

CITIZENS ADVICE SHROPSHIRE

DIRECTORS' & TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012



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COMPANIES HOUSE

Company No. 4099352 (England & Wales)
Charity No. 1085220

CITIZENS ADVICE SHROPSHIRE

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CITIZENS ADVICE SHROPSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees

Linda Binns (**Chair**)

Elizabeth Adams

Claire Cartlidge

Katharine Haines

Keir Hirst

John Lucas

Roger Lumley

John Pye

Ian Hankinson

(Appointed 21 09 11)

Tony Hinkley

(Appointed 26 01 12)

Alan Taylor

(Appointed 26 01 12)

Val Steward

(Resigned 10 05 11)

CITIZENS ADVICE SHROPSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Company Secretary	Katharine Haines
Registered Office	Fletcher House, 15 College Hill, Shrewsbury, SY1 1LY
Bankers	National Westminster Bank Plc , Shrewsbury Mardol Head , 8 Mardol Head, Shrewsbury, SY1 1HE
Auditors	James, Holyoak & Parker Limited, 1 Knights Court, Archers Way, Battlefield Enterprise Park, Shrewsbury, Shropshire, SY1 3GA

CITIZENS ADVICE SHROPSHIRE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2012**

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 31 March 2012

Objects of the Charity, Principal Activities and organisation of our work

The Citizens Advice service helps people resolve their legal, money and other problems by providing free, independent and confidential advice, and by influencing policymakers. It values diversity, promotes equality and challenges discrimination.

It aims -

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

The Charity is constituted as a Company limited by guarantee, and is therefore governed by a Memorandum and Articles of Association.

Citizens Advice Shropshire (CAS) is a registered charity reliant on trained volunteers and funds to provide these vital services for local communities and is one of the 390 independent Bureaux that make up the network of Citizens Advice.

The Charity is organised so that the Trustees meet regularly to manage its affairs. As well as the main Trustee Board which meets 6 times a year there are also 2 sub-committees: the Operations sub-committee which meets 6 times a year and the Finance, Development & Projects sub-committee which meets monthly.

The day to day operations are controlled by Jackie Jeffrey as Chief Executive who reports to the Trustees. The Charity has 45 full and part-time paid staff and over 100 volunteers whose roles include advice, administration, reception and social policy. We estimate the total economic value of the unpaid work of our volunteers to be £498,054 in 2011-12.

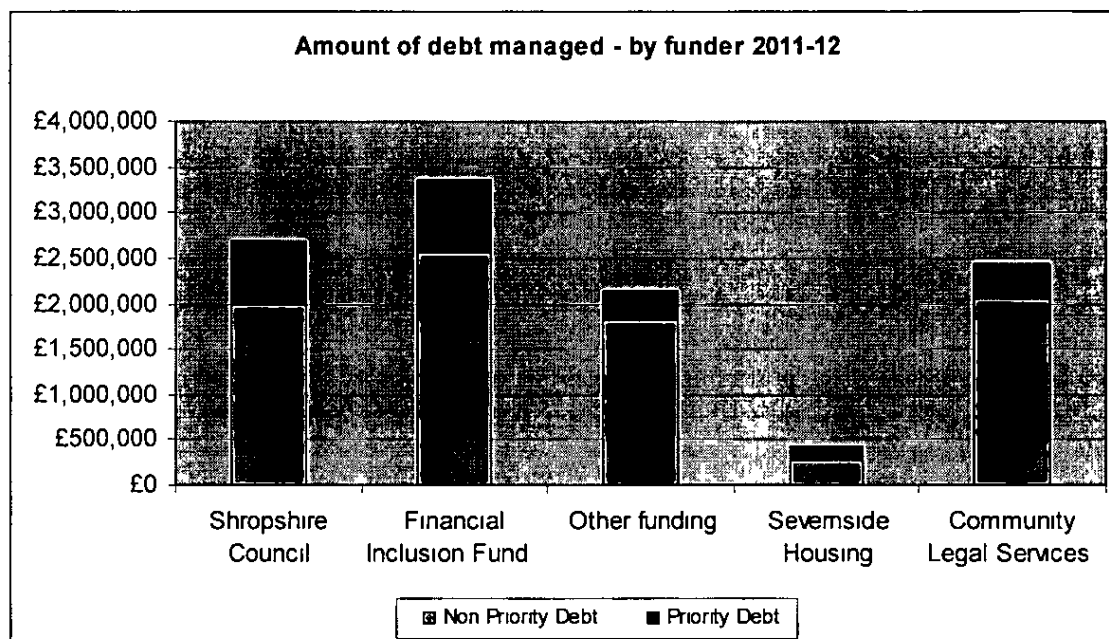
Development, activities and achievements this year and future developments

Citizens Advice Shropshire (CAS) provided information, holistic advice and/or casework services to the general public by telephone and through face to face interviews from 16 locations throughout Shropshire. This includes our 5 main offices in Shrewsbury, Ludlow, Bridgnorth, Oswestry & Whitchurch and other outreaches including money advice within HMP The Dana, advice sessions from GP practices and running advice sessions in Shropshire County Courts for housing possession.

CAS advised 9,163 clients in 2011/12, of which at least 84% came from Shropshire¹. We advised more than 3% of the population of Shropshire over the year. 5,905 clients (64%) were new clients that asked for our help for the first time. The total number of clients has gone down by 9% as compared to last year, mostly because a number of projects were stopped due to budget cuts. This naturally affects our other figures as well.

