountants
Statutory Auditor

7/11/19

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

CITIZENS ADVICE SEFTON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
	Notes						
Income from:							
Donations and legacies	3	1,485	-	1,485	1,290	-	1,290
Charitable activities	4	248,335	764,833	1,013,168	262,241	668,145	930,386
Other trading activities	5	2,308	-	2,308	2,484	-	2,484
Investments	6	6,903	-	6,903	2,233	-	2,233
Total income		259,031	764,833	1,023,864	268,248	668,145	936,393
Expenditure on:							
Charitable activities	7	175,132	770,597	945,729	222,941	662,381	885,322
Net income/(expenditure) for the year/ Net movement in funds							
		83,899	(5,764)	78,135	45,307	5,764	51,071
Fund balances at 1 April 2018		434,422	5,764	440,186	389,115	-	389,115
Fund balances at 31 March 2019		518,321	-	518,321	434,422	5,764	440,186

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.

CITIZENS ADVICE SEFTON

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	11		13,814		18,743
Current assets					
Debtors	13	66,221		72,985	
Cash at bank and in hand		454,419		364,704	
		<u>520,640</u>		<u>437,689</u>	
Creditors: amounts falling due within one year	14	(16,133)		(16,246)	
Net current assets			504,507		421,443
Total assets less current liabilities			<u>518,321</u>		<u>440,186</u>
Income funds					
Restricted funds	16		-		5,764
<u>Unrestricted funds</u>					
Designated funds	17	100,000		100,000	
General unrestricted funds		418,321		334,422	
		<u>518,321</u>		<u>434,422</u>	
			<u>518,321</u>		<u>440,186</u>

The financial statements were approved by the Trustees on 7th November 2019



Ms A M Gibbon
Trustee



Mr E J Murty
Trustee

Company Registration No. 04794809

CITIZENS ADVICE SEFTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		86,530		(38,496)
Investing activities					
Purchase of tangible fixed assets		(3,718)		(5,893)	
Interest received		6,903		2,233	
Net cash generated from/(used in) investing activities			3,185		(3,660)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			89,715		(42,156)
Cash and cash equivalents at beginning of year			364,704		406,860
Cash and cash equivalents at end of year			<u>454,419</u>		<u>364,704</u>
Short term deposits included in current asset investments			-		-
Bank overdrafts included in creditors payable within one year			-		-

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Citizens Advice Sefton is a private company limited by guarantee incorporated in England and Wales. The registered office is 297 Knowsley Road, Bootle, Merseyside, L20 5DF.

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 charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company 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 financial statements.

1.3 Charitable funds

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

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

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

1.4 Incoming resources

Income is recognised when the charitable company 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 charitable company 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.

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Grants receivable to finance the bureau's activities are credited to the income and expenditure account in the period to which they relate. Revenue grants received in advance are held as deferred income within creditors in the balance sheet and released to income and expenditure account in the relevant period.

Capital grants are credited to restricted funds when receivable and transferred to unrestricted funds when the asset is purchased. Depreciation on the fixed assets purchased with such grants is charged against unrestricted funds.

Bank interest, donations and the proceeds of fundraising events are credited as income on receipt. Lottery subscriptions are credited in the period to which they relate, with advance payments held in the balance sheet within creditors.

The bureau also benefits enormously from voluntary assistance in carrying out its activities. This voluntary contribution is not included in the financial statements but its value to the bureau has been estimated and is disclosed in the Directors' report.

1.5 Resources expended

All expenditure is accounted for on an accruals basis. Direct staff costs relating to each area of service provision are attributed to the relevant activity. Other costs including general management, finance and administration, together with overhead costs, have been apportioned to the core activities on the basis of their actual or estimated share of resource utilisation, as appropriate.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10 years (or life of lease if shorter)
Fixtures, fittings & equipment	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 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.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.11 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.12 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The bureau offers defined contributions to employees' personal pension funds at the rate of 7% of gross salary and these are charged to expenditure in the period to which they relate.

1.14 Leases

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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. The trustees consider that there are no key sources of estimation uncertainty.

