

Derbyshire Districts Citizens Advice Bureau
(A Company Limited by Guarantee)

Report and Financial Statements
for the Year Ended
31 March 2015

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Derbyshire Districts Citizens Advice Bureau
(A Company Limited by Guarantee)

Report and Financial Statements
Year Ended 31 March 2015

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Derbyshire Districts Citizens Advice Bureau
(A Company Limited by Guarantee)

Report of the Trustee Board
Year Ended 31 March 2015

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2015.

Reference and Administrative Information:

Charity Name:	Derbyshire Districts Citizens Advice Bureau
Charity Registration Number:	1094369
Company Registration Number:	4429840 (England and Wales)
Registered Office:	26 Spring Gardens Buxton Derbyshire SK17 6DE
Operational Address:	Town Hall Bank Road Matlock DE4 3NN

Directors

Peter Arnold	
Ian Bowns	
Donna Briggs	(Resigned 22.07.14)
Alan Cox	
Celia Cox	
Carol Hart	
George Nicholson	
Geoff Stevens	
Jennifer Walker	
Peter Walker	
Andrew Powell	Chair
Hilary Swarbrick	(Resigned 16.04.15)
John Whitfield	
Digby Bown	(Appointed 22.07.14)

Secretary

Emma Hagger	(Resigned 25.04.14)
Chloe Small	(Appointed 25.04.14)

Senior Management Team

	(Responsible for day to day running of the Bureau)
Emma Hagger	Chief Officer (Resigned 29.04.14)
Steve Minter	Operations Manager (Retired 31.03.15)
Chloe Small	Chief Officer (Appointed 29.04.14)
Melanie Mallinson	Operations Manager (Appointed 01.09.14)
Simon Richards	Operations Manager (Appointed 13.04.15)

Bankers

HSBC
5 Dale Road
Matlock
Derbyshire DE4 3LT

Statutory Auditor

Ling Phipp Chartered Accountants
and Registered Auditors
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham NG9 8AA

Derbyshire Districts Citizens Advice Bureau
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Report of the Trustee Board - continued
Year Ended 31 March 2015

Structure

Governing Document

The Derbyshire Districts Citizens Advice Bureau ("DDCAB") is a company limited by guarantee and has obtained exemption with the Companies Act to dispense with the word Limited as part of its name.

DDCAB is established under a Memorandum of Association which established the objects and powers of the charity and is governed under its Articles of Association. It was formed by the merger on 1 April 2013 of Derbyshire Dales, Amber Valley & Erewash Citizens Advice Bureau Limited with High Peak Citizens Advice Bureau.

AIMS AND PRINCIPLES

Aims and Objectives

The Charity's objects are to promote any charitable purpose for public benefit by the advancement of education, the protection and presentation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of the community of Amber Valley, Derbyshire Dales, Erewash and High Peak and surrounding areas.

Principal Activity

To establish, provide and assist in the provision of Citizens Advice Bureau services and outlets supplying a free, independent, confidential and impartial service of advice, information and counselling for the general public.

The service aims:

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

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

PUBLIC BENEFIT

Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set and ensure services continue to be of benefit to the general public.

The service is run for, and open to, all members of the public. Our stated objectives in our governing document, *'are to promote... for the benefit of the community... the advancement of education, the protection and presentation of health and the relief of poverty, sickness and distress'*.

Derbyshire Districts Citizens Advice Bureau meets these objectives in a number of ways.

- By ensuring that all members of the public have easy access to the service in different locations and also by telephone in the evening and at the weekend.
- By providing free, expert advice in most areas of the law and helping people to cope with the pressures and demands of life in the 21st century.
- By advertising the service to the public.

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Report of the Trustee Board - continued
Year Ended 31 March 2015

- By advising people about their rights and responsibilities.
- By assisting the poorer members of society about benefits due to them – see above (there is clear evidence that poor health is related to low income).
- By working with GP's to provide services in health settings (there is evidence that effective advice work intervention improves health outcomes).
- By assisting people with large and crippling debts, enabling them to pay for basics such as food and energy (there is a clear relationship between debt and mental health). Anecdotal evidence suggests that debt advice improves mental health.
- By preventing homelessness.
- By helping people to claim health related benefits.
- By helping to keep people in their jobs.
- By providing training and education to volunteers from the local community.
- By providing information to the general public through the media and other channels.
- By using the information gained from thousands of clients to influence and impose policies and practices that affect people's lives.

