

Charity Registration No. 700314

Company Registration No. 02228358 (England and Wales)

Leeds Citizens Advice Bureau

(Citizens Advice Leeds)

Annual Report And Financial Statements

For The Year Ended 31 March 2020

LEEDS CITIZENS ADVICE BUREAU

(CITIZENS ADVICE LEEDS)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

| | |
|-------------------|--------------|
| Isobel Mills | (Chair) |
| Alison Lowe | (Vice Chair) |
| Nigel John Turner | (Treasurer) |
| Richard Balfe | |
| Rebecca Dearden | |
| Ryk Downes | |
| Ian Lawson | |
| Kenneth Patterson | |
| Susan Samuel | |

Key Management Personnel

| | |
|------------------------|---------------------|
| Dianne Lyons | Chief Executive |
| Ed Browne | Finance Director |
| Ann Richardson Greaves | Operations Director |

Company secretary

Dianne Lyons

Charity number

700314

Company number

02228358

Registered office

4th Floor
Oxford House
Oxford Row
Leeds
LS1 3BE

Auditor

Garbutt & Elliott Audit Limited
33 Park Place
Leeds
LS1 2RY

Bankers

Unity Trust Bank plc
4 Brindleyplace
Birmingham
B1 2JB

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LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

Report of the Trustees for the Year Ended 31 March 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of 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).

Objectives and activities

The Charity's objects are to promote any charitable purpose for the benefit of the community in the Leeds Metropolitan District and surrounding areas ("the area of benefit") by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress. Citizens Advice Leeds seeks to achieve these aims by providing a comprehensive service of information, advice and representation and by working to achieve policy change for the benefit of those in greatest need.

As a member of the national Citizens Advice service, Citizens Advice Leeds aims to provide the advice people need for the problems they face and to improve the policies and practices that affect people's lives. We provide advice that is free, independent, confidential and impartial; we value diversity, promote equality and challenge discrimination.

Citizens Advice Leeds provides a generalist advice service that covers a wide range of subjects categorised as follows: Benefits, Consumer, Debt, Education, Employment, Finance, Health, Housing, Immigration, Legal, Relationships, Taxation, Travel and Utilities. We run our services in accordance with the Advice Quality Standard, which we hold at Advice with Casework level, as well as the membership requirements of Citizens Advice.

Generalist advice services are provided at over thirty venues across Leeds and Bradford. In endeavouring to make services accessible to those with particular advice needs, Citizens Advice Leeds runs a wide range of outreach services including advice for families with young children in Children's Centres and sessions in GP surgeries and mental health services.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

Citizens Advice Leeds has focussed on four strategic priorities in 2019/20:

- Delivering professional and accessible advice services;
- Building the organisation's sustainability and resilience;
- Standing up for equality and diversity; and
- Workforce planning and development.

Early in 2019 we became aware that Citizens Advice Leeds would have to move from our current premises within the next 18-24 months. Securing suitable new premises therefore became our foremost priority in 2019/20, as part of our aim to build the organisation's sustainability and resilience. Unfortunately this meant we were unable to make as much progress on workforce development as we'd intended, but we are certain that our new premises will provide a much improved environment for our staff and clients, and will support all our strategic priorities going forward.

At the end of 2019/20 we are managing the effects of the Covid-19 pandemic and lockdown on our services and organisation. We're very grateful to all our staff for responding so well to the transition to home working and in keeping services running during such challenging circumstances.

Our progress in delivering against all these priorities in 2019/20 is described below.

LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1. We will deliver advice services that are accessible and meet professional standards

During 2019/20 61 employees and over 60 volunteers worked with Citizens Advice Leeds to help clients find solutions to their financial, housing, employment and other legal problems. Our team has continued to demonstrate their commitment to maintaining access to advice in Leeds at a time when other sources of free and independent advice are increasingly scarce.

In 2019/20 we saw a small decrease in the number of individual clients we helped, compared to the previous year, but an increase in the number of problems resolved. This reflects the experiences of people who are in increasingly difficult situations who come to us with multiple problems and who often need more than one appointment to address all the issues involved.

- We helped 31,768 clients, a 5% decrease on the previous year
 - Clients were helped to find answers to 71,863 enquiries, a 5% increase on the previous year:
 - 42% of enquiries were about Benefits and Tax Credit problems
 - 15% of enquiries were about Debt problems

Some of the service developments we've undertaken this year include:

- In April 2019 we began delivering the Help to Claim service in Leeds, as part of the national service managed by Citizens Advice to assist people in claiming Universal Credit. Many of the Help to Claim clients we see need in-depth support with their claims, with many appointments lasting 3 hours or more.
- We've also been able to increase casework capacity for Welfare Rights advice with the appointment of a full-time caseworker in the autumn 2019.
- During 2019 we were pleased to receive additional funding from Northern Powergrid to extend our energy advice project across West Yorkshire, doubling the number of people this project supports.
- We ran a pilot project for TB patients and although the number of clients was small, the outcomes for the individuals helped have been striking and this project is continuing in 2020/21.

We remain grateful to our funders who have largely sustained funding levels despite pressures on public spending, particularly Leeds City Council, Leeds Clinical Commissioning Group and the Money and Pensions Service. We've also been able to extend our partnership working with Northern Powergrid, Leeds NHS and Day One Major Trauma Support, and to secure new funding from the DWP through Citizens Advice.

At the end of 2019/20 we are managing the effects of the Covid-19 pandemic and lockdown on our services, with all face-to-face services closing from 23 March. We have moved all our resources into dealing with telephone and online enquiries and have kept these services running continuously Monday-Friday, 9am-5pm.

2. Building the organisation's sustainability and resilience

As noted above, a key part of this work stream has been to secure new premises for the organisation. We were fortunate to be joined on the trustee board by Susan Samuel, a property lawyer who has been essential to the project's success, and we're very grateful to DLA Piper for providing pro bono legal advice.

