

Citizens Advice Surrey Heath
(a company limited by guarantee)

Registered Charity No. 1118181

Company No. 6058583

REPORT AND ACCOUNTS
For the year ended 31 March 2018

Authorised and regulated by the Financial Conduct Authority FRN:617536



Citizens Advice Surrey Heath

Report and Accounts For the year ended 31 March 2018

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Citizens Advice Surrey Heath Report of the Directors and Trustees

The directors, who are also the trustees of the charity for the purposes of charity law, are pleased to present their annual report and accounts for the year ended 31 March 2018.

1. REFERENCE AND ADMINISTRATIVE DETAILS

<u>Charity Name:</u>	Citizens Advice Surrey Heath		
<u>Charity Registration:</u>	1118181	<u>Company Registration:</u>	6058583
<u>Registered Office:</u>	Rear of Library, Knoll Road, Camberley, Surrey GU15 3SY		
<u>Chairman:</u>	Nigel Downey	<u>Company Secretary:</u>	David Booth (to 11 June 2018) Rob Manning (from 11 June 2018)
<u>Chief Executive Officer</u>	Caroline Sawdy		
<u>Bank:</u>	CAF Bank Ltd Kings Hill, West Malling Kent ME19 4TA	<u>Independent Examiner:</u>	Cherry Clayton BA (Hons) ACMA

The directors who served during the period and up to the date of this report are set out below:

<u>Directors / Trustees:</u> <u>Elected Members</u>	<u>Role:</u>	<u>Date Appointed</u>	<u>Date Resigned</u>
*Nigel Downey	Chair		
*Annie Wallace	Vice-Chair		
*David Booth	Treasurer		31 March 2018
Sarah Jay	Hon Solicitor		
Robert Manning	Treasurer	11 June 2018	
Ray McCann			
Marion Park		4 December 2017	
Mani Rai OBE			
Camilla Richardson		21 August 2017	

*Denotes members of the Executive Committee.

David Booth resigned as a Director/Trustee on 31st March but continued as Company Secretary until 11 June 2018.

The following Representatives attended Meetings of the Directors

Councillor Robin Perry Representing Surrey Heath Borough Council

Caroline Sawdy *	Chief Executive Officer
Helen Holbrow*	Advice Manager
Simon Strachan^	Voluntary Adviser *

*In paid employment of Citizens Advice Surrey Heath

^Volunteers of Citizens Advice Surrey Heath

Citizens Advice Surrey Heath Report of the Directors and Trustees

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Citizens Advice Surrey Heath (Cit.A.SH) is a registered charity and a Company Limited by Guarantee. The maximum liability of each member is limited to £1. At 31 March 2018, the Company had 7 members (2017: 6). Cit.A.SH is governed by its Memorandum and Articles of Association.

Cit.A.SH was incorporated as a Company Limited by Guarantee on 19 January 2007. The company is registered with the Charity Commission - registration number 1118181. The charity commenced operations on 31 March 2007 at which date the assets and liabilities of the unincorporated Association (charity registration number 207097) known as Camberley Citizens Advice Bureau were transferred to the Company for nil consideration. Restricted and unrestricted fund balances were preserved. Fixed assets were transferred at net book value. On 15th January 2014 the Company changed its name from Camberley Citizens Advice Bureau.

Recruitment, Appointment of Trustees

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

Induction of Trustees

New directors are provided with an Induction Pack containing the Memorandum and Articles of Association together with the most recent Examined Report and Accounts. This is followed up with an induction meeting with relevant members of the management team and the Chair of the Trustee Board. This provides an opportunity to learn more about the work of Cit.A.SH, focus on current Board priorities and to assess any individual training needs.

Organisation

The Company is governed by the Directors. They are also the Charity Trustees for the purpose of Charity Law. The maximum permitted number of Trustees is fifteen and the minimum three, being either elected at the Annual General Meeting or nominated by member organisations or co-opted by the Trustee Board, provided that the total number of co-opted and nominated Trustees does not exceed one third of the total number of Trustees. Elected Trustees are required to retire at the third Annual General meeting following their election or appointment but are eligible for re-election or re-appointment. The Trustee Board is responsible for setting the strategic direction of the organisation and the policy of the charity and carries the ultimate responsibility for the conduct of Cit.A.SH and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The quorum for Trustee Board meetings is at least one third of the members of the Trustee Board, or three members of the Trustee Board, whichever number is greater. At Trustee meetings Elected and Representative Trustees have one equal vote each with resolutions requiring a simple majority vote. Representatives who attend Trustee meetings do not have a vote. In the event of a tied vote the Chairman has a casting vote. The Trustee Board is independent from management. A register of members' interests is maintained at the registered office, and is available to the public.

The Trustee Board delegates selected responsibilities to an Executive Committee who meet as required to ensure implementation of agreed strategies and procedures within delegated limits.