¹ Most of the other 16% of clients come from border counties. This is because our LSC contract for example is not geographically restricted, some of our clients may work in Shropshire but live in another county.

Clients presented more than 29,850 issues², of which 71% concerned debt and / or benefits & tax credits. The biggest problem was to do with Employment Support Allowance (see *What is happening in Shropshire?* on page 9). We helped clients manage a total debt of £11,048,909³.



We helped prevent or avert homelessness in over 150 cases. As far as we have been able to record, our advice led to a financial outcome for our clients totalling to over £2,289,758 (either in debt written off or in benefits gained). As usual many clients reported outcomes beyond the financial benefits including better health, less stress and improvements in their relationships.

We monitor our clients' satisfaction with our service, the feedback we receive drives our planning process. In 2011-12 we had 163 responses from clients using our legal aid and our employment advice services. Around 96% of the respondents were satisfied or very satisfied with the service they received and they would recommend it to others. 81% found our information or advice easy to understand and 95% found our staff very informative. 87% felt we kept them up to date with progress very well. 94% said we listened to them very well.

Positive comments included gratitude about how helpful and understanding the advisers had been. One client said 'You helped me sleep better, knowing that there was someone out there that could help me'. When asked how well they would have coped without the advice, one client responded 'Not well at all. Legal letters received were threatening and intimidating. I couldn't afford a solicitor and Legal Aid was not possible'. Adverse comments included how difficult it was to get through on the telephone, long waiting times and the need for more staff.

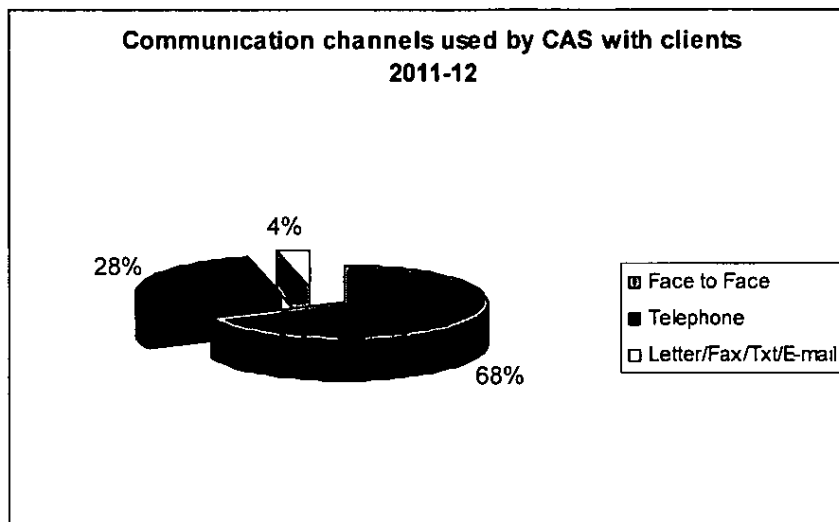
In December 2011 we joined the national Citizens Advice telephone service "Adviceline", with the aim to help us to improve client access. In addition, the Gateway system that we introduced in 2010-11 on initial face to face contacts, was introduced on the phone in December 2011. This means we have a short assessment interview with clients to ascertain how best to help them. According to their needs we offer assisted information, signposting, a referral or an appointment. All this should reduce waiting times and free up staff for more complex enquiries.

² A client may have more than one issue or problem. This year the number of issues has not gone down by as much as the number of clients which may indicate that client's cases are more complex than before. The number of issues with benefits & tax credits has actually gone up by 14% compared to 2010-11.

³ As of 8 May 2012. Outcome figures go up as time progresses. See Annual Impact Report 2011/12.

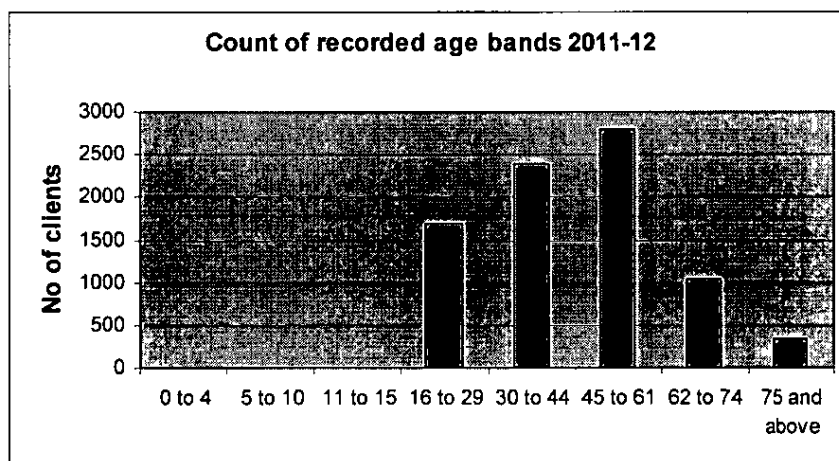
Our Clients

Of the enquiries that clients come in with 44% result in CAS giving them information or signposting them to other organisations, 38% result in advice and 18% of enquiries need casework by our paid staff. The total number of times we had contact with our clients during 2011/12 is 26,963. In addition we had 6,870 contacts with third parties for supporting work.



