

**Coventry Citizens Advice
Financial Statements
Year Ended 31 March 2019**

Charity registration number: 1000487
Company registration number: 02122698

Coventry Citizens Advice

Financial Statements

Year Ended 31 March 2019

Contents

	Page
Charity Reference and Administrative Details	3
Trustees' Annual Report	4
Independent Auditor's Report	10
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15

Coventry Citizens Advice

Charity Reference and Administrative Details

For the Year Ended 31 March 2019

Charity registration number	1000487
Company registration number	02122698
Trustees	
S Brake	Independent – Vice chair
N Smith	Independent – Vice chair
L Taylor	Independent – Treasurer
J Murphy	Independent
H Hall	Independent
C Stephens	Independent
D Lloyd	Nominated representative – Libraries
Cllr F Abbott	Nominated representative – Coventry City Council
Chief Executive Officer & Secretary	K Algate
Registered office	Kirby House, Little Park Street, Coventry, CV1 2JZ
Auditor	Harrison, Beale and Owen Limited, Highdown House, 11 Highdown Road, Leamington Spa, CV31 1XT
HR Consultant	Steve Gulati & Associates, 34 Kimberley Road, Solihull, B92 8PU
Bankers	National Westminster Bank Plc, Priory House, 38 Colmore Circus, Queensway, Birmingham B4 6DY
Property Consultants (issues pertaining to the leases)	D&P Holt Ltd, Holt Court, 16 Warwick Row, Coventry CV1 1EJ

Coventry Citizens Advice

Trustees' Annual Report (Including Directors' Report)

For the Year Ended 31 March 2019

The trustees present their report and the audited financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

T Miller (Resigned 29 March 2019)	Independent – Chair (up to date of resignation)
S Brake	Independent – Vice chair
N Smith	Independent – Vice chair
L Taylor	Independent – Treasurer
J Murphy (Appointed 11 June 2019)	Independent
S Wyllie (Resigned 28 February 2019)	Independent
H Hall	Independent
C Williams (Resigned 30 April 2018)	Independent
C Stephens	Independent
R Dixon (Resigned 16 November 2018)	Independent
D Lloyd	Nominated representative – Libraries
Cllr F Abbott	Nominated representative – Coventry City Council

When Tim Miller resigned due to overseas professional commitments, trustees agreed to commission an external recruitment agency to undertake a search for a new chair. Understanding there would be a time lag recruiting a new chair, it was agreed that both vice-chairs would step in as joint acting chairs. The recruitment of the new chair was an open and competitive process, with Jayne Murphy successfully appointed to the position. Jayne had previously joined as a trustee on the 11 June 2019 and will be co-opted as Chair until the charity's AGM on 15th November, where a trustee vote will confirm her appointment.

Objectives and activities

It is a requirement of the Trustee board of Coventry Citizens Advice to ensure that the organisation continues to deliver services for public benefit and the trustees have considered the Charity Commission's guidance on public benefit. The organisation's charity objects are:

To promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of the community in Coventry and the surrounding areas.

i) The principal activities of Coventry Citizens Advice are:

- To ensure that individuals do not suffer through a lack of knowledge of their rights and responsibilities, or of the service available to them, or through an inability to express their needs effectively, and equally;
- To exercise a responsible influence on the development of Social Policies and services, both locally and nationally.

ii) Strategies employed to achieve the charitable objectives during year 2018/19.

Coventry Citizens Advice conducted its prime activities through a range of advice provision at both the city centre location and at local outreach sites. Specialist and generalist advice work was undertaken in the city centre premises at Kirby House and Sun Alliance House; by telephone, email, social media, home visits and at a range of venues.

Our commitment to influencing policy change, locally and nationally, was delivered through continuous engagement with decision-makers and decision 'influencers' through issue report writing, the submission of evidence to Parliamentary enquiries and consultation exercises (local and national) and active attendance at open and closed stakeholder forums.

Coventry Citizens Advice

Trustees' Annual Report (Including Directors' Report)

For the Year Ended 31 March 2019

Objectives and activities (continued)

iii) The role and contributions of volunteers.

Coventry Citizens Advice continues to develop and provide opportunities for growth and giving through our volunteering programme. In 2018-19 we worked with over 70 volunteers who gave more than 11,300 hours of service across a variety of roles including advice, administration, research and campaigns, receptionists and work placements. We created two new volunteering roles to allow us to help people more quickly over the phone or in our new Information Hub. Around 50 new volunteers or placements join us annually. One third of volunteers have been with us for five years or more with most volunteers who leave us going onto employment or education opportunities.

iv) Funding is not provided through the use of social or program related investments.

v) The Business and Development Plan is reviewed and updated annually in line with its legal objects and business strategy. There are key objectives in the business plan that are reviewed at Board meetings. Key funding streams and projects are managed in line with the contract or grant agreement for the services. Performances of these services are reviewed by the Board.

Achievements and performance

We had another busy year of providing independent free advice and guidance to 8,931 unique clients with 32,402 enquiries (recorded on our internal CRM system and excluding initial contacts to signpost to other services and other projects such as Integration and Utilities who do not use Casebook for some services). This was a small increase of 53 people from the previous year, but the complexity of their enquiries has increase from an average of 2.75 per client to 3.63.

Benefits and Tax Credits (including Universal Credit) made up 30.5% of these enquiries, with the top three non-Universal Credit benefits issues concerning Personal Independence Payments, Employment Support Allowance and Attendance Allowance (all disability benefits). Universal Credit full service began in July 2018 and made up 13% of all benefit enquiries.

Debt enquiries made up 25% of all enquiries, with the top three issues consistently being with Council Tax debts, rent arrears and utility debts. Credit card issues and issues with unsecured loans remain substantial, but worth noting the relative rise of enquiries about the over payment of benefits.

Through our advice and assistance, we increased the income of our clients by £5,083,940*, a 39% increase on the previous year. This equates, on average, to £569 per unique client, regardless of their presenting issue.

*This figure does not include an extra £1,679,396 of income maximisation labelled as 'other' (consisting of a mix of miscellaneous activities such as energy trust funds, charity applications etc).

We were gifted £20,000 to help people across Coventry and Warwickshire who needed a small amount of financial support for items such as housing, clothing or transport costs. We paid North Warwickshire and BRANCAB £1,000 each to administer these funds within their area and since August 2018, within Coventry we have paid £1,830.65 to 89 clients. This Quality of Life hardship fund is not advertised, but uses our advisors' discretion to provide up to £50 cash when there is a requirement for more support.

We continued to focus our range of services to not only deal with the immediate crisis, but to help build individual and community resilience so that vulnerable people can better deal with future challenges. We developed our research and campaigns work to ensure that the direct experience of our clients continues to have significant impact in influencing social policy both locally and nationally, and to ensure our services remain relevant to the changing needs of the people of Coventry.

We continue to be proud of the Integration Service for Syrian Refugees who arrive in Coventry via the UNHCR Vulnerable Refugees scheme. This project began in July 2014, as a one year trial in 2015 and has influenced the development of the government's programme across the UK. The project also includes RVC cases (Resettlement of Vulnerable Children) and as such, we received Iraqi, Sudanese and Afghan families. We continued to support former Afghan Interpreters and their families. The project continues to work in partnership with Coventry City Council, Coventry Law Centre and Coventry Refugee and Migrant Centre.

Performance of all services and projects was assessed against key objectives, as agreed with the funders and Trustee Board. Performance is also reviewed at project and/or service board meetings, ensuring targets were achieved and risks mitigated.

We remain grateful for the ongoing financial support of Coventry City Council, NHS Coventry, Macmillan, the Big Lottery, Coventry Building Society, the Money and Pensions Service, Severn Trent Water, Western Power Distribution, Trussell Trust and Citizens Advice; together with the wide range of other partners who together provide the funding and support that enables Coventry Citizens Advice to make a real difference to the lives of people in Coventry.

Coventry Citizens Advice

Trustees' Annual Report (Including Directors' Report)

For the Year Ended 31 March 2019

Financial review (including reserves policy)

It was another challenging year for the charity with the need to make some drastic savings where possible. We achieved this by carrying vacant posts where possible, and undertaking a senior management team restructure. This allowed the charity to save a relatively significant amount of unrestricted funding.

One of the three office leases was not renewed, leading to all of the staff and volunteers (excluding the integration team) being based in Kirby House. This accelerated some expenditure for dilapidations, but will continue to provide savings going forward.

Several restricted projects carried funding into the next financial year, being pre-agreed and planned with funders.

The general funding position for the organisation continues to be a challenge with most funding opportunities being restricted and still for fixed term periods, often for a little more than 12 months.

This brings uncertainty to staff and presents risks for us in retaining talent and commitment. This risk is being mitigated through clear and regular communications across the organisation.

The Statement of Financial Activities for the year shows net incoming resources for the year of £165,160 and total reserves of £591,846, of which £258,845 relates to restricted funds.

Reserves Policy

Coventry Citizens Advice's core services are funded mainly by public grants. In recent years we, and the charitable sector in general, have seen a large reduction in the amount of public funding available to us.

The Trustees set the reserves policy in line with the guidance issued by the Charities Commission. The policy was reviewed in August 2019 as part of our risks management process.

Reserves are the general funds available to be used in furthering the objectives of the Charity in future periods and do not include restricted or designated funds.

The Trustees consider that the unrestricted funds should be set at the level required to cover a minimum of three months running costs for unrestricted project costs, which currently equates to £270,000.

The reserves level is calculated and reviewed annually by the Finance, Risk and Audit subcommittee. Any significant changes in activities or contractual obligations that could affect the level of reserves will be monitored as and when necessary.

Future plans

The trustees have a strategic aim to strengthen the charity's links with partners and existing funders to secure sustainable and longer term funding, whilst securing more unrestricted funding to strengthen its core service.

Structure, governance and management

i) Governing document.

Coventry Citizens Advice, formerly known as Coventry Citizens Advice Bureau, is a charitable company limited by guarantee, incorporated on 13th April 1987 and registered as a charity on 2nd October 1990. The Company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. These articles were updated at Coventry Citizens Advice's AGM on 4th January 2014. Trustee Board members undertake that, under the Company Director's Disqualification Act 1986, they are not under Qualification Order, nor are they disqualified by the Charities Act 2011 (Section 178) from acting as a Charity Trustee. There are 9 Directors of the Company, and the value of Directors' liability in the event of the Charity/Company winding up is £1.

ii) Recruitment and Appointment of Trustees.

The directors of the company are also charity trustees for the purposes of charity law, and under Coventry Citizens Advice articles, are known as trustee board members. Under the requirements of the Memorandum and Articles of Association, the members of the Trustee Board are elected to serve for a period of 3 years, after which they must be re-elected at the next Annual General Meeting (see articles of association, paragraphs 41 – 47).

Coventry Citizens Advice

Trustees' Annual Report (Including Directors' Report)

For the Year Ended 31 March 2019

Structure, governance and management (continued)

Trustees are recruited and selected for their ability to make an effective contribution to the board through their skills, knowledge and experience, as well as having a proven interest in the work of the organisation. Appointments are approved by a meeting of the full board.

iii) Trustee Induction and Training

An initial induction meeting is held between potential trustee members and the Chief Executive, who furnishes the incoming trustee board member with the latest published accounts, the organisational chart, the previous year's annual report, and two sets of the most recent board minutes. The memorandum and articles document and standing orders for meetings are also provided.

Board members are invited to take advantage of training that is on offer by various providers. Sometimes this relates to specific funding streams but, more likely, covers the broad principles that need to be taken on board by all trustees.

Coventry Citizens Advice is a member of Citizens Advice, the national association. The organisation meets the quality standards set out in Citizens Advice's Membership Scheme, and is audited by Citizens Advice to these standards, by way of the Leadership Self-Assessment.

The trustee board is responsible for making policies to ensure that the organisation complies with the Citizens Advice Membership Scheme, with charity law, company law, employment law, health and, safety law, and with the organisation's memorandum and articles of association.

iv) Organisation

The trustees are collectively responsible for the governance of the organisation, and for its effective management. Trustees are aware of their legal responsibilities and liabilities and act reasonably and prudently in the interests of the organisation and avoid conflicts with other interests. The latter is checked at every board meeting.

With the Chief Executive, the board maps out its strategies, setting aims and objectives and agrees a business plan within available resources. The board approves an annual budget and has financial controls and reporting procedures that enable it to ensure appropriate use of resources and financial stability. This includes an annual review of remuneration for all staff, in line with the current HR policies and procedures. The finance sub-committee of the main board meets monthly, and the full board bi-monthly, or monthly if it so dictates.

Trustees are kept informed about the business and activities of the organisation by the Chief Executive and are accountable for governance without being directly involved in its day to day running. The board is the employer of the organisation's paid staff, and directly recruits, supports and monitors the Chief Executive. It delegates the recruitment, support and supervision of other staff and volunteers to the Chief Executive. The Chief Executive delegates a range of responsibilities to members of the senior management team. A scheme of delegation is in place, and day to day responsibility for the provision of the service rests with the Chief Executive, who is responsible for ensuring that the charity delivers the services specified. The Chief Executive has responsibility for the day to day operational management of the organisation, ensuring that the team continue to develop their skills and working practices in line with good practice and funders' requirements.

There are two Sub-Committees; Finance, Risk and Audit committee and a Human Resources, Health and Safety committee. Strategy and Policy is discussed at board meetings. The sub-committees meet separately and make recommendations to the board.

The finance sub-committee is responsible for making recommendations on the level of resource allocation required to meet the policy objectives of the board, and on the utilisation of such resources. The sub-committee reviews monthly management accounts against budget. The human resources, health and safety sub-committee is responsible for all human resources/staffing issues, health and safety issues, equal opportunities in relation to all aspects of employment and service delivery.

v) Related Parties

Coventry Citizens Advice is a member of Citizens Advice, the national association, who provide support at a national level to all individual organisations. However, individual organisations are autonomous in generating their own income, and managing projects, and Coventry Citizens Advice is an independent charity in its own right.

Coventry Citizens Advice is an active member of the Advice Services Coventry (ASC) which encompasses partnership working with other organisations including the Law Society, Coventry Independent Advice Services and Age UK.

Coventry Citizens Advice

Trustees' Annual Report (Including Directors' Report)

For the Year Ended 31 March 2019

Structure, governance and management (continued)

vi) Risk Management

Coventry Citizens Advice has completed a corporate risk management exercise which cannot entirely eliminate all risks but should provide reasonable assurance that problems are identified on a timely basis. Major risks to which the charity is exposed have been reviewed and systems put in place to mitigate those risks. The board will continue to review the corporate risk register and ensure that action plans are in place to mitigate its key risks. Included in external risks is that of the loss of funding. The effects of this have been minimised by funds being secured from a variety of sources. The charity continues to seek to further diversify its funding sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity. Citizens Advice also carry out an annual liaison visit where risks are identified and assessed.

The organisation has adopted the recommended Citizens Advice policy for information assurance. All staff, volunteers and trustees have to complete annual training on information management and a quarterly risk assessment is carried out by each team within the organisation.

vii) Pay policy for senior staff

The pay of the senior staff is reviewed by the board (at least annually) and normally increased in line with average earnings or review against performance objectives. In view of the nature of the charity, the trustees benchmark against pay levels in other regional charities of a similar size. If recruitment has proven difficult in the recent past a market addition may also be paid.

Fundraising

Whilst the charity does incur some expenditure in respect of fundraising activities, these are considered to be on a very small scale and do not form part of the charity's principal activities. The charity neither participates in publicly marketed fundraising events nor in the active soliciting of donations from members of the general public. Accordingly, the charity is not registered with the Fundraising Regulator, although the trustees will keep the situation under review.

Trustees' responsibilities

The trustees (who are also directors of Coventry Citizens Advice for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the period. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Coventry Citizens Advice

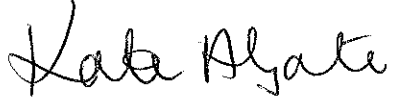
Trustees' Annual Report (Including Directors' Report)

For the Year Ended 31 March 2019

In approving the Trustees' Annual Report, we also approve the Directors' report included therein, in our capacity as company directors.

The Trustees' Annual Report has been prepared in accordance with the special provisions of the Companies Act, relating to small entities.

On behalf of the board

A handwritten signature in black ink, appearing to read 'K Algate', written in a cursive style.

K Algate, Secretary

12 September 2019

Independent Auditor's Report to the trustees of Coventry Citizens Advice

For the Year Ended 31 March 2019

Opinion

We have audited the financial statements of Coventry Citizens Advice (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 2019, 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.

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 charitable company 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 charitable company'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 Trustees' 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.

Matters on which we are required to report by exception

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

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

Coventry Citizens Advice

Independent Auditor's Report to the trustees of Coventry Citizens Advice

For the Year Ended 31 March 2019

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, 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, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

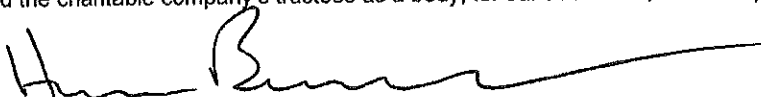
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Harrison Beale & Owen Limited
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Date: 12 September 2019

Statutory auditor
Eligible to act as auditors in terms of Section 1212 of the Companies Act 2006

Coventry Citizens Advice

Statement of Financial Activities (Including Income and Expenditure Account)

For the Year Ended 31 March 2019

		2019			2018
	Note	Unrestricted funds £	Restricted funds £	Total £	Total £
Income and endowments from:					
Donations and legacies	2	1,120	-	1,120	3,587
Charitable activities	3	648,753	2,506,581	3,155,334	2,994,265
Other trading activities	4	6,659	-	6,659	6,217
Investments	5	648	-	648	87
Total income and endowments		657,180	2,506,581	3,163,761	3,004,156
Expenditure on:					
Charitable activities	6	594,476	2,404,125	2,998,601	3,050,596
Total expenditure		594,476	2,404,125	2,998,601	3,050,596
Net income/ (expenditure)		62,704	102,456	165,160	(46,440)
Transfers between funds	15	(6,988)	6,988	-	-
Net movement in funds		55,716	109,444	165,160	(46,440)
Reconciliation of funds:					
Total funds brought forward	15	277,285	149,401	426,686	473,126
Total funds carried forward	15	333,001	258,845	591,846	426,686

All income and expenditure derive from continuing activities.

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

Balance Sheet

As at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	1,165	6,073
		1,165	6,073
Current assets			
Debtors	12	202,309	421,931
Cash at bank and in hand		494,280	98,190
		696,589	520,121
Creditors: amounts falling due within one year	13	(105,908)	(99,508)
Net current assets		590,681	420,613
Net assets		591,846	426,686
Charity Funds			
Restricted funds	15	258,845	149,401
Unrestricted funds	15	333,001	277,285
Total charity funds		591,846	426,686

For the year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

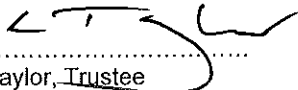
Directors' responsibilities:

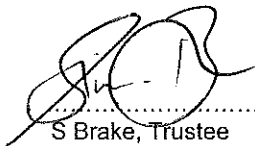
- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006;
- The directors acknowledge their responsibilities for complying with the requirements of the Acts with respect to accounting records and the preparation of accounts.

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

The financial statements were approved and authorised for issue by the Board on 12 September 2019.

Signed on behalf of the board of trustees.


L Taylor, Trustee


S Brake, Trustee

The notes on pages 15 to 24 form part of these financial statements.

Coventry Citizens Advice

Statement of Cash Flows

For the Year Ended 31 March 2019

	Note	2019 £	2018 £
Cash flow from operating activities	17	395,442	(284,780)
Cash flow from investing activities			
Interest received		648	87
Net cash flow from investing activities		648	87
Net increase / (decrease) in cash and cash equivalents		396,090	(284,693)
Cash and cash equivalents at 1 April		98,190	382,883
Cash and cash equivalents at 31 March		494,280	98,190

Notes to the Financial Statements

For the Year Ended 31 March 2019

1 Summary of significant accounting policies

(a) General information and basis of preparation

Coventry Citizens Advice is a private company limited by guarantee, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The company number and the address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 4.

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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

1 Summary of significant accounting policies (continued)

(c) Income recognition

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Interest income is recognised using the effective interest rate method and is recognised as the charity's right to receive payment is established. This is normally upon notification of the interest paid or payable by the bank.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that relate directly to an activity and those of an indirect nature necessary to support them.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources. The bases on which support costs have been allocated are: the length of the project; & the number of FTE employed on the project.

(f) Tangible fixed assets

Tangible fixed assets are capitalised where expenditure exceeds £1,000 and are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold premises	Over the period of the lease
Computer equipment	3 years straight line
Fixtures and fittings	3 - 5 years straight line

Where assets are project specific they are depreciated in line with the life of the project.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Financial instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at the present value of the future payments discounted as a market rate of interest for a similar debt instrument.

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

1 Summary of significant accounting policies (continued)

(i) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(j) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

Redundancy/termination payments are charged to the SoFA in the period to which they relate, once there is a legal or constructive obligation to make the payment.

(k) Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, it does not have liability to corporation tax in the course of its normal charitable activities.

(l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(m) Critical accounting estimates and judgements

To be able to prepare financial statements in accordance with FRