

REGISTERED COMPANY NUMBER: 02228358 (England and Wales)
REGISTERED CHARITY NUMBER: 700314

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2017
for
LEEDS CITIZENS ADVICE BUREAU
TRADING AS
Citizens Advice Leeds**



Riley & Co Limited
Statutory Auditor Chartered Accountants
52 St Johns Lane
Halifax
West Yorkshire
HX1 2BW

LEEDS CITIZENS ADVICE BUREAU

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for the Year Ended 31 March 2017**

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**Report of the Trustees
for the Year Ended 31 March 2017**

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 2017. 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 2015).

OBJECTIVES AND ACTIVITIES

Objects of the charity

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. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim 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.

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 forty 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 aim 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.

The Role of volunteers in Citizens Advice Leeds

Over 80 volunteers play an important part in helping Citizens Advice Leeds to achieve its goals, fulfilling a variety of roles including advisers, administrators and trustees.

The involvement of volunteers in Citizens Advice Leeds is part of our ethos, helping to ensure that the organisation has connections with the communities we serve and providing local people with opportunities to develop skills and experience. Citizens Advice Leeds is grateful to all our volunteer workers, who contributed over 24,000 working hours in 2016/17, equivalent to 13 full-time employees.

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Objectives and activities

During 2016/17 Citizens Advice Leeds made further progress in our aims to help more people to access the advice they need, improve policies and practices and to become more sustainable and effective.

As more people approach us for help, our team of volunteers and paid staff have responded with dedication and sheer hard work to deal with over 21,000 face-to-face enquiries and 19,000 calls and emails. Our team of 58 employees and 86 volunteers have worked incredibly hard to make the service even more efficient and accessible and sincere thanks go to them all.

The nature of problems we see reflects the increasingly difficult circumstances in which our clients find themselves, with more people needing help to appeal decisions to stop or cut their Benefits and more people with priority debts such as rent or council tax arrears. We also see large numbers of people in vulnerable circumstances, whether through disability, ill health or mental health problems. In 2016/17:

- We helped clients find answers to 67,859 enquiries
 - 34% of enquiries were about Benefits and Tax Credit problems
 - 15% of all enquiries were about disability benefits
 - 19% of enquiries were about Debt problems
- 18% of our clients had a disability or long term health condition
 - 5% of all our clients identified as having a mental health problem

Progress made against specific organisation targets is described below.

1. Making it easier for people to get the help they need

We've maintained increased opening hours in our face-to-face and telephone services and increased the number of appointments we offer at outreach venues across Leeds.

- Our city centre gateway service carried out 13,812 interviews, a 21% increase on the previous year.
- Our telephone service dealt with 19,608 calls and emails.
- We made available 4,418 appointments at 30 locations across Leeds including GP surgeries, mental health services, libraries, etc.

With our partners in the Leeds Advice Consortium (Chapeltown Citizens Advice and Better Leeds Communities) we also:

- Helped a further 8,543 people through face-to-face and telephone services
- Dealt with a further 4,451 calls to the telephone service

2. Improve the policies and practices that affect people's lives

As well as helping individuals we also seek to have a wider influence on the policies and practices that affect people's lives, using the evidence gathered from our advice services. In 2016/17 we:

- Continued our work to raise awareness of fuel poverty issues, assist people to access better deals and to challenge poor practice such as pressuring customers to change suppliers.
- Participated in Citizens Advice national campaigns including Big Energy Saving Week, National Consumer Week and the Talk About Abuse campaign.
- Recruited and trained a team of volunteers to undertake research and campaigning activity.
- As members of the Citizens Advice Core Cities Group, held a national conference on advice in cities and made a submission to the RSA Inclusive Growth Commission.

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Objectives and activities

3. Become more sustainable and effective

We can only achieve our goals if we are a strong organisation and in line with our targets for 2016/17 we have made further progress in strengthening Citizens Advice Leeds' financial stability and capacity.

- We secured new income of £105,000 p.a.
- Our key quality standard is membership of Citizens Advice and Citizens Advice Leeds achieved excellent results in our membership audit in March 2017. This also qualifies us to hold the Advice Quality Standard (AQS) at the following levels:
 - AQS Quality Mark at General Help with Casework in Benefits and Debt
 - AQS Telephone Advice Standard

FINANCIAL REVIEW

Financial position

Citizens Advice Leeds has managed resources very carefully in 2016/17 resulting in a year end surplus of £10,304.