The trustees confirm that they have complied with their duties under section 17(s) of the 2011 Charities Act with regard to public benefit.

RUNNING THE BUREAU

Day to day operations

Day to day responsibility for the delivery of the service to the community rests with the Chief Officer and her team of 19 full-time and 42 part-time staff (total 61 staff) (44.2 average FTE) and 141 volunteers. The team includes two Operations Managers, three Service Managers and Bureau-based Supervisors who not only manage day to day operations and but also develop new advice services, ensure service targets are met, liaise with contract providers, meet Citizens Advice quality standards, and most importantly support the volunteers and staff who are dealing directly with clients. The support provided includes individual supervision, training and update on new benefit and legal issues.

Governance – The Trustee Board

The Bureau has a Trustee Board of up to 15 members who meet as a minimum four times a year and are responsible for the strategic direction and policy of the organisation. The members of the Trustee Board are charity trustees for the purposes of charity law and members and directors of the company for the purposes of company law. They guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of guarantees at 31 March 2015 was 13 (2014: 12).

The Chief Officer also sits on the Board but has no voting rights and occasionally other staff members will be requested to attend.

There are three volunteer representatives and one staff representative who do not have voting rights but attend the Board meetings to ensure the voices of the Bureau volunteers and staff are heard at the highest level.

Trustee sub-committees have been established to consider specific aspects of governance in the areas of Finance and Human Resources. Their roles, responsibilities and limits of authority have been clearly defined and provide a significant contribution to the overall governance of the Bureau and its management. In addition to the sub-committees, working parties are also established to deal with other issues such as premises, funding and Board recruitment.

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Report of the Trustee Board - continued
Year Ended 31 March 2015

Recruitment and Appointment of the Trustee Board

Under the requirements of the Memorandum and Articles of Association the elected members of the Trustee Board shall retire from office at the third annual general meeting following the annual general meeting at which they were elected, but may be re-elected.

Due to the nature of advisory services, the Trustee Board seeks to ensure that the needs of the community are appropriately reflected through the diversity of the Trustee body. To enhance the pool of trustees, the Bureau advertises for members of the community who would be willing to be considered for nomination and offer their own experience to assist the Bureau.

Trustee Induction and Training

New trustees are provided with an induction pack which outlines their roles and responsibilities. Citizens Advice offer specialised training courses for new and existing Trustee Board members, as well as encouraging trustees to take part in local, regional and national forums.

Risk Management

The Trustee Board is 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. The basis for this is a review of the major risks to which the Bureau could be exposed. This has been translated into a risk register which is updated and reviewed at board meetings. The plan identifies risk that can arise from events or circumstances relating to: strategy and contracts with funders, the service we give to clients, staff and volunteers, finance and information.

The register sets out internal controls and procedures which have been established to mitigate the identified risk and safeguard the Bureau. The purpose of these controls is to manage the risk efficiently and effectively, having regard to the likelihood of risks being realised and the potential impact. They are designed to manage risk to a reasonable level rather than to eliminate the risk and are subject to periodic review. Maintenance of those controls is a joint responsibility of the Chief Officer and The Board of Trustees.

As reported in last year's Trustee's Report, in September 2014 a substantial loss of assets from the Bureau was uncovered. The matter is now in the hands of the court, but it would appear that one individual in a position of trust had subverted the internal controls in place and misled the Board of Trustees by presenting false monthly accounts. In response to this, the Board have now developed more stringent internal financial controls with monthly independent checking in areas of highest risk.

Related Parties

Derbyshire Districts Citizens Advice Bureau is a member of the National Association of Citizen Advice Bureaux (company number 1436945 and registered charity number 279057) who provide guidance, encouragement, training and support. The national body also ensures compliance by the Bureau to the membership standards required to retain membership and operate as a Citizens Advice Bureau. The Bureau also holds a Legal Service Commission (LSC) Specialist Quality Mark – Debt and Housing, and an LSC General Help Quality Mark for other areas of Law.