Citizens Advice Surrey Heath Report of the Directors and Trustees

Related Parties

Cit.A.SH is a member of Citizens Advice, the national association for the Citizens Advice service throughout the United Kingdom. With effect from January 2014 Camberley Citizens Advice Bureaux became known as Cit.A.SH following a re-branding exercise. Membership of the national association requires the charitable company to adhere to rigorous standards in respect of governance, organisational practices and quality of advice. In April 2017 a new membership package was introduced and was accepted by Cit.A.SH. In January 2018 a 3-year Performance and Quality leadership self-assessment review was undertaken and audited by Citizens Advice. The audit concluded that the evidence confirmed excellent leadership and that standards exceeded those expected by Citizens Advice.

The charity also co-operates and liaises with a number of other advisory services, local charities and social services departments. Where one of the trustees holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

The Charity has a share in Citizens Advice Surrey, a Registered Charity and Company Limited by Guarantee and is entitled to nominate one Director Trustee to the Board of Citizens Advice Surrey. Citizens Advice Surrey acts as a Consortium and was set up to be in a position to lead and bid for Countywide projects that local Surrey Citizens Advice lack the resources or expertise to deliver on their own.

Risk Management

The directors have reviewed their procedures in the light of corporate governance guidance contained within the Statement of Recommended Practice 'Accounting and Reporting by Charities'.

A risk assessment report is contained within the business plan and anticipates potential changes to the environment in which Cit.A.SH is working and highlights how these would impact on its services. In addition it produces an annual risk register, based on a matrix supplied by Citizens Advice – the national association.

The charity faces a range of operational risks and the key to successful risk management is to identify potential risks, the likelihood of them occurring and then obviate their impact. The Risk Register is a formal statement of Cit.A.SH's risk management strategy and how the impact of potential risks can be minimised. Identifying the risks is an important element of risk management and has been given detailed and careful consideration. Areas, which have been covered in this process, include:

- Activities and services undertaken by the organisation
- Our objectives
- Targets and outputs required by funders and others
- The operating structure
- External factors (statutory obligations, relationships with funders)
- Comparisons with other CABx/comparable organisations
- Past performance and previous risks encountered

Cit.A.SH's objectives, its internal organisation and the environment in which it operates are continually evolving and as a result, the risks it faces are not constant. Organisational success derives in part from successful risk taking and so the purpose of internal control is to help manage and control risk appropriately rather than to eliminate it.

Citizens Advice Surrey Heath Report of the Directors and Trustees

Risk Management (continued)

The following measures help minimise the risks inherent in any large and diverse voluntary sector organisation, which relies on a diverse range of funding to meet all its commitments:

1. The Trustee Board recognises its role as the ultimate authority with regard to the governance of the organisation and that the management team and staff recognise that they operate with delegated authority.
2. Effective appraisal of the Chief Executive and management team.
3. Internal management and supervisory controls, which minimise risk of failing to deliver on existing grant agreements and contracts.
4. Staff awareness of sources of funding and the consequences arising from any failure to deliver services in line with grant agreements and contracts.
5. The effective use of probationary periods, Joint Progress Reviews, staff supervision and HR policies to promptly identify and deal with issues of concern.
6. Regular case sheet checking, Independent File Reviews, training to ensure quality.
7. Regular review and analysis of statistics to ensure targets are met.
8. Maintain good relationships with funders to identify potential future funding problems and potential funding opportunities.
9. Ensure adequate financial reserves.
10. Quarterly financial monitoring against an agreed annual budget.
11. Good communication between volunteers, staff, the management team and the Trustee Board.
12. Maintaining independence and political neutrality to avoid conflict of interests.

3. OBJECTIVES AND ACTIVITIES

Objects

The objects of the charitable company are as set out in the Memorandum and Articles of Association. Its services are consistent with the twin aims of Citizens Advice namely: "to provide the advice people need for the problems they face" and "to improve the policies and practices that affect people's lives". Its services are also consistent with the four stated Principles of Citizens Advice namely: "Free, Independent, Impartial and Confidential".

The Charities objects are the promotion of any charitable purpose for the benefit of the community in the area of Surrey Heath Borough and adjacent areas by the promotion and advancement of education, to preserve and protect good health and the relief of poverty, sickness and distress.

The key power it exercises in furtherance of the Objects is to establish Cit.A.SH as a centre to provide a free, confidential and impartial service of advice, training, information and counsel for the public and for the implementation thereof.

Public Benefit Required

The directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charitable company and in planning any future activities.

Having been in operation for over 50 years providing free, independent, impartial and confidential advice to the citizens of Surrey Heath and neighbouring areas, the directors are satisfied that Cit.A.SH fully complies with the new guidance on public benefit supplied by the Charity Commission. This is demonstrated by the Grant Agreement which it produces each year in conjunction with its principle funder – Surrey Heath Borough Council. A key requirement of this agreement is the production of an annual Business Plan.