We are very grateful to all those funders who have supported Citizens Advice Leeds' work in 2016/17:

- Leeds City Council
- Money Advice Service
- South & East Leeds Clinical Commissioning Group
- Pension Advisory Service
- Irwin Mitchell LLP
- Otley Town Council
- Northern Powergrid

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.

The statement of financial activities (Page 9) shows a net deficit for the year of £90,696 after accounting for FRS 102 current year pension costs of £101,000, the result excluding this amount is an operating surplus of £10,304 (before pension scheme costs). Of this operating surplus, £3,104 was on restricted funds and £7,200 on unrestricted funds.

At the end of 2016/17 the charity's free reserves excluding the defined benefit pension liability stood at £481,650. This represents 3.4 months' running costs and the charity is taking steps to build reserves to a level equivalent to 6 months' running costs.

The trustees are confident however 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.

Principal funding sources

Leeds City Council remains the principal funder of Citizens Advice Leeds, representing 71% of income in 2016/17 (excluding sub-contracted services). 16% of income derived from Citizens Advice to deliver the Money Advice Service Debt Advice Project, 7% from Citizens Advice to deliver the Pension Wise service and 6% of income came from other projects and donations.

Investment policy and objectives

The investment policy of the organisation is to adopt a low risk strategy with liquid resources being invested in deposit accounts and this policy is reviewed annually. In 2015/16, the organisation's main investment matured and the Trustee Board decided to split the funds between 3 accounts, in light of the reduced cap on protection provided through the Financial Services Compensation Scheme.

**Report of the Trustees
for the Year Ended 31 March 2017**

FINANCIAL REVIEW

Reserves policy

Citizens Advice Leeds's reserves policy is to increase the level of reserves held to the equivalent of 6 months' unrestricted running costs, in the long term. At the end of 2016/17 the charity's unrestricted reserves not held in tangible fixed assets were £481,650 (before taking into account the Pension Reserve Liability) which is equivalent to 3.4 months' operating costs in 2016/17 (including sub-contracted services).

The Charity's net liabilities include a funding deficit of £2,139,000 (2016: £1,387,000) 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.

AIMS AND OBJECTIVES FOR 2017/18

Our over-arching aims for 2017/18 remain to make it easier to get advice, improve the policies and practices that affect people's lives and to become more sustainable and effective. Specific objectives are described below.

1. Make it easier to get advice

This continues to be our first priority and in 2017/18 Citizens Advice Leeds aims to:

- Help at least 28,000 people across all our advice services.
- Deal with 19,000 calls to our telephone service.
- Increase capacity to deliver Benefits advice.
- Develop a webchat advice service.

With our partners in Leeds Advice Consortium we aim to:

- Help a further 8,000 people through face-to-face and telephone services.
- Deal with a further 6,000 calls to the telephone service.

2. Improve the policies and practices that affect people's lives

During 2017/18 we will:

- Run at least one local campaign.
- Participate in 5 national campaigns.
- Increase the opportunities for people to get involved in research and campaigns through volunteering and greater public awareness of our work.

3. Become more sustainable and effective

During 2017/18 we will:

- Secure new income streams of at least £100,000 p.a.
- Achieve Investors in Volunteers accreditation.

**Report of the Trustees
for the Year Ended 31 March 2017**

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 2228358. 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 above. The maximum liability of each member is limited to £1. At 31 March 2017 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 on page 1. 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.

Andrew Passey resigned from the Trustee Board from 11 November 2016.

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 10 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 58 employees, the organisation has over 80 volunteers who work in a variety of roles throughout the organisation.

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. Induction meetings are held by the Chair of the Trustee Board and the Chief Executive, covering:

- The role and obligations of trustees
- Governing documents
- The Charity's aims and objectives
- The membership requirements of Citizens Advice
- The Charity's financial position and income sources
- Future plans and objectives

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 Citizens Advice annual general meeting.

**Report of the Trustees
for the Year Ended 31 March 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Citizens Advice Leeds holds a risk register which is reviewed annually and systems established to mitigate those risks. The most significant risks identified are potential failure to retain existing funding, or to secure new sources of income, and the risks associated with Citizens Advice Leeds' role as lead agency in the a consortium with Chapeltown Citizens Advice and Better Leeds Communities (known as the Leeds Advice Consortium). Citizens Advice Leeds' business plan identifies strategies for income generation and measures have been put in place to manage the risks associated with the consortium.

The Trustees are continuing to manage the risks associated with the pension fund liabilities through a long term strategy to reduce the fund deficit and increase reserves. In 2015/16 the Trustee Board commissioned a detailed analysis and options report that has further informed the Board's 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02228358 (England and Wales)

Registered Charity number

700314

Registered office

Westminster Buildings
31 New York Street
Leeds
West Yorkshire
LS2 7DT

Trustees

Christina Turnbull
Isobel Mills

Chair - resigned 30.6.17
Vice Chair (Chair from
1/7/17)
Treasurer

Nigel John Turner
Rebecca Dearden
Ian Lawson

Alison Lowe

Andrew Passey

- resigned 30.11.16

Kenneth Patterson

Caroline Mackay

- appointed 23.6.17

Richard Balfe

- appointed 25.7.17

Company Secretary

Dianne Lyons

Auditors

Riley & Co Limited
Statutory Auditor Chartered Accountants
52 St Johns Lane
Halifax
West Yorkshire
HX1 2BW

Bankers

Unity Trust Bank
9 Brindleyplace
Birmingham
B1 2HB

Key management personnel

Dianne Lyons
Jacqueline Murray
Ann Richardson Greaves

Chief Executive
Finance Manager
Senior Advice and Training Manager

**Report of the Trustees
for the Year Ended 31 March 2017**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Leeds Citizens Advice Bureau for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

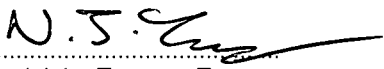
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 14/9/17 and signed on its behalf by:


Nigel John Turner - Trustee

**Report of the Independent Auditors to the Members of
Leeds Citizens Advice Bureau (Registered number: 02228358)**

We have audited the financial statements of Leeds Citizens Advice Bureau for the year ended 31 March 2017 on pages nine to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 20 to the financial statements

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2017 and of its incoming resources and application of resources, including 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Victoria Atkinson BA FCA (Senior Statutory Auditor)
for and on behalf of Riley & Co Limited
Statutory Auditor Chartered Accountants
52 St Johns Lane
Halifax
West Yorkshire
HX1 2BW



Date: 2 October 2017

LEEDS CITIZENS ADVICE BUREAU

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2017**

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	283	-	283	1,857
Charitable activities	4				
Charitable activities		1,683,288	423,785	2,107,073	2,190,786
Investment income	3	3,004	-	3,004	2,098
Total		1,686,575	423,785	2,110,360	2,194,741
EXPENDITURE ON					
Charitable activities	5				
Charitable activities		1,679,375	420,681	2,100,056	2,108,647
Other	8	101,000	-	101,000	131,000
Total		1,780,375	420,681	2,201,056	2,239,647
NET INCOME/(EXPENDITURE)		(93,800)	3,104	(90,696)	(44,906)
Other recognised gains/(losses)					
Actuarial gains/losses on defined benefit schemes		(651,000)	-	(651,000)	496,000
Net movement in funds		(744,800)	3,104	(741,696)	451,094
RECONCILIATION OF FUNDS					
Total funds brought forward		(912,550)	2,370	(910,180)	(1,361,274)
TOTAL FUNDS CARRIED FORWARD		(1,657,350)	5,474	(1,651,876)	(910,180)
CONTINUING OPERATIONS					
All income and expenditure has arisen from continuing activities.					

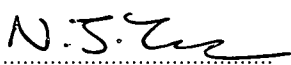
The notes form part of these financial statements

Balance Sheet
At 31 March 2017

	Notes	31.3.17 £	31.3.16 £
CURRENT ASSETS			
Debtors	13	10,743	66,381
Cash at bank and in hand		589,515	608,308
		<u>600,258</u>	<u>674,689</u>
CREDITORS			
Amounts falling due within one year	14	(113,134)	(197,869)
NET CURRENT ASSETS		<u>487,124</u>	<u>476,820</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		487,124	476,820
PROVISIONS FOR LIABILITIES	16	(2,139,000)	(1,387,000)
NET ASSETS/(LIABILITIES)		<u>(1,651,876)</u>	<u>(910,180)</u>
FUNDS	18		
Unrestricted funds:			
General fund		474,315	467,115
General fund - Defined benefit pension scheme		(2,139,000)	(1,387,000)
Building fund		7,335	7,335
		<u>(1,657,350)</u>	<u>(912,550)</u>
Restricted funds		5,474	2,370
TOTAL FUNDS		<u>(1,651,876)</u>	<u>(910,180)</u>

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

The financial statements were approved by the Board of Trustees on 14/9/17 and were signed on its behalf by:


Nigel John Turner - Trustee

LEEDS CITIZENS ADVICE BUREAU

**Cash Flow Statement
for the Year Ended 31 March 2017**

	Notes	31.3.17 £	31.3.16 £
Cash flows from operating activities:			
Cash generated from operations	1	(122,797)	(190,464)
Pension costs		<u>101,000</u>	<u>131,000</u>
Net cash provided by (used in) operating activities		<u>(21,797)</u>	<u>(59,464)</u>
 Cash flows from investing activities:			
Interest received		<u>3,004</u>	<u>2,098</u>
Net cash provided by (used in) investing activities		<u>3,004</u>	<u>2,098</u>
 Change in cash and cash equivalents in the reporting period		<u>(18,793)</u>	<u>(57,366)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>608,308</u>	<u>665,674</u>
Cash and cash equivalents at the end of the reporting period		<u><u>589,515</u></u>	<u><u>608,308</u></u>

The notes form part of these financial statements

LEEDS CITIZENS ADVICE BUREAU

Notes to the Cash Flow Statement
for the Year Ended 31 March 2017

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	31.3.17	31.3.16
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(90,696)	(44,906)
Adjustments for:		
Interest received	(3,004)	(2,098)
Decrease/(increase) in debtors	55,638	(54,294)
Decrease in creditors	(84,735)	(89,166)
Net cash provided by (used in) operating activities	<u>(122,797)</u>	<u>(190,464)</u>

LEEDS CITIZENS ADVICE BUREAU

Notes to the Financial Statements for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of general overhead costs.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity contributes to the West Yorkshire Pension Scheme, a defined benefit scheme at rates set by the scheme's actuaries. The charity has accounted for these pension costs in accordance with FRS17.

2. DONATIONS AND LEGACIES

	31.3.17	31.3.16
	£	£
Donations	<u>283</u>	<u>1,857</u>

3. INVESTMENT INCOME

	31.3.17	31.3.16
	£	£
Deposit account interest	<u>3,004</u>	<u>2,098</u>

LEEDS CITIZENS ADVICE BUREAU

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.17 Charitable activities £	31.3.16 Total activities £
Leeds City Council - Leeds Advice Service contract	1,024,440	1,025,562
Leeds City Council - Leeds Advice Service contract - Sub contracted services	490,568	463,068
Money Advice Service - Debt Advice Project (MASDAP)	256,285	250,152
Irwin Mitchell	19,984	10,000
Big Lottery Fund - Advice Service Transition Fund (URN : AST/1/010455595)	-	47,759
Refugee Outreach	4,834	-
South & East Leeds Clinical Commissioning Group - Outreach service	90,000	76,335
Pension Guidance Project	111,500	290,764
Northern Powergrid	56,000	-
ASC Outreach	34,979	-
Other Income	18,483	27,146
	<u>2,107,073</u>	<u>2,190,786</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6) £	Support costs (See note 7) £	Totals £
Charitable activities	<u>2,070,093</u>	<u>29,963</u>	<u>2,100,056</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.17 £	31.3.16 £
Staff costs	1,327,221	1,296,465
Insurance	5,411	5,448
Telephone	20,614	21,130
Postage, photocopying and stationary	10,288	22,450
Office expenses	7,751	31,678
Premises	128,009	132,729
Repairs and maintenance	4,391	4,332
Equipment	3,560	4,787
IT repairs and maintenance	18,506	23,713
Training and conferences	6,011	7,278
Interpreting costs	14,635	17,644
Info / Ref / Subs	6,716	6,623
Travel / Care expenses	18,322	20,011
Professional fees	3,867	5,942
Employer related costs	2,211	2,670
Staff appointments	688	9,700
Advice work subcontracted	490,568	469,923
Bank charges	1,324	1,538
	<u>2,070,093</u>	<u>2,084,061</u>

7. SUPPORT COSTS

	Governance costs £
Charitable activities	<u>29,963</u>

Support costs, included in the above, are as follows:

LEEDS CITIZENS ADVICE BUREAU

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

7. SUPPORT COSTS - continued

	31.3.17 Charitable activities £	31.3.16 Total activities £
Trustees' remuneration etc	93	-
Wages	16,729	14,449
Social security	1,922	1,214
Pensions	2,561	2,204
Auditors' remuneration	3,955	4,040
Auditors' remuneration for non audit work	3,900	2,679
No description	803	-
	<u>29,963</u>	<u>24,586</u>

8. OTHER

	31.3.17 £	31.3.16 £
Interest payable and similar charges	<u>101,000</u>	<u>131,000</u>

This relates to the pension cost, it is made up of several components as outlined below:

