

**COLCHESTER CAP
DEBT CENTRE**

(CHARITABLE INCORPORATED ORGANISATION)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

CHARITY REGISTRATION No: 1152204

Independent Examiners Ltd
Unit 2
The Broadbridge Business Centre
Delling Lane
Bosham
PO18 8NF

**COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
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FOR THE YEAR ENDED 31ST MARCH 2023**

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**COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
LEGAL AND ADMINISTRATIVE INFORMATION**

CHARITY NUMBER	1152204																
LEGAL FORM	Charitable Incorporated Organisation																
WORKING NAMES	CCDP																
START OF FINANCIAL YEAR	01 April 2022																
END OF FINANCIAL YEAR	31 March 2023																
TRUSTEES AT 31 MARCH 2023	<table> <tr> <td>Nigel Drew</td><td></td></tr> <tr> <td>Sian Simpkins</td><td></td></tr> <tr> <td>Amanda Drew</td><td></td></tr> <tr> <td>Michael Roberts</td><td></td></tr> <tr> <td>Toby Bull</td><td>Appointed 18 October 2022</td></tr> <tr> <td>Andrew Neill</td><td>Appointed 01 August 2022</td></tr> <tr> <td>Rev Sara Batts-Neale</td><td>Appointed 6 June 2022</td></tr> <tr> <td>Jonathan Joseph Ewbank</td><td>Resigned June 2022</td></tr> </table>	Nigel Drew		Sian Simpkins		Amanda Drew		Michael Roberts		Toby Bull	Appointed 18 October 2022	Andrew Neill	Appointed 01 August 2022	Rev Sara Batts-Neale	Appointed 6 June 2022	Jonathan Joseph Ewbank	Resigned June 2022
Nigel Drew																	
Sian Simpkins																	
Amanda Drew																	
Michael Roberts																	
Toby Bull	Appointed 18 October 2022																
Andrew Neill	Appointed 01 August 2022																
Rev Sara Batts-Neale	Appointed 6 June 2022																
Jonathan Joseph Ewbank	Resigned June 2022																

The existing trustees appoint any new trustees following the provisions laid out in the CIO's governing instrument.

GOVERNING INSTRUMENT	Foundation registered 29 May 2013, amended 20 January 2015.
REGISTRATION DATE	29 May 2013: CIO registration

OBJECTS

The relief of poverty for persons in Essex who are in conditions of need, hardship or distress of their social and/or economic circumstances, by providing services including, but not limited to, debt counselling and support with finding employment.

CORRESPONDENCE ADDRESS	The C3 Centre Ypres Road Colchester Essex CO2 7FD
PRIMARY BANKERS	The Co-operative Bank plc PO Box 101 1 Balloon Street Manchester M60 4EP
INDEPENDENT EXAMINER	Donna Leppitt Independent Examiners Ltd Unit 2 The Broadridge Business Centre Delling Lane Bosham PO18 8NF

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2023

Colchester CAP Debt Centre (CCDC) exists for the relief of poverty through debt counselling, money advice, job clubs and other related activities in the Colchester, Essex area. CCDC's priorities remained the same as in 2021-22: to maintain financial stability and to increase capacity for debt counselling.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The Centre saw another busy year against the backdrop of the national cost of living crisis working at 100% capacity or higher for most of the year. April 2022-March 2023 saw the centre book 63 initial appointments. The period started with 53 live cases. By the end of the period this had become 78 live cases. CCDC booked 33 sessions in comparison with a regional average of 8 over a 6 month period, demonstrating both the increasing demand for CCDC and the strong relationships with referrers. There were 11 active volunteers during this period. The Centre recorded high numbers of clients with Debt Relief Orders, reflecting a change to the eligibility criteria which came into force in June 2021.

During this period, the team of LifeSkills coaches and volunteers ran three new groups in different locations across the town: one evening course, and two during the day. One of these was in conjunction with the free community cafe and advice hub where the bike repair and maintenance sessions, set up the previous year in partnership with Cycling UK, have continued fortnightly. The cooking on a budget sessions proved so popular with attendees that they led to a Supper Club, where simple, budget meals were prepared and eaten together once a week during the winter months.

LifeSkills aims to prevent debt issues building by sharing skills to enable people to live well on a low income. 4 volunteer coaches are now trained to deliver LifeSkills, with a growing team of volunteers to support them. During this reporting period 15 people attended the Lifeskills groups, and about 30 people through related sessions. The Trustees are confident that investment in these groups benefits those who are at risk of falling into unmanageable debt and supports financial stability, and feedback from those attending supports this.