Achievements and Performance

The Bureau works to give people full knowledge of their rights and responsibilities by providing confidential, impartial advice that is free. The Bureau also undertakes campaigning and influencing work to reform policy, procedures or practices that impact negatively on our clients' lives.

In 2014/15 the Bureau helped over 13,000 people from across Amber Valley, Derbyshire Dales, Erewash, and the High Peak deal with over 53,000 problems. Benefit and debt problems continue to be our most frequent enquiries along with housing, employment, family and relationship problems.

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Report of the Trustee Board - continued
Year Ended 31 March 2015

The Bureau operates from a number of locations across the district including offices in Belper, Buxton, Glossop, Heanor, Ilkeston, Matlock and New Mills where we offer daily advice sessions supported by our principal funders. These sessions are primarily staffed by our large and committed team of 141 volunteers who give their time freely to help us deliver this vital service. We acknowledge their contribution, value it greatly and would like to thank them for their continued support.

We also offer advice from 81 outreach locations largely via our partnership with Derbyshire County Council to provide access to advice in GP Surgeries and Children's Centres.

Our telephone service, open daily from 9.30am to 4.00pm serves the whole of our district and acts as a gateway for clients needing face to face advice from generalist advisers or specialist caseworkers. In 2014/15 we answered 10,230 calls via this service.

We are funded by the Money Advice Service, Derbyshire Dales District Council, Dales Housing Association and Amber Valley Borough Council to provide specialist money advice and casework services. These services operate across our district and provide ongoing support and specialist help to those in debt. In 2014/15 we supported 1,310 clients with specialist casework, managing £13,200,268 worth of debt and gaining £15,340,282 additional income.

We also receive funding from Derbyshire Dales District Council to work with people in the community to develop financial skills and capability. We have been piloting a variety of different methods for this during the year and hope to continue with the most successful of these in 2015/16.

Through the Advice Services Transition Fund funded by the Big Lottery, we have been able to work strategically with partner agencies to strengthen our infrastructure and collaborative approaches to supporting the community with the issues that they face. Our partners, Derbyshire Law Centre and Rural Action Derbyshire have been integral to the success of this project.

Financial Review

The Bureau continues to find itself operating in an extremely tough and uncertain funding climate, and with increased call on its services and pressures on funders. The Trustee Board is keen to ensure that the Bureau remains stable and there is no significant reduction in services. It therefore strives to set break even budgets based on known funding, and keep reserves available to help the Bureau cope with unexpected changes in funding.

The financial statements show that the results from day to day operations made a surplus of £45,918 compared with a small surplus in the previous year of £988. The results have again been reduced by the final element of the substantial loss identified in the 2015 financial statements. The additional amount is £22,898, which is recorded in the accounts as an Exceptional Item – Material Loss. The trustees are currently obtaining advice as to the advisability of pursuing any moneys that may be recoverable, the financial statements have been drawn up on the basis that the funds will not be recovered.

The trustees have taken the steps required by the Charity Commission. The new strengthened financial procedures and internal checks described in the section above on Risk Management have been in operation since January 2015.

Balance Sheet Resources

The Bureau continues to enjoy a healthy cash position, with £397,619 cash in the bank at 31 March 2015. However, this must be viewed against creditors of £181,264, of which £68,370 are grants received in advance. Reserves in the general fund stand at £203,168.

Derbyshire Districts Citizens Advice Bureau
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Report of the Trustee Board - continued
Year Ended 31 March 2015

Principal Sources of Funding

Funding of core services is by way of a grant from Derbyshire Dales District Council, High Peak Borough Council, a three year service level agreement with Amber Valley Borough Council and a three year service level agreement with Erewash Borough Council; an annual agreement with Belper Town Council and in kind contributions from Heanor and Loscoe Town Council.

The Bureau also received funding from the Money Advice Service, Derbyshire Dales District Council and Amber Valley Borough Council to continue to provide debt and money advice. The Bureau also receives money from Derbyshire Dales District Council for specialist financial capability work.

