

COMPANY REGISTRATION NUMBER: 03954988
CHARITY REGISTRATION NUMBER: 1080581

Citizens Advice Copeland
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2020

SAINT & CO

Chartered accountants
Saint & Co
12/13 Church Street
Whitehaven
Cumbria
CA28 7AY

Citizens Advice Copeland
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2020

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Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2020.

Reference and administrative details

| | |
|---|---|
| Registered charity name | Citizens Advice Copeland |
| Charity registration number | 1080581 |
| Company registration number | 03954988 |
| Principal office and registered office | Tangier Buildings Gregg's Lane Off Tangier Street Whitehaven Cumbria CA28 7UH |

The trustees

Mr P. Hanratty
Mr R Kelly
Mr G P Smith
Mrs J L Donaldson
Mr J B Alderson
Mrs P Douglas
Mr D J Wallace

Chief executive Mrs S Hewitson

Company secretary Mrs J L Donaldson

Independent examiner Ian Scott BA(hons) FCA DchA
Saint & Co
12/13 Church Street
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Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Structure, governance and management

Governing Document

The company was established under Memorandum of Association which established the objects and powers of the charitable company governed under its Articles of Association. Subsequently we adopted the national Citizens Advice model Articles of Association (which incorporate the relevant parts of the memorandum) to implement the requirements of the Companies Act 2006. We also altered our name to align to national Citizens Advice branding removing the term 'Bureau' so changing from 'Copeland Citizens Advice Bureau' to 'Citizens Advice Copeland' on 15 January 2019, also approved by both bodies.

The organisation is a charitable company limited by guarantee, incorporated in 03 March 2000 and registered as a charity on 05 May 2000. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of the Charity Law and under the Company's Articles are known as members of the Management Council. Under the requirements of the Memorandum and Articles of Association in every subsequent year one-third of the members of the council for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.

The members of the Council to retire in every year shall be those who have been longest in office since their last election, but as between persons who become members of the Council on the same day those to retire shall (unless they otherwise agree amongst themselves) be determined by lot.

Trustee Induction and Training

Trustees are given induction training by attending an initial meeting where the aims and objectives of the charity are clarified and explained. Packs explaining the roles, duties and responsibilities of Trustees are provided. All new trustees receive the Charity Commissions guide 'The Essential Trustee'. Trustees attend further appropriate training courses organised by Citizens Advice nationally.

Organisational Structure

The charity has a Management Council of up to fifteen members with a minimum of three, who meet regularly and are responsible for the strategic direction and policy of the charity. At present, the Council has seven members from a variety of professional backgrounds relevant to the work of the charity.

The Council has appointed a Treasurer who, working closely with the Finance Officer and Chief Officer, ensures that Accounts reports are presented to the Council on a quarterly basis for their approval.

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

The Chief Officer has responsibility for the day to day operational management of the organisation ensuring that the team continues to develop their skills and working practices in line with best practice.

Risk Management

The Management Council reviews the major risks to the charity on an ongoing basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors to the bureau.

We have adopted an information risk assurance policy and have developed our arrangements to meet the requirements of the General Data Protection Arrangements legislation implemented in 2018.

Related Parties

The charity co-operates with the National Association of Citizens Advice in the pursuit of its charitable objectives. The charity is a member of Citizens Advice Cumbria and delivers project work as a sub-contractor on county wide contracts secured by CAC (Money Advice Service Debt Advice Project contract and the Macmillan project). The Chief Officer attends meetings of other voluntary organisations in the area to promote cohesive service delivery, to identify any gaps in the provision of services, particularly for 'hard to reach' and vulnerable groups and to seek out opportunities for collaborative delivery.

Key management personnel remuneration

The trustees consider the Board of Trustees and the chief executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 15 to the accounts.

The pay of the charity's chief executive is reviewed annually and assessed in accordance with average earnings. The remuneration is also bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Objectives and activities

The aims of the company are:

To promote any charitable purpose for the benefit of the community in the Borough of Copeland by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

Our activities principally relate to providing advice on money (debt) and welfare benefit, together with housing advice and specialist services for people with physical or mental ill health and others. We help people overcome their problems and we campaign on big issues when their voices need to be heard.