The strategy for client social events was reviewed during the year. Client attendance at organised activities, such as a summer picnic, was disappointing – reflecting the effects of Covid; often chaotic lives, and the cost-of-living crisis. Trustees adopted a policy to signpost clients to events organised by partner churches – usually at the same key periods, such as Christmas and Easter. This helped protect the financial sustainability of the Centre but also ensure that clients and families were able to take opportunities to make social connections, reducing isolation and offering a chance for a faith and spirituality to be considered.

A new website & promotional video was launched in April 2022, CCDC held a celebration evening in July 2022 and staged a CAP Sunday event in mid-October.

The deputy centre manager completed their training and a new administrator began in post July 2022. The chair of trustees resigned in June 2022 for personal health reasons and two trustees joined the board, taking on the role of chair and fundraising respectively. The Centre also enhanced its safeguarding practices, implementing safer recruitment practices more fully rather than relying only DBS checks.

The trustees continue to work to maintain financial stability, in a challenging financial environment for statutory and third sector agencies. Fundraising continued via grant-making bodies and individual/ church donations.

In 2022/23 our costs came to £61,516 – a 5.5% increase on the previous year.

Income from grants reduced significantly from £27,488 to £12,338. Gifts and donations were also lower, £29,433 received in 2021/22 and £28,189 in 2022/23.

The net impact for the year was therefore a deficit of £14,592 taking our total retained funds at the year end to £30,699 and a bank balance of £28,854.

The trustees have every confidence that the charity will meet its financial obligations when they become due. In 2022/23 trustees maintained reserves of £20,000, in excess of three months' operating costs. This is kept under review.

**COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST MARCH 2023**

Responsibilities of Trustees

Charity law requires the Board of 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 its incoming resources and resources expended for the period. In preparing those financial statements, the Board of Trustees should follow best practice and are required to;

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that charity will continue in operation

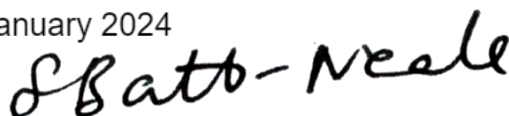
The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:-

- the charity is operating efficiently and effectively
- all assets are safeguarded against unauthorised use or disposition and are properly applied
- proper records are maintained and financial information used within the charity or for publication is reliable
- the charity complies with relevant laws and regulations

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss.

Approved by the Trustees on ~~22~~ 22 January 2024

Signed on their behalf by Trustee ...



Printed Name:

The Revd Dr Sara Batts-Neale

**COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2023**

Report to the trustees/ members of Colchester Cap Debt Centre on the accounts for the year ended 31st March 2023.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's statement

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

Independent examiner's statement

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

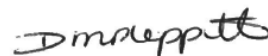
1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

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

Donna Leppitt
Independent Examiners Ltd
Unit 2
The Broadridge Business Centre
Delling Lane
Bosham
PO18 8NF



Date: 22nd January 2024

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022/23 £	Total 2021/22 £
INCOMING RESOURCES					
Donations & Legacies	3a	43,756	-	43,756	59,061
Charitable Activities	3b	2,809	-	2,809	10
Other Income	3c	360	-	360	3,110
TOTAL INCOMING RESOURCES		46,925	-	46,925	62,181
PAYMENTS					
Costs of Charitable Activities	4	54,802	6,715	61,516	58,149
RESOURCES EXPENDED		54,802	6,715	61,516	58,149
NET INCOMING/(OUTGOING) RESOURCES		(7,877)	(6,715)	(14,592)	4,032
TRANSFERS BETWEEN FUNDS		-	-	-	-
NET MOVEMENT IN FUNDS		(7,877)	(6,715)	(14,592)	4,032
Balances Brought Forward		37,937	7,355	45,291	41,259
BALANCES CARRIED FORWARD		30,059	640	30,699	45,291


All of the Charity's operations are classed as continuing operations.

The notes form part of these financial statements, found on pages:- 9 to 17

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
BALANCE SHEET
AS AT 31 MARCH 2023

		Unrestricted Fund £	Restricted Fund £	Total 31-Mar-23 £	Total 31-Mar-22 £
Assets	Notes				
Tangible Assets	2	465	-	465	620
Current Assets					
Debtors & Prepayments	8	1,918	-	1,918	323
Cash at bank and in hand	7	28,214	640	28,854	45,241
Total Current Assets		30,132	640	30,772	45,564
Creditors: amounts falling due within one year	9	538	-	538	893
NET CURRENT ASSETS		29,594	640	30,234	44,671
TOTAL ASSETS less current liabilities		30,059	640	30,699	45,291
Creditors: amounts falling due in more than one year	10	-	-	-	-
NET ASSETS		30,059	640	30,699	45,291
FUNDS OF THE CHARITY					
General Funds		30,059	-	30,059	37,937
Restricted funds	5	-	640	640	7,355
TOTAL FUNDS		30,059	640	30,699	45,291

Approved by the Trustees on22 January 2024.....