Citizens Advice Surrey Heath Report of the Directors and Trustees

Public Benefit Required (continued)

Whilst the primary Business Plan purpose is to create a process by which Cit.A.SH's Trustee Board can monitor progress towards achieving the Corporate Plan, the plan also serves as a set of internal targets and outputs for staff and volunteers. In this way inclusiveness and collective responsibility about Cit.A.SH's key priorities can be engendered leading to improvements in service delivery.

Achievements and performance in 2017-2018

In addition to the continuing provision of high quality advisory services to the local community the primary objectives for the year was to continue to develop specialist advice services.

To obtain the necessary funding to provide additional services, applications were made to various local and national providers of community finance. Search and recruitment took place for advisory staff both for volunteers and, as needed, paid employees. Induction and training was provided to the extent that necessary knowledge and skills were not pre-existing.

In addition to generalist advice the following specialist advisory services were provided:

- i. A grant was received from Frimley Fuel Allotments to assist funding the employment of an Independent Living Adviser. This aimed to provide a home visiting service and to work with elderly and disabled members of the local community to support them in their own home and to help them access services that would help them maintain their independence and improve their quality of life. The service includes running of outreach facilities at Windle Valley Day Centre and Chobham Community Centre. This recognises a need to provide support to those in need of advice in outlying areas of Surrey Heath Borough who may be hampered by lack of transport preventing them attending advice sessions at Knoll Road, Camberley.
- ii. Successful applications were made for funding to the Energy Best Deal extra (EBDx) project: the aim has been to provide additional support for clients by offering individual face to face appointments, at the Charity's offices and in the community. This gives the client the opportunity to receive help from Citizens Advice in solving a problem, which may be relating to benefits, fuel and energy consumer matters and/or household debt. The Charity was able to provide excellent information and support for individual clients to reduce fuel costs, access help with debt and benefits issues. An application was also successfully made to Energy Best Deal to run six events for consumers and frontline staff, helping them to understand how to get the best from their energy suppliers, to change suppliers when needed and to access suitable grants and support. The funding for both EBDx projects has now ended but Cit.A.SH will be able to continue to offer this service to clients for a time using other funding secured by a donation.
- iii. Cit.A.SH has been successful in a joint bid with Voluntary Support North Surrey to the Department of Health for a Social Prescribing project. The bid was made with the support of Surrey Heath CCG. Planning is underway, with partners, prior to commencement of the project.
- iv. Additional volunteers were trained to support clients with filling in sickness and disability forms resulting in a 35% increase in appointments carried out (from 96 to 130) in 2017/18.
- v. Citizens Advice Surrey Heath has successfully delivered services for Surrey County Council through their Local Assistance Scheme, with the result that this has been renewed for 2018/19.
- vi. Health Watch Surrey has extended their service level agreement with Citizens Advice Surrey Heath for a further year, without requiring a new funding application, due to our strong performance in gathering client experiences on their behalf.

Providers of funds typically set targets or key performance indicators to judge achievement. The EBDx project achieved 100% of target, Health Watch achieved 269% of target.

Citizens' Advice Surrey Heath Report of the Directors and Trustees

Charitable Activities

Cit.A.SH dealt with a total of 6,628 client contacts with 13,122 enquiries (2017: 6,616 client contacts with 13,363 enquiries). Cit.A.SH ran a number of projects during 2017/18, which increased the range of services and contributed to funding. The commitment of staff and volunteers to this project work resulted in client targets being exceeded: -

	Target	Actual	Percent
Health Watch Surrey	123	330	269%
Energy Best Deal	114	114	100%

Cit.A.SH is one of only five Citizens Advice in Surrey contracted to deliver the Health Watch project until the end of March 2019.

Contribution of Volunteers

The Charity is largely comprised of volunteers, with paid staff mainly for management and supervision. Volunteers who receive stringent and detailed training over a 12-month period provide most of the advice and help given to clients. The volunteers come from within the community, which then benefits from the significant experience and skills of the volunteers, gained from many spheres of life as well as from within Citizens Advice Surrey Heath. The benefits to the volunteers can be that they are able to continue to share their considerable experience and skills beyond retirement or that they gain new skills which enable them to find paid employment at a later date.

Citizens Advice Surrey Heath benefited from approximately 15,500 voluntary hours worked during the year. This included hours worked by 58 volunteers and unpaid hours worked by paid staff above their normal contractual entitlement. Cit.A.SH estimate the value of this help in the year was £283,053

Fundraising Activities

A volunteer fundraising team raised £9,751 after costs from a golf charity day held at the Berkshire Golf Club. The event, the fifth annual golf day, will be repeated. Another fundraising team organised a charity quiz night, for a second successive year, which raised £2,438 after costs.