We ensure that the purpose of our charity is beneficial and carried out so as to benefit the public beneficially. We identify risks of harm and minimise those risks. We seek to ensure that the advice we provide is available to all who need it. We do not charge for our service and people receive no unnecessary personal benefits.

We are a volunteer led service which relies on a team of volunteers to undertake a number of roles within our organisation. Our volunteers commit an amazing 1300 hours to Citizens Advice Copeland every month undertaking roles including Trustees, Advisers, Administrators, Advice Supervisors and Campaigners.

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Achievements and performance

This year Citizens Advice Copeland has continued to work to meet the needs of people living in Copeland ensuring that the services we provide are accessible to those who need us the most. Our free, independent, confidential service remains in demand with more of our clients requiring longer term support with more complex issues. Our team of highly skilled staff and volunteers have assisted 2,284 clients with 12,678 issues during this reporting period. The most significant issues were; benefits and tax credits (28%), debt (26%) and Universal Credit (24%).

Our income gains for this period total £1,942,755 and we have rescheduled payments to creditors and written off debt totalling £407,192. This year we have delivered projects for the following funders:-

- Copeland Borough Council
- Copeland Community Fund
- Cumbria Community Foundation
- Cumbria County Council Money Advice
- Department of Work and Pensions
- Distington Big Local
- Energy Advice Programme
- Hadfield Trust
- Groundworks North East and Cumbria
- Macmillan Cancer Support
- Money and Pensions Service
- North Lakes Foodbank
- Phoenix Enterprise Centre
- Phyllis Harney Trust
- Sellafield Ltd
- United Utilities Trust Fund

All these projects have allowed us to meet the needs of some of our most vulnerable residents. We continued to provide a home visiting service to those who were unable to attend a face to face advice session due to health or mobility reasons. This is a vital service for some of our residents who, without it, may not have accessed the support they needed to deal with the problems they faced.

We have continued to provide financial resilience training to local organisations and also clients on a one to one basis. These sessions are tailored to meet the needs of the individuals and will focus a range of topics such as how to plan a sustainable budget, saving and planning for the future and how to manage a change in income. To be able to offer this support is vital as support to Universal Credit (now termed 'Help to Claim') continues in Copeland. We also receive funding from North Lakes Foodbank to continue delivering an advice service from the Foodbank centre in Egremont. Here we meet and assist many people who are struggling to navigate and manage a change in circumstances due to welfare reform. We have continued to work with the DWP, Copeland Borough Council, Phoenix Enterprise Centre and Whitehaven, Egremont and District Credit Union to provide

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

services and support for those affected by welfare reform and will continue to do so in so in 2020/21 via the contract entered into by by Citizens Advice nationally.

We met the performance requirements of our funders (a requirement in order to receive the funding).

We were successful with sufficient bids to provide services meeting our aims and values to cover our costs therefore achieving our funding objectives.

Just before the end of the financial year the UK went into lockdown due to the Covid 19 pandemic. This caused significant changes to our normal service provision as face to face meetings with clients and within our service necessarily ceased. Staff worked from home and we were unable to engage our volunteers. During 2020/21 we will continue to improve our service delivery within the constraints as they evolve. So far we are fortunate that our income streams are unaffected and service targets have been met. The Trustee Board were similarly impacted but continued to hold meetings via web conferences.

Our modest cash reserves received the expected very modest interest payments.

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Financial review

The charity showed a loss for the year of £23,838 (2019: £ 2,588 loss)

At 31st March 2020 general reserves totalled £94,107 and restricted funds totalled £95,870.

Nearly 8% of income is 'core funding' from Copeland BC, though this has to be approved annually. Nearly 23% is from county-wide contracts (through Citizens Advice Cumbria) to deliver financial advice for Money Advice and and welfare benefits advice for MacMillan . The remaining 70% is from a variety of awards for various housing, welfare benefits, energy and debt advice. We are increasingly working in partnership with other organisations (eg Egremont and District Credit Union, Citizens Advice Allerdale) for delivering these projects. Fund raising is typically 1%-2% of income.

Long term planning is constrained by the short term nature of our income streams. The loss of a major income stream would require major changes and loss of key staff. Such loss could be due to changes in the financial position of our funders, changes in their policy or competitors undercutting our costs.