Signed on their behalf by Trustee 

Printed Name: Michael Roberts

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2023

Basis of Preparation:

The financial statements of the CIO have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)) and applicable accounting standards.

The CIO has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

Colchester CAP Debt Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

The functional currency of the CIO is sterling (£).

Preparation of accounts on a going concern basis

Preparation of the accounts is on a going concern basis. The Trustees are of the view that the level of reserves will support the CIO going forward.

The CIO has opted to prepare its accounts using natural categories.

Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

Material prior period errors

No material prior year errors have been identified in the reporting period.

1. ACCOUNTING POLICIES

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the income;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and Donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Tax Reclaims on Donations and Gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Government Grants

The CIO has not received government grants in the reporting period.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

**COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2023**

Expenditure and Liabilities (continued)

Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the CIO to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and Support Costs

Support costs represent the cost of central functions, for example governance costs, payroll administration, information technology. Governance costs are those support costs which relate to public accountability of the CIO and its compliance with regulation and good practice.

Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Redundancy cost

The CIO made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the accounts.

Creditors

The CIO has creditors which are measured at settlement amounts less any trade discounts.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £150. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over 3 years from the month they are purchased.

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2023

2. TANGIBLE FIXED ASSETS

	Equipment	2022/23
Cost	£	£
At 1 April 2022	1,556	1,556
Additions	-	-
At 31 March 2023	<u>1,556</u>	<u>1,556</u>
Accumulated Depreciation		
At 1 April 2022	935	935
Charge for the Year	155	155
At 31 March 2023	<u>1,091</u>	<u>1,091</u>
Net Book Value		
At 31 March 2023	<u>465</u>	<u>465</u>
At 1 April 2022	<u>620</u>	<u>620</u>

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st March 2023 : None
31st March 2022 : None

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2023

3. INCOME AND ENDOWMENTS FROM:

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022/23 £	Total 2021/22 £
a) Donations & Legacies					
Gifts and Donations		28,189	-	28,189	29,433
Grants		12,338	-	12,338	27,488
Pledges ACTS giving		1,940	-	1,940	2,140
		43,756	-	43,756	59,061
b) Other Trading Activities					
Fundraising		2,809	-	2,809	10
		2,809	-	2,809	10
c) Charitable Activities					
Lifeskills Income		360	-	360	3,110
		360	-	360	3,110

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2023

4. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	Total 2022/23 £	Total 2021/22 £	Basis of allocation
a) Charitable Activities					
Staff Costs					
Staff Travel	1,727	-	1,727	902	Direct cost
Wages and Salaries	28,890	6,715	35,605	30,546	Direct cost
Support Costs					
Advertising	843	-	843	2,102	Direct cost
Insurance	800	-	800	965	Direct cost
Printing, Postage and Stationery	224	-	224	302	Direct cost
Telephone and Computers	513	-	513	721	Direct cost
Training	296	-	296	370	Direct cost
Depreciation	155	-	155	566	Direct cost
Other Costs					
ACTS giving	1,954	-	1,954	1,988	Direct cost
CAP Head Office	12,520	-	12,520	10,300	Direct cost
Christmas Hamper	1,455	-	1,455	1,425	Direct cost
Client Events	729	-	729	1,339	Direct cost
Fuel Poverty	600	-	600	530	Direct cost
Grant expenditure	147	-	147	2,959	Direct cost
Lifeskills	848	-	848	1,735	Direct cost
Other Costs	1,980	-	1,980	576	Direct cost
Governance Costs					Direct cost
Accountancy and Independent Exam	618	-	618	586	Direct cost
Professional and Payroll Fees	503	-	503	236	Direct cost
	54,802	6,715	61,516	58,149	

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2023

5. RESTRICTED FUNDS

CURRENT FINANCIAL YEAR

	Balance 01-Apr-22	Income £	Expenditure £	Gains & (Losses) £	Transfer £	Balance 31-Mar-23 £
CAP Release Group	640	-	-	-	-	640
Essex Community	6,715	-	(6,715)	-	-	-
CBH Voluntary Welfare	-	-	-	-	-	-
	7,355	-	(6,715)	-	-	640

PREVIOUS FINANCIAL YEAR

	Balance 01-Apr-21	Income £	Expenditure £	Gains & (Losses) £	Transfer £	Balance 31-Mar-22 £
CAP Release Group	640	-	-	-	-	640
Essex Community	-	8,700	(1,986)	-	-	6,715
CBH Voluntary Welfare	-	9,238	(9,238)	-	-	-
	640	17,938	(11,223)	-	-	7,355

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2023

6. INVESTMENTS

The CIO held no investment assets during this or the previous financial period.