Investment Activities

The charity does not currently hold material investments.

Factors Affecting the Achievement of Objectives

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

4. FINANCIAL REVIEW

Financial Position

Incoming resources in the year were £165,265 (2017: £173,296). Of this £54,777 (2017: £62,971) related to restricted activities. A surplus of £4,022 was made in the year (2017: £2,069). At 31 March 2018 total reserves were £157,870 (2017: £153,848) of which £128,697 represented unrestricted funds (2017: £112,725).

Citizens Advice Surrey Heath Report of the Directors and Trustees

Reserves Policy

Citizens Advice Surrey Heath is required to ensure that free monies are available in each financial year to meet any reasonable foreseeable contingency. The Trustees will take all necessary steps to ensure that at no time within this period would it be possible for the cessation of one or more funding streams to present so serious a challenge to the future of the organisation that it could not be managed so as to continue to provide a best value advice service.

The Trustees are aware that it has become increasingly difficult to secure project income to supplement core funding. Project income has been falling progressively in recent year with a decrease of 55% in total project funding compared to the level of four years ago. This has restricted the ability of these activities to contribute to overhead costs. Cit.A.SH faces a deteriorating trend in levels of income that will restrict the range of services that can be offered and the number of people that can be supported and threatens long-term financial viability.

In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that 'free' reserves excluding designated and restricted reserves should be maintained which are equal to between 6 to 9 months normal operating expenditure. The reserves target has been set as a prudent level to allow the Charity to ensure on-going delivery of the service to the local community over the next year, despite:

- i. uncertainty about the amount and timing of some sources of funding,
- ii. all funding, including core funding from Surrey Heath Borough Council, is only agreed for one year of service delivery
- iii. the level of demand from the community for services increasing, and
- iv. having to provide increased delivery channels (face-to-face, Web-Chat and Advice Line) within the changing benefit and economic environment.

The Trustees have recognised that the budgeted expenditure for the forthcoming year significantly exceeds agreed sources of income. Whilst efforts will be made to secure additional funding it is considered the current level of free Reserves, although at the higher end of current policy levels, is appropriate for the Charity.

When considering the level of free reserves, the Trustees have considered the Charity Commission document "Charity reserves: building resilience (CC19)" and also the House of Commons Public Administration and Constitutional Affairs Committee report "The collapse of Kids Company: lessons for charity trustees, et al". It is recognised that by far the greater part of the Charity's activity and expenditure is of an "essential" rather than of a "discretionary" nature. This requires a greater degree of financial resilience than for many other charities.

The Trustees are also aware that no service level or other agreements are in place for more than one year and income that might be considered "core" is in any case insufficient to provide a basic service to the community and reliance has to be placed on fund raising and the securing of project income that can share the Charity's fixed costs. There is awareness too that recent and planned legislation, together with some reductions in local Council services, is likely to result in higher levels of client demand and greater complexity of cases so that demands on the Charity will not reduce. Care is taken to ensure that any surplus of Reserves over minimum levels is spent with caution. Expenditure, on projects or activities that cannot demonstrate sufficient benefit when compared to their likely costs, is rejected.

The Board are reviewing opportunities to use reserves, to enhance support in key areas for the community. The reasons for holding particular reserves are outlined in note 11.

Citizens Advice Surrey Heath Report of the Directors and Trustees

Principal Funding Sources

The Directors extend their gratitude to Surrey Heath Borough Council, which continues to support the core operating capacity of the charity. Surrey Heath Borough Council also provides the Knoll Road Portakabin premises to Citizens Advice Surrey Heath at no financial cost to the charity.

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

Funds in Deficit

No funds were in deficit at the balance sheet date.

Investment Policy

As required in its Memorandum paragraph 4.15, in furtherance of its objects, and for no other purposes, the Company has the power to invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

5. FUTURE PLANS

Cit.A.SH aims to continually improve access to its service and intends to extend its service to an even greater proportion of the community through greater outreach with advice surgeries taking place in relevant locations throughout the borough such as Children's Centres and sheltered housing developments. We are also looking to increase our partnership working. We have joined the Surrey Heath Local Family Partnerships in order to provide a more joined up service for families in need in the community and are working with local health partners to better support the Borough's gypsy, Roma and traveller community.

Cit.A.SH is collaborating with other Surrey Citizens Advice offices through a Consortium known as Citizens Advice Surrey and by forming partnerships with selected offices for specific projects. Citizens Advice Surrey Heath took part in the consortium led Surrey wide projects for Health Watch and a Local Assistance Scheme in the year and both these schemes will continue for at least another year albeit Health Watch with selected local Surrey Citizens Advice offices rather than the Consortium.

Citizens Advice Surrey Heath will monitor progress of the Consortium to ensure it remains appropriate and complementary to its activities.