At March 2020 work has started to fit out our new offices at Oxford House with an expected move date of summer 2020. The new offices will provide vastly improved facilities for clients and an improved working environment for staff. We are also pleased to be sharing the building with local legal firms with a history of helping vulnerable clients and delivering legal aid advice. This move supports all our other strategic priorities and we're very much looking forward to seeing this next chapter in Citizens Advice Leeds' history unfold. Other developments include:

- In planning our relocation we've taken the opportunity to move our IT infrastructure to the cloud, improving our ability to work flexibly and increasing the security of our data.
- We secured new funding for the Help to Claim service, enabling us to deal with significant new demand for advice on Universal Credit, and supporting our financial resilience.
- During the year we have strengthened working relationships with local Citizens Advice across Yorkshire and are exploring opportunities for further partnership work that will enhance advice provision in the region.

LEEDS CITIZENS ADVICE BUREAU

(CITIZENS ADVICE LEEDS)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

As 2019/20 comes to an end, the challenges of dealing with the Covid-19 pandemic and lockdown are our main preoccupation. We are pleased that Citizens Advice Leeds' resilience has withstood these challenges, and that we've been able to continuously run a service via telephone and online, throughout this period. The support provided by Citizens Advice has been invaluable and while our service is facing exceptional challenges, we are continuing to work with Citizens Advice and other colleagues in the sector to develop new ways of working to ensure that those who need our help can reach us.

3. We will develop a skilled and diverse workforce that works collaboratively to deliver organisation goals.

Work has continued across several departments to support workforce development for our paid staff and volunteers:

- The volunteer and training team has recruited and trained 29 new volunteers in addition to supervising existing volunteers. The team has transitioned our training programme onto an online platform, making it more accessible and flexible for volunteers.
- In planning our move to new premises we have taken the opportunity to migrate our IT infrastructure to the cloud which means we can offer greater flexible working arrangements to staff. We have also invested in training to ensure our staff have the skills to make the most of GSuite and these new ways of working.
- We continue to offer competitive terms and conditions to our employees and to provide additional support through our Employee Assistance Programme. We have maintained our commitments as a Disability Confident Employer, to the Mindful Employer charter, and supported staff to train as Mental Health First Aiders.

4. Standing up for equality and diversity

Promoting equality, fairness and diversity remains at the heart of Citizens Advice Leeds' work. We work in partnership with local organisations to promote these aims, and activities during the year include:

- With Chapeltown Citizens Advice and Better Leeds Communities we delivered the Leeds Advice Service through which:
 - We helped over 38,000 people with 62,000 enquiries
 - We delivered over 5,000 advice appointments at 40 locations around the city
 - We made free and independent advice available to many people who face additional barriers to accessing services, e.g.
 - 46% of clients were from Black, Asian and minority ethnic backgrounds
 - 51% of clients had a disability or long term health condition
- We worked with Women's Lives Leeds to offer support to women experiencing gender violence or abuse and to raise awareness of the prevalence of financial abuse.

2019/20 has been a turbulent year and Citizens Advice Leeds has had its particular challenges to face in addition to the wider social, political and economic issues affecting our society. Despite this, we have achieved most of our objectives for the year, helping to place the organisation in a strong position for the future. 2020/21 will clearly hold even greater challenges for us, and these are described in more detail below.

LEEDS CITIZENS ADVICE BUREAU

(CITIZENS ADVICE LEEDS)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

Reserves policy

During 2019/20 the trustees have reviewed the charity's reserves policy and agreed the policy summarised below.

Citizens Advice Leeds holds reserves for the following purposes:

- To provide a level of working capital that protects the continuity of our work
- To provide a level of funding for unexpected opportunities
- To provide cover for risks such as unforeseen expenditure or unanticipated loss of income

Having undertaken a risk assessment of actual and projected income and expenditure for the period 2019 to 2022, and potential liabilities relating to premises, Citizens Advice Leeds considers an appropriate level of reserves to be:

- The equivalent of at least 2.7 months' running costs to be held in reserves
- A further £100,000 to be added to reserves over the next 10 years, to meet premises liabilities (£50,000 by 2025 and a further £50,000 by 2030)

The Charity's net liabilities include a funding deficit of £2.854 million (2019: £2.903 million) under Pension Reserve which has been calculated under FRS102 in respect of the Charity's Local Government defined benefit pension scheme. The funding strategy of the pension fund is that the employer contribution rates should be assessed based on recovery of the deficit over a maximum of 25 years. The FRS102 calculation can vary considerably according to the actuarial assumptions at each year-end, and has no immediate material effect on the cash flow of the charity as it is not a liability that must be settled immediately. The directors and trustees consider that this deficit should be disregarded for reserves policy purposes in the short term and are taking steps to manage the organisation's long term pension liabilities.

Financial position

The statement of financial activities shows a net surplus for the year of £68,821 after accounting for FRS 102 current year pension costs of £324,000 and actuarial gains of £373,000. The result excluding this amount is an operating surplus of £19,821 (before pension scheme costs). At the year end unrestricted funds were £540,762 (excluding the pension reserve) whilst restricted funds were £4,519.

At the end of 2019/20 the charity's free reserves excluding the defined benefit pension liability stood at £466,110. This represents 2.6 months' running costs in 2020/21 (excluding sub-contracts), slightly below the reserves policy target.

During 2020/21 Citizens Advice Leeds will use part of its reserves to meet exceptional one-off expenditure to move premises. Total reserves by the year end are projected to be the equivalent of 2.7 months' running costs, made up of free reserves and fixed assets. The trustees plan to increase the level of free reserves in following years as running costs will fall once the relocation project is completed and other overheads are reduced.

