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INVERNESS CITIZENS

ADVICE BUREAU

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

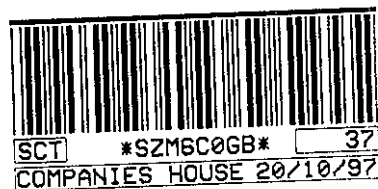
31 MARCH 1997

STEPHEN C. RANSCOMBE & CO.

CHARTERED ACCOUNTANTS

AND REGISTERED AUDITORS

NAIRN



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INVERNESS CITIZENS ADVICE BUREAU

INFORMATION

Company No. SC 136118 (Limited by Guarantee)

**Registered Office
(and Administrative office)** 103 Academy Street
Inverness
IV1 1LX

Bureau Manager Jane Bennett

Management Committee

Janet Home -	Convener
Alistair MacFadyen -	Vice Convener
Andrew Thin -	Financial Director
Moray MacDonald -	Company Secretary
Raymond Moore	Member of the public
Ann Darlington -	N.C.H. Action for Children
Murdo McIver -	Benefits Agency
James Hendry -	Faculty of Solicitors
Alison Gauld	Member of the public (Appt Sept 1996)
Mary Murray	Member of the public (Appt Sept 1996)
Jane Bennett -	Bureau Manager
David MacKintosh	Appointed Sept 1996
Charles Stewart	Appointed Sept 1996
Yvonne Middleton	Appointed Feb 1997
Liz MacDonald	Resigned Dec 1996
Will MacKinnon	Resigned Sept 1996

Bankers Royal Bank of Scotland plc
Chief Office
Harbour Road
Inverness
IV1 1NV

Auditors Stephen C. Ranscombe & Co.
Chartered Accountants
and Registered Auditors
1 Albermarle Place
Douglas Street
Nairn IV12 4DL

INVERNESS CITIZENS ADVICE BUREAU

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 1997

The directors have pleasure in submitting their report and the accounts for the year ended 31 March 1997.

Activities

The principal activity of the company is the operation of the Inverness Citizens Advice Bureau which was established for charitable purposes to benefit the community in Inverness and the Highland area by advancing the education of the public in matters relating to mental, physical and social welfare and by relieving poverty.

Results

An overall excess of income over expenditure was returned for the year and is shown in the appropriate activity funds dealt with in the accounts. The excess has been carried to the fund balances and will be applied to the respective funds' purposes.

Directors and their Interest

The directors who served during the year are as detailed on page 1 of the Report and Accounts.

The company is limited by guarantee and, therefore, no director has had an interest in the company.

The Secretary of the company is Moray MacDonald

Auditors

Messrs Stephen C. Ranscombe & Co., Chartered Accountants and Registered Auditors have indicated that they wish to resign as auditors.

INVERNESS CITIZENS ADVICE BUREAU

DIRECTORS' REPORT (Continued)

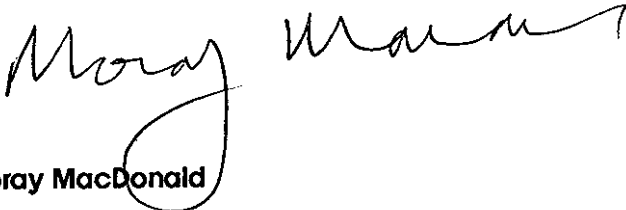
Directors' Responsibilities

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

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

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

By order of the Board


Moray MacDonald

Secretary

1 September 1997

REPORT OF THE AUDITOR

To the members of the Inverness Citizens Advice Bureau Limited

We have audited the accounts on pages 5 to 10 which have been prepared in accordance with the accounting policies set out on page 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

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

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

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



**Stephen C. Ranscombe & Co
Chartered Accountants
and Registered Auditor**

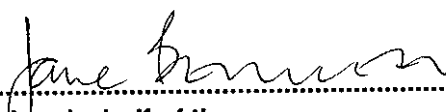
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3 September 1997