A grant from Frimley Fuel Allotments has been received to help fund the continuation of the employment of an Independent Living Adviser. The project aims to provide a home visiting service and to work with elderly and disabled members of the local community to support them in their own home and to help them access services that would help them maintain their independence and improve their quality of life. This project is considered to be of vital importance and is something Cit.A.SH is looking to expand. Therefore, because it is not fully funded for the year ahead, the Trustees have set aside a designated reserve to fund the current shortfall.

Cit.A.SH is looking at ways to best meet the increased demand for support around welfare benefit changes, particularly with Universal Credit being due to be fully implemented in the area by September 2018 and the transfer from Disability Living Allowance to Personal Independence Payments (PIP).

Following the success of the golf charity days held in the last 6 years, the sixth golf day was held at the Berkshire Golf Club playing the red course in April 2018. Other fundraising plans are being made.

Citizens Advice Surrey Heath Report of the Directors and Trustees

6. DIRECTORS' RESPONSIBILITIES

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant information of which the charitable company's Examiner is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Examiner is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on Cit.A.SH's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

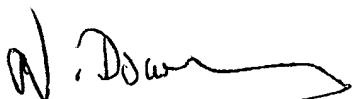
Examiner

Cherry Clayton does not want to continue in office as Examiner after completion of the Examination for these Report and Accounts. The Directors are extremely grateful to her for the many years that she has so ably carried out the duties as the Charity's Examiner.

A new Examiner will be proposed for appointment at the Annual General Meeting.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Directors on 3 September 2018 and signed on behalf of the Board:



N Downey
Chair / Trustee 3 September 2018

Citizens Advice Surrey Heath Report of the Directors and Trustees

Independent examiner's report to the trustees of Citizens Advice Surrey Heath

I report on the accounts for the year ended 31 March 2018 set out on pages 13 to 25.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

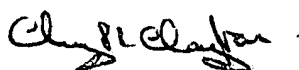
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

have not been met;

or (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Independent Examiner

Cherry Clayton BA (Hons) ACMA
2 Nash Meadows
South Warnborough
Hook, RG29 1RJ



3 September 2018

Citizens Advice Surrey Heath

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2018

	<u>Note</u>	<u>Unrestricted</u> <u>funds</u>	<u>Restricted</u> <u>funds</u>	<u>Designated</u> <u>funds</u>	<u>Total</u> <u>funds</u> <u>2018</u>	<u>Total</u> <u>Year to 31</u> <u>March</u> <u>2017</u> <u>£</u> <u>Note 8</u>
		£	£	£	£	
Income from:	1					
Donations	2	3,062	18,500	-	21,562	22,011
Charitable activities	3	81,450	36,277	-	117,727	125,018
Raising funds	4	24,659	-	-	24,659	24,500
Interest income		1,317	-	-	1,317	1,767
Total Incoming Resources		110,488	54,777	-	165,265	173,296
Expenditure on:						
Governance costs	5	13	-	-	13	13
Raising funds	5	12,470	-	-	12,470	11,169
Charitable activities	5	79,331	50,929	-	130,260	141,545
Other	5	-	18,500	-	18,500	18,500
Total expenditure		91,814	69,429	-	161,243	171,227
Net income / (expenditure) before transfers	6	18,674	(14,652)	-	4,022	2,069
Transfers between funds	12	(2,702)	13,265	(10,563)	-	-
Net movement in funds for the year	12	15,972	(1,387)	(10,563)	4,022	2,069
Reconciliation of funds						
Total funds brought forward 1 April 2017	12	112,725	4,952	36,171	153,848	151,779
Balances carried forward 31 March 2018	12	128,697	3,565	25,608	157,870	153,848

All income and expenditure derive from continuing activities.

The statement of Financial Activities incorporates all gains and losses recognised in the above two financial periods.

The notes on pages 15 to 25 form part of these financial statements.

Citizens Advice Surrey Heath

Balance Sheet (Registered Number 6058583) as at 31 March 2018

		<u>As at</u> <u>31-March</u> <u>2018</u>	<u>As at</u> <u>31-March</u> <u>2018</u>	<u>As at</u> <u>31-March</u> <u>2018</u>	<u>As at</u> <u>31-March</u> <u>2017</u>
	Note	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u>	<u>Total</u>
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	9	1,200	-	1,200	-
Current Assets					
Debtors	10	-	-	-	200
Short term deposits		146,518	-	146,518	145,362
Cash at bank and in hand		44,581	3,565	48,146	52,448
		191,099	3,565	194,664	198,010
Creditors - amounts falling due within one year	11	37,994	-	37,994	44,162
Net Current Assets		153,105	3,565	156,670	153,848
Net Assets	13	154,305	3,565	157,870	153,848
Funds of the Charity					
Restricted funds	12	-	3,565	3,565	4,952
Designated funds	12	25,608	-	25,608	36,171
Unrestricted funds					
General funds	12	128,697	-	128,697	112,725
	12	154,305	3,565	157,870	153,848

