

Company registration number: 02761115

Charity registration number: 1015216

Coventry Independent Advice Service Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2018

McGlone Wardzynski Limited
Eagle House
14 Queens Road
Coventry
West Midlands
CV1 3EG



Coventry Independent Advice Service Limited

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Coventry Independent Advice Service Limited

Reference and Administrative Details

Trustees	Caron McKenna, Chairperson John Lowe, Vice-Chair Gavin Kibble, Treasurer Cllr Joseph Clifford Cllr Rachel Lancaster Isabelle Osbourne Alan East Michael Fell Ralph Bamber (resigned 3 November 2017) Melonie Galvin (appointed 1 November 2017)
Secretary	Alan Markey
Principal Office	Oakwood House Cheylesmore Coventry CV1 2HL The charity is incorporated in England and Wales.
Company Registration Number	02761115
Charity Registration Number	1015216
Bankers	Cambridge and Counties Bank Charnwood Court 5B New Walk Leicester LE1 6TE Unity Trust Nine Brindley Place 4 Oozells Square Birmingham B1 2HB
Independent Examiner	McGlone Wardzynski Limited Eagle House 14 Queens Road Coventry West Midlands CV1 3EG

Coventry Independent Advice Service Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and independent examiner's report of the charitable company for the year ended 31 March 2018.

Objectives and activities

Objects and aims

To pursue any charitable purpose calculated to advance the welfare of the general public in Coventry in order to improve the quality of life of said inhabitants and in particular, but not so as it limits the generality of the foregoing, by the provision of advice and information services.

Main activities

We help to identify and claim benefits, to challenge decisions, to advise on strategies for dealing with problem debt, to negotiate with creditors and to provide information and support on a range of other social welfare issues. The service is free and confidential.

Our service is delivered from community outreach venues across the city where we offer a mix of 'drop-in' sessions and pre-booked appointments. Our service model is focused on reaching people where they live, in their own neighbourhoods, and in areas of greatest need.

In setting our objectives and planning our activities our Trustees have complied with the requirements of section 17 of the Charities Act 2011 by giving due consideration to the Charity Commission's public benefit guidance.

Objectives and achievements

Our objectives for the year included:

- To continue to offer accessible advice and information services in neighbourhoods across the city.
- To seek opportunities for enhancing our service to Coventry residents
- To increase the 'return on investment' for our funders
- To help address poverty and inequality by increasing the take-up of benefits and by offering debt advice and casework
- To attract additional volunteers to support our service delivery
- To play a part in the life of the city through engagement with local initiatives, policy work and campaigns.

Our achievements are fully detailed in the accompanying annual report for 2017/18. In summary, these achievements include:

- We opened 3390 new files for 2887 individual clients and families who were seen 'face to face'.
- 70% of new enquiries were about welfare benefits and 15% were about debt.
- Total reported financial gains for clients was £4,203,793 (£3,168,316 in previous financial year).

- Over £3 million of social security benefit income was secured and over £1 million of debt was either managed or written off.
- New cases opened during the year involved debt totalling £1,894,920.
- 12338 items of work were completed for clients, including interviews, correspondence and other actions on behalf of clients.
- 48% of work involved client interviews.
- 24% of work involved writing letters, telephone calls and emails.
- Our website was viewed nearly 12,000 times.
- We took nearly 5,000 phone calls at our office.

Financial review

The statement of financial activities is set out within this report. In summary, income for the year was £344,240 (2016/17 £334,938) which includes some restricted funding for a financial capability project starting in 2018/19. Total expenditure was £329,628 (2016/17 £290,749).

Our reduced core grant from Coventry City Council was supplemented by one-off grants and donations from trusts and foundations, resulting in a small surplus of £6,988 on unrestricted funds.

Nearly 80% of our expenditure is on staff costs and these increased this year (£262,872 from £237,041 in 2016/17). This reflects the Board's decision to recruit an additional member of advice staff to help meet increasing demands on the service and to employ a fundraising consultant to help diversify funds.

Reserves policy

The trustees have set a reserves policy that requires reserves to be maintained at a level which ensures that our core activity could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form. The trustees assess the required level of reserves on an annual basis, alongside the operating budget. The assessment takes account of the income and expenditure risk within the budget and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

The reserves policy is reviewed annually and, based on the risk analysis, reserves equivalent to at least three months' operating costs were agreed to be necessary (approximately £85,000 for 2017/18). The current level of reserves is comfortably above this level and the trustees have approved expenditure from reserves to support core service activity which will reduce this gap. This includes further recruitment to address demand (particularly in light of Universal Credit and other welfare reforms).

Structure, governance and management

Coventry Independent Advice Service is governed by its memorandum and articles of association. We are constituted as a registered charity and as a company limited by guarantee in England and Wales.

Trustees of the charity are appointed following a skills-based audit and interview process with recommended appointments subject to election at the Annual General Meeting (AGM). At each AGM, one-third of the trustees must retire from office but are able to seek re-election. The trustees are also able to co-opt board members during the year, using the same skills-based approach.

Major risks and management of those risks

The trustees conduct their own review of the major risks to which the charitable company is exposed. The principle principal risk to which the charitable company is exposed is funding risk,

given the reliance on the City Council to core fund the advice service. Whilst the trustees do not expect the council to remove this funding, action is being undertaken to seek alternative supplementary sources of funding.

This process is periodically reviewed to ensure that it still meets the needs of the charitable company and is as follows: -

- an annual review of the risks which the charitable company may face
- where possible the establishment of systems and procedures to mitigate those risks identified

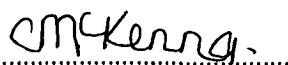
The trustees (who are also the directors of Coventry Independent Advice Service Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 24th September 2018 and signed on its behalf by:



Caron McKenna
Chair of the Trustee Board

Coventry Independent Advice Service Limited

Independent Examiner's Report to the trustees of Coventry Independent Advice Service Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2018 which are set out on pages 6 to 15.

Respective responsibilities of trustees and examiner

As the charity's trustees of Coventry Independent Advice Service Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

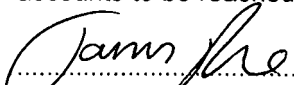
Independent examiner's statement

Since Coventry Independent Advice Service Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of FMAAT AATQB, which is one of the listed bodies.

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

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

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


James Rose
FMAAT AATQB

Eagle House
14 Queens Road
Coventry
West Midlands
CV1 3EG

25 September 2018

Coventry Independent Advice Service Limited

Statement of Financial Activities for the Year Ended 31 March 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income and Endowments from:					
Coventry City Council		322,747	-	322,747	333,252
Baron Davenport		-	-	-	239
5000 Fund		23	-	23	24
Donations		12,184	-	12,184	624
Santander Grant		-	4,180	4,180	-
Grants		-	-	-	95
Big Lottery Grant		-	4,180	4,180	-
Other income		-	-	-	44
Bank interest receivable		926	-	926	660
Total Income		335,880	8,360	344,240	334,938
Expenditure on:					
Charitable activities	3	(328,892)	(736)	(329,628)	(290,749)
Total Expenditure		(328,892)	(736)	(329,628)	(290,749)
Net income		6,988	7,624	14,612	44,189
Net movement in funds		6,988	7,624	14,612	44,189
Reconciliation of funds					
Total funds brought forward		155,290	736	156,026	111,837
Total funds carried forward	12	162,278	8,360	170,638	156,026

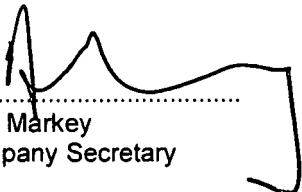
All of the charity's activities derive from continuing operations during the above two periods.

Coventry Independent Advice Service Limited

(Registration number: 02761115)
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	8	1,012	1,756
Current assets			
Debtors	9	1,736	843
Cash at bank and in hand		<u>176,294</u>	<u>159,788</u>
		178,030	160,631
Creditors: Amounts falling due within one year	10	<u>(8,404)</u>	<u>(6,361)</u>
Net current assets		<u>169,626</u>	<u>154,270</u>
Net assets		<u>170,638</u>	<u>156,026</u>
Funds of the charity:			
Restricted funds		8,360	736
Unrestricted income funds			
Unrestricted funds		<u>162,278</u>	<u>155,290</u>
Total funds	12	<u>170,638</u>	<u>156,026</u>

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on 24 September 2018 and signed on their behalf by:


.....
Alan Markey
Company Secretary

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

1 Charity status

The charity is limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Oakwood House
Cheylesmore
Coventry
CV1 2HL

These financial statements were authorised for issue by the trustees on 24 September 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Coventry Independent Advice Service Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and has therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent *accumulated depreciation and subsequent accumulated impairment losses*.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	Written off over three years

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

3 Expenditure on charitable activities

	Unrestricted funds			
	General £	Restricted funds £	Total 2018 £	Total 2017 £
Staff costs	262,872	-	262,872	237,041
Training & conferences	3,464	-	3,464	4,238
Rent & service charges	12,000	-	12,000	12,000
Telephone and fax	3,637	-	3,637	4,163
Sundry expenses	355	-	355	-
Client expenses	-	-	-	239
Staff travel & subsistence	2,705	-	2,705	2,920
Disclosure and barring service	-	-	-	57
Depreciation of office equipment	-	736	736	919
Depreciation of office equipment	1,237	-	1,237	1,439
Volunteer expenses	668	-	668	322
Charitable donations	-	-	-	100
Governance costs	41,954	-	41,954	27,311
	<u>328,892</u>	<u>736</u>	<u>329,628</u>	<u>290,749</u>

4 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General £	Total 2018 £	Total 2017 £
Staff costs			
Pension costs	6,920	6,920	5,818
Meeting room hire	450	450	270
Premises expenses	66	66	18
Storage fees	626	626	831
Equipment repairs and renewals	2,538	2,538	-
Recycling	174	174	137
Printing, postage and stationery	7,720	7,720	3,244
Books and publications	29	29	3,587
Subscriptions & licences	1,848	1,848	4,837
Sundry expenses	364	364	9
Board meetings	15	15	104

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

	Unrestricted funds		
	General £	Total 2018 £	Total 2017 £
Catering & consumables	80	80	253
Entertainment	591	591	431
Accountancy fees	600	600	700
Legal and professional fees	7,773	7,773	630
Insurance	988	988	898
Computer software and maintenance costs	10,824	10,824	4,842
Publicity	111	111	505
Bank charges	237	237	197
	<u>41,954</u>	<u>41,954</u>	<u>27,311</u>

5 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Gavin Kibble

£13 (2017: £Nil) of expenses were reimbursed to Gavin Kibble during the year.

These expenses paid were for travel expenses

None of the trustees, nor any persons connected with them, has received any remuneration or any benefits from the charity during the year.

6 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	261,772	236,346
Recruitment	1,100	695
Staff pensions	<u>6,920</u>	<u>5,818</u>
	<u>269,792</u>	<u>242,859</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

Charitable activities 8 (2016: 8)

Administration 1 (2016: 1)

No employee received emoluments of more than £60,000 during the year.

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

7 Taxation

The charity is a registered charity and is therefore potentially exempt from taxation.

8 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2017	8,320	8,320
Additions	430	430
At 31 March 2018	8,750	8,750
Depreciation		
At 1 April 2017	6,564	6,564
Charge for the year	1,174	1,174
At 31 March 2018	7,738	7,738
Net book value		
At 31 March 2018	1,012	1,012
At 31 March 2017	1,756	1,756

9 Debtors

	2018 £	2017 £
Trade debtors	60	-
Prepayments	1,676	843
	1,736	843

10 Creditors: amounts falling due within one year

	2018 £	2017 £
Pension contributions unpaid	1,196	-
PAYE and NIC creditor	6,027	5,324
Accruals	1,181	1,037
	8,404	6,361

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

11 Pension and other schemes

Defined contribution pension scheme

The charity contributes towards a work place pension scheme, NEST. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,920 (2017 - £5,818).

12 Funds

	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Balance at 31 March 2018 £
Unrestricted funds				
General	155,290	323,525	(316,537)	162,278
Restricted funds	<u>736</u>	<u>8,360</u>	<u>(736)</u>	<u>8,360</u>
Total funds	<u>156,026</u>	<u>331,885</u>	<u>(317,273)</u>	<u>170,638</u>
	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Balance at 31 March 2018 £
Restricted funds				
Baron Davenport	736	-	(736)	-
Big Lottery Awards	-	4,180	-	4,180
Santander	-	4,180	-	4,180
	<u>736</u>	<u>8,360</u>	<u>(736)</u>	<u>8,360</u>
	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Balance at 31 March 2017 £
Unrestricted funds				
General	110,182	322,699	(277,591)	155,290
Restricted funds	<u>1,655</u>	<u>239</u>	<u>(1,158)</u>	<u>736</u>
Total funds	<u>111,837</u>	<u>322,938</u>	<u>(278,749)</u>	<u>156,026</u>

Coventry Independent Advice Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Balance at 31 March 2017 £
Restricted funds				
Baron Davenport	<u>1,655</u>	<u>239</u>	<u>(1,158)</u>	<u>736</u>