At the start of 2020/21 the charity's sources of income have been confirmed at least at the same level as for 2019/20, with some funds being slightly increased. Contract targets are being relaxed while the Covid-19 pandemic and lockdown continue, and as the charity is not dependent on public fundraising to support its charitable activities, the trustees are confident that the charity has sufficient resources to manage anticipated outgoings in the next year, and therefore consider it appropriate to prepare the financial statements on the going concern basis.

LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Principal funding sources

Leeds City Council remains the principal funder of Citizens Advice Leeds, representing 63% of income in 2019/20. 19% of income derived from the Money and Pensions Service to deliver the Debt Advice Project and Pension Wise service, 11% from the Department for Work and Pensions for the Help to Claim service and 7% of income came from other projects and donations.

We are very grateful to all those funders who have supported Citizens Advice Leeds' work in 2019/20:

- Leeds City Council
- Money & Pensions Service
- Department for Work and Pensions
- Leeds Clinical Commissioning Group
- Northern Powergrid
- Leeds Cares

We are also grateful to all those individuals and organisations who have made donations during the year and to local firms that have provided pro bono services or other support in kind. In particular our thanks go to DLA Piper who raised over £900 for Citizens Advice Leeds through their participation in the sponsored Legal Walk in 2019 and who have provided pro bono legal advice to the charity.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". The charity does not actively raise funds from the public either directly or via use of an agent, accordingly no such amounts are presented in the financial statements for the year under review.

Given the nature of the funding of the charity the Trustees consider that it remains appropriate not to be voluntarily bound to be regulated by the Fundraising Regulator.

The charity has received no complaints in relation to fundraising activity for the year under review.

AIMS AND OBJECTIVES FOR 2020/21

As we begin 2020/21 the world is in a situation that is unprecedented in modern times. In managing the risks to life and health posed by the Covid-19 pandemic, the shutdown of normal life is causing a recession on a scale not seen for decades, as well as unintended consequences for the mental health and wellbeing of our society.

We anticipate that demand for our help will increase throughout the year as the financial consequences of the pandemic take effect for more and more people. As for our resources, at the start of the financial year we are fortunate that our funding remains in place and that we are able to maintain an advice service delivered by telephone and online. We are not expecting cuts to our funding in 2020/21 but as public funds come under greater pressure, that situation may change in future years.

In such unpredictable circumstances, our objectives for 2020/21 are of necessity limited and straightforward:

- Maintaining access to advice remains our first priority. That is likely to involve changes to the ways we deliver advice with, for example, a continued emphasis on telephone and online channels, the introduction of video calls to replace some in-person services and the development of new initiatives to ensure access for those who may struggle with online communications.
- Protecting the sustainability and resilience of the charity will be critical in 2020/21 and we will be undertaking a review of our commitments in order to mitigate financial risks to the organisation.

LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management

Governing document

Leeds Citizens Advice Bureau is a charitable company. The charity was registered on 16 June 1988, number 700314 and the company was incorporated on 1 March 1988, number 02228358. The Charity is constituted as a company limited by guarantee, and is therefore governed by Articles of Association, which were updated as of 27 November 2012.

The members of the Charity are the current Trustees as named on in Legal and Administrative Information. The maximum liability of each member is limited to £1. At 31 March 2020 the Charity had 10 members.

From December 2015 Leeds CAB adopted the operating name 'Citizens Advice Leeds'.

Trustee Board

The Charity is governed through a Trustee Board, which has a maximum of 15 members and a minimum of 3, being either:

- Elected at the AGM (up to 10); or
- Co-opted (provided that on appointment the total number of co-opted trustees does not exceed one third of the total number of trustees).

The Directors and Trustees who have held office during the year are set out in Legal and Administrative Information. Trustees shall retire from office at the third Annual General Meeting following the Annual General Meeting at which they were elected, and are eligible for re-appointment.

Recruitment and appointment of Trustees

Procedures for electing/appointing trustees are set out in the Articles of Association. The Charity wishes its Trustee Board to be representative of the local communities it serves, as well as containing the range of skills necessary to provide leadership and good governance. To that end the Charity advertises to fill any vacancies on the Board from time to time and Trustees are selected through an open recruitment process.

All trustees give their time voluntarily. Any expenses reclaimed by trustees from the charity are set out in note 8 to these accounts.

Organisational structure

The Trustee Board is responsible for the strategic direction of the Charity and its policy, planning and finances. The Trustees carry ultimate responsibility for ensuring that the Charity meets its legal, regulatory and contractual obligations. The Trustee Board meets at least six times a year and delegates day-to-day running of the organisation to the Chief Executive and senior managers. In addition to 61 employees as at the year end, the organisation has over 60 volunteers who work in a variety of roles throughout the organisation.

The remuneration of key management is set and reviewed annually by the Trustee Board.

Trustee induction and training

New trustees are provided with an induction pack containing information about the Charity, the work it carries out and the national Citizens Advice network and induction meetings are held with the Chair of the Trustee Board and the Chief Executive.

Trustees are also invited to attend training and conferences run by Citizens Advice at regional and national levels.

Related parties

Citizens Advice Leeds is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux. Citizens Advice Leeds has entered into a Membership Agreement with Citizens Advice, which requires it to meet certain standards in its service provision and organisational management. The Organisation pays fees to Citizens Advice, for which it receives a range of services, including information resources, electronic case recording facilities and management consultancy. All local Citizens Advice have voting rights at the national Citizens Advice annual general meeting.

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Risk management

Citizens Advice Leeds holds a risk register and systems are put in place to mitigate those risks; in 2020/21 the Trustees will review the risk register quarterly instead of annually. The most significant risks identified are potential failure to retain existing funding, or to secure new sources of income. Citizens Advice Leeds is in a comparatively fortunate position in not being reliant on fundraising income and does not anticipate an immediate threat to its income in 2020/2021. Looking further ahead however, the charity's dependence on public funding to support its work, could lead to reduced income in future years.