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 3 September 2018 and were signed on its behalf by:

Chair  3 September 2018

Company Registration No: 6058583

Charity Registration No

1118181

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

1. Accounting policies

Basis of preparing the financial statements

Citizens Advice Surrey Heath (also known as Cit.A.SH) is a charity limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these Report and Accounts. The nature of the charity's operations and principal activities are in providing advice and counselling to the general public.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

- Voluntary income by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable and when the amounts are known with certainty and are measurable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when it becomes unconditionally entitled to the grant.
- Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Citizens Advice Surrey Heath
Notes to the Accounts for the year ended 31 March 2018

1. Accounting policies Resources expended (continued)

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include Examination fees and costs linked to the strategic management of the charitable company.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Fund accounting

Restricted funds

Restricted funds represent grants and donations received which are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds and designated funds

Unrestricted funds represent funds that are expendable at the discretion of the directors in the furtherance of the objects of the charitable company. Such funds may be held in order to finance both working capital and capital investment.

Designated funds are those funds which are unrestricted in nature but which have been designated by the directors to be used in a particular manner.

Fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	33.3% straight line
Computer equipment	33.3% straight line

Assets purchased which are under £1,000 are expensed to the SoFA.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

VAT

VAT is only partially recoverable by the charitable company. Any irrecoverable VAT is included within the relevant costs in the SoFA.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations

<u>Source of income</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 2018</u>	<u>Total 2017</u>
	£	£	£	£
Donations from Clients	1,150	-	1,150	743
Donations made by Volunteers and Staff	150	-	150	10
Donations made by Trustees	45	-	45	-
Camberley Rotary Club	-	-	-	500
Frimley Over 60's Club	-	-	-	40
Surrey Heath Show donation	500	-	500	-
Our Lady Queen of Heaven Church	410	-	410	811
Waitrose	313	-	313	307
Premises donated by local authority at nil cost	-	18,500	18,500	18,500
Gift Aid Reclaim	340	-	340	-
Other Donations	154	-	154	1,100
	<u>3,062</u>	<u>18,500</u>	<u>21,562</u>	<u>22,011</u>

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

3. Income from Charitable Activities

<u>Source of income</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 2018</u> £	<u>Total 2017</u> £
General Advice Services				
Surrey Heath Borough Council (SHBC)	80,000	-	80,000	80,000
Citizens Advice	1,450	-	1,450	85
Other Income	-	-	-	462
	<u>81,450</u>	<u>-</u>	<u>81,450</u>	<u>80,547</u>
Energy Best Deal (EDBx)				
Energy Regional Financial Capability	-	15,150	15,150	12,750
	<u>-</u>	<u>15,150</u>	<u>15,150</u>	<u>12,750</u>
Independent Living				
Frimley Fuel Allotments	-	9,500	9,500	9,407
	<u>-</u>	<u>9,500</u>	<u>9,500</u>	<u>9,407</u>
Web-Chat Project				
Citizens Advice	-	643	643	8,629
	<u>-</u>	<u>643</u>	<u>643</u>	<u>8,629</u>
Local Assistance				
Surrey County Council	-	1,690	1,690	1,884
	<u>-</u>	<u>1,690</u>	<u>1,690</u>	<u>1,884</u>
Health Watch Surrey				
Surrey County Council	-	9,294	9,294	9,141
	<u>-</u>	<u>9,294</u>	<u>9,294</u>	<u>9,141</u>
Information Technology				
Surrey County Council	-	-	-	2,660
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,660</u>
	<u>81,450</u>	<u>36,277</u>	<u>117,727</u>	<u>125,018</u>

4. Raising funds

Activities for generating funds

<u>Source of income</u>	<u>Total 2018</u> £	<u>Total 2017</u> £
Charity golf day	20,640	21,268
Quiz Night	4,019	3,232
	<u>24,659</u>	<u>24,500</u>

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

5. Analysis of expenditure

Governance Costs

	<u>Total 2018</u>	<u>Total 2017</u>
	£	£
Companies House filing fees	13	13
	<u>13</u>	<u>13</u>

No fees were paid to the Independent Examiner (2016: £nil)

Raising funds

<u>Activity</u>	<u>Total 2018</u>	<u>Total 2017</u>
	£	£
Charity golf day	10,889	9,805
Quiz Night	1,581	1,364
	<u>12,470</u>	<u>11,169</u>