	31.03.17 £	31.03.16 £
Current Service Cost	206,000	219,000
Past Service Cost	-	42,000
Interest Cost	46,000	55,000
Employer Contributions	(151,000)	(185,000)
	<u>101,000</u>	<u>131,000</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.17 £	31.3.16 £
Auditors' remuneration	3,955	4,040
Auditors' remuneration for non audit work	<u>3,900</u>	<u>2,679</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

	31.3.17 £	31.3.16 £
Trustees' expenses	<u>93</u>	<u>-</u>

LEEDS CITIZENS ADVICE BUREAU

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

11. STAFF COSTS

	31.3.17 £	31.3.16 £
Wages and salaries	1,107,218	1,100,422
Social security costs	90,984	67,628
Other pension costs	150,231	146,282
	<u>1,348,433</u>	<u>1,314,332</u>

The average monthly number of employees during the year was as follows:

	31.3.17	31.3.16
Operational	39	39
Administration	5	5
	<u>44</u>	<u>44</u>

No employees received emoluments in excess of £60,000.

There was an average of 84 volunteers in place during the financial year (2016 : 103).

The key management personnel of the charity have been identified as the CEO, finance manager and the senior advice and training manager. The aggregate employment benefits, including employers national insurance and pension contributions, for the key management personnel for the year was £133,633 (2016 : £125,759). The remuneration of these key management is set and reviewed annually by the trustee board.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,856	1	1,857
Charitable activities			
Charitable activities	1,602,111	588,675	2,190,786
Investment income	2,098	-	2,098
Total	<u>1,606,065</u>	<u>588,676</u>	<u>2,194,741</u>
 EXPENDITURE ON			
Charitable activities			
Charitable activities	1,502,986	605,661	2,108,647
Other	131,000	-	131,000
Total	<u>1,633,986</u>	<u>605,661</u>	<u>2,239,647</u>
 NET INCOME/(EXPENDITURE)	<u>(27,921)</u>	<u>(16,985)</u>	<u>(44,906)</u>
 Other recognised gains/(losses)			
Actuarial gains/losses on defined benefit schemes	496,000	-	496,000
Net movement in funds	<u>468,079</u>	<u>(16,985)</u>	<u>451,094</u>

LEEDS CITIZENS ADVICE BUREAU

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	(1,380,629)	19,355	(1,361,274)
TOTAL FUNDS CARRIED FORWARD	<u>(912,550)</u>	<u>2,370</u>	<u>(910,180)</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Trade debtors	1,665	57,250
Prepayments	9,078	9,131
	<u>10,743</u>	<u>66,381</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Trade creditors	1,021	4,669
Social security and other taxes	22,863	20,119
Pension control account	-	16,248
Advice Leeds	31,686	33,156
Accruals	15,784	42,453
Deferred income	41,780	81,224
	<u>113,134</u>	<u>197,869</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.17 £	31.3.16 £
Within one year	53,178	-
Between one and five years	45,533	-
In more than five years	48,813	-
	<u>147,524</u>	<u>-</u>

16. PROVISIONS FOR LIABILITIES

	31.3.17 £	31.3.16 £
Provisions	<u>2,139,000</u>	<u>1,387,000</u>

LEEDS CITIZENS ADVICE BUREAU

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

16. PROVISIONS FOR LIABILITIES - continued

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 2016 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 2017 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 2017 was £4,531,000; the present value of the funded liabilities was £6,670,000 leaving a net pension liability of £2,139,000 at 31 March 2017.

Reconciliation of funded status to balance sheet:

	<u>31 March 2017</u>	<u>31 March</u>
	<u>£000's</u>	<u>2016 £000's</u>
Fair value of assets	4,531	3,719
Present value of liabilities	(6,670)	(5,106)
Net pension asset/(liability)	(2,139)	(1,387)

The split of the liabilities at the last valuation between the various categories of members is as follows:

Active members	43%
Deferred Pensioners	25%
Pensioners	32%

Analysis of statement of financial activities charge:

	<u>2017</u>	<u>2016</u>
	<u>£000's</u>	<u>£000's</u>
Current service cost	206	219
Past service cost	-	42
Interest cost	46	55
Expected return on assets	-	-
Pension expense recognised in SOFA	252	316

Changes to the present value of liabilities during the accounting period:

	<u>31 March 2017</u>
	<u>£000's</u>
Opening defined benefit obligation	5,106
Current service cost	206
Interest cost	178
Contributions by participants	57
Actuarial (gains) / losses on liabilities	1,205
Net benefits paid out	(82)
Past service cost	-
Net increase in liabilities from disposals and acquisitions	-
Curtailments	-
Settlements	-
Closing present value of liabilities	6,670

Changes to the fair value of assets during the accounting period:

	<u>31 March 2017</u>
	<u>£000's</u>
Opening fair value of assets	3,719
Expected return on assets	132
Remeasurement gains / (losses) on assets	554
Contributions by the employer	151
Contributions by participants	57
Net benefits paid out	(82)
Net increase in assets from disposals and acquisitions	-
Settlements	-
Closing fair value of assets	4,531

The charity paid contributions at a rate of 15.4% (2016 : 15.4%) during the year. The cost to the charity for the year was £151,000, (2016 : £135,543). At year end £Nil was unpaid to the scheme (2016 : £16,245).

The employer's regular contribution to the Fund for the accounting period ending 31 March 2018 are estimated to be £161,000 (15.8%). Additional contributions totalling £55,000 are due over the next 3 years.

LEEDS CITIZENS ADVICE BUREAU

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

16. PROVISIONS FOR LIABILITIES - continued

Key assumptions of valuation:

	31 March 2017 (% p.a.)	31 March 2016 (% p.a.)
<u>Funded Local Government Scheme (LGPS) liabilities</u>		
Duration of liabilities (years)	20.1	20.6
Discount rate	2.60%	3.50%
RPI inflation	3.10%	2.90%
CPI inflation	2.00%	1.80%
Pension increases	2.00%	1.80%
Pension accounts revaluation rate	2.00%	1.80%
Salary increases	3.25%	3.30%

Expected return on assets:

	<u>Asset split</u> <u>at 31 March</u> <u>2017</u> (%)	<u>Asset split</u> <u>at 31 March</u> <u>2016</u> (%)
Equities	77.2	75.6
Property	4.3	4.9
Government bonds	10.1	10.3
Corporate bonds	3.9	4.6
Cash	1.2	1.3
Other	3.3	3.3
Total	100.00	100.00

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
Current assets	594,784	5,474	600,258	674,689
Current liabilities	(113,134)	-	(113,134)	(197,869)
Provision for liabilities	(2,139,000)	-	(2,139,000)	(1,387,000)
	<u>(1,657,350)</u>	<u>5,474</u>	<u>(1,651,876)</u>	<u>(910,180)</u>

18. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	467,115	7,200	474,315
General fund - Defined benefit pension scheme	(1,387,000)	(752,000)	(2,139,000)
Building fund	7,335	-	7,335
	<u>(912,550)</u>	<u>(744,800)</u>	<u>(1,657,350)</u>
Restricted funds			
Money Advice Service - Debt Advice Project (MASDAP)	-	1,835	1,835
PensionWise	-	1,269	1,269
Other restricted funds	2,370	-	2,370
	<u>2,370</u>	<u>3,104</u>	<u>5,474</u>
TOTAL FUNDS	<u>(910,180)</u>	<u>(741,696)</u>	<u>(1,651,876)</u>

LEEDS CITIZENS ADVICE BUREAU

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,686,575	(1,679,375)	-	7,200
General fund - Defined benefit pension scheme	-	(101,000)	(651,000)	(752,000)
	<u>1,686,575</u>	<u>(1,780,375)</u>	<u>(651,000)</u>	<u>(744,800)</u>
Restricted funds				
Money Advice Service - Debt Advice Project (MASDAP)	256,285	(254,450)	-	1,835
Northern Powergrid	56,000	(56,000)	-	-
PensionWise	111,500	(110,231)	-	1,269
	<u>423,785</u>	<u>(420,681)</u>	<u>-</u>	<u>3,104</u>
TOTAL FUNDS	<u><u>2,110,360</u></u>	<u><u>(2,201,056)</u></u>	<u><u>(651,000)</u></u>	<u><u>(741,696)</u></u>

Purposes of principal restricted funds:

Money Advice Service - Debt Advice Project (MASDAP)

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.

Other restricted funds

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

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

20. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

21. ULTIMATE CONTROLLING PARTY

The charity is under the control of the board of trustees.

LEEDS CITIZENS ADVICE BUREAU

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

22. GOING CONCERN

The trustees consider it appropriate for the financial statements for the year ended 31 March 2017 to be prepared on a going basis.

The balance sheet shows net liabilities at the year end of £1,651,876, however this includes the pension scheme liability of £2,139,000, which when excluded leaves net assets of £487,124.

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

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.