In 2020/2021 the Trustees will review the risks associated with the pension fund liabilities to determine if the existing long term strategy is sustainable in the current economic climate. The Trustees will obtain external advice to further inform their decision making in this subject.

Income and expenditure is monitored regularly and reviewed quarterly by the Directors and Trustees in line with the approved budget, to identify trends as part of the risk management process and avoid unforeseen calls on reserves.

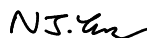
Auditor

Garbutt & Elliott Audit Limited have indicated their willingness to be reappointed at the annual general meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



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Nigel Turner

Trustee & Treasurer

Dated: 13/09/2020

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2020**

The trustees, who are also the directors of Leeds Citizens Advice Bureau 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.

LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS CITIZENS ADVICE BUREAU

Opinion

We have audited the financial statements of Leeds Citizens Advice Bureau (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2020 and of its income and expenditure, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

LEEDS CITIZENS ADVICE BUREAU

(CITIZENS ADVICE LEEDS)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LEEDS CITIZENS ADVICE BUREAU

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

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

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF LEEDS CITIZENS ADVICE BUREAU**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Garbutt & Elliott Audit Limited

**Laura Masheder (Senior Statutory Auditor)
for and on behalf of Garbutt & Elliott Audit Limited**

22/09/2020
.....

**Chartered Accountants
Statutory Auditor**

33 Park Place
Leeds
LS1 2RY

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020**

| | | Unrestricted general | Unrestricted pension reserve | Restricted | Total | Total |
|--|-------|----------------------|------------------------------|----------------|--------------------|--------------------|
| | Notes | 2020 £ | 2020 £ | 2020 £ | 2020 £ | 2019 £ |
| <u>Income from:</u> | | | | | | |
| Donations and legacies | | 1,320 | - | - | 1,320 | 1,100 |
| Charitable activities | 3 | 1,541,869 | - | 852,223 | 2,394,092 | 2,059,119 |
| Investments | | 1,500 | - | - | 1,500 | 2,696 |
| Total income | | 1,544,689 | - | 852,223 | 2,396,912 | 2,062,915 |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 4 | 1,524,004 | - | 853,087 | 2,377,091 | 2,048,416 |
| Other | 4 | - | 324,000 | - | 324,000 | 179,000 |
| Total charitable expenditure | | 1,524,004 | 324,000 | 853,087 | 2,701,091 | 2,227,416 |
| Net income/(expenditure) for the year | | 20,685 | (324,000) | (864) | (304,179) | (164,501) |
| <u>Other recognised gains and losses</u> | | | | | | |
| Actuarial gain/(loss) on defined benefit pension schemes | 16 | - | 373,000 | - | 373,000 | (303,000) |
| Net movement in funds | | 20,685 | 49,000 | (864) | 68,821 | (467,501) |
| Fund balances at 1 April 2019 | | 520,077 | (2,903,000) | 5,383 | (2,377,540) | (1,910,039) |
| Fund balances at 31 March 2020 | | 540,762 | (2,854,000) | 4,519 | (2,308,719) | (2,377,540) |

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 15-32 comprise part of these financial statements.

A fully detailed Statement of Financial Activities for the year ended 31 March 2019 is shown at note 24.

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

LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
BALANCE SHEET
AS AT 31 MARCH 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|---------------------------|---|---------------------------|---|
| Fixed assets | | | | | |
| Intangible assets | 10 | 6,480 | | - | |
| Tangible assets | 11 | 68,172 | | - | |
| | | <u>74,652</u> | | <u>-</u> | |
| Current assets | | | | | |
| Debtors | 12 | 27,383 | | 19,731 | |
| Cash at bank and in hand | | 668,446 | | 672,749 | |
| | | <u>695,829</u> | | <u>692,480</u> | |
| Creditors: amounts falling due within one year | 13 | <u>(225,200)</u> | | <u>(167,020)</u> | |
| Net current assets | | 470,629 | | 525,460 | |
| Total assets less current liabilities | | 545,281 | | 525,460 | |
| Pension scheme liability | 15 | <u>(2,854,000)</u> | | <u>(2,903,000)</u> | |
| Net liabilities | | <u><u>(2,308,719)</u></u> | | <u><u>(2,377,540)</u></u> | |
| Income funds | | | | | |
| Restricted funds | 17 | 4,519 | | 5,383 | |
| Unrestricted funds - pension reserve | 15 | (2,854,000) | | (2,903,000) | |
| Unrestricted fund - building fund | | 5,835 | | 5,835 | |
| Unrestricted funds - general | | 534,927 | | 514,242 | |
| | | <u><u>(2,308,719)</u></u> | | <u><u>(2,377,540)</u></u> | |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Trustees on 13/09/2020

NJ. Turner

.....
Nigel John Turner
Trustee & Treasurer

Company Registration No. 02228358

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash generated from/(used by) operations | 22 | | 68,849 | | (17,289) |
| Investing activities | | | | | |
| Purchase of intangible assets | | (6,480) | | - | |
| Purchase of tangible fixed assets | | (68,172) | | - | |
| Interest received | | 1,500 | | 2,696 | |
| | | | | | |
| Net cash (used in)/generated from investing activities | | | (73,152) | | 2,696 |
| | | | | | |
| Net decrease in cash and cash equivalents | | | (4,303) | | (14,593) |
| | | | | | |
| Cash and cash equivalents at beginning of year | | | 672,749 | | 687,342 |
| | | | | | |
| Cash and cash equivalents at end of year | | | 668,446 | | 672,749 |

LEEDS CITIZENS ADVICE BUREAU

(CITIZENS ADVICE LEEDS)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charity information

Leeds Citizens Advice Bureau is a private company limited by guarantee incorporated in England and Wales and is a charity registered in England and Wales. The registered office is Westminster Buildings, 31 New York Street, Leeds, LS2 7DT.

Each member of the company has undertaken to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, 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)" (as amended for accounting periods commencing from 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 £1.

The financial statements have been prepared under the historical cost convention, modified to include 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. Whilst the global economy has been significantly impacted by the COVID-19 virus, the charity still has reserves sufficient to meet its immediate requirements. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The balance sheet shows net liabilities at the year end of £2,308,719, however this includes the pension scheme liability of £2,854,000, which when excluded leaves net assets of £545,281.

The pension shortfall is being funded via future contributions, the rates of which have been set by the pension scheme actuary and remain affordable to the charity.

In the event of the liability crystallising and Leeds Citizens Advice Bureau being unable to settle the liability, the pension scheme liability is subject to a guarantee from Leeds City Council. The trustees are not aware at the date of signing these financial statements of any circumstances or events which would trigger the crystallisation of the pension scheme liability within the next 12 months.

1.3 Charitable funds

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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.

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1 Accounting policies

(Continued)

1.4 Income

Income is recognised in the Statement of Financial Activity ("SoFA") 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. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SoFA in the period in which they are receivable.

The value of services provided by volunteers is not included.

Trading and investment income is accounted for on an accruals basis.

Where income is received specifically for expenditure in a future accounting period that amount is deferred.

The value of donated assets and services is recognised as income at the fair value of the gift in the period the donated assets were received.

1.5 Expenditure

Expenditure, which includes attributable VAT which cannot be recovered, is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.

Governance costs, included in support costs, include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements and are allocated to charitable activities.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.

1.6 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Individual assets costing more than £5,000 are capitalised.

Amortisation 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:

| | |
|----------|-------------------|
| Software | 33% straight line |
|----------|-------------------|

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1 Accounting policies

(Continued)

1.7 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.

Individual assets costing more than £5,000 are capitalised.

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:

| | |
|------------------------|--|
| Leasehold improvements | Straight line over the life of the lease |
| Computers | 33% straight line |

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.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

Leeds Citizens Advice Bureau is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

1.12 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.

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1 Accounting policies

(Continued)

1.13 Retirement benefits

The charity contributes to the West Yorkshire Pension Fund, a defined benefit scheme which is closed to new members, at rates set by the scheme's actuaries. The charity has accounted for these pension costs in accordance with FRS102.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

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.

The Trustees have judged that the following material estimates or assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

Critical Judgements

Defined benefit pension scheme

The charity is a member of the West Yorkshire Pension Fund, a multi-employer defined benefit scheme. The charity has recognised its share of scheme liabilities at fair value based on certain critical assumptions, such as discount rate, mortality and expected rates of return, as calculated by the scheme actuary.

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

3 Charitable activities

| | 2020 | 2019 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Leeds Advice Service contract | 988,463 | 988,463 |
| Leeds Advice Service contract - sub contracted services | 436,300 | 391,300 |
| Money Advice Service - Debt Advice Project | 312,192 | 312,060 |
| Irwin Mitchell | - | 15,757 |
| Day One Outreach Services - Leeds Cares | 21,640 | 4,668 |
| Help to Claim | 257,645 | 31,594 |
| Leeds Clinical Commissioning Group - Outreach service | 90,000 | 90,000 |
| PensionWise | 152,198 | 100,181 |
| Northern Powergrid | 86,784 | 55,816 |
| LCC Social Inclusion Fund | 21,764 | 69,215 |
| LCC - Financial advice to people with TB in Leeds | 10,000 | - |
| Other Income | 17,106 | 65 |
| | <u>2,394,092</u> | <u>2,059,119</u> |
| | <u><u>2,394,092</u></u> | <u><u>2,059,119</u></u> |
| Analysis by fund | | |
| Unrestricted funds - general | 1,541,869 | 1,469,828 |
| Restricted funds | 852,223 | 589,291 |
| | <u>2,394,092</u> | <u>2,059,119</u> |
| | <u><u>2,394,092</u></u> | <u><u>2,059,119</u></u> |

LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

| | Charitable activities | Other | Total | Charitable activities | Other | Total |
|---|--------------------------|----------------|------------------|--------------------------|----------------|------------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ |
| Staff costs | 1,586,828 | - | 1,586,828 | 1,355,431 | - | 1,355,431 |
| Defined benefit pension scheme costs | - | 524,000 | 524,000 | - | 349,000 | 349,000 |
| Defined benefit contributions | - | (200,000) | (200,000) | - | (170,000) | (170,000) |
| Subcontracted advice work | 469,118 | - | 469,118 | 401,300 | - | 401,300 |
| Insurance | 6,060 | - | 6,060 | 5,501 | - | 5,501 |
| Telephone | 9,606 | - | 9,606 | 19,349 | - | 19,349 |
| Office expenses, stationery and postage | 20,332 | - | 20,332 | 22,107 | - | 22,107 |
| Premises | 136,058 | - | 136,058 | 115,900 | - | 115,900 |
| Repairs and maintenance | 20,103 | - | 20,103 | 18,304 | - | 18,304 |
| Equipment | 8,742 | - | 8,742 | 22,059 | - | 22,059 |
| Training and conferences | 19,740 | - | 19,740 | 7,342 | - | 7,342 |
| Interpreting costs | 14,272 | - | 14,272 | 12,342 | - | 12,342 |
| Information, referencing and subscriptions | 15,785 | - | 15,785 | 12,599 | - | 12,599 |
| Travel and care expenses | 13,470 | - | 13,470 | 13,300 | - | 13,300 |
| Professional fees | 26,845 | - | 26,845 | 3,004 | - | 3,004 |
| Employer related costs and recruitment | 2,461 | - | 2,461 | 10,278 | - | 10,278 |
| Bank charges | 890 | - | 890 | 1,074 | - | 1,074 |
| | <u>2,350,310</u> | <u>324,000</u> | <u>2,674,310</u> | <u>2,019,890</u> | <u>179,000</u> | <u>2,198,890</u> |
| Share of support costs (see note 6) | 18,766 | - | 18,766 | 20,762 | - | 20,762 |
| Share of governance costs (see note 6) | 8,015 | - | 8,015 | 7,764 | - | 7,764 |
| | <u>2,377,091</u> | <u>324,000</u> | <u>2,701,091</u> | <u>2,048,416</u> | <u>179,000</u> | <u>2,227,416</u> |
| Unrestricted funds - general | 1,524,004 | - | 1,524,004 | 1,460,963 | - | 1,460,963 |
| Unrestricted funds - pension reserve | - | 324,000 | 324,000 | - | 179,000 | 179,000 |
| Restricted funds | 853,087 | - | 853,087 | 587,453 | - | 587,453 |
| | <u>2,377,091</u> | <u>324,000</u> | <u>2,701,091</u> | <u>2,048,416</u> | <u>179,000</u> | <u>2,227,416</u> |

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

5 Pension costs

Included within the reported £324,000 (2019 - £349,000) of defined benefit pension scheme costs are items relating to the defined benefit pension scheme including: Current service cost £418,000 (2019 - £289,000); Past service cost £39,000 (2019- £nil) and Interest cost £67,000 (2019 - £60,000).

6 Support costs

| | Support costs | Governance costs | 2020 | 2019 |
|--------------------------|----------------------|-------------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Staff costs | 18,766 | - | 18,766 | 20,762 |
| Audit fees | - | 3,885 | 3,885 | 3,700 |
| Accountancy | - | 2,979 | 2,979 | 2,840 |
| Governance and AGM costs | - | 1,151 | 1,151 | 1,224 |
| | <u>18,766</u> | <u>8,015</u> | <u>26,781</u> | <u>28,526</u> |
| Analysed between | | | | |
| Charitable activities | <u>18,766</u> | <u>8,015</u> | <u>26,781</u> | <u>28,526</u> |

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

| | 2020 | 2019 |
|------------------------------|--------------|--------------|
| | £ | £ |
| Audit of annual accounts | <u>3,885</u> | <u>3,700</u> |
| Non-audit services | | |
| All other non-audit services | <u>1,835</u> | <u>1,750</u> |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year (2019 - none).

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2020 Number | 2019 Number |
|--|------------------------|------------------------|
| | 59 | 54 |

Employment costs

| | 2020 £ | 2019 £ |
|--------------------------------------|-------------------|-------------------|
| Wages and salaries | 1,298,959 | 1,120,959 |
| Social security costs | 106,804 | 84,587 |
| Defined benefit scheme contributions | 199,831 | 170,647 |
| | <u>1,605,594</u> | <u>1,376,193</u> |

No employees received emoluments in excess of £60,000 (2019 - no employees).

The key management personnel of the charity have been identified as the Chief Executive, Finance Director and the Operations Director. The aggregate employment benefits, including employer's national insurance and pension contributions, for the key management personnel for the year was £155,358 (2019 - £154,677). The remuneration of these key management personnel is set and reviewed annually by the trustee board.

10 Intangible fixed assets

| | Software £ |
|------------------------------------|-----------------------|
| Cost | |
| At 1 April 2019 | - |
| Additions - separately acquired | 6,480 |
| At 31 March 2020 | <u>6,480</u> |
| Amortisation and impairment | |
| At 1 April 2019 and 31 March 2020 | - |
| Carrying amount | |
| At 31 March 2020 | <u>6,480</u> |
| At 31 March 2019 | <u>-</u> |

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

11 Tangible fixed assets

| | Leasehold improvements | Computers | Total |
|------------------------|---------------------------|-----------|--------|
| | £ | £ | £ |
| Cost | | | |
| Additions | 57,741 | 10,431 | 68,172 |
| At 31 March 2020 | 57,741 | 10,431 | 68,172 |
| Carrying amount | | | |
| At 31 March 2020 | 57,741 | 10,431 | 68,172 |

12 Debtors

| | 2020 | 2019 |
|---|--------|--------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 16,227 | 10,000 |
| Prepayments and accrued income | 11,156 | 9,731 |
| | 27,383 | 19,731 |

13 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|------------------------------------|---------|---------|
| | £ | £ |
| Other taxation and social security | 26,873 | 23,993 |
| Trade creditors | 28,950 | 7,292 |
| Other creditors | 21,306 | 22,544 |
| Accruals and deferred income | 148,071 | 113,191 |
| | 225,200 | 167,020 |

14 Deferred income

| | 2020 | 2018 |
|----------------------|----------|-----------|
| | £ | £ |
| Brought forward | 64,025 | 139,057 |
| Released in the year | (43,133) | (117,293) |
| Deferred in the year | 62,438 | 42,261 |
| Carried forward | 83,330 | 64,025 |

**LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

| 15 Pension scheme liability | | 2020 | 2019 |
|------------------------------------|--------------|------------------|------------------|
| | Notes | £ | £ |
| Retirement benefit obligations | 16 | 2,854,000 | 2,903,000 |
| | | <u>2,854,000</u> | <u>2,903,000</u> |

16 Retirement benefit schemes

Defined benefit schemes

The West Yorkshire Pension Fund Scheme is funded and is contracted out of the state scheme. The previous tri-annual valuation of the Scheme took place at 31 March 2019 and was undertaken by professionally qualified actuaries, AON Hewitt, using the projected unit credit method. The charity has obtained a valuation of the scheme as at 31 March 2020 and the figures below are based on that valuation.

The fair value of the assets of the charity's share of the scheme at 31 March 2020 was £5,115,000 and the present fair value of the funded liabilities was £7,969,000 leaving a net pension liability of £2,854,000 at 31 March 2020.

Key assumptions

| | 2020 | 2019 |
|--|-------------------|-------------------|
| | % | % |
| Discount rate | 2.3 | 2.2 |
| Expected rate of increase of pensions in payment | 1.9 | 2.2 |
| Expected rate of salary increases | 3.15 | 3.45 |
| Pension accounts revaluation rate | 1.9 | 2.2 |
| CPI Inflation | 1.9 | 2.2 |
| | <u> </u> | <u> </u> |

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

| | 2020 | 2019 |
|----------------------|-------------------|-------------------|
| | Years | Years |
| Retiring today | | |
| - Males | 21.8 | 22.2 |
| - Females | 24.6 | 25.4 |
| | <u> </u> | <u> </u> |
| Retiring in 20 years | | |
| - Males | 22.5 | 23.2 |
| - Females | 25.7 | 27.2 |
| | <u> </u> | <u> </u> |

LEEDS CITIZENS ADVICE BUREAU
(CITIZENS ADVICE LEEDS)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

16 Retirement benefit schemes

(Continued)

Amounts recognised in the Statement of Financial Activities:

| | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Current service cost | 418,000 | 289,000 |
| Net interest on defined benefit liability/(asset) | 67,000 | 60,000 |
| Other costs and income | 39,000 | - |
| | <u>524,000</u> | <u>349,000</u> |

Amounts taken to Other Recognised Gains and Losses:

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Actual return on scheme assets | 368,000 | (298,000) |
| Less: calculated interest element | 129,000 | 128,000 |
| | <u>497,000</u> | <u>(170,000)</u> |
| Return on scheme assets excluding interest income | (870,000) | 473,000 |
| Actuarial changes related to obligations | | |
| | <u>(373,000)</u> | <u>303,000</u> |

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

| | 2020 | 2019 |
|--|------------------|------------------|
| | £ | £ |
| Present value of defined benefit obligations | 7,969,000 | 8,150,000 |
| Fair value of plan assets | (5,115,000) | (5,247,000) |
| | <u>2,854,000</u> | <u>2,903,000</u> |

Movements in the present value of defined benefit obligations:

| | 2020 |
|-----------------------------------|------------------|
| | £ |
| Liabilities at 1 April 2019 | 8,150,000 |
| Current service cost | 418,000 |
| Past service cost | 39,000 |
| Benefits paid | (37,000) |
| Contributions from scheme members | 73,000 |
| Actuarial gains and losses | (870,000) |
| Interest cost | 196,000 |
| | <u>7,969,000</u> |
| At 31 March 2020 | |

**LEEDS CITIZENS ADVICE BUREAU
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16 Retirement benefit schemes

(Continued)

The defined benefit obligations arise from plans which are wholly unfunded.

Movements in the fair value of plan assets:

| | 2020 |
|--|-------------|
| | £ |
| Fair value of assets at 1 April 2019 | 5,247,000 |
| Interest income | 129,000 |
| Return on plan assets (excluding amounts included in net interest) | (497,000) |
| Benefits paid | (37,000) |
| Contributions by the employer | 200,000 |
| Contributions by scheme members | 73,000 |
| | <hr/> |
| At 31 March 2020 | 5,115,000 |
| | <hr/> <hr/> |

The charity paid contributions at a rate of 15.8% (2019 - 15.8%) during the year. The cost to the charity for the year was £200,000 (2019 - £170,000). At the year end £nil (2019 - £nil) was unpaid to the scheme.

The fair value of plan assets at the reporting period end was as follows:

| | 2020 | 2019 |
|--------------------|-------------|-------------|
| | £ | £ |
| Equity instruments | 3,964,000 | 3,883,000 |
| Property | 230,000 | 247,000 |
| Government Bonds | 491,000 | 587,000 |
| Corporate Bonds | 261,000 | 210,000 |
| Cash | 97,000 | 121,000 |
| Other | 72,000 | 199,000 |
| | <hr/> | <hr/> |
| | 5,115,000 | 5,247,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

**LEEDS CITIZENS ADVICE BUREAU
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17 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:

| Current year | Balance at 1 April 2019 £ | Movement in funds | | Transfers £ | Balance at 31 March 2020 £ |
|---|---------------------------------|-------------------|------------------|----------------|----------------------------------|
| | | Income £ | Expenditure £ | | |
| Money Advice Service - Debt Advice Project | 1,370 | 312,192 | (312,266) | - | 1,296 |
| Northern Powergrid | 1,354 | 86,784 | (86,784) | - | 1,354 |
| PensionWise | - | 152,198 | (152,198) | - | - |
| Irwin Mitchell | 790 | - | (790) | - | - |
| LCC Social Inclusion Fund | - | 21,764 | (21,764) | - | - |
| Help to Claim | - | 257,645 | (257,645) | - | - |
| Day One Outreach service - Leeds Cares | - | 21,640 | (21,640) | - | - |
| Other restricted funds | 1,869 | - | - | - | 1,869 |
| | <u>5,383</u> | <u>852,223</u> | <u>(853,087)</u> | <u>-</u> | <u>4,519</u> |

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17 Restricted funds

(Continued)

Purposes of principal restricted funds:

Money Advice Service - Debt Advice Project

Funding from the Money Advice Service to deliver debt advice. This is a restricted fund and the monies paid cover the project costs.

PensionWise

A restricted grant from The Department of Work and Pensions to deliver pensions guidance to residents of Leeds and Bradford.

From January 2019 the Money Advice Service merged with the Pensions Advisory Service and Pension Wise into a Single Finance Guidance Body, now known as the Money and Pensions Service.

Northern Powergrid

This is a restricted grant from Northern Powergrid to combat fuel poverty through advice in the Yorkshire region.