Charitable activities

	General Advice Services	Energy Best Deal	Independent Living	Web-chat Project	Local Assistance	Health watch	2018 Total	2017 Total
Expenditure on	£	£	£	£	£	£	£	£
Staff costs	58,974	10,407	18,363	281	1,755	7,824	97,604	107,649
Other direct costs	-	-	180	-	-	-	180	468
Office, IT & communications costs	9,766	2,265	1,508	402	379	774	15,094	17,488
Other support costs	10,591	2,606	1,712	1,149	433	891	17,382	15,940
Total expenditure by activity	79,331	15,278	21,763	1,832	2,567	9,489	130,260	141,545

Other

<u>Activity</u>	<u>Total 2018</u>	<u>Total 2017</u>
	£	£
Notional rent cost for premises provided by Surrey Heath Borough Council	18,500	18,500

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

6. Net income / (expenditure) for the year

This is after charging:	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Depreciation	600	-

7. Information regarding Directors and Employees

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Salaries	92,525	102,187
Redundancy Payments	-	-
Social security costs	2,634	2,797
Pension costs	2,445	2,665
	<u>97,604</u>	<u>107,649</u>
 Average number of employees	 7	 7
Average number of employees (expressed as full-time equivalents)	3.5	3.8

All employees are part-time, defined as working less than 35 hours per week.

In addition to the above, Cit.A.SH utilised the services of 58 volunteers (2017: 49). No employee earned in excess of £60,000 per annum.

Travel expenses totalling £nil (2017: £nil) were paid to members of the Trustee Board. No other expenses or fees were paid to members of the Trustee Board. No fees were paid to the Independent Examiner.

The Charity's Not For Profit Liability Insurance includes cover for Outside Trustee Liability.

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

8. Comparatives for the Statement of Financial Activities

	<u>Note</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Designated funds</u>	<u>Total Year to 31 March 2017</u>
		£	£	£	£
Income from:	1				
Donations	2	3,511	18,500	-	22,011
Charitable activities	3	80,547	44,471	-	125,018
Raising funds	4	24,500	-	-	24,500
Interest income		1,767	-	-	1,767
Total Incoming Resources		110,325	62,971	-	173,296
Expenditure on:					
Governance costs	5	13	-	-	13
Raising funds	5	11,169	-	-	11,169
Charitable activities	5	82,646	58,839	-	141,545
Other	5	-	18,500	-	18,500
Total expenditure		93,828	77,399	-	171,227
Net income /(expenditure) before transfers	6	16,497	(14,428)	-	2,069
Transfers between funds	12	(15,202)	16,985	(1,783)	-
Net movement in funds for the year	12	1,295	2,557	(1,783)	2,069
Reconciliation of funds					
Total funds brought forward 1 April 2016	12	111,430	2,395	37,954	151,779
Balances carried forward 31 March 2017	12	112,725	4,952	36,171	153,848

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

9. Tangible fixed assets

	<u>Office</u> <u>Equipment</u> <u>£</u>	<u>Computer</u> <u>Equipment</u> <u>£</u>	<u>Total</u> <u>£</u>
Cost			
Beginning of year	2,986	19,080	22,066
Disposals	(2,986)	-	(2,986)
Additions	1,800	-	1,800
End of year	1,800	19,080	20,880
Depreciation			
Beginning of year	2,986	19,080	22,066
Disposals	(2,986)	-	(2,986)
Charge for year	600	-	600
End of year	600	19,080	19,680
Net book value			
Beginning of year	-	-	-
End of year	1,200	-	1,200

10. Debtors: Amounts falling due within one year

	<u>2018</u> <u>£</u>	<u>2017</u> <u>£</u>
Trade debtors	-	200
	-	200

11. Creditors: Amounts falling due within one year

	<u>2018</u> <u>£</u>	<u>2017</u> <u>£</u>
Trade creditors	3,332	6,154
Payroll taxes & liabilities	1,862	1,930
Held to assist clients in hardship	1,800	1,820
Deferred income	31,000	34,258
	37,994	44,162

Funds were held to assist clients in severe cases of hardship. An amount of £530 was held to be used to assist clients living in the Frimley ward who are experiencing financial hardship. An additional amount of £1,270 was held as a Repossession Prevention Fund.

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

11. Creditors (continued)

Deferred income relates to amounts received for activities for which the donor has imposed restrictions on expenditure of resources, which are a precondition of use. This comprised the following:

<u>Source of Income</u>	<u>2018</u>	<u>2017</u>	<u>Note</u>
	<u>£</u>	<u>£</u>	
Scottish Power	10,515	10,515	To be used to finance continuation of Energy project in 2018/9
Citizens Advice	-	643	Balance of grant to finance web-chat project in April 2017
Various team receipts received for Charity Golf function held after year-end.	10,485	12,400	Fund raising function to be held at Berkshire Golf Club
Grant from Frimley Fuel Allotments.	10,000	9,500	Independent Living Project to be used following year.
Citizens Advice	-	1,200	Grants to finance broadband installation and re-branding
	<u>31,000</u>	<u>34,258</u>	