Most of our contact with clients is Face to Face as the graph above shows. Another communication channel is our website. In 2011-12 www.cabshropshire.org.uk had 17,960 visits. The public can also find detailed information on the national Citizens Advice run websites www.adviceguide.org.uk and www.advice4me.org.uk (which is especially for younger public).

8,235 clients disclosed their age to us, which gives the following age distribution:

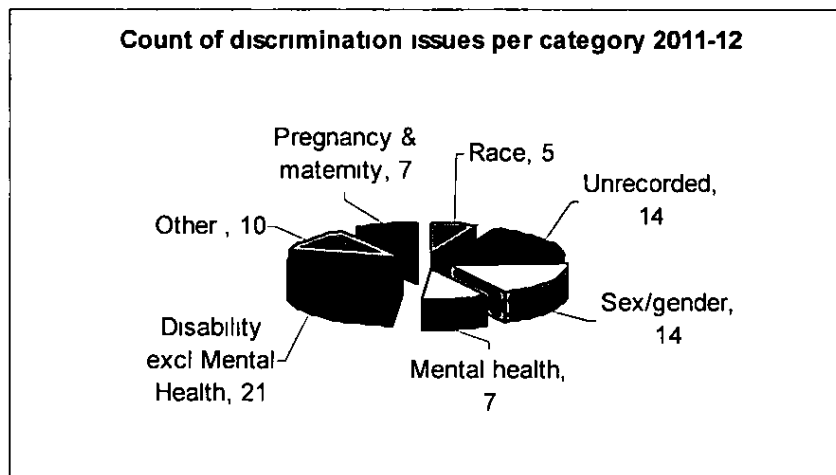


Compared to the Shropshire population⁴ we naturally have an underrepresentation of the age categories 0 – 16 years. However, people of the ages between 16 and retirement age are overrepresented in our client base, people over retirement age are slightly underrepresented. A little over half of our clients are women (55%). The number of issues we recorded around domestic violence went down from 78 in 2010-11 to 47. Still the biggest category of issues is around violence.

⁴ This information is from 2007 and based on statistics from 2004. The 2011 census information will only start to be released from July 2012.

against a woman by current or ex male partner, although we do record instances of violence against a man by current or ex female partner

In 2011-12 we started to look more into Hate Crime and discrimination figures in Shropshire. All our 5 sites are Hate Crime reporting centres and we recorded three hate crimes or incidents in 2011-12. Via the Shropshire Hate Crime initiative we are trying to achieve higher figures, since police figures show that hate crime is on the rise in West Mercia and other research shows that it is still massively underreported. According to our figures, most discrimination happens around disability in employment practices (70 out of 78). In 2011-12 the number of issues around sex or gender doubled from 7 to 14.



22% of our clients felt they were disabled or had a long term health condition, whereas 17.9% of the Shropshire population reports to have a long-term limiting illness or disability (in 2001).

2.5% of our clients identify as being from black, mixed or other non-white ethnic groups, whereas in Shropshire as a whole that percentage of population was estimated at 2.8% for 2006.

Distribution of Ethnicity	No. of clients
Black or Black British - Other	4
Mixed - White & Black African	6
White - Roma/Gypsy/Traveller	6
Not Recorded	9
Mixed - White & Asian	10
Asian or Asian British - Bangladeshi	11
Chinese	11
Black or Black British - Caribbean	12
Mixed - White & Black Caribbean	12
Asian or Asian British - Pakistani	13
Mixed - Other	15
Asian or Asian British - Other	18
Asian or Asian British - Indian	22
Black or Black British - African	24
White - Irish	34
Other	55
White - Other	249
Unknown or Declined to reply	687
White - British	7,965
Total	9,163

5,271 clients disclosed their nationality to us, 96% of them were British. The Top 4 of other nationalities we served, is as follows

Top 4 Nationalities Seen	Count
Germany	9
Ireland (Eire)	10
Latvia	11
Poland	63

The 2010-11 map on page 10 shows that we currently have quite a good spread of bureaux and outreaches over the county, especially in areas of high deprivation. The distribution of clients we've helped in Shropshire is as follows

Shropshire 2011-12			
Abbey	88	Market Drayton East	81
Albrighton	59	Market Drayton West	202
Alveley and Claverley	51	Meole	135
Bagley	124	Minsterley	72
Battlefield	119	Monkmoor	164
Bayston Hill, Column and Sutton	282	Much Wenlock	57
Belle Vue	128	Not Recorded	1
Bishop's Castle	90	Oswestry East	345
Bowbrook	113	Oswestry South	196
Bridgnorth East and Astley Abbots	177	Oswestry West	164
Bridgnorth West and Tasley	212	Porthill	85
Broseley	169	Prees	98
Brown Clee	87	Quarry and Coton Hill	323
Burnell	54	Radbrook	89
Castlefields and Ditherington	239	Rea Valley	28
Cheswardine	57	Ruyton and Baschurch	54
Chirbury and Worthen	45	Selattyn and Gobowen	158
Church Stretton and Craven Arms	227	Severn Valley	60
Clee	69	Shawbury	74
Cleobury Mortimer	101	Shifnal North	24
Clun	59	Shifnal South and Cosford	13
Copthorne	53	St Martin's	106
Corvedale	82	St Oswald	124
Ellesmere Urban	75	St Pauls	1
Gobowen, Selattyn and Weston Rhyn	39	Sundorne	163
Harlescott	220	Tern	77
Highley	104	The Meres	64
Hodnet	63	Underdale	152
Llanymynech	76	Wem	168
Longden	91	Whitchurch North	228
Loton	61	Whitchurch South	76
Ludlow East	207	Whittington	104
Ludlow North	171	Worfield	63
Ludlow South	122	Total	7663

What is happening in Shropshire?

From April 11 to March 12 CAS helped **9,163 clients** with a total of **29,855 issues**

Top 6 Problem categories were:

Benefits & Tax Credits	10623
Debt	10469
Employment	2315
Housing	1903
Relationships	1355
Legal	855

Top 6 issues within Benefits & Tax Credits were:

Employment Support Allowance	1648
DLA- Care Component	1178
DLA- Mobility Component	1094
Housing Benefit	1075
Council Tax Benefit	981
Working & Child Tax Credits	955

Top 5 issues within Debt were:

Unsecured personal loan debts	1436
Credit store & charge card debts	1339
Council tax comm charge arrears	869
Bank & building society overdrafts	811
Catalogue & mail order debts	668

Top 5 issues within Employment were:

Pay & Entitlements	444
Dismissal	372
Terms & Conditions of Employment	286
Redundancy	295
Dispute resolution	208

Top 5 issues within Housing were:

Private sector rented property	434
Threatened homelessness	347
Housing Association property	226
Access to & provision of accommodation	188
Owner Occupier property	157

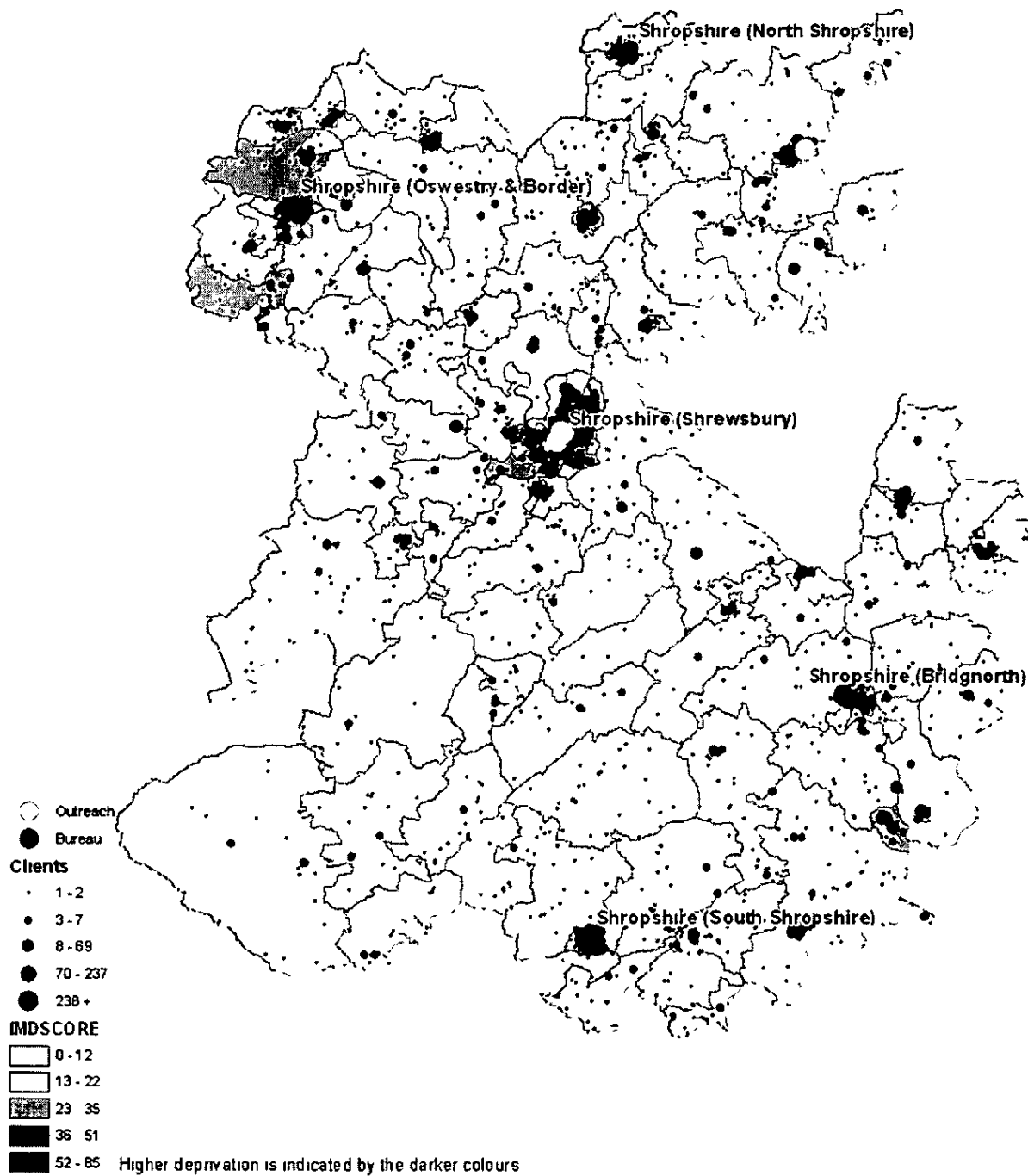
Top 4 issues within Relationships were:

Divorce separation dissolution	573
Children	273
Death & Bereavement	131
Child Support non-res parent & family	117

Top 4 issues within Legal were:

Solicitors/Barristers	235
County & High Court proceedings	196
Compensation Redress	58
Legal Aid	55

Citizens Advice clients (2010/11) and Indices of multiple deprivation
Shropshire



Financial Overview

We have had a difficult year with much of our current funding being affected by the recession, national and local government cuts. By November 2011 we could see that we had lost at least 20% of our income from tax payer sourced funding. However, we have worked hard to reduce expenditure and gain more income.

- We secured £10,000 from the Big Lottery Sustainable Futures Fund and £70,000 from the Cabinet Office Advice Services Fund to help fund work to bring organisational change to meet the challenge ahead (i.e. move from grant aid to commissioning / larger contracts with payment by results/ social enterprise to widen our funding base).
- We have already started looking at our own internal structures, gained some efficiencies following a staffing review, looked at driving down costs by reducing phone & broad band lines / savings on IT. We also centralised our recruitment and training procedures for volunteers which means we have been able to take on more volunteers and introduced more roles for people to volunteer for.
- We received a rent free quarter from our landlord (The Roy Fletcher Trust) for our Shrewsbury premises and continue to lease 3 of our premises from Shropshire Council at a peppercorn rent.
- Approached Town and Parish Council for financial support.
- We were successful in an application for a fourth year of Lottery Funding for CLASP (Community Legal Advice Shropshire Partnership). A partnership project with A4U, Shropshire Housing Alliance, Shrewsbury Homes for All and ourselves to fund Debt, Employment, Housing & Welfare Rights advice across the County. This was due to finish June 2012.
- We also used our reserves to fund shortfalls to ensure service delivery was maintained for 2011/12 – especially needed in the difficult times many of our clients are facing. But as reserves go down this will not be an option for the future.
- Our wages bill is our highest expenditure. Our paid staff have not had a cost of living rise since 2009/10.

This means that for 2012/13 we have been able to maintain current levels of service and will continue to increase our number of new volunteer advisers to help sustain services.

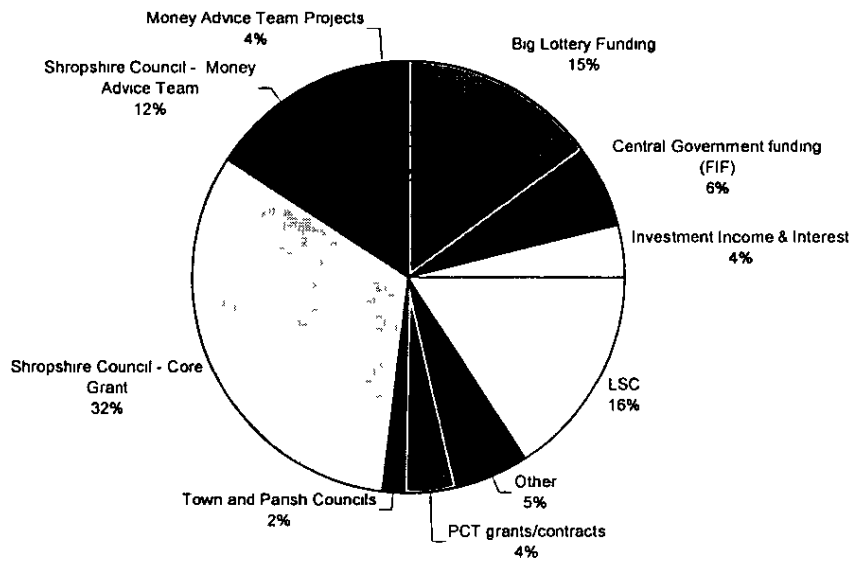
Future Challenges

It is anticipated that nationally there will be a reduction in income for advice agencies of about 100 million for the next 2 years. Whilst the government have pledged a further fund of £20 million a year for the next 2 years that will not plug the 100 million gap.

The biggest impact on Citizens Advice Shropshire will be the loss of our legal aid contract as most of Social Welfare Law (debt, housing, employment & Welfare Rights) will no longer be in scope (i.e. no longer funded). This will be a loss of £190,000 a year plus the loss of a valuable service for our clients.

We will also feel the full £60,000 reduction of our council grant in 2013/14 if we have not found alternative core funding streams.

Citizens Advice Shropshire Funding Breakdown



CITIZENS ADVICE SHROPSHIRE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)

Transactions and Financial position

The Statement of Financial Activities on page 18 shows a planned net loss for the year of £80,074 with Reserves falling to £936,585 at 31 March 2012. Ongoing income and expenditure on normal running costs are finely balanced and due to the investment income from the legacies we have been able to maintain current services for our beneficiaries in these difficult times of economic down turn.

Tangible Fixed Assets for use by the Charity

Details of movements in fixed assets are set out in Note 9 to the accounts.

Investment policy and returns

The Trustees take a cautious approach towards the investment of cash reserves. The Trustees have sought and implemented professional advice regarding a range of investments to future proof capital and to produce income. This has led to more money being transferred to longer term investments.

