

Charity Registration No. 1109852

Company Registration No. 05446940 (England and Wales)

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
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**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 2019)".

The Trustees have complied with their duty in section 4 of the 2010 Charities Act to have due regard to the guidance published by the Charity Commission.

Objectives and activities

Citizens Advice Denbighshire's mission:

"to work with partners, nationally and locally; providing a fully accessible, comprehensive and high quality service; responding to various and changing needs; to reduce poverty, improve financial and personal resilience and to prevent homelessness, thereby contributing to improved wellbeing within our community."

In the coming year the charity will seek to sustain its current programmes and facilitate new ones and to this end will pursue the acquisition of further funding.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Charity's core activity is to provide an information, advice, and advocacy service, including money advice in the area of benefits funded through a contract from Denbighshire County Council (DCC) and grants from the main Town Councils as well as Community Councils, Freeman Evans Trust, Big Lottery Fund, Welsh Government and other Organisations. The DCC contract is to provide a Consumer and Financial advice service for the whole of Denbighshire.

Grant monies received from Town Councils are ring fenced and expended solely on services in the respective areas of the particular town council and, in the case of monies received from the Freeman Evans Trust within the Denbigh area of that trust. The grant from Rhyl Town Council to provide energy advice to the people of Rhyl is match funded.

In October 2018, DCC put the Consumer & Finance contract out for tender. We put in a successful bid and were awarded the contract in December 2018 and commenced delivery on 1 February 2019. The Contract term is for 4 years + 1. Funding for the contract has been negotiated and is guaranteed for its term.

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In addition, CAD provides advice and support with specific projects including:

Advicelink Cymru (SAF) is a new nationally funded programme for advice in Wales from 1 January 2020. The funding is a result of the Welsh Government's decision to change how they commission advice services across Wales. It replaces 4 Welsh Government funded advice services. Citizens Advice was awarded £8.1 million from Welsh Government 'Single Advice Fund' to deliver Advicelink Cymru until 31 December 2020. It is being delivered through the Citizens Advice network in Wales as well as with local and national partner organisations.

Big Energy Saving Network and Energy Advice Project are short term projects to provide help and advice on fuel economy and efficiency and identification of additional advice issues.

Rhyl Town Council funding to provide dedicated specialist energy economy and efficiency adviser providing advice to Rhyl residents.

Your Place or Ours funded by Big Lottery working in partnership with South Denbighshire Community Partnership (SDCP) to work with local communities in Corwen and Edeyrnion to identify and develop new services that will support independent living, combat rural poverty and enable people to live in their communities. In 2020 the funding was extended to include services to the Llangollen community.

DCC Housing (Key 2 Advice). Direct support for DCC Tenants including advice on energy.

Families First Young People - DCC funding to provide Financial Capability Advice to young people.

Working@citizensadvice - An employment project aimed at giving real work experience to the long-term unemployed, through 18 supported work placements. The project is funded by the European Social Fund through the Welsh European Funding Office (WEFO) via Welsh Council for Voluntary Action (WCVA) under the Active Inclusion Fund. Commenced 1 February 2020 providing work placements across local Citizens Advice offices in Denbighshire, Conwy, Gwynedd, and Ynys Mon, employed by CAD.

Denbighshire School Uniform Recycle. An innovative scheme acknowledged by the Children's Commissioner for Wales. Normally delivered in partnership with the ASK Centre, SDGP, Pop-In Centre Prestatyn. This year we had anticipated delivering the scheme in the same way but it became apparent that we would have to do it differently. We decided to offer an online shopping facility promoted through Facebook and to provide open air markets with partners Denbigh Town Carnival Team and SDGP. This online shopping aspect has gone down so well, we have decided to keep it going next year, hopefully with our shops open too. We have received generous funding to purchase uniforms, shoes and vouchers from the Community Foundation in Wales, Denbigh, and Rhyl Town Councils. The scheme promotes recycling of school uniforms, awareness of the value of community recycling and community engagement. CAD were awarded a national award from Citizens Advice in 2019 "Best Collaborative Working" for this scheme and continues to be our major social policy campaign work.

British Gas Energy Trust funding provides energy advice to vulnerable customers.

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FOR THE YEAR ENDED 31 MARCH 2021**

Universal Support is a series of projects to help give advice to those eligible to receive Universal Credit, including the Help to Claim service which assists claimants to make a claim and provides support to initial payment. Best Practice Lead - providing best practice support to all North Wales LCAs and Powys and carrying out research and campaigns.