Irwin Mitchell

This is a restricted grant from Irwin Mitchell to deliver benefits advice.

LCC Social Inclusion Fund

This is a restricted grant from Leeds City Council to develop a webchat advice service and deliver digital skills training.

Help to Claim

This is a restricted grant from the Department for Work and Pensions to provide a service in Leeds helping people to manage Universal Credit claims.

Day One Outreach Service - Leeds Cares

This is a restricted grant from Leeds Cares charity to provide advice to patients and families affected by major trauma.

Other restricted funds

This represents numerous immaterial pots of money received for specific restricted purposes.

| Prior year | Movement in funds | | | | Balance at 31 March 2019 |
|--|-------------------------|----------------|------------------|----------------|--------------------------|
| | Balance at 1 April 2018 | Income | Expenditure | Transfers | |
| | £ | £ | £ | £ | £ |
| Money Advice Service - Debt Advice Project | 6,059 | 312,060 | (310,690) | (6,059) | 1,370 |
| Northern Powergrid | 1,354 | 55,816 | (55,816) | - | 1,354 |
| PensionWise | 1 | 100,181 | (100,181) | (1) | - |
| Irwin Mitchell | - | 15,757 | (14,967) | - | 790 |
| LCC Social Inclusion Fund | - | 69,215 | (69,215) | - | - |
| Help to Claim | - | 31,594 | (31,569) | (25) | - |
| Day One Outreach service - Leeds Cares | - | 4,668 | (4,668) | - | - |
| Other restricted funds | 2,216 | - | (347) | - | 1,869 |
| | <u>9,630</u> | <u>589,291</u> | <u>(587,453)</u> | <u>(6,085)</u> | <u>5,383</u> |

**LEEDS CITIZENS ADVICE BUREAU
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FOR THE YEAR ENDED 31 MARCH 2020**

18 Analysis of net assets between funds

| | Unrestricted funds 2020 £ | Pension reserve 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|--|------------------------------------|---------------------------------|----------------------------------|--------------------|
| Fund balances at 31 March 2020 are represented by: | | | | |
| Intangible fixed assets | 6,480 | - | - | 6,480 |
| Tangible assets | 68,172 | - | - | 68,172 |
| Current assets/(liabilities) | 466,110 | - | 4,519 | 470,629 |
| Pension scheme liabilities | - | (2,854,000) | - | (2,854,000) |
| | <u>540,762</u> | <u>(2,854,000)</u> | <u>4,519</u> | <u>(2,308,719)</u> |
| | | | | |
| | Unrestricted funds 2019 £ | Pension reserve 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
| Fund balances at 31 March 2019 are represented by: | | | | |
| Current assets/(liabilities) | 520,077 | - | 5,383 | 525,460 |
| Pension scheme liabilities | - | (2,903,000) | - | (2,903,000) |
| | <u>520,077</u> | <u>(2,903,000)</u> | <u>5,383</u> | <u>(2,377,540)</u> |

19 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:

| | 2020 £ | 2019 £ |
|----------------------------|----------------|---------------|
| Within one year | 80,800 | 4,299 |
| Between two and five years | 312,908 | 10,452 |
| In over five years | 276,387 | 2,688 |
| | <u>670,095</u> | <u>17,439</u> |

20 Capital commitments

At 31 March 2020 the charity had capital commitments authorised and contracted in respect of leasehold improvement work of £107,232. These commitments were all payable within one year. No provision was made in the financial statements in respect of these amounts. There were no capital commitments at 31 March 2019.

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21 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

| 22 Cash generated from operations | Notes | 2020 £ | 2019 £ |
|---|--------------|-------------------|-------------------|
| Deficit for the year | | (304,179) | (164,501) |
| Adjustments for: | | | |
| Investment income | | (1,500) | (2,696) |
| Defined benefit scheme adjustments | 5 | 324,000 | 179,000 |
| Movements in working capital: | | | |
| (Increase)/decrease in debtors | | (7,652) | 33,795 |
| Increase/(decrease) in creditors | | 58,180 | (62,887) |
| Cash generated from/(absorbed by) operations | | <u>68,849</u> | <u>(17,289)</u> |

23 Analysis of changes in net funds

The charity had no debt during the year.

**LEEDS CITIZENS ADVICE BUREAU
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24 Comparative Statement of Financial Activities

| | Unrestricted funds general | Unrestricted funds pension reserve | Restricted funds | Total 2019 |
|---|----------------------------------|---|---------------------|--------------------|
| | £ | £ | £ | £ |
| <u>Income from:</u> | | | | |
| Donations and legacies | 1,100 | - | - | 1,100 |
| Charitable activities | 1,469,828 | - | 589,291 | 2,059,119 |
| Investments | 2,696 | - | - | 2,696 |
| Total income | 1,473,624 | - | 589,291 | 2,062,915 |
| <u>Expenditure on:</u> | | | | |
| Charitable activities | 1,460,963 | - | 587,453 | 2,048,416 |
| Other | - | 179,000 | - | 179,000 |
| Total expenditure | 1,460,963 | 179,000 | 587,453 | 2,227,416 |
| Net income/(expenditure) before transfers | 12,661 | (179,000) | 1,838 | (164,501) |
| Gross transfers between funds | 6,085 | - | (6,085) | - |
| Net income/(expenditure) for the year | 18,746 | (179,000) | (4,247) | (164,501) |
| Other recognised gains and losses | | | | |
| Actuarial loss on defined benefit pension schemes | - | (303,000) | - | (303,000) |
| Net movement in funds | 18,746 | (482,000) | (4,247) | (467,501) |
| Fund balances at 1 April 2018 | 501,331 | (2,421,000) | 9,630 | (1,910,039) |
| Fund balances at 31 March 2019 | 520,077 | (2,903,000) | 5,383 | (2,377,540) |