Reserves

When considering the right level of reserves, the Board has taken into account the following:

- Forecasts of future income, the reliability and sustainability of each source of income and prospects for obtaining income from new sources
- Forecasts of future expenditure, based on planned activity
- Analysis of future requirements, opportunities, contingencies (e.g. redundancy and other contractual obligations such as maternity leave) or risks which are unlikely to be covered by income if and when they arise
- Analysis of the likelihood of such risks arising and the consequences to the charity if they cannot be dealt with

Unrestricted Reserves

Unrestricted reserves are resources that the Board can make available to spend for any or all of the charity's purposes once it has met all its commitments and covered its other planned expenditure.

Designated Reserves

The trustees believe that the bureau should hold financial reserves in order to ensure that the charity can continue to operate and meet the needs of clients in the event of unforeseen and potentially financially damaging circumstances arising.

Business Continuity Reserve

Allowing business to continue where there is a threat of service disruption i.e. fire / sickness. This is in line with the Business Continuity Plan. The fund will also be used where there is a gap in funding streams to avoid costly redundancy procedures and maintain our highly skilled workforce. Also, we have to maintain cash flow as more and more funding streams are gained through commissioning and payment on results.

CITIZENS ADVICE SHROPSHIRE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)

Contractual and Wind Up Costs Reserve A reserve to ensure that the bureau is able to cover contractual obligations for leases and payments to staff such as redundancy, provision of locum maternity cover, and the costs of any disciplinary and/or grievance procedures which may arise

IT Replacement & Development Reserve The majority of the organisation's work is IT critical and a reserve is needed to ensure that there is sufficient money to replace equipment when it becomes obsolete or beyond economic repair

Operating Reserve The Trustees consider that it is prudent to set aside an amount equivalent to six months' operating expenditure. This reflects the changing nature of funding agreements from grant aid to commissioning and payment on results

Premises and Development Reserve A reserve to allow the bureau to relocate to new premises either at the expiry of the current lease or if larger premises are deemed necessary and/or undertake the development of new projects and areas of work and to conduct full feasibility studies on the advisability of such proposals

This reserves policy is monitored and reviewed by the Trustees annually

Further details are disclosed at Note 14 to the Accounts

Directors and Trustees

All Directors of the Company are also Trustees of the Charity, and there are no other Trustees. The Trustees at 31 March 2012 are listed on page 2. The Board has the power to appoint additional Trustees as it considers fit within the terms of the Memorandum and Articles of Association

Risk Management

The Management Board has conducted a review of the major risks to which the charity is exposed. A Risk Analysis document has been produced and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. One of the major risks is a significant cut in funding and a full service review is planned to ensure available funds are used as effectively and efficiently as possible.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the organisation. The continuing implementation of Community Legal Service Quality Mark standards and of the Citizens Advice Membership Scheme ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure they continue to meet the needs of the charity.

The organisation now has a written Business Continuity plan which is reviewed annually.

CITIZENS ADVICE SHROPSHIRE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)

Trustees' responsibilities in relation to the financial statements

The Trustees are required by Company Law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to -

- (a) select suitable accounting policies and apply them consistently,
- (b) make judgements and estimates that are reasonable and prudent,
- (c) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records which 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.

In the case of each of the persons who are trustees at the time when the trustees report is approved

- so far as the trustee is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

A resolution proposing the Board follow a tender process to appoint Auditors for the Charity will be put to the Annual General Meeting

This report was approved by the board of Directors and Trustees on 19th September 2012 and signed on their behalf

KE. Haines

Katharine Haines
Company Secretary

CITIZENS ADVICE SHROPSHIRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITIZENS ADVICE SHROPSHIRE

We have audited the financial statements of Citizens Advice Shropshire for the year ended 31 March 2012 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Sections 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statements (set out on page 14) the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our report.

Opinion on financial statements

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 2012 and of its incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011.

CITIZENS ADVICE SHROPSHIRE

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 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 exception in preparing the Trustees' Annual Report



19. September 2012

Keith Edwards (senior statutory auditor)
For and on behalf of James, Holyoak & Parker Limited

Chartered Accountants and Registered Auditors

**1 Knight's Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
Shropshire
SY1 3GA**

James, Holyoak & Parker Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CITIZENS ADVICE SHROPSHIRE

Statement of Financial Activities
For the year ended 31 March 2012

SUMMARY INCOME AND EXPENDITURE ACCOUNT


	<u>Notes</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u> <u>2012</u>	<u>Total</u> <u>2011</u>
<u>INCOMING RESOURCES</u>		£	£	£	£
Incoming resources from Generated funds					
Voluntary income	2	-	364,904	364,904	378,861
Investment Income	3	-	41,007	41,007	29,493
Incoming resources from charitable activities	4	223,776	432,968	656,744	675,319
Total incoming resources		223,776	838,879	1,062,655	1,083,673
<u>RESOURCES EXPENDED</u>					
Charitable activities	5	235,240	814,235	1,049,475	1,088,835
Governance costs	5		93,254	93,254	84,335
Total resources expended		235,240	907,489	1,142,729	1,173,170
Net incoming resources	7	(11,464)	(68,610)	(80,074)	(89,497)
Gross transfers between funds	6	(15,186)	15,186	-	-
		(26,650)	(53,424)	(80,074)	(89,497)
Total funds brought forward As previously reported		45,991	970,668	1,016,659	1,106,156
Total funds carried forward	14	19,341	917,244	936,585	1,016,659