Derbyshire Primary Care Trust awarded the Bureau with a two year contract for the delivery of outreach services in GP practices. The Bureau also received funding for 1 year to deliver outreach sessions in Childrens Centres that has been extended for a further 12 months.

During the year the Bureau won the contract to provide the Pension Wise service through Bureaux across Derbyshire and Nottinghamshire. The Bureau has also been awarded funding from Amber Valley and Erewash Borough Council to extend delivery of the "Health, Wealth and Wellbeing" bus project into this district.

Investment Policy

In order to maximise income, surplus funds (until needed for expenditure) are retained in investment-bearing accounts. The Board of Trustees have established a policy which enables fixed term investments to be made at higher interest rates. These investments are over periods not exceeding 12 months and are regularly reviewed by the Finance Sub-committee.

Reserves Policy

The Trustee board has examined the Bureau's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the value of financial reserves should take into consideration (where relevant):

- Expenditure to cover long term underfunding of projects and/or short term continuation of services/employment when there is a delay between one funding stream ending and a replacement starting.
- The protection of staff from the effect of a part or total reduction in the provision of Bureau services, for pay in lieu of notice and redundancy pay.
- Holding sufficient funds to cover contractual obligations to suppliers in the event of closure.
- Special reserves/contingencies for unforeseen expenditure and/or budget variations during the year.
- Special funds to cover major expenditure in future years which cannot be totally funded within that year (i.e. premises/major infrastructure replacement).

Taking into consideration this policy, the position as at 31 March 2015 is as follows:-

Personnel costs in the event of closure	£ 119,244
Long term underfunding/short term continuation	£ Nil
Balance for future investment/application	£ 112,921

After consideration, the Trustees consider that the above investment policies and current reserves are adequate for the purposes mentioned above. This position and the reserves policy will be reviewed by the Trustee board as a minimum once a year.

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Report of the Trustee Board - continued
Year Ended 31 March 2015

Plans for the Future

The Bureau undertakes an annual planning cycle to enable the Board to set the strategic direction for the coming 12 months. As part of this process for 2015/16 we began a significant review of our services including an in depth research piece to assess utilisation rates for our services against areas of predicted demand. This research will give us a clearer picture of the effectiveness of our service delivery models, enabling us to make changes where necessary. In 2015/16 and beyond we are looking to develop multi-channel advice methods such as email and web chat services as well as continuing to look at innovative and creative methods of delivery such as our Health, Wealth and Wellbeing project which delivers advice via a mobile unit targeted to areas of high need.

Responsibilities of the Trustee Board in respect of the Financial Statements

Company law requires the Trustee Board to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company. In preparing these financial statements, the Trustee Board:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Bureau will continue on that basis.

The Trustee Board is responsible for maintaining proper accounting records which 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.

The Trustee Board is 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.

These responsibilities are addressed by periodic meetings of the Trustee Board and sub-committees delegated to consider particular aspects of governing the Bureau and reporting back to the Board.

Auditors

Ling Phipp, the Charitable Company's auditors were appointed in the year. The appointment of the Charitable Company's auditor is to be tendered by the Finance Committee and position will be confirmed at the AGM.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustee Board on 24 September 2015 and signed on its behalf by:



.....
Andrew Powell (Chair)

Derbyshire Districts Citizens Advice Bureau
(A Company Limited by Guarantee) – Company Number 4429840

Independent Auditor's Report to the Trustees

We have audited the financial statements of Derbyshire Districts Citizens Advice Bureau for the year ended 31 March 2015 which comprise the Statement of Financial Activities, 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 Trustee members, as a body, in accordance with Chapter 3 part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of Derbyshire Districts Citizens Advice Bureau 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with the 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard "Provisions Available to Small Entities", in the circumstances set out in note 21 to the Financial Statements.

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 2015 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.

Opinion on other matters 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.

Derbyshire Districts Citizens Advice Bureau
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Independent Auditor's Report to the Trustees - continued

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 required us to report to you if, in our opinion:

- 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.

Diane Lockwood, ACA, FCCA, AAT – Senior Statutory Auditor
For and on behalf of Ling Phipp, Statutory Auditors
Cliffe Hill House
22-26 Nottingham Road
Stapleford
Nottingham
NG9 8AA

D.J. Lockwood

Date: *21st October 2015*

Derbyshire Districts Citizens Advice Bureau
(A Company Limited by Guarantee) – Company number 4429840

Statement of Financial Activities (including Income and Expenditure account)
Year Ended 31 March 2015

Incoming Resources	Notes	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Incoming resources from generated funds:					
Voluntary income:					
Legacy		-	-	-	10,000
Grants	2	130,495	199,220	329,715	367,516
Donations		1,036	-	1,036	4,364
Fundraising		3,591	-	3,591	-
Activities for generating funds:					
Sundry Income		6,117	-	6,117	1,153
Investment Income		1,564	-	1,564	5,193
Rental Income	3	4,000	-	4,000	4,000
Incoming resources from Charitable activities					
Advice Services	3	873,449	182,687	1,056,136	844,251
Total incoming resources		<u>1,020,252</u>	<u>381,907</u>	<u>1,402,159</u>	<u>1,236,477</u>
Resources Expended					
Cost of generating funds		1,724	-	1,724	3,220
Charitable activities	4	971,440	356,666	1,328,106	1,170,724
Governance costs	5	21,617	4,794	26,411	61,545
Total resources expended		<u>994,781</u>	<u>361,460</u>	<u>1,356,241</u>	<u>1,235,489</u>
Net incoming/(outgoing) resources before exceptional item		25,471	20,447	45,918	988
Exceptional Item – Material Loss	7	<u>(22,898)</u>	<u>-</u>	<u>(22,898)</u>	<u>(157,434)</u>
Net incoming resources after exceptional item		2,573	20,447	23,020	(156,446)
 Total funds brought forward at 1.4.2014					
		<u>200,595</u>	<u>8,550</u>	<u>209,145</u>	<u>365,591</u>
 Total funds carried forward at 31.3.2015					
	15	<u>203,168</u>	<u>28,997</u>	<u>232,165</u>	<u>209,145</u>

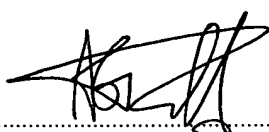
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Balance Sheet for the Year Ended 31 March 2015

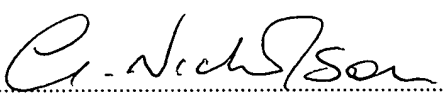
	<u>Note</u>	<u>2015</u>	<u>2014</u>
		£	£
Fixed Assets			
Tangible assets	11	-	2,160
Current Assets			
Bank Accounts		397,619	290,632
Cash in hand		1,466	936
Debtors	12	14,344	99,126
		413,429	390,694
Creditors: amounts falling due within one year	13	(181,264)	(183,709)
Net current assets		232,165	206,985
Net Assets	14	232,165	209,145
Unrestricted funds			
General funds	15		
General fund		203,168	200,595
Restricted Funds	15	28,997	8,550
Total funds		232,165	209,145

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Small Entities.

Approved by the trustees on 14.10.2015 and signed on their behalf by:



Andrew Powell
(Chair)



George Nicholson
(Treasurer)

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

1.2 Going Concern

The continued support of funders and the strength of deposits held enable the charity to continue.

For 2015/16 a break even budget has been approved. The current level of reserves held enables the continuation of the organisation.

1.3 Project/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 Committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.4 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. Legacies are accounted for as soon as the charity is notified of its legal entitlement and the amount due is quantifiable.
- 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 receivable.
- Charitable activities generate grants which are related to performance and specific deliverables. The charity is entitled to determine the distribution of grants if the required performance is achieved.

1.5 Resources expended

Expenditure is recognised on an accrual 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 costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015 – Continued

- Governance costs include those 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 SoFA on a basis designed to reflect the use of the resource, using full cost recovery. Costs relating to a particular activity are allocated directly

1.6 Fixed assets

Fixed assets (excluding investments) are stated at cost/valuation less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Office equipment	Written off between three and five years at various rates
Leasehold Improvements	10% straight line

The trustees have implemented a policy not to capitalise equipment costing less than £1,000.