Homelessness Prevention Team - DCC funding to provide a full-time caseworker from CAD to support their Homelessness Prevention Team.

Eat Well, Cook Slow - This innovative new project was delivered to 160 Denbighshire families in partnership with DCC who provided funding and referrals to the project. The scheme provided families with a slow cooker, food and recipes together with support and advice. It proved very successful in terms of numbers and feedback from participating clients.

Energy Redress 1&2 - We were awarded funding for the provision of emergency fuel vouchers for clients on pre-payment meters.

ATJF Covid Employment Rights - Funded by Access to Justice Fund in partnership with Ynys Mon Citizens Advice to provide employment advice.

ATJF Litigant in Person Scheme - Funded by Access to Justice Fund in partnership with Ynys Mon Citizens Advice to employ legal advisers.

BEIS Single Advice Queue - Funding to provide additional telephone support to the single advice queue.

BEIS Helping More People Together - Funding to employ and train staff and volunteers in the provision of an additional telephone advice service.

Voluntary Services Recovery Fund - Funding from the WCVA for additional training resource to support extended telephone service delivery and additional staff and volunteer recruitment and training.

Single Advice Fund Test & Learn - Funding in partnership with all North Wales Citizens Advice to provide a dedicated worker to support a holistic income maximisation advice and information service to develop the confidence and ability for service users to meet fluctuating life circumstance changes.

Citizens Advice Denbighshire (CAD) are keen to fully demonstrate the impact of activities to stakeholders and to involve stakeholders in the process of evaluation of our work. This includes demonstrating Social Value which is often a requirement from Funders.

We have been involved with Social Value Cymru in measurement of the Social Return on Investment (SROI) of the first 2 years of the "Your Place Or Ours" project which is carried out in partnership with SDCP (who are the project lead). That project shows a SROI of over £6 for each £1 invested in the project. Staff from each organisation have been trained in the evaluation and measurement process by the Social Value Cymru team and Mantell Gwynedd.

Although staff have been trained to do the work, this level of evaluation is very time intensive and the Board have decided to limit this level of evaluation to projects where the evaluation can be funded. This will allow us to engage third party organisations to undertake this work to reduce the burden of it on CAD staff.

Volunteers

The Charity relies on up to 45 fully trained volunteers as well as 40 (FTE + P/T) staff at the year end who carry out a wide range of advice work and administrative tasks. The use of volunteers in the course of undertaking the charitable and income generating activities is not recognised within the SOFA.

**CITIZENS ADVICE DENBIGHSHIRE
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance

The Charity has once again improved on its already excellent financial systems. This enables us to monitor expenditure in greater detail and identify any operating efficiencies that can be implemented.

The Board of Trustees is committed to act in an ethical way regarding its financial dealings and to this end an Ethical Investment and Financial Management Policy was approved at a Board meeting in October 2020.

The Board has reviewed the Business Development Plan for 2020-2024 and measured the outcomes against the objectives within that plan. This plan has been reviewed during the Financial Year ending 31 March 2021 and new objectives have been set for the Charity for the years 2021- 2024. This plan is a joint effort between the CEO and the Trustee Board.

All projects have met their targets and we have been awarded extra opportunities on the strength of excellent project management.

Yet again we have been awarded the maximum points on every aspect of the Leadership Self-Assessment process by our Citizens Advice Auditor. This assessment is based on a Performance Quality Framework which comprises:

- Client Experience
- Quality of advice
- People management
- Leadership
- Financial Health

We have also retained the specialist advice accreditation from AQS for the following advice areas:

- Employment
- Housing
- Welfare Benefits
- Telephone Advice
- Consumer
- Money Advice

Training of our staff and volunteers continues as we see this as essential to ensure that all members of CAD have access to relevant and developmental training for their roles. The fact that we are doing this effectively is evidenced by the LSA award and the feedback we receive from clients.

CAD has continued partnerships with all 6 LCAs in North Wales, the ASK Centre, DCC, SDCP, RCS. These partnerships give improved opportunities for acquiring funding and consolidate working relationships with the partner to whom we sub-contract.

CAD has achieved gains of £10,957,521 and negotiated £10,088,694 of Debt on behalf of clients.

CAD has a strong community presence and the relationships with the Local Authority and town and community councils is important to the work it carries out.

