

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

**DIRECTORS' REPORT AND ACCOUNTS
31 MARCH 1996**

REGISTERED NUMBER: 2114435



THE NEWCASTLE UPON TYNE CITIZENS' ADVICE BUREAUX

DIRECTORS' REPORT

The directors present their report and the audited accounts of the company for the year ended 31 March 1996.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is the provision of a free impartial service of information, guidance and support to all individuals.

RESULTS AND DIVIDENDS

The operating surplus for the year is £18,268 (1995 : deficit £16,315) and this amount has been added to reserves. The memorandum of association does not provide for any distribution to members.

DIRECTORS

The directors at 31 March 1996 and their dates of appointment are noted below:

| | |
|-------------|-------------------------------|
| DG Morgan | (appointed 7 December 1989) |
| EE Slattery | (appointed 18 September 1989) |
| N Hedley | (appointed 8 October 1990) |
| M Wardle | (appointed 18 October 1993) |
| J Horne | (appointed 17 October 1994) |
| L Caffrey | (resigned on 18 October 1995) |
| IR Harris | (appointed 18 October 1995) |

SECRETARY

Mr GN Dickson was appointed company secretary on 23 March 1987.

GUARANTEE

The company is incorporated as limited by guarantee and not having a share capital. On 17 October 1995 E Slattery was confirmed as a Subscriber to the Articles of Association. Along with M Wardle, an existing member, they have undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being wound up. This guarantee applies during the period of membership and extends one year after membership ceases.

FIXED ASSETS

Movements in fixed assets are shown in Note 6 to the accounts.

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1996 (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Price Waterhouse have expressed their willingness to continue in office and the directors will place a resolution before the Annual General Meeting to re-appoint them as auditors for the ensuing year.

By Order of the Board



GN DICKSON
Secretary

26 September 1996

Price Waterhouse



REPORT OF THE AUDITORS TO THE MEMBERS OF THE NEWCASTLE UPON TYNE CITIZENS' ADVICE BUREAUX

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

The financial statements have been prepared on a going concern basis, the validity of which depends upon future funding being available. The financial statements do not include any adjustment that would result from a failure to secure the continuation of future funding facilities. Details of the circumstances relating to this fundamental uncertainty are given in Note 1 to the financial statements. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

26 September 1996

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 1996**

| | <u>Unrestricted funds</u> | |
|--|---------------------------|------------------|
| | <u>1996</u> | <u>1995</u> |
| RESOURCES ARISING (Note 1) | | |
| Newcastle upon Tyne City Council | 289,200 | 211,380 |
| Other contributions | 56,196 | 64,961 |
| Donations and Gifts | 48,627 | 68,018 |
| Investment income | <u>771</u> | <u>976</u> |
| GROSS RESOURCES ARISING IN THE YEAR | 394,794 | 345,335 |
| RESOURCES USED | | |
| Administrative expenses | <u>(376,526)</u> | <u>(361,650)</u> |
| SURPLUS/(DEFICIT) FOR THE YEAR (Note 3) | <u>£18,268</u> | <u>£(16,315)</u> |

There is no difference between the Statement of Financial Activities and the Income and Expenditure Account, hence a separate Income and Expenditure Account has not been produced.

The directors consider that the nature of the company's activities is such that the format shown above is more informative than that recommended by the Companies Act 1985.

The company has no recognised gains and losses, as defined in Financial Reporting Standard 3 ("FRS3"), Reporting Financial Performance, which are not included in the above Statement of Financial Activities.

There is no material difference between the reported surplus/deficit and the historical cost surplus/deficit for 1996 and 1995.

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

RECONCILIATION OF FUNDS FOR THE YEAR ENDED 31 MARCH 1996

| | <u>Total Unrestricted Funds</u> |
|---------------------------------------|---|
| Balance at 1 April 1995 | (15,558) |
| Surplus for the year | <u>18,268</u> |
| Balance at 31 March 1996 | <u>£2,710</u> |
| Represented by: | |
| Tangible fixed assets | 9,160 |
| Current assets | 8,826 |
| Current liabilities | <u>(15,277)</u> |
| TOTAL NET ASSETS 31 MARCH 1996 | <u>£2,710</u> |

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

BALANCE SHEET AS AT 31 MARCH 1996

| | <u>1996</u> | <u>1995</u> |
|---|-----------------|------------------|
| FIXED ASSETS | | |
| Tangible assets (Note 6) | 9,160 | 10,207 |
| CURRENT ASSETS | | |
| Debtors (Note 8) | 3,440 | 1,283 |
| Cash at bank and in hand | <u>5,386</u> | <u>4,235</u> |
| | 8,826 | 5,518 |
| CREDITORS (amounts falling due within one year) (Note 9) | <u>(15,277)</u> | <u>(31,283)</u> |
| NET CURRENT LIABILITIES | <u>(6,451)</u> | <u>(25,765)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | <u>£2,710</u> | <u>£(15,558)</u> |
| Represented by: | | |
| RESERVES (Note 10) | <u>£2,710</u> | <u>£(15,558)</u> |

The accounts on pages 4 to 9 were approved by the Board on 26 September 1996 and signed on its behalf by:


N Hedley
Director

THE NEWCASTLE UPON TYNE CITIZENS' ADVICE BUREAUX

NOTES TO THE ACCOUNTS - 31 MARCH 1996

1 FUNDING

Newcastle upon Tyne City Council have confirmed that they will continue to provide funding for the company for the year ending 31 March 1997. Accordingly, the accounts have been prepared on a going concern basis which assumes that the company's revenue expenditure will be met by this funding and other alternative sources if necessary.

2 ACCOUNTING POLICIES

- (a) The accounts have been prepared under the historical cost convention.
- (b) Income and expenditure are accounted for on an accruals basis.
- (c) Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives at the following rates:

Office equipment, fixtures and fittings - 15% per annum on a reducing balance basis.
- (d) Payments in respect of operating leases are charged to the profit and loss account in the period to which they relate.
- (e) The directors have taken advantage of the provisions of Financial Reporting Standard Number 1 which exempts small companies from the need to prepare a cash flow statement.
- (f) The company operates a defined contribution pension scheme and costs are charged to the profit and loss account as they arise.

3 SURPLUS FOR THE YEAR

This is stated after charging/(crediting):

| | <u>1996</u> | <u>1995</u> |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Staff costs: | | |
| Wages and salaries | 263,344 | 244,950 |
| Social security costs | 24,720 | 22,865 |
| Other pension costs | 16,595 | 12,361 |
| Depreciation | 1,614 | 1,801 |
| Auditors' remuneration | - | - |
| Bank interest received | (771) | (976) |
| Bank interest paid | - | 12 |
| | <u> </u> | <u> </u> |

None of the directors received any emoluments for their services to the company during the year (1995 - None).

4 EMPLOYEES

The average number of persons employed during the year was 20 (1995 - 21).

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

NOTES TO THE ACCOUNTS - 31 MARCH 1996 (continued)

5 TAXATION

The company is registered charity number 503661 and as such is not liable to taxation.

6 FIXED ASSETS

| | Fixtures and <u>fittings</u> |
|------------------------|---------------------------------|
| <u>Cost</u> | |
| At 1 April 1995 | 25,462 |
| Additions | <u>567</u> |
| At 31 March 1996 | <u>26,029</u> |
| <u>Depreciation</u> | |
| At 1 April 1995 | 15,255 |
| Charge for the year | <u>1,614</u> |
| At 31 March 1996 | <u>16,869</u> |
| <u>Net book amount</u> | |
| 31 March 1996 | £9,160 |
| | <u> </u> |
| 31 March 1995 | £10,207 |
| | <u> </u> |

7 CAPITAL COMMITMENTS

At 31 March 1996 there were no commitments in respect of capital expenditure (1995 - None).

8 DEBTORS

| | <u>1996</u> | <u>1995</u> |
|--------------------------------|-------------------|-------------------|
| Prepayments and accrued income | £3,440 | £1,283 |
| | <u> </u> | <u> </u> |

**THE NEWCASTLE UPON TYNE
CITIZENS' ADVICE BUREAUX**

NOTES TO THE ACCOUNTS - 31 MARCH 1996 (continued)

9 CREDITORS (amounts falling due within one year)

| | <u>1996</u> | <u>1995</u> |
|------------------------------|----------------|----------------|
| Bank overdraft | 3,866 | 12,325 |
| Taxation and social security | 8,082 | 6,850 |
| Other creditors | 3,329 | 6,858 |
| Deferred income | <u> </u> | <u>5,250</u> |
| | <u>£15,277</u> | <u>£31,283</u> |

10 RESERVES

| | <u>£</u> |
|----------------------|---------------|
| At 1 April 1995 | (15,558) |
| Surplus for the year | <u>18,268</u> |
| At 31 March 1996 | <u>£2,710</u> |

11 PENSIONS

Pension costs relating to payments made towards various defined contribution schemes covering different employees are charged against the profits in the year in which they are made.

12 LEASE OBLIGATIONS

The company has an operating lease relating to the premises at Westgate House which expires on 1 July 1996, the annual commitment being £11,500 plus service charge.