1.7 Pensions

The charity operates defined contribution pension schemes. The assets of the schemes are held separately from those of the charity in independently administered funds. Contributions payable for the year are shown within the statement of financial activities.

1.8 Donated Facilities

The use of properties occupied by the Bureau at Heanor and New Mills are donated in full or part to the bureau. The valuation of the 'rent' donation is included in the expenditure and income of the bureau.

1.9 Limited by Guarantee

The charity is limited by guarantee and in the event of it being wound up every member is liable to contribute a sum not exceeding £10. There are no shares of any class, either authorised or allotted.

2. Incoming Resources from activities to further the charity's objectives

Grants – Voluntary income

	Unrestricted 2015 £	Restricted 2015 £	Total 2015 £	Total 2014 £
Pension Wise	-	52,396	52,396	-
Money Advice Services/ Leicester Money Advice	-	146,824	146,824	123,905
Derbyshire Dales District Council	33,500	-	33,500	77,824
Belper Town Council	345	-	345	8,900
Heanor Town Council (Direct Services)	3,900	-	3,900	3,900
New Mills (Direct Service)	4,000	-	4,000	4,000
Macmillan	-	-	-	27,887
High Peak Borough Council	50,000	-	50,000	80,000
ESG Skills	-	-	-	1,500
Local Charitable Donations for Debt Advice	-	-	-	4,600
Debt Project – DDDC	35,000	-	35,000	35,000
Foodbank in Tintwistle	2,000	-	2,000	-
University of Derby	1,750	-	1,750	-
	<u>130,495</u>	<u>199,220</u>	<u>329,715</u>	<u>367,516</u>

Derbyshire Districts Citizens Advice Bureau
(A Company Limited by Guarantee) – Company number 4429840
Notes forming part of the financial statements for the year ended 31 March 2015 - continued

3. Grants – Charitable activities

	Unrestricted 2015 £	Restricted 2015 £	Total 2015 £	Total 2014 £
Erewash Borough Council	59,592	-	59,592	59,592
Derbyshire Dales District Council	28,740	-	28,740	50,000
Derbyshire County Council	207,979	-	207,979	50,687
Derbyshire County Council (was-PCT)	451,224	-	451,224	439,896
Amber Valley Borough Council	111,600	-	111,600	112,391
Citizens Advice	-	-	-	2,820
Legal Services Commission	-	-	-	188
Access to Advice	-	-	-	11,995
National Lottery	-	182,687	182,687	116,682
Bus Project	8,400	-	8,400	-
Erewash Clinical Commissioning Group	5,914	-	5,914	-
	<u>873,449</u>	<u>182,687</u>	<u>1,056,136</u>	<u>844,251</u>

Rental Income

The charity sublets parts of its property at Buxton to Homestart. The licence to occupy has been given with a one week notice period.

4. Resources Expended - Charitable activities

	Unrestricted 2015 £	Restricted 2015 £	Total 2015 £	Total 2014 £
Advertising and PR costs	5,026	-	5,026	5,265
Project Related Costs	49,334	23,242	72,576	12,642
Salaries and related costs	671,003	304,281	975,284	864,640
Professional fees – payroll processing	2,513	-	2,513	1,890
Repairs and maintenance (inc. Equipment) and IT costs	25,811	9,587	35,398	42,020
Information system costs and subscriptions	12,478	-	12,478	13,223
Reference Literature	3,110	408	3,518	5,983
Staff travel expenses and training	24,693	10,453	35,146	29,651
Volunteers' travel expenses & training	29,957	-	29,957	27,905
Utilities	4,830	730	5,560	6,647
Cleaning	5,836	848	6,684	3,957
Telephone, fax and internet	29,635	4,912	34,547	32,586
Printing, postage and stationery	20,840	-	20,840	17,644
Rent, Rates and Water Rates	67,913	1,506	69,419	78,529
Depreciation	2,160	-	2,160	6,483
Insurance	3,049	-	3,049	3,116
Sundries	7,549	699	8,248	9,224
Cost of Meetings and conferences	5,703	-	5,703	9,319
	<u>971,440</u>	<u>356,666</u>	<u>1,328,106</u>	<u>1,170,724</u>

Charitable activities are all the resources expended by the charity in the delivery of goods and services financed by voluntary income grants and charitable activity grants.