CITIZENS ADVICE SHROPSHIRE
Company No. 4099352

BALANCE SHEET AS AT 31 MARCH 2012

	<u>Notes</u>	£	<u>2012</u> £	£	<u>2011</u> £
Fixed assets					
Tangible Assets	9		58,330		73,183
Investments	10		750,000		750,000
			<u>808,330</u>		<u>823,183</u>
 Current assets					
Work In Progress	1-2	54,350		50,867	
Prepayments & Debtors	11	45,285		15,955	
Cash at bank and in hand		186,667		207,875	
		<u>286,302</u>		<u>274,697</u>	
Creditors: amounts falling due within one year	12	(158,047)		(81,221)	
		<u>128,255</u>		<u>193,476</u>	
 Net assets	13		<u>936,585</u>		<u>1,016,659</u>
 Unrestricted Funds:	14				
General			100,089		146,108
Designated			817,155		824,560
			<u>917,244</u>		<u>970,668</u>
 Restricted funds	14		19,341		45,991
			<u>936,585</u>		<u>1,016,659</u>

Approved by the board of directors and trustees on 19th September 2012
and signed on its behalf


Linda Binns
Director and Trustee


Katharine Haines
Company Secretary
Director and Trustee

The notes on pages 20 to 26 form part of these accounts

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS **FOR THE YEAR ENDED 31 MARCH 2012**

1. Accounting policies

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and, applicable accounting standards and the Companies Act 2006

1.2 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant
- Where entitlement is dependant on the fulfilment of one or more specified conditions grants received by the charity are recognised and taken into revenue unless the conditions are within the charity's control and uncertainty exists as to whether the conditions will be fulfilled
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts
- Investment income is included when received
- Income received in respect of contracts for services is taken to revenue as the work is completed (subject to various outcomes of the contract being delivered in accordance with the contract conditions laid down). Income also includes a proportion of the value of cases still in progress at the end of the financial year

In accordance with UITF40 work in progress is valued on the basis of the expected revenues to be derived from the underlying contracts, after taking into account the stage of completion at the year end

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS **FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)**

1.3 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

1.4 Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Management Board for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.5 Finance and operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period they are incurred.

1.6 Tangible fixed assets

Individual fixed assets are capitalised at cost. Depreciation is provided on all tangible assets at rates calculated to write off the cost over their expected useful economic lives as follows -

Computer equipment	- over 3 years
Telephone system	- over 3 years
Furniture & Office Equipment	- 10% reducing balance basis

1.7 Pension costs

The charity contributes to its staff's defined contribution pension schemes. Costs are charged to the Statement of Financial Activities as they become payable.

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS **FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)**

2. Voluntary Income

	<u>Restricted</u> £	<u>Unrestricted</u> £	<u>Total</u> <u>2012</u> £	<u>Total</u> <u>2011</u> £
Donations	-	4,593	4,593	4,776
Core funding grants	-	360,311	360,311	374,085
	-	364,904	364,904	378,861

3. Investment Income

	<u>Restricted</u> £	<u>Unrestricted</u> £	<u>Total</u> <u>2012</u> £	<u>Total</u> <u>2011</u> £
Income received from fixed asset investments	-	40,532	40,532	28,320
Interest received on bank deposits	-	475	475	1,173
	-	41,007	41,007	29,493

4. Incoming resources from Charitable Activities

	<u>Restricted</u> £	<u>Unrestricted</u> £	<u>Total</u> <u>2012</u> £	<u>Total</u> <u>2011</u> £
Grants and other income related to projects	223,776	432,968	656,744	675,319
	223,776	432,968	656,744	675,319

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS **FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)**

5. Resources Expended

	<u>Charitable Activities</u>		<u>Governance</u>	<u>Total</u>	<u>Total</u>
	<u>Restricted</u>	<u>Unrestricted</u>		<u>2012</u>	<u>2011</u>
	£	£	£	£	£
<u>Costs directly allocated to Activities</u>					
Salaries & wages (note 8)	100,690	625,736	-	726,426	774,805
Travel & training	5,714	36,888	-	42,602	40,933
Reference books & software	-	4,436	-	4,436	4,330
Disbursements	-	5,837	-	5,837	4,085
Publicity	57	448	-	505	647
Telephone	1,315	18,651	2,219	22,185	19,850
Printing, postage & stationery	2,380	18,766	2,350	23,496	25,989
Recruitment	-	939	-	939	2,649
Meeting expenses	193	2,987	2,824	6,004	6,288
CLASP project partner payments	117,235	-	-	117,235	87,157
<u>Support Costs allocated to Activities</u>					
Salaries & Wages (note 8)	-	-	76,437	76,437	67,007
Repairs & renewals	68	3,923	443	4,434	10,734
Cleaning	335	2,993	-	3,328	3,435
Audit	-	-	1,985	1,985	2,137
Legal & professional fees	132	2,317	-	2,449	6,738
Insurance	-	4,915	546	5,461	5,229
Depreciation	2,883	13,367	-	16,250	31,941
Rent, rates, service charges & utilities	2,931	50,392	5,925	59,248	59,475
IT Support	893	3,835	525	5,253	5,830
Sundries	414	17,805	-	18,219	13,911
	235,240	814,235	93,254	1,142,729	1,173,170