INVERNESS CITIZENS ADVICE BUREAU

BALANCE SHEET**AS AT 31 MARCH 1997**

	Notes 1	1997 £	1996 £
FUNDS			
General Revenue Fund		41,144	33,067
Welfare Rights Fund		2,481	9,663
Money Advice Fund		4,472	4,184
Welfare Rights Information Offices Fund		11,530	10,241
Severe Disability Premium Fund		8,838	8,838
Debtors Surgery Project Fund		(839)	1,180
Mental Health Advocacy Project Fund		22,876	12,593
TOTAL FUNDS		<u>£90,502</u>	<u>£79,766</u>
		£	£
Represented by:-			
FIXED ASSETS	2	<u>£124,569</u>	<u>£134,450</u>
CURRENT ASSETS	3	71,228	76,790
CURRENT LIABILITIES	4		
Due within one year		7,005	2,105
NET CURRENT ASSETS		<u>£64,223</u>	<u>£74,685</u>
Due after one year		<u>51,490</u>	<u>62,470</u>
		137,302	146,665
DEFERRED INCOME	5	46,800	66,899
NET ASSETS		<u>£90,502</u>	<u>£79,766</u>


..... Director
Signed on behalf of the
Board of Directors

1 September 1997

INVERNESS CITIZENS ADVICE BUREAU

REVENUE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

FUNDS TITLE	NOTES	General Fund	Welfare Rights Fund	Money Advice Fund	Welfare Rights Information Officer Fund	Severe Disability Premium Fund	Doctors' Surgery Project Fund	Mental Health Advocacy Project Fund	1997	1996
Income	5									
Grants Received		47,111	47,500	18,611	15,500			36,000	164,722	184,931
Interest Received		3,361							3,361	2,147
Rent Received		2,520							2,520	2,520
Grants Released		20,099							20,099	
Miscellaneous Income		4,473	296	576					5,345	7,789
TOTAL INCOME		£77,564	£47,796	£19,187	£15,500	£0	£0	£36,000	£196,047	£197,387
Expenditure	6									
Staffing Costs		41,837	44,806	15,385	4,101		2,019	18,385	126,533	109,671
Travelling		3,273	790	539	87			765	5,454	6,347
Subs & Information		506	151	518				353	1,528	3,340
Rates		506							506	477
Insurances		982	150		150				1,282	1,106
Repairs & Maintenance		195	152	112	152			22	633	2,645
Cleaning		1,688	108		6				1,802	1,617
Leasing Costs		189	190	155	248				782	705
Telephone		3,518	707	785	532			117	5,659	4,672
Print, Post, Stationery.		624	279	483	1,050			414	2,850	3,309
Advertising		714	381	49	2,887			478	4,509	2,310
Heat & Light		856	550	250	1,000				2,656	1,592
Training		1834	671	223				412	3,140	2,420
Accountancy & Audit		750							750	783
Miscellaneous		5,512	1,543	400	398			271	8,124	2,725
Loan Interest		4,721							4,721	5,613
Tribunal Costs		3,952							3,952	
Depreciation		10,430							10,430	10,293
Allocation of Costs		(12,600)	4,500		3,600			4,500	0	
TOTAL EXPENDITURE		£69,487	£54,978	£18,899	£14,211	£0	£2,019	£25,717	£185,311	£159,625
SURPLUS FOR YEAR TAKEN TO FUND BALANCES		£8,077	(£7,182)	£288	£1,289	£0	(£2,019)	£10,283	£10,736	£37,762

INVERNESS CITIZENS ADVICE BUREAU

NOTES ON ACCOUNTS**YEAR ENDED 31 MARCH 1997**

1. Movement of Fund Balances.

FUND TITLE	Opening Balance	Movement	Closing Balance
General Fund	33,067	8,077	41,144
Welfare Rights Fund	9,663	(7,182)	2,481
Money Advice Fund	4,184	288	4,472
Welfare Rights Information Officer Fund	10,241	1,289	11,530
Severe Disability Premium Fund	8,838	0	8,838
Doctors' Surgery Project Fund	1,180	(2,019)	(839)
Mental Health Advocacy Project Fund	12593	10283	22,876
TOTAL FUNDS	<u>£79,766</u>	<u>£10,736</u>	<u>£90,502</u>

Status of Funds

The General Fund is an unrestricted fund.

The Welfare Rights fund, Money Advice Fund and Welfare Rights Information Officer Fund are all restricted Funds.

A charge is made against the restricted funds for general overheads not able to be specifically identifiable as being wholly for one fund. This is shown on page 6 in the Revenue Accounts under the heading of "Allocation of Costs". The allocation is calculated by the management of the Bureau to approximate to the actual costs created by respective funds.

Specific Assets and Liabilities representing the above funds are as follows:-

Welfare Rights Fund	-	Office Equipment with a written down value of £7,222
Welfare Rights Information Officer Fund	-	Computer Equipment with a written down value of £2,060

Other assets and all liabilities are not specific to any particular fund balance.

INVERNESS CITIZENS ADVICE BUREAU

NOTES ON ACCOUNTS (continued)

2. Fixed Assets

	Land & Buildings £	Office Equipment £	Total £
Cost			
Balance at 1 April 1996	129,722	30,790	160,512
Addition in year		549	549
Balance at 31 March 1997	<u>£129,722</u>	<u>£31,339</u>	<u>£161,061</u>
Depreciation			
Balance at 1 April 1996	10,238	15,824	26,062
Charged in year	2,595	7,835	10,430
Balance at 31 March 1997	<u>£12,833</u>	<u>£23,659</u>	<u>£36,492</u>
Net Book Values			
At 31 March 1997	<u>£116,889</u>	<u>£7,680</u>	<u>£124,569</u>
At 31 March 1996	<u>£119,484</u>	<u>£14,966</u>	<u>£134,450</u>

Depreciation is provided as follows:-

Land & Buildings 2% of cost

Office Equipment 25% of cost

3. Current Assets

The following items form the amounts shown as Current Assets

	1997 £	1996 £
Prepaid expenses	1,167	1,167
Income receivable	12,500	6,942
Bank Balances	57,557	68,677
Cash in Hand	4	4
	<u>£71,228</u>	<u>£76,790</u>

INVERNESS CITIZENS ADVICE BUREAU

NOTES ON ACCOUNTS (continued)

4. Current Liabilities

The following items form the amounts shown under Current Liabilities
Due within one year.

	1997 £	1996 £
Accrued Expenses	925	925
Bank Loan (property)	<u>6,080</u>	<u>1,180</u>
	<u>£7,005</u>	<u>£2,105</u>
Due after one year	£	£
Bank loan (property)	<u>£51,490</u>	<u>£62,470</u>

The bank loan relates to the land and buildings held in fixed assets and is secured by a standard security charge over that property.

5. Deferred Income (Grants receivable)

The Bureau receives grants in respect of Capital Expenditure. The policy adopted with respect to any grants received or receivable in respect to Capital Expenditure is to credit grants to the Deferred Income Account and release the grant to the appropriate fund over the useful life of the asset concerned. The Bureau also receives some grants in advance of the periods to which they relate. These have been credited to the Deferred Income account and will be released into the appropriate fund in the relevant period. The balance to the credit of the Deferred Income Account is made up as follows:-

	1997 £	1996 £
Opening Balance	66,899	54,893
Credited in Year	<u>66,899</u>	<u>16,089</u>
		<u>70,982</u>
Released to Fund Revenue Account in year	20,099	4,083
Closing Balance shown in Balance Sheet	<u>£46,800</u>	<u>£66,899</u>

All grants, whether for Capital Expenditure or Revenue purposes, are dealt with on a receivable basis, whereby any grant known to be receivable at the balance sheet date, and relates to the period then ended, is credited to the appropriate fund or account.

INVERNESS CITIZENS ADVICE BUREAU

NOTES ON ACCOUNTS (continued)

6. Staffing Costs

Included in Staffing costs for the appropriate funds are the following:-

	1997 £	1996 £
Wages & Salaries (including employer's National Insurance)	118,574	106,831
Pension payments	<u>7,959</u> <u>£126,533</u>	<u>2,840</u> <u>£109,671</u>
Average number of employees during the year were:-	<u>12</u>	<u>11</u>

Pension Costs

Contributions in respect of the Bureau's defined contribution to a pension scheme are charged to the income & expenditure account for the year in which they are payable to the scheme.

7. Taxation.

The company is recognised by the Inland Revenue as being a Scottish Charity and therefore holds exemption to taxation under Section 505 of the Income and Corporation Taxes Act 1988. The company's charity number is SC 003951.

8. Accounting Policies**(a) Preparation of Statements.**

The financial statements have been prepared under the Historical Cost Convention and in accordance with section 228 of and schedule 4 to, the Companies Act 1985.

The effects of events relating to the period ended 31 March 1997 which occurred before 1 September 1997, the date of the approval of the financial statements by the board have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 March 1997, and of the results for the period ended on that date.

(b) Other accounting policies are disclosed under the appropriate notes attached to the statements.