Reserves Policy

Our income is dominated by competitive contracts providing restricted funds which create minimal opportunity for building reserves. Our financial position is precarious due to the uncertainty both of receiving and the short term nature of these contracts. To achieve the aims of our Charity we must seek to preserve our solvency requiring reserved funds to manage credible risks. The current view of the amount our charity needs to hold in reserve is a minimum of £56000.

This represents only 9 weeks of operating costs and is more based on what we realistically are able to allocate to reserves rather than a desire to operate so frugally. Our ability to increase the level of reserve is constrained not only by the difficult financial climate but also because most of our income is restricted to specific projects and so we are not at liberty to divert it to other uses such as reserves.

Going Concern

While we are confident that we remain a going concern in that our funders continue to value our service, changes to their financial stability given the uncertain political and economic environment (particularly following the huge national cost of the pandemic) could affect that confidence.

Investment Policy

We have insufficient funds to make social investments and therefore have no associated policy. Cash reserves are held in COIF.

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Plans for future periods

Through the services we deliver and the training and work experience available to volunteers, we continue to make a positive contribution to the creation of, and enhancement of transferable skills for those seeking paid employment, and individuals wishing to 'put something back' into their community through voluntary work, albeit that this has paused during lockdown.

We are operating in an increasingly difficult environment due to tight public and private finances and an increasing administrative burden as more strictures are proscribed to prove that ever higher standards are being met. The key objectives for 2020/21 are the development of our service to meet the new demands imposed by the pandemic and to ensure we continue to be responsive to the needs of the community in which we work.

This requires focus on:

- Biosafety - to ensure our staff and clients can continue to provide and receive the service with minimal risk of infection.
- Funding - securing and increasing our funding
- Developing our service - identifying and implementing new ways to ensure increased access to our free and independent advice service.
- Training - to ensure our staff and volunteers keep up to date with the changing regulatory environment.
- Public Relations - increasing our profile in the community and promoting our service.

We continue to build strong relationships with local agencies and support groups working with them to meet the needs of our community. Joint working with other Cumbria offices continues to develop and we continue to play an active role in this.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Citizens Advice Copeland

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

The trustees' annual report was approved on 7 October 2020 and signed on behalf of the board of trustees by:

Mr P. Hanratty
Trustee

Citizens Advice Copeland

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Citizens Advice Copeland

Year ended 31 March 2020

I report to the trustees on my examination of the financial statements of Citizens Advice Copeland ('the charity') for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Citizens Advice Copeland

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Citizens Advice Copeland *(continued)*

Year ended 31 March 2020

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Ian Scott BA(hons) FCA DchA
Independent Examiner

Saint & Co
12/13 Church Street
Whitehaven
Cumbria
CA28 7AY

Citizens Advice Copeland
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)

Year ended 31 March 2020

| | | 2020 | | | 2019 |
|--------------------------------------|--------------|-----------------|--------------------|------------------------|----------------|
| | Unrestricted | Restricted | Total funds | Total funds | |
| | funds | funds | £ | £ | |
| Note | £ | £ | £ | £ | £ |
| Income and endowments | | | | | |
| Donations and legacies | 5 | 75,788 | 356,896 | 432,684 | 360,057 |
| Charitable activities | 6 | – | 94,904 | 94,904 | 94,696 |
| Investment income | 7 | 664 | – | 664 | 192 |
| Other income | 8 | 1,824 | 100 | 1,924 | 2,240 |
| Total income | | <u>78,276</u> | <u>451,900</u> | <u>530,176</u> | <u>457,185</u> |
| Expenditure | | | | | |
| Expenditure on charitable activities | 9,10 | 92,864 | 461,150 | 554,014 | 459,773 |
| Total expenditure | | <u>92,864</u> | <u>461,150</u> | <u>554,014</u> | <u>459,773</u> |
| Net expenditure | | <u>(14,588)</u> | <u>(9,250)</u> | <u>(23,838)</u> | <u>(2,588)</u> |
| Transfers between funds | | (5,259) | 5,259 | – | – |
| Net movement in funds | | <u>(19,847)</u> | <u>(3,991)</u> | <u>(23,838)</u> | <u>(2,588)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 113,955 | 99,860 | 213,815 | 216,403 |
| Total funds carried forward | | <u>94,107</u> | <u>95,870</u> | <u>189,977</u> | <u>213,815</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 16 to 34 form part of these financial statements.

Citizens Advice Copeland
Company Limited by Guarantee
Statement of Financial Position

31 March 2020

| | | 2020 | | 2019 |
|---|-------------|-----------------|----------------|-------------------------------|
| | Note | £ | £ | <i>(restated)</i> £ |
| Fixed assets | | | | |
| Tangible fixed assets | 17 | | 116,104 | 125,906 |
| Current assets | | | | |
| Debtors | 18 | 46,746 | | 65,760 |
| Cash at bank and in hand | | 96,197 | | 123,757 |
| | | | 142,943 | 189,517 |
| Creditors: amounts falling due within one year | 19 | (69,070) | | (101,608) |
| Net current assets | | | 73,873 | 87,909 |
| Total assets less current liabilities | | | 189,977 | 213,815 |
| Net assets | | | 189,977 | 213,815 |
| Funds of the charity | | | | |
| Restricted funds | | | 95,870 | 99,860 |
| Unrestricted funds | | | 94,107 | 113,955 |
| Total charity funds | 22 | | 189,977 | 213,815 |

For the year ending 31 March 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 16 to 34 form part of these financial statements.

Citizens Advice Copeland

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2020

These financial statements were approved by the board of trustees and authorised for issue on 7 October 2020, and are signed on behalf of the board by:

Mr P. Hanratty
Trustee

Company Registration Number: 03954988.

The notes on pages 16 to 34 form part of these financial statements.

Citizens Advice Copeland
Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2020

| | 2020 | 2019 |
|---|-----------------|------------------------|
| | £ | <i>(restated)</i> £ |
| Cash flows from operating activities | | |
| Net expenditure | (23,838) | (2,588) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 9,802 | 11,225 |
| Other interest receivable and similar income | (664) | (192) |
| Interest payable and similar charges | 65 | 61 |
| Accrued expenses/(income) | 2,599 | (325) |
| <i>Changes in:</i> | | |
| Trade and other debtors | 2,432 | (21,793) |
| Trade and other creditors | (18,555) | 61,810 |
| Cash generated from operations | (28,159) | 48,198 |
| Interest paid | (65) | (61) |
| Interest received | 664 | 192 |
| Net cash (used in)/from operating activities | (27,560) | 48,329 |
| Net (decrease)/increase in cash and cash equivalents | (27,560) | 48,329 |
| Cash and cash equivalents at beginning of year | 123,757 | 75,428 |
| Cash and cash equivalents at end of year | 96,197 | 123,757 |

The notes on pages 16 to 34 form part of these financial statements.

Citizens Advice Copeland
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Tangier Buildings, Gregg's Lane Off Tangier Street, Whitehaven, Cumbria, CA28 7UH.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The trust meets the definition of a public benefit entity under FRS102.

Going concern

While we are confident that we remain a going concern in that our funders continue to value our service, changes to their financial stability given the uncertain political and economic environment could affect that confidence.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

1) Revaluation of Millom freehold property.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees consider there are no key sources of estimation uncertainty.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (other than those held for investment purposes).

Taxation

As a registered charity the company is not liable to corporation tax and, consequently, no provision for such tax is included in the statements.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Fund accounting

General 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 Trustees for particular projects.

Restricted funds are funds subject to specific restrictive conditions imposed by the funders.

All income and expenditure is shown in the Statement of Financial Activities.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis. Support costs and other costs not directly attributable to particular functional activity categories are allocated on a basis consistent with use of the resources.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|---------------------|---|--------------------------------|
| Freehold Property | - | Straight line over 50 years |
| Leasehold Property | - | Straight line over 20 years |
| Fixtures & Fittings | - | Straight line over 3 - 5 years |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

The company only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the company and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in notes. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and the members liability is limited to £1 each.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

5. Donations and legacies

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|---|-----------------------|---------------------|------------------------|
| | £ | £ | £ |
| Donations | | | |
| Donations | 6,808 | – | 6,808 |
| Grants | | | |
| DIGs | – | 44,771 | 44,771 |
| Energy Best deal | – | – | – |
| Distington Big Local | – | 10,152 | 10,152 |
| Groundwork | – | 35,514 | 35,514 |
| Housing Partners Benefit Advice | – | 10,765 | 10,765 |
| Pheonix Enterprise Centre (PEC) Project | – | 19,375 | 19,375 |
| Universal Credit | – | – | – |
| Phyllis Harvey Trust | 31,644 | – | 31,644 |
| Foodbank Outreach | – | 4,893 | 4,893 |
| Financial Inclusion Project | – | 140,168 | 140,168 |
| CCF UU Legacy Fund | – | 8,783 | 8,783 |
| Help to Claim (UC) | – | 24,172 | 24,172 |
| Hadfield Trust | – | 1,243 | 1,243 |
| Mental Health | 37,336 | 57,060 | 94,396 |
| | <u>75,788</u> | <u>356,896</u> | <u>432,684</u> |
| | Unrestricted Funds | Restricted Funds | Total Funds 2019 |
| | £ | £ | <i>(restated)</i> £ |
| Donations | | | |
| Donations | 3,873 | – | 3,873 |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

5. Donations and legacies *(continued)*

| | Unrestricted Funds | Restricted Funds | Total Funds 2019 <i>(restated)</i> |
|---|-----------------------|---------------------|--|
| | £ | £ | £ |
| Grants | | | |
| DIGs | – | 44,771 | 44,771 |
| Energy Best deal | – | 13,053 | 13,053 |
| Distington Big Local | – | 13,692 | 13,692 |
| Groundwork | – | 34,939 | 34,939 |
| Housing Partners Benefit Advice | – | 2,507 | 2,507 |
| Pheonix Enterprise Centre (PEC) Project | – | 18,814 | 18,814 |
| Universal Credit | – | 18,968 | 18,968 |
| Phyllis Harvey Trust | 20,372 | – | 20,372 |
| Foodbank Outreach | – | 4,594 | 4,594 |
| Financial Inclusion Project | – | 49,848 | 49,848 |
| CCF UU Legacy Fund | – | 4,498 | 4,498 |
| Help to Claim (UC) | – | – | – |
| Hadfield Trust | – | – | – |
| Mental Health | 44,136 | 85,992 | 130,128 |
| | <u>68,381</u> | <u>291,676</u> | <u>360,057</u> |

6. Charitable activities

| | Restricted Funds | Total Funds 2020 | Restricted Funds | Total Funds 2019 <i>(restated)</i> |
|-----------------------------|---------------------|-----------------------------|---------------------|--|
| | £ | £ | £ | £ |
| FIF/F2F/Money Advice Income | 66,827 | 66,827 | 66,680 | 66,680 |
| MacMillan | 28,077 | 28,077 | 28,016 | 28,016 |
| | <u>94,904</u> | <u>94,904</u> | <u>94,696</u> | <u>94,696</u> |
| | _____ | _____ | _____ | _____ |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

7. Investment income

| | Unrestricted Funds | Total Funds 2020 | Unrestricted Funds | Total Funds 2019 <i>(restated)</i> |
|--|-----------------------|-----------------------------|-----------------------|--|
| | £ | £ | £ | £ |
| Bank interest receivable | 214 | 214 | 192 | 192 |
| Rents receivable on lease of office space | <u>450</u> | <u>450</u> | <u>—</u> | <u>—</u> |
| | <u>664</u> | <u>664</u> | <u>192</u> | <u>192</u> |

8. Other income

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|--------------|-----------------------|---------------------|-----------------------------|
| | £ | £ | £ |
| Other income | <u>1,824</u> | <u>100</u> | <u>1,924</u> |

| | Unrestricted Funds | Restricted Funds | Total Funds 2019 <i>(restated)</i> |
|--------------|-----------------------|---------------------|--|
| | £ | £ | £ |
| Other income | <u>2,140</u> | <u>100</u> | <u>2,240</u> |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

9. Expenditure on charitable activities by fund type

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|---|-----------------------|---------------------|-----------------------|
| | £ | £ | £ |
| Charitable Activities - Legal Services / Money Advice | 51,219 | 422,861 | 474,080 |
| Support costs | 41,645 | 38,289 | 79,934 |
| | <u>92,864</u> | <u>461,150</u> | <u>554,014</u> |
| | Unrestricted Funds | Restricted Funds | Total Funds 2019 |
| | £ | £ | £ |
| Charitable Activities - Legal Services / Money Advice | 27,419 | 351,530 | 378,949 |
| Support costs | 49,545 | 31,279 | 80,824 |
| | <u>76,964</u> | <u>382,809</u> | <u>459,773</u> |

10. Expenditure on charitable activities by activity type

| | Activities undertaken directly | Support costs | Total funds 2020 | Total fund 2019 |
|--|--------------------------------------|---------------|-----------------------|--------------------|
| | £ | £ | £ | £ |
| Charitable Activities - Legal Services / Money Advice | 474,080 | 73,947 | 548,027 | 455,077 |
| Governance costs | – | 5,987 | 5,987 | 4,696 |
| | <u>474,080</u> | <u>79,934</u> | <u>554,014</u> | <u>459,773</u> |

11. Analysis of support costs

Additional support costs include governance costs as disclosed in notes.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

11. Analysis of support costs *(continued)*

| | Legal Services / Money Advice £ | Total 2020 £ | Total 2019 £ |
|-----------------------|--|-----------------|-----------------|
| Staff costs | 42,585 | 42,585 | 41,946 |
| Premises | 20,304 | 20,304 | 21,462 |
| Communications and IT | 1,256 | 1,256 | 1,495 |
| General office | 9,801 | 9,801 | 11,225 |
| Governance costs | 5,988 | 5,988 | 4,696 |
| | <hr/> | <hr/> | <hr/> |
| | 79,934 | 79,934 | 80,824 |
| | <hr/> | <hr/> | <hr/> |

12. Net expenditure

Net expenditure is stated after charging/(crediting):

| | 2020 £ | 2019 <i>(restated)</i> £ |
|---------------------------------------|---------------|--------------------------------|
| Depreciation of tangible fixed assets | 9,801 | 11,225 |
| Operating lease rentals | 20,304 | 21,462 |
| | <hr/> | <hr/> |

13. Independent examination fees

| | 2020 £ | 2019 <i>(restated)</i> £ |
|---|--------------|--------------------------------|
| Fees payable to the independent examiner for: | | |
| Independent examination of the financial statements | 3,199 | 3,594 |
| Other financial services | 816 | 791 |
| | <hr/> | <hr/> |
| | 4,015 | 4,385 |
| | <hr/> | <hr/> |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2020 | 2019 <i>(restated)</i> |
|---|----------------|---------------------------|
| | £ | £ |
| Wages and salaries | 362,138 | 305,629 |
| Social security costs | 26,194 | 20,860 |
| Employer contributions to pension plans | 15,976 | 10,660 |
| | <u>404,308</u> | <u>337,149</u> |

Citizens Advice Copeland payrolled costs include two employees who are contracted to a neighbouring independent charity. There is an arrangement between the charities that the employees are processed via Citizens Advice Copelands who are in turn reimbursed the cost by the independent charity.

The average head count of employees during the year was 20 (2019: 17). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2020 No. | 2019 No. |
|----------------------|-------------|-------------|
| Project staff | 10 | 14 |
| Supervisory staff | 3 | – |
| Administrative staff | 3 | 1 |
| Apprentices | 2 | 2 |
| Other staff | 2 | – |
| | <u>20</u> | <u>17</u> |

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

15. Trustee remuneration and expenses

The trustees are not remunerated. During the year no expenses were reimbursed to trustees (2019: Nil):

16. Transfers between funds

Unrestricted funds have been used to cover a small deficit of a restricted fund during the year.

Restricted funds with small surpluses arising due to cost allocations have been moved to unrestricted reserves.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

17. Tangible fixed assets

| | Freehold property £ | Long leasehold property £ | Fixtures and fittings £ | Total £ |
|--|---------------------------|------------------------------------|-------------------------------|-----------------------|
| Cost | | | | |
| At 1 April 2019 (as restated) and 31 March 2020 | <u>133,399</u> | <u>144,820</u> | <u>60,368</u> | <u>338,587</u> |
| Depreciation | | | | |
| At 1 April 2019 | 40,376 | 112,448 | 59,857 | 212,681 |
| Charge for the year | <u>2,326</u> | <u>7,241</u> | <u>235</u> | <u>9,802</u> |
| At 31 March 2020 | <u>42,702</u> | <u>119,689</u> | <u>60,092</u> | <u>222,483</u> |
| Carrying amount | | | | |
| At 31 March 2020 | <u>90,697</u> | <u>25,131</u> | <u>276</u> | <u>116,104</u> |
| At 31 March 2019 | <u>93,023</u> | <u>32,372</u> | <u>511</u> | <u>125,906</u> |

The freehold property at Millom was revalued in 2017 by the trustees at a value consistent with its location and condition. The trustees had accepted the market valuation prepared by Edwin Thomson, Chartered Surveyors in October 2015.