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015 - continued

5. Governance costs

	Unrestricted 2015 £	Restricted 2015 £	Total 2015 £	Total 2014 £
Bank charges	992	-	992	883
Board costs	998	-	998	347
Professional & legal fees	3,529	4,794	8,323	17,400
Consultancy fees	4,960	-	4,960	-
Management fees	11,138	-	11,138	42,464
HMRC Late Payment Charge	-	-	-	451
	<u>21,617</u>	<u>4,794</u>	<u>26,411</u>	<u>61,545</u>

During part of the year the role of finance manager was outsourced.

6. Net Incoming Resources for the Year

	<u>2015</u> £	<u>2014</u> £
This is stated after charging:		
Depreciation	2,160	6,483
Auditors remuneration: Audit	2,160	2,160
Other Services	<u>4,440</u>	<u>15,240</u>

7. Exceptional Item – Material Loss

During the course of the 2014 audit a material loss to the charity was identified and has been quantified within these accounts and those of the previous year. The matter was reported to the Police who are investigating. The total loss has been written off by 31 March 2015.

8. Staff costs and numbers

	<u>2015</u> £	<u>2014</u> £
Gross wages and salaries and recruitment costs	864,634	763,510
Employer's National Insurance	66,984	59,231
Pension contributions	<u>43,666</u>	<u>41,899</u>
	<u>975,284</u>	<u>864,640</u>

The average number of staff (full time equivalent) paid for the year was 44.2 – total employees on the payroll was 61 (2014: 47.67).

No employee earned £60,000 per annum or more.

The number of employees to whom retirement benefits were accruing was as follows:

	<u>2015</u> 48	<u>2014</u> 37
Defined contributions scheme		

9. Trustee remuneration and related party transactions

No trustees received any remuneration during the year.

Trustees' expenses paid in the year totalled £1,002 (3 Trustees) (2014: Nil).

During the year amounts were paid to Opus Telecom (Derbyshire) Ltd totalling £12,246 (2014: £14,762) of which George Nicholson (a trustee) is Managing Director. The purchases were on commercial terms and approved by the board. The balance outstanding to Opus Telecom (Derbyshire) Ltd at 31 March 2015 was £2,355 (2014: £3,610).

10. Taxation

The whole of the company's income is exempt from taxation and is used for charitable purposes and, therefore, no tax charge has been provided for in these accounts.

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015 - continued

11. Tangible fixed assets

	Leasehold Improvements HP CAB £	Office Equipment £	Total 2015 £	Total 2014 £
Cost/valuation				
Balance at 1 April 2014	42,003	63,160	105,163	63,160
Additions – (Transfer)	-	-	-	42,003
At 31 March 2015	<u>42,003</u>	<u>63,160</u>	<u>105,163</u>	<u>105,163</u>
Depreciation				
Balance at 1 April 2014	42,003	61,000	103,003	58,720
Transfer	-	-	-	37,800
Charge for the year	-	2,160	2,160	6,483
At 31 March 2015	<u>42,003</u>	<u>63,160</u>	<u>105,163</u>	<u>103,003</u>
Net Book Value 31 March 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,160</u>

12. Debtors

	2015 £	2014 £
Prepayments	13,034	8,574
Grants receivable	-	84,800
Other debtors	<u>1,310</u>	<u>5,752</u>
	<u>14,344</u>	<u>99,126</u>

13. Creditors: Amounts falling due within one year

	2015 £	2014 £
Taxes and Social Security Costs (including Pension Scheme)	47,797	63,231
Other creditors and accruals	65,097	70,959
Deferred income (Grants in advance)	<u>68,370</u>	<u>49,519</u>
	<u>181,264</u>	<u>183,709</u>

14. Analysis of net assets between funds

	General Fund £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Current assets	384,432	28,997	413,429
Current liabilities	<u>(181,264)</u>	<u>-</u>	<u>(181,264)</u>
Net assets at 31 March 2015	<u>203,168</u>	<u>28,997</u>	<u>232,165</u>