7. CASH AT BANK AND IN HAND

	Unrestricted Funds £	Restricted Funds £	Total 31-Mar-23 £	Total 31-Mar-22 £
Current Account	28,214	640	28,854	45,241
	28,214	640	28,854	45,241

8. DEBTORS AND PREPAYMENTS

	Unrestricted Funds £	Restricted Funds £	Total 31-Mar-23 £	Total 31-Mar-22 £
Sundry accounts receivable	-	-	-	(500)
Gift Aid Tax Recoverable	1,918	-	1,918	629
ACTS 435 Giving	-	-	-	194
	1,918	-	1,918	323

9. CREDITORS AND ACCRUALS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Funds £	Restricted Funds £	Total 31-Mar-23 £	Total 31-Mar-22 £
Accruals	(80)	-	(80)	307
Independent Examiner's Fee	618	-	618	586
	538	-	538	893

COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2023

10. CREDITORS AND ACCRUALS AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

The CIO held no long term liabilities during this or the previous financial period.

11. STAFF COSTS AND NUMBERS

	TOTAL 2022/23 £	TOTAL 2021/22 £
Gross Wages & Salaries	35,363	30,414
Employer's National Insurance Costs	496	448
Less: HMRC Employer Allowance	(496)	(448)
Employer's Pension Contributions	242	132
	<u>35,605</u>	<u>30,546</u>

The average number of employees engaged on a part time basis in the following activities:

	TOTAL 2022/23	TOTAL 2021/22
Furthering the charitable objects	4	4
Administration and Support	1	1

Staff are paid through the PAYE system. No employees received emoluments in excess of £60,000.
(2021/22- None)

The key management personnel of the charity comprise the Board of Trustees, and the Debt Centre Manager. No trustees are remunerated. The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel of the charity were £11,012 (2019/20: £10,283).

The CIO does pay employer pension contributions on behalf of any employee, although a stakeholder pension scheme is offered to those eligible employees who wish to contribute. The staging date for auto enrolment date for the CIO was April 2017, at which point a pension scheme was made available to eligible employees.

12. TRUSTEES AND OTHER RELATED PARTIES

David Buckingham received £300 for a promotional video during the year, he is the son in law of 2 trustees Nigel and Mandy Drew.

No other related parties received remuneration during this financial year. The only other payments made to trustees and the related parties mentioned above were reimbursement of expenses incurred whilst acting on behalf of the organisation. No material transaction took place between the organisation and a trustee or any person

(2021/22- None)

**13. CURRENT YEAR ANALYSIS OF
NET ASSETS BY FUND**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31-Mar-23 Total £	31-Mar-22 Total £
Fixed Assets	465	-	-	465	620
Net Current Assets	29,594	-	640	30,234	44,671
Liabilities (due in more than one year)	-	-	-	-	-
	<u>30,059</u>	<u>-</u>	<u>640</u>	<u>30,699</u>	<u>45,291</u>

**13.a) PRIOR YEAR ANALYSIS OF
NET ASSETS BY FUND**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31-Mar-22 Total £	31-Mar-20 Total £
Fixed Assets	110	-	-	110	270
Net Current Assets	40,510	-	640	41,150	25,054
Liabilities (due in more than one year)	-	-	-	-	-
	<u>40,620</u>	<u>-</u>	<u>640</u>	<u>41,260</u>	<u>25,324</u>

**COLCHESTER CAP DEBT CENTRE
(CHARITABLE INCORPORATED ORGANISATION)
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2023**

14. RISK ASSESSMENT

The Trustees actively review the major risks which the CIO faces on a regular basis and believe that maintaining the free reserves stated combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate

15. RESERVES POLICY

The Trustees have considered the level of reserves they wish to retain, appropriate to the CIO's needs. This is based on the CIO's size and the level of financial commitments held. The Trustees aim to ensure the CIO will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The trustees will endeavour not to set aside funds unnecessarily.

16. PUBLIC BENEFIT

The CIO acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the CIO has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the CIO should undertake.