It should be noted that all this has been achieved against the backdrop of the Covid pandemic. CAD achieved the remarkable feat of changing a predominantly office based, in-person service to an entirely remote service in a week. All this was done without any additional resources. It was not easy and it is not a permanent solution and when we can, we will resume our in-person service alongside a digital and telephone service. Our clients have felt no disruption or reduction in our services and we have reached out further into our communities. Our efforts and continued service delivery were specifically singled out by the Leader of DCC.

**CITIZENS ADVICE DENBIGHSHIRE
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Financial review

CAD has a diverse portfolio of funding including contract funding received; £234,000 in unrestricted monies from DCC and a further £82,278 in unrestricted funds from various sources. We also received £839,021 from a variety of funders as restricted funding. Our income for the year was completed by receipt of £9,062 of donations, legacies, and investment income. Overall, the fund balances (including assets & liabilities) carried forward are £591,531 and £81,237 for unrestricted and restricted funds respectively.

At the balance sheet date, current assets include a total of £292,164 (2020 - £235,934) deposited in short term bonds and savings accounts. There is also a Long-Term bond of £78,047 (2020 - £80,000).

Reserves policy

It is the policy of CAD that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent of at least 6 months expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue CAD's current activities while consideration is given to ways in which additional funds may be raised.

Principal risks and uncertainties

The Trustees have an ongoing process of reviewing circumstances which may give rise to the Charity being exposed to risk and are satisfied that systems are in place to mitigate exposure to such risks. During the course of the year fire safety and electrical testing inspections have been completed at all of the Charity's premises and the Trustees continue to identify and deal with relevant issues.

However well an organisation is managed, there may be risks which are beyond the organisation's control which would rate as high risk. The organisation believes it identifies and manages these risks as pro-actively as possible.

Examples may include:

- Unexpected reduction in funding
- Failure to win competitive contracts for the core part of CAD service.

The Trustees and the senior management team recognise these risks and take a pro-active response to identify and manage them.

The organisation relies on being available to the community in local premises. Premises can sometimes be difficult to secure in the right areas and on the right terms.

Any significant reduction in Core funding may result in a reduction in Core service. This has been mitigated to some extent by the new contractual relationship with DCC. Nevertheless, the organisation has a strategic reduction plan to best manage projects in such a situation.

**CITIZENS ADVICE DENBIGHSHIRE
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

If CAD were to lose its entire core funding, the Trustees believe they would have to implement a strategic closure plan and if funds could not be found to replace core funding, all projects would cease to operate over the medium term.

Our Business Development Plan 2021- 2024 defines our aspirations and strategy for the Charity:

- To provide a high quality and accessible service that meets the advice needs of the local community.
- To maintain robust and resilient financial and organisational governance whilst developing new and additional funded services.
- To challenge discrimination through advice, promote equality through advocacy, and value diversity.
- To promote our profile positively in the press and media and communicate the value of our service effectively with stakeholders and the community.
- To influence policy both nationally and locally through campaign and research work.
- To promote activity to improve the wellbeing and development of staff, volunteers, and trustees and to commit to a robust recruitment and development plan.
- To ensure that everyone working within our service (all staff, volunteers, and trustees) share an objective to keep each other, our clients, and vulnerable members of our community safe from harm and/or abuse.

We recognise that statutory agencies and organisations are requiring access to their services via a digital route, we aim to be a digital portal for clients to access these services and work with partner agencies to facilitate this channel.

COVID 19

In common with many other businesses & employers in the UK, CAD has been impacted by the coronavirus pandemic and the actions taken by the various UK governments to limit its spread. The UK was put into lockdown on 23 March 2020, and due to the fact that our financial year was almost complete this did not have an adverse impact on our financial results. However, our activities have been & continue to be affected.

Traditionally, CAD has dealt with clients primarily on a face to face basis, often by conducting interviews in our various offices. This method of working was ended by lockdown, and we implemented our Business Continuity Plan in late March 2020 and managed to turn our Advice Process from a 70% face to face service to a 100% on-line service in under 2 weeks. It is possible that this, or a combination of both methodologies, may become the preferred way of working in the future.

Understandably, staff were very concerned about job security in a very difficult time. Following consultations with the CEO, in order to provide reassurance, we wrote to all staff on 23 March 2020 providing an income guarantee for 12 months from that date. CAD has not furloughed any staff and has no plans to do so.