6. Contribution to General Overheads

Costs apportioned to restricted funds from general funds amounted to £15,186

7. Net Incoming Resources for the Year

	<u>2012</u>	<u>2011</u>
	£	£
This is stated after charging		
Depreciation of tangible fixed assets		
- owned by the charity	16,250	31,941
Auditors remuneration - audit services	1,985	2,137
- non audit services	1,365	1,610

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)

8. Staff costs

No remuneration was paid to trustees for the year. Expenses reimbursed to trustees totalled £878. The staff costs are summarised below -

	<u>2012</u>	<u>2011</u>
	£	£
Wages and salaries	715,923	749,945
Social security costs	56,762	61,368
Pension costs	30,178	30,499
	-----	-----
	802,863	841,812
	-----	-----

The average weekly number of staff employed, calculated as full time equivalents during the year was as follows -

	<u>2012</u>	<u>2011</u>
Direct charitable work	30	34
Governance	2	2
	-----	-----
	32	36
	-----	-----

9. Tangible Fixed Assets

	<u>Computer & Office Equipment</u>	<u>Telephone System</u>	<u>Furniture Equipment</u>	<u>Total</u>
	£	£	£	£
Cost				
At 1 April 2011	50,353	24,542	93,271	168,166
Additions	1,397	-	-	1,397
Fully Depreciated	-	(24,542)	-	(24,542)
	-----	-----	-----	-----
At 31 March 2012	51,750	-	93,271	145,021
	-----	-----	-----	-----
Depreciation				
At 1 April 2011	36,421	24,542	34,020	94,983
Charge for the year	10,320	-	5,930	16,250
Fully Depreciated	-	(24,542)	-	(24,542)
	-----	-----	-----	-----
At 31 March 2012	46,741	-	39,950	86,691
	-----	-----	-----	-----
Net Book values				
At 31 March 2012	5,009	-	53,321	58,330
	-----	-----	-----	-----
Net book values				
At 31 March 2011	13,932	-	59,251	73,183
	-----	-----	-----	-----

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)

10. <u>Fixed Asset Investments</u>	<u>2012</u>	<u>2011</u>
	£	£
<u>Unit Trusts listed on the recognised stock exchange</u>		
Cost		
At 1 April 2011	750,000	300,000
Additions during the year	-	450,000
	-----	-----
At 31 March 2012	750,000	750,000
	-----	-----

The market value of the investments at 31 March 2012 was £762,659 (2011 £783,276)

11. <u>Debtors</u>	<u>2012</u>	<u>2011</u>
	£	£
Other debtors	35,568	7,873
Prepayments	9,717	8,082
	-----	-----
	45,285	15,955
	-----	-----

12. <u>Creditors: amounts falling due within one year</u>	<u>2012</u>	<u>2011</u>
	£	£
Social security and other taxes	23,037	21,699
Accruals and other creditors	55,015	59,522
Deferred Income	79,995	-
	-----	-----
	158,047	81,221
	-----	-----

13. <u>Analysis of Net Assets between the Funds</u>	<u>Tangible</u>	<u>Net</u>	
	<u>Fixed</u>	<u>Current</u>	
	<u>Assets</u>	<u>Assets</u>	<u>Total</u>
	£	£	£
Unrestricted General Fund	54,760	45,329	100,089
Designated Funds	753,570	63,585	817,155
Restricted Financial Inclusion Fund	-	-	-
Big Lottery Fund (CLASP)	0	19,341	19,341
	-----	-----	-----
	808,330	128,255	936,585
	-----	-----	-----

CITIZENS ADVICE SHROPSHIRE

NOTES TO THE ACCOUNTS **FOR THE YEAR ENDED 31 MARCH 2012 (CONTINUED)**

14. Statement of Funds

	<u>As at</u> <u>1/4/11</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u> <u>between</u> <u>Funds</u>	<u>As at</u> <u>31/3/12</u> <u>Funds</u>
	£	£	£	£	£
<u>Unrestricted</u>					
General Reserve	146,108	838,879	(900,084)	15,186	100,089
	146,108	838,879	(900,084)	15,186	100,089
<u>Designated Funds</u>					
Business Continuity Reserve	70,000	-	-	-	70,000
Contractual & wind up costs reserve	200,000	-	(2,400)	-	197,600
Premises & development reserve	75,000	-	(2,633)	-	72,367
IT replacement & development	19,560	-	(2,372)	-	17,188
Operating reserve	460,000	-	-	-	460,000
	824,560	-	(7,405)	-	817,155
<u>Restricted Funds</u>					
Big Lottery Fund (CLASP)	44,861	156,698	(180,368)	(1,850)	19,341
Financial Inclusion Fund					
- Rural	1,369	44,470	(39,076)	(6,763)	-
- Prison	(239)	22,608	(15,796)	(6,573)	-
Total Restricted Funds	45,991	223,776	(235,240)	(15,186)	19,341
<u>Total Funds</u>	1,016,659	1,062,655	(1,142,729)	-	936,585

15. Operating Lease Commitments

As at 31 March 2012, the charity had annual commitments under non-cancellable operating leases on land and buildings as follows -

<u>Expiry Date</u>	<u>2012</u> <u>£</u>	<u>2011</u> <u>£</u>
Within one year	16,930	16,930

16. Related party transactions

There were no related party transactions during the year ended 31 March 2012