12. Movement in funds

<u>Restricted</u>	<u>Balance</u> <u>1 April</u> <u>2017</u>	<u>Incoming</u> <u>Resources</u>	<u>Resources</u> <u>Expended</u>	<u>Deficit /</u> <u>(Surplus)</u> <u>transferred</u> <u>to</u> <u>Unrestricted</u> <u>Funds</u>	<u>Balance</u> <u>carried</u> <u>forward</u> <u>31 March</u> <u>2018</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Provision of Premises	-	18,500	18,500	-	-
Health Watch	-	9,294	9,489	195	-
Local Assistance Scheme	-	1,690	2,567	877	-
Web-Chat Project	1,259	643	1,832	(70)	-
EDBx	2,443	15,150	15,278	-	2,315
Independent Living Project	-	9,500	21,763	12,263	-
Other Restricted Reserves	1,250	-	-	-	1,250
Total Restricted Funds	4,952	54,777	69,429	13,265	3,565

Purpose of restricted funds

Health Watch – The Charity is delivering advice and information for Health Watch Surrey with funding secured from Surrey County Council.

Local Assistance Scheme - The Charity is providing access to the Local Assistance Scheme offering crisis grants with funding secured from Surrey County Council paid through Citizens Advice Surrey.

Citizens Advice Surrey Heath

Notes to the Accounts for the year ended 31 March 2018

Purpose of restricted funds (continued)

Web Chat Project – The Charity was involved in the pilot of web chat and email services as part of a Citizens Advice national project to extend availability of advice. The project ended on 30 April 2017.

EDBx – The Charity obtained funding to advise clients in need of support in obtaining better energy deals. Members of the regional financial capability forums and Citizens Advice deliver Energy Best Deal in England and Wales.

Independent Living Project – A grant was received from Frimley Fuel Allotments to fund employment of an Independent Living Adviser. This aimed to provide a home visiting service and to work with elderly and disabled members of the local community to support them in their own homes and to help them access services that would help them maintain their independence and improve their quality of life.

Other Restricted Reserves – £1,250 is held being the balance on an unclaimed monies account held by a solicitor for their clients. The payment was in accordance with Rule 22(1)(h) of the Solicitors' Accounts Rules 1998. The Trustees have entered into a deed of warranty to repay any part of this to the solicitor so that they can meet any obligations to any client or his or her estate. Recognising this warranty the Trustees will hold this balance as a restricted reserve until such time as they consider there is little or no likelihood of a claim.

Movement in Designated Funds

	<u>Redundancy</u>	<u>I.T.</u> <u>Replacement</u>	<u>Project</u>	<u>Total</u> <u>Designated</u> <u>Funds</u>
	£	£	£	£
Balance 1 April 2017	15,702	5,000	15,469	36,171
Transfers from Unrestricted Funds	(10,387)	3,000	(3,176)	(10,563)
Balance carried forward 31 March 2018	5,315	8,000	12,293	25,608

Redundancy fund - Redundancy reserves have been designated by the Trustees for the purpose of covering potential redundancy costs in the event of a significant reduction in the income of Citizens Advice Surrey Heath that could result in closure. No redundancies are expected in the next 12 months.

I.T Replacement - The Trustees have designated £8,000 to meet the balance of the costs, not covered by grants, towards the cost of replacement of information technology systems that are approaching the end of their anticipated working life.

Designated Project - As part of the agreed Business Plan the Trustees have identified the need, in the event of new sources of funding not being secured, to designate funds to ensure key projects currently underway have sufficient financial resource, in place to ensure the Charity can meet the needs of the local community.

13. Analysis of net assets between Funds

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Designated</u> <u>Funds</u>	<u>Total</u>
	£	£	£	£
Current Assets	166,691	3,565	25,608	195,864
Current Liabilities	37,994	-	-	37,994
Net Assets	128,697	3,565	25,608	157,870

Citizens Advice Surrey Heath

Notes to the financial statements for the year ended 31 March 2018

14. Financial commitments

Capital Commitments

At the balance sheet date there were no capital commitments. The Charity has no annual commitments under non-cancellable operating leases.

15. Related party transactions

During the year, income was secured from Surrey County Council but paid through Citizens Advice Surrey and other local Citizens Advice Units for the Health Watch and Local Assistance Scheme amounting to £10,984 (2017: £11,025).

There were transactions between Citizens Advice Surrey Heath and Citizens Advice In relation to insurance and information services.

There have been no other related party transactions identified.

16. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

17. Members

The charity is incorporated as a company limited by guarantee having no share capital and in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 March 2018 there were 7 members (2017: 6 members).

18. Pension costs

The charity operates an Auto Enrolment Pension Scheme administered by Peoples Pension. The pension cost shown in the accounts for the year represents contributions payable by the company and amounted to £2,445 (2017: £2,665). There were no contributions payable or outstanding at the year-end.