In addition to the normal risks faced by the business, the pandemic brings additional ones, particularly in the area of business continuity. We have kept in touch with guidance issued by professional organisations such as the accountancy institutes and performed an in-house assessment of the reliability of our funding sources into the future. We are satisfied that, for the foreseeable future, possible loss of current funding is primarily low risk and will review that analysis on a regular basis going forward.

Structure, governance and management

CAD is a charity operating as a company limited by guarantee and the Trustees are directors of the Trustee Board of the company which is registered with Companies House under company number 05446940 and also with the Charity Commission under charity number 1109852. The charity is governed by the Trust Deed and the Memorandum & Articles of Association.

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Y D Hands	
Ms G Brooks	
Mrs A J Henshaw	
Mrs C H G Howard	
Mr C G Lees	(Appointed 23 November 2020)
Mrs V J Massey	
Mr A C Morgan	
Mr N Nicoll	
Rev P Robinson	
Mr R O Thomas	
Mr D M Jones	(Resigned 29 September 2020)

Recruitment and appointment of new trustees

Trustees are appointed by election at the Annual General Meeting, nominated by member organisations or co-opted by the Trustee Board. Provided that the co-opted and nominated Trustees do not exceed one third of the number of the total number of Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Trustee Board normally meets on a quarterly basis and has set up two sub committees, the first is Staffing, Premises and Information Assurance, the second is Business Planning, Finance and Social Value, which monitor and deal with detailed issues in these areas and report back to the Board. Additional meetings of either the Board or Sub Committees may be called if there is an urgent need to do so.

Central management structure and support consists of a Chief Executive Officer, Lesley Powell. A Finance Officer assists the CEO in the day to day running of the charity, and management of the main location offices in Rhyl, Denbigh and Ruthin are delegated to local managers. New staff members are appointed following public advertisement and interview and receive comprehensive induction and training when they take the post.

Induction and training of new trustees

Trustees come from various backgrounds with a variety of skills and newly appointed Trustees undergo an induction to the objectives, scope and policies of the Charity and a skills analysis to assess their strengths and any weaknesses which may require further training.

Wider network

CAD networks with a large number of local charities for the good of the community and where appropriate enters into partnerships with other charities and statutory agencies.

Risk management

The Trustees have an ongoing process of reviewing circumstances which may give rise to CAD being exposed to risk and are satisfied that systems are in place to mitigate exposure to such risks.

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Statement of trustees' responsibilities

The trustees, who are also the directors of Citizens Advice Denbighshire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees' report was approved by the Board of Trustees.



.....
Ms G Brooks

Trustee

Dated: 28/7/21

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CITIZENS ADVICE DENBIGHSHIRE**

Opinion

We have audited the financial statements of Citizens Advice Denbighshire (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**CITIZENS ADVICE DENBIGHSHIRE
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INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF CITIZENS ADVICE DENBIGHSHIRE**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**CITIZENS ADVICE DENBIGHSHIRE
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INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF CITIZENS ADVICE DENBIGHSHIRE**

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

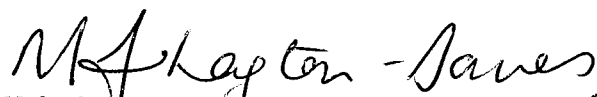
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Melanie Langton-Davies ACA FCCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

20 August 2021

**Chartered Accountants
Statutory Auditor**

Brynford House
21 Brynford Street
Holywell
Flintshire
Wales
CH8 7RD

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF CITIZENS ADVICE DENBIGHSHIRE**

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**CITIZENS ADVICE DENBIGHSHIRE
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STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and grants	3	320,525	839,021	1,159,546	279,279	570,436	849,715
Investments	4	5,315	-	5,315	5,505	-	5,505
Total income		325,840	839,021	1,164,861	284,784	570,436	855,220
Expenditure on:							
Charitable activities	5	218,359	777,102	995,461	273,664	564,292	837,956
Net incoming resources before transfers		107,481	61,919	169,400	11,120	6,144	17,264
Gross transfers between funds		5,434	(5,434)	-	43,422	(43,422)	-
Net income for the year/ Net movement in funds		112,915	56,485	169,400	54,542	(37,278)	17,264
Fund balances at 1 April 2020		478,616	24,752	503,368	424,074	62,030	486,104
Fund balances at 31 March 2021		591,531	81,237	672,768	478,616	24,752	503,368

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		5,734		1,186
Investments	10		78,047		80,000
			<u>83,781</u>		<u>81,186</u>
Current assets					
Debtors	11	158,171		32,603	
Investments	12	292,164		235,943	
Cash at bank and in hand		249,964		210,845	
		<u>700,299</u>		<u>479,391</u>	
Creditors: amounts falling due within one year	13	(111,312)		(57,209)	
Net current assets			588,987		422,182
Total assets less current liabilities			<u>672,768</u>		<u>503,368</u>
Income funds					
Restricted funds	14		81,237		24,752
<u>Unrestricted funds</u>					
Designated funds	15	334,000		313,000	
General unrestricted funds		257,531		165,616	
		<u>591,531</u>		<u>478,616</u>	
			<u>672,768</u>		<u>503,368</u>

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
BALANCE SHEET (CONTINUED)**

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 28/7/21



Ms G Brooks

Trustee

Company Registration No. 05446940

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	20		94,728		96,439
Investing activities					
Purchase of tangible fixed assets		(5,671)		(1,210)	
Net movement in investments		(54,268)		(9,217)	
Investment income received		4,330		5,744	
Net cash used in investing activities			(55,609)		(4,683)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			39,119		91,756
Cash and cash equivalents at beginning of year			210,845		119,089
Cash and cash equivalents at end of year			249,964		210,845

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies

Charity information

Citizens Advice Denbighshire is a private company limited by guarantee incorporated in England and Wales. The registered office is 23 High Street, Denbigh, Denbighshire, LL16 3HY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, a Deed of Trust, the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Further explanation of the nature and purpose of each fund is included in the Trustees report.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
Computers	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Capitalisation is based on a value of £250 or more, however, this is at the discretion of the Trustees and is also based on the length of the fund to which the asset is attributed to.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.13 Use of volunteers

The Charity relies on approximately 45 fully trained volunteers who carry out a wide range of advice work and administrative tasks. The use of volunteers in the course of undertaking the charitable and income generating activities is not recognised within the Statement of Financial Activities.

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	4,247	1,696	5,943	3,671	9,313	12,984
Grants receivable	316,278	837,325	1,153,603	275,608	561,123	836,731
	<u>320,525</u>	<u>839,021</u>	<u>1,159,546</u>	<u>279,279</u>	<u>570,436</u>	<u>849,715</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Bank deposit interest	<u>5,315</u>	<u>5,505</u>

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	2021	2020
	£	£
Staff costs	809,729	680,067
Depreciation and impairment	1,123	6,021
Rent and rates	18,543	18,950
Insurance	2,081	2,058
Light and heat	7,382	7,392
Citizens Advice charges	7,849	6,791
Travel expenses	5,896	17,798
Repairs and maintenance	8,023	6,740
Bank charges	294	298
Accountancy and audit	864	864
Professional fees	2,427	2,424
Sundry expenses	1,388	3,017
Partnership payments	18,189	32,632
Client account payments	61,737	5,891
Conferences	-	899
Training	12,019	2,073
Telephone and office expenditure	33,260	38,437
	<u>990,804</u>	<u>832,352</u>
Share of governance costs (see note 6)	4,657	5,604
	<u>995,461</u>	<u>837,956</u>
Analysis by fund		
Unrestricted funds	218,359	273,664
Restricted funds	777,102	564,292
	<u>995,461</u>	<u>837,956</u>

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

6 Support and governance costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Audit fees and accountancy	-	3,050	3,050	-	2,948	2,948
AGM and trustees meeting expenses	-	1,607	1,607	-	2,656	2,656
	-	4,657	4,657	-	5,604	5,604
Analysed between Charitable activities	-	4,657	4,657	-	5,604	5,604

Governance costs includes payments to the auditors of £1,500 (2020- £1,500) for audit fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year reimbursements for travel expenses were made totalling £363 paid to three trustees (2020: £239 paid to two trustees).

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Manager and project casework	20	22
Management and administration of charity	8	9
Project staff	5	-
Training officers	1	-
Generalist advisers	1	-
Total	35	31

Employment costs

	2021 £	2020 £
Wages and salaries	797,939	670,242
Other pension costs	11,790	9,825
	809,729	680,067

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

8 Employees

(Continued)

Remuneration paid to key management personnel during the year totalled £213,302 (2020: £188,963).
The total number of key management personnel was six (2020: six).

There were no employees whose annual remuneration was £60,000 or more.

9 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2020	159,361	1,210	160,571
Additions	-	5,671	5,671
At 31 March 2021	159,361	6,881	166,242
Depreciation and impairment			
At 1 April 2020	159,360	25	159,385
Depreciation charged in the year	-	1,123	1,123
At 31 March 2021	159,360	1,148	160,508
Carrying amount			
At 31 March 2021	1	5,733	5,734
At 31 March 2020	1	1,185	1,186

10 Fixed asset investments

	Cash in portfolio
Cost or valuation	
At 1 April 2020	80,000
Additions	78,047
Disposals	(80,000)
At 31 March 2021	78,047
Carrying amount	
At 31 March 2021	78,047
At 31 March 2020	80,000

The fixed asset investment relates to monies deposited in long term bonds.

The investment is a term deposit with a UK registered bank and is fully protected against bank failure by the Financial Services Compensation Scheme.

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

10 Fixed asset investments **(Continued)**

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	139,305	21,039
Other debtors	14,001	3,659
Prepayments and accrued income	4,865	7,905
	<u>158,171</u>	<u>32,603</u>

12 Current asset investments

	2021	2020
	£	£
Unlisted investments	292,164	235,943
	<u>292,164</u>	<u>235,943</u>

The current asset investments relate to monies deposited in short term bonds.

All current asset investments are term deposits with UK registered banks and are fully protected against bank failure by the Financial Services Compensation Scheme.

13 Creditors: amounts falling due within one year

	2021	2020
Notes	£	£
Deferred grant income	97,658	45,182
Trade creditors	1,154	5,144
Accruals	12,500	6,883
	<u>111,312</u>	<u>57,209</u>

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Balance at 1 April 2020 £	Movement in funds			Transfers 31 March 2021 £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Welsh Government	21,489	213,079	(234,046)	-	522	220,824	(220,068)	-	-	1,278
Citizens Advice Cymru	26,519	108,211	(129,917)	-	4,813	264,710	(256,365)	-	-	13,158
Denbighshire County Council	7,355	61,668	(54,067)	-	14,956	72,866	(39,764)	-	-	48,058
Individual Projects	6,667	187,478	(189,684)	-	4,461	253,907	(242,071)	(5)	(5)	16,292
South Denbighshire Community Project	-	-	-	-	-	26,714	(24,268)	5	5	2,451
	62,030	570,436	(607,714)	-	24,752	839,021	(782,536)	-	-	81,237

**CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Balance at 1 April 2020 £	Movement in funds			Transfers 31 March 2021 £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Designated fund	-	-	-	313,000	313,000	-	-	21,000	334,000	
	-	-	-	313,000	313,000	-	-	21,000	334,000	

A Designated Fund has been created which includes anticipated amounts for six months salaries and core operating costs of £200,000 and contingent liabilities and redundancy costs in the event of winding up totalling £100,000. Additional amounts have also been included for costs associated with match funding in 2021/22 for Rhyl Town Council Energy of £8,000 and for AIF - Workings @ Citizens Advice of £26,000.

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	5,734	-	5,734	1,186	-	1,186
Investments	78,047	-	78,047	80,000	-	80,000
Current assets/ (liabilities)	507,750	81,237	588,987	397,430	24,752	422,182
	<u>591,531</u>	<u>81,237</u>	<u>672,768</u>	<u>478,616</u>	<u>24,752</u>	<u>503,368</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	15,205	24,580
Between two and five years	15,679	30,883
	<u>30,884</u>	<u>55,463</u>

18 Capital commitments

At 31 March 2021 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	-	2,383
	<u>-</u>	<u>2,383</u>

19 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

CITIZENS ADVICE DENBIGHSHIRE
CYNGOR AR BOPETH SIR DDINBYCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

19 Related party transactions

(Continued)

One of the premises that the charity operates from is rented from The United Church of Rhyl, of which Rev P D Robinson is also a Trustee. The total rent paid during the year was £3,500 (2020: £3,500).

The spouse of one of the key management personnel owns a company from which the charity rents its Denbigh premises. The total rent for the year was £14,909 with three months given rent free due to Covid-19 of £3,727 included in Donations Income (2020: £14,909).

20 Cash generated from operations

	2021	2020
	£	£
Surplus for the year	169,400	17,264
Adjustments for:		
Investment income recognised in statement of financial activities	(5,315)	(5,505)
Depreciation and impairment of tangible fixed assets	1,123	6,021
Movements in working capital:		
(Increase)/decrease in debtors	(124,583)	43,689
Increase in creditors	1,627	2,595
Increase in deferred income	52,476	32,375
Cash generated from operations	94,728	96,439