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015 - continued

15. Movement in Funds

	At 31.03.2014 £	Net Incoming Resources £	Outgoing Expenses £	Transfers & Reallocation of funds £	At 31.03.2015 £
<u>General funds-Unrestricted</u>					
<u>b/fwd</u>	200,595	1,020,252	1,017,679	-	203,168
<u>Restricted Funds b/fwd</u>	8,550	381,907	361,460	-	28,997
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>209,145</u>	<u>1,402,159</u>	<u>1,379,139</u>	<u>-</u>	<u>232,165</u>

16. Application of Grants

Grants have been expended on the following projects:-

General Advice Services

Funding awarded by Amber Valley Borough Council, Erewash Borough Council and Derbyshire Dales District Council to provide general advice services from Belper, Heanor, Ilkeston and Matlock bureaux and a number of outreach centres.

Money Advice

Funding from the Money Advice Service has been supplemented by continued funding from Amber Valley Borough Council and Derbyshire Dales District Council to enable the bureau to provide debt and money advice to a wide range of clients.

GP Surgeries

Derbyshire County Council (was PCT) maintained their funding levels this year to enable advice sessions to be held in every GP surgery in Derbyshire Dales, Amber Valley and Erewash. If a surgery is unable to accommodate the service then alternative arrangements are made to ensure that the service is available to as many people as possible.

Children and Families

Funding was awarded by Derbyshire County Council to provide specialist advice services to families with children across the three local authority areas.

Legacy

A total of £10,000 given by a volunteer to improve working conditions of members of staff and volunteers – the balance carried forward at 31 March 2015 was £8,550. This has been spent since the year end date.

Pension Wise

This project commenced in January 2015 to give pension guidance to individuals over 50 at 31 March 2015. The balance held was £20,447 and this was carried forward. A claw-back of upfront project income is currently under review and is yet to be agreed.

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015 - continued

17. Transfers

Deficits on restricted funds are covered by a transfer from general reserves.

18. Pension costs

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds and administered by Scottish Widows, Aviva, HSBC and Legal and General. The pension cost charge represents contributions payable by the company to the fund and totalled £43,666 (2014: £41,899). At 31 March 2015 contributions amounting to £30,665 were payable to the fund and were included in creditors.

19. Negligence Insurance

The company participates in the negligence insurance scheme of Citizens Advice. The premium payable for the year totalled £2,172. The scheme provides cover up to a maximum of £2.5 million in any one year for the bureau as a whole.

The bureau also holds Trustees Indemnity Insurance. The premium payable totalled £141.11. The scheme provides cover up to a maximum of £100,000.

20. Citizens Advice

Derbyshire Districts Citizens Advice Bureau is a member of Citizens Advice, the National Association which provides guidance, encouragement, training and support. Transactions with the National Association are shown below:-

		<u>2015</u>	<u>2014</u>
		<u>£</u>	<u>£</u>
<u>Receipts</u>			
	Various small projects	543	2,820
	Pension Wise Project	52,396	-
<u>Expenditure</u>			
	All Services	12,478	18,316

There was a balance due to Citizens Advice at 31.03.15 of £ 0 (2014: £2,441)

21. APB Ethical standard

Under provisions available for small entities and as in common with many other entities of our size and nature, we use our auditors to assist with the preparation of the financial statements.

Derbyshire Districts Citizens Advice Bureau
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Notes forming part of the financial statements for the year ended 31 March 2015 - continued

22. Financial Commitments

The premises at Ilkeston known as the Albion House has an annual commitment of £20,040 in respect of rent payable from June 2012 for 3 years; from June 2015 a reduced rent of £17,040 has been approved for a period of 18 months ending December 2016.

The Matlock Bureau now operates within the offices of Derbyshire County Council. A licence to occupy was signed in the year for a period of 12 years.

In respect of the High Peak Bureau, a new lease for 26 Spring Gardens, Buxton has been signed commencing 1 April 2014 for £11,000 per annum for 6 years with a break clause at the end of year 3. The annual commitment is £11,000.

A new lease was entered into on 9 December 2014 for photocopiers. The quarterly lease payments are £859.00 each, ending in December 2019.