3 Donations and legacies

	2019	2018
	£	£
Donations and legacies	1,485	1,290

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Charitable activities

	2019 £	2018 £
Services provided under contract	1,013,168	930,386
Analysis by fund:		
Unrestricted funds	248,335	
Restricted funds	764,833	
	<u>1,013,168</u>	
For the year ended 31 March 2018		
Unrestricted funds		262,241
Restricted funds		668,145
		<u>930,386</u>

5 Other trading activities

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
Activities for generating funds	2,308	2,484

6 Investments

	Unrestricted funds 2019 £	Unrestricted funds 2018 £
Interest receivable	6,903	2,233

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Charitable activities

	Charitable activities 2019 £	Charitable activities 2018 £
Staff costs	645,545	643,626
Depreciation and impairment	7,955	13,731
Premises costs	51,767	66,056
Telephone	8,645	18,302
Printing, postage and stationery	18,701	20,297
Training and travel	19,845	18,635
Publicity and information	10,068	8,512
Equipment, support and leases	6,258	13,123
Sundry expenses	5,490	6,019
Bank charges	253	256
Partner payments	96,074	-
	<u>870,601</u>	<u>808,557</u>
Share of support costs (see note 8)	67,304	69,603
Share of governance costs (see note 8)	7,824	7,162
	<u>945,729</u>	<u>885,322</u>
Analysis by fund		
Unrestricted funds	175,132	222,941
Restricted funds	770,597	662,381
	<u>945,729</u>	<u>885,322</u>

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Support costs

	Support costs	Governance costs	2019	Support costs	Governance costs	2018
	£	£	£	£	£	£
Staff costs	56,134	-	56,134	55,967	-	55,967
Depreciation	692	-	692	1,194	-	1,194
Premises costs	4,501	-	4,501	5,744	-	5,744
Telephone	752	-	752	1,591	-	1,591
Printing, postage and stationery	1,580	-	1,580	1,765	-	1,765
Training and travel	1,726	-	1,726	914	-	914
Publicity and information	876	-	876	740	-	740
Equipment, support and leases	544	-	544	1,141	-	1,141
Sundry expenses	477	-	477	525	-	525
Bank charges	22	-	22	22	-	22
Audit fees	-	6,201	6,201	-	5,274	5,274
Payroll fees	-	1,623	1,623	-	1,888	1,888
	<u>67,304</u>	<u>7,824</u>	<u>75,128</u>	<u>69,603</u>	<u>7,162</u>	<u>76,765</u>
Analysed between						
Charitable activities	<u>67,304</u>	<u>7,824</u>	<u>75,128</u>	<u>69,603</u>	<u>7,162</u>	<u>76,765</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed for travelling expenses (2018: none were reimbursed).

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Direct charitable activities	21	23
Management and administration	4	4
	<u>25</u>	<u>27</u>

Employment costs

	2019 £	2018 £
Wages and salaries	604,435	603,118
Social security costs	53,291	52,305
Other pension costs	43,953	44,170
	<u>701,679</u>	<u>699,593</u>

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

11 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2018	72,302	120,282	192,584
Additions	-	3,718	3,718
At 31 March 2019	<u>72,302</u>	<u>124,000</u>	<u>196,302</u>
Depreciation and impairment			
At 1 April 2018	60,081	113,760	173,841
Depreciation charged in the year	2,849	5,798	8,647
At 31 March 2019	<u>62,930</u>	<u>119,558</u>	<u>182,488</u>
Carrying amount			
At 31 March 2019	<u>9,372</u>	<u>4,442</u>	<u>13,814</u>
At 31 March 2018	<u>12,221</u>	<u>6,522</u>	<u>18,743</u>

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Financial instruments	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	14,650	14,250
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	16,133	16,246
	<u> </u>	<u> </u>
13 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Other debtors	14,650	14,250
Prepayments and accrued income	51,571	58,735
	<u> </u>	<u> </u>
	<u>66,221</u>	<u>72,985</u>
14 Creditors: amounts falling due within one year	2019	2018
	£	£
Other creditors	3,205	3,312
Accruals	12,928	12,934
	<u> </u>	<u> </u>
	<u>16,133</u>	<u>16,246</u>

15 Retirement benefit schemes

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

The charge to profit or loss in respect of defined contribution schemes was £43,953 (2018: £44,170).

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 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 31 March 2019 £
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	
Greater Merseyside Money Advice Project	-	178,854	(178,854)	-
Mersey Care	-	22,588	(22,588)	-
The Freshfield Foundation	-	158,110	(158,110)	-
Energy Best Deal	-	3,375	(3,375)	-
Best Practice Leads	-	11,451	(11,451)	-
Help to Claim Grant	-	12,380	(12,380)	-
Personal Budgeting Support	-	47,912	(47,912)	-
Advice Skills Academy	-	20,720	(20,720)	-
The Better Off Project (Building Better Opportunities)	-	56,149	(56,149)	-
South Sefton CCG/Southport & Formby CCG	-	37,200	(37,200)	-
Intermediate Labour Market	-	8,400	(8,400)	-
Life Rooms	-	14,340	(14,340)	-
Enterprise Hub	-	28,440	(28,440)	-
Living Well Sefton	5,764	172,914	(178,678)	-
New Project	-	(8,000)	8,000	-
	<u>5,764</u>	<u>764,833</u>	<u>(770,597)</u>	<u>-</u>

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Restricted funds

(Continued)

Greater Merseyside Money Advice Project - a restricted fund for the provision of money advice services.

Mersey Care - a restricted fund for the provision of social welfare law advice to in-patients at Clockview, Aintree and The Hesketh Centre, Southport by an experienced adviser with a specialist knowledge of mental health issues.

The Freshfield Foundation - a restricted fund for the provision of welfare rights advice with Liverpool Citizens Advice Partnership.

Energy Best Deal - a restricted fund for the provision of advice around energy efficiency and finding the best energy deal.

Best Practice Leads - a restricted fund for the provision of a new Help to Claim service, with funds provided to set up Best Practice Leads, to gather and share information about the performance of Universal Credit and Help to Claim, build local relationships and to develop and share best practice.

Help to Claim Grant - a restricted fund sub-grant to set up a Universal Support: Help to Claim service. The funding allows services to be delivered including recruiting appropriate numbers of staff and volunteers for the project, training these staff and volunteers and setting up infrastructure needed for the delivery of phone and chat.

Personal Budgeting Support - a restricted fund to deliver personal budgeting support to claimants on universal credit within Job centres and our Advice Centres.

Advice Skills Academy - a project supported by the European Social Fund with the aim to build the skills and knowledge of staff within the Citizens Advice services in the Liverpool City Region.

The Better Off Project - a restricted fund to enable people from diverse profiles support.

South Sefton CCG/Southport & Formby CCG - a restricted fund for an NHS standard contract.

Intermediate Labour Market - To offer financial grants to employers to create jobs that support the recruitment and employment of residents currently not in employment, education and/or training (NEET).

Life Rooms - a restricted fund for the provision of advice sessions in Walton and Southport Life Rooms

Enterprise Hub - Provision of better off calculations and budgeting advice for people thinking of moving into self-employment or starting a business.

Living Well Sefton - a restricted fund for the provision of both; social welfare advice across Healthy Living Centres, the Living Well Centre and three GP hubs; and health and wellbeing assessments supporting people who may experience stress, anxiety or depression and who are at risk at developing mental health problems.

New Project - this figure is included in the yearly budget to allow for new projects which are usually identified during the year. Previous years have all seen such a project come to fruition, however this year did not.

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 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 2018 £	Movement in funds Incoming resources £	Balance at 31 March 2019 £
Designated premises fund	100,000	-	100,000
	<u>100,000</u>	<u>-</u>	<u>100,000</u>

Designated premises fund - these reserves have been designated by Trustees for the purpose of securing improved Bureau premises.

CITIZENS ADVICE SEFTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Operating lease commitments

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

	2019 £	2018 £
Within one year	16,000	19,413
Between two and five years	44,000	60,000
	<u>60,000</u>	<u>79,413</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	142,555	142,619

There have been related party transactions in accordance with FRS 102. There were transactions between Citizens Advice Sefton and Citizens Advice in relation to insurance and information systems.

20 Cash generated from operations

	2019 £	2018 £
Surplus for the year	78,135	51,071
Adjustments for:		
Investment income recognised in statement of financial activities	(6,903)	(2,233)
Depreciation and impairment of tangible fixed assets	8,647	14,925
Movements in working capital:		
Decrease/(increase) in debtors	6,764	(54,058)
(Decrease) in creditors	(113)	(14,984)
(Decrease) in deferred income	-	(33,217)
Cash generated from/(absorbed by) operations	<u>86,530</u>	<u>(38,496)</u>