18. Debtors

| | 2020 £ | 2019 <i>(restated)</i> £ |
|--------------------------------|-------------------|--------------------------------|
| Trade debtors | 2,056 | 271 |
| Prepayments and accrued income | 44,685 | 65,489 |
| Other debtors | <u>5</u> | <u>—</u> |
| | 46,746 | <u>65,760</u> |
| | <u> </u> | <u> </u> |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

19. Creditors: amounts falling due within one year

| | 2020 | 2019 <i>(restated)</i> |
|---------------------------------|---------------|---------------------------|
| | £ | £ |
| Trade creditors | 83 | 3,314 |
| Accruals and deferred income | 68,987 | 89,231 |
| Social security and other taxes | – | 7,290 |
| Other creditors | – | 1,773 |
| | <u>69,070</u> | <u>101,608</u> |

20. Deferred income

| | 2020 | 2019 <i>(restated)</i> |
|---------------------------|---------------|---------------------------|
| | £ | £ |
| At 1 April 2019 | 68,496 | 10,417 |
| Amount released to income | (40,714) | (10,417) |
| Amount deferred in year | 34,453 | 68,496 |
| At 31 March 2020 | <u>62,235</u> | <u>68,496</u> |

The deferred income at the reporting date relates to a grants received during 31 March 2020 or earlier reporting periods which relate to future accounting periods. The grants are in relation to the General Advice, the Financial Inclusion Project, the CCF UU Legacy Fund and the Hadfield Trust.

The deferred income at the reporting date relates to a grants received during 31 March 2019 which relate to future accounting periods. The grants are in relation to the Phyllis Harney Trust, General Advice, the Financial Inclusion Project and the CCF UU Legacy Fund.

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £15,976 (2019: £10,660).

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

21. Pensions and other post retirement benefits *(continued)*

TPT Retirement Solutions - The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came in to force on 30 December 2005. This, together with the documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows: Deficit contributions from 1 April 2013 to 31 March 2023: £13.9m per annum (payable monthly and increasing by 3% each on 1st April) A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows: Deficit contributions from 1 April 2016 to 30 September 2025 : £12,945,440 per annum (payable monthly and increasing by 3% each on 1 April) The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Analysis of charitable funds

Unrestricted funds

| | At 1 April 2019 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2020 £ |
|----------------|-------------------------|---------------|------------------|----------------|--------------------------|
| General funds | 113,444 | 46,632 | (60,151) | (5,818) | 94,107 |
| Phyllis Harney | 510 | 31,644 | (32,713) | 559 | – |
| | <u>113,954</u> | <u>78,276</u> | <u>(92,864)</u> | <u>(5,259)</u> | <u>94,107</u> |

| | At 1 April 2018 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2019 £ |
|----------------|-------------------------|---------------|------------------|----------------|--------------------------|
| General funds | 121,055 | 50,341 | (57,102) | (849) | 113,445 |
| Phyllis Harney | – | 20,372 | (19,862) | – | 510 |
| | <u>121,055</u> | <u>70,713</u> | <u>(76,964)</u> | <u>(849)</u> | <u>113,955</u> |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Analysis of charitable funds *(continued)*

Restricted funds

| | At 1 April 2019 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2020 £ |
|--------------------------------------|-------------------------|----------------|------------------|----------------|--------------------------|
| Buildings & equipment | 93,023 | – | (2,325) | – | 90,698 |
| Financial Inclusion Project | 1,087 | 140,166 | (138,125) | – | 3,128 |
| CCC money advice | 1,256 | 57,060 | (59,213) | 897 | – |
| MASDAP | 1,661 | 66,827 | (71,666) | 3,178 | – |
| MacMillan | – | 28,077 | (29,219) | 1,142 | – |
| Groundwork | – | 35,515 | (35,575) | 60 | – |
| Help to claim (Universal Credit) | 992 | 24,172 | (24,556) | – | 608 |
| Phoenix Enterprise Centre project | 406 | 19,376 | (19,482) | (300) | – |
| Other restricted funds | 1,436 | 80,707 | (80,989) | 282 | 1,436 |
| | <u>99,861</u> | <u>451,900</u> | <u>(461,150)</u> | <u>5,259</u> | <u>95,870</u> |

| | At 1 April 2018 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2019 £ |
|--------------------------------------|-------------------------|----------------|------------------|----------------|--------------------------|
| Buildings & equipment | 95,348 | – | (2,326) | – | 93,022 |
| Financial Inclusion Project | – | 49,848 | (48,761) | – | 1,087 |
| CCC money advice | – | 57,060 | (55,804) | – | 1,256 |
| MASDAP | – | 66,680 | (65,019) | – | 1,661 |
| MacMillan | – | 28,016 | (28,006) | (10) | – |
| Groundwork | – | 34,939 | (36,637) | 1,698 | – |
| Help to claim (Universal Credit) | – | 18,968 | (17,976) | – | 992 |
| Phoenix Enterprise Centre project | – | 18,814 | (18,408) | – | 406 |
| United Utilities | – | 15,600 | (15,296) | (304) | – |
| Other restricted funds | – | 96,547 | (94,576) | (535) | 1,436 |
| | <u>95,348</u> | <u>386,472</u> | <u>(382,809)</u> | <u>849</u> | <u>99,860</u> |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Analysis of charitable funds *(continued)*

The specific purpose for which funds are to be assigned follow below:

General Advice

Unrestricted funds to support a general advice service for Copeland residents provided from our Whitehaven and Millom offices and an outreach at Cleator Moor Town Council's office.

Phyllis Harney

Unrestricted funds to support a general advice service for clients in financial hardship. Families are experiencing poverty.

Cumbria County Council (CCC) Money Advice

Restricted funds to provide money advice and financial capability services in Copeland.

Money Advice Service Debt Advice Project (MASDAP)

Restricted funds to provide debt advice to clients in financial difficulty.

Macmillan

Restricted funds to provide welfare benefits casework to cancer patients and their families.

Groundwork

Restricted funds to provide welfare benefits advice to long-term unemployed clients to enable a move into paid employment.

Financial Inclusion Project

Restricted funds to provide welfare benefits and debt advice to clients.

Help To Claim Universal Credit (UC)

Restricted funds to provide Universal Credit entitlement checks and support with claims until their first payment of benefit.

Phoenix Enterprise Centre (PEC) Project

Restricted funds to provide an outreach service from Phoenix Enterprise Centre locations in Whitehaven and Cleator Moor.

Other Restricted Funds

Includes various other restricted projects.

The following funds are in deficit at the year end:

None

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

23. Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 25,407 | 90,698 | 116,105 |
| Current assets | 137,771 | 5,172 | 142,943 |
| Creditors less than 1 year | (69,071) | – | (69,071) |
| Net assets | 94,107 | 95,870 | 189,977 |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2019 £ |
|----------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 32,883 | 93,023 | 125,906 |
| Current assets | 182,680 | 6,837 | 189,517 |
| Creditors less than 1 year | (101,608) | – | (101,608) |
| Net assets | 113,955 | 99,860 | 213,815 |

24. Prior year adjustments

The financial statements have been restated for the year ended 31 March 2019 to split income for wage contributions from the expense.

Restricted donations and legacies and expenditure on charitable activities - wages and salaries have been increased by £47,771.

25. Analysis of changes in net debt

| | At 1 Apr 2019 £ | Cash flows £ | At 31 Mar 2020 £ |
|--------------------------|--------------------|-----------------|------------------------|
| Cash at bank and in hand | 123,757 | (27,560) | 96,197 |

Citizens Advice Copeland

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2020 | 2019 <i>(restated)</i> |
|--|----------------------|---------------------------|
| | £ | £ |
| Not later than 1 year | 12,739 | 22,920 |
| Later than 1 year and not later than 5 years | 15,809 | 30,807 |
| | <u>28,548</u> | <u>53,727</u> |

27. Related parties

There are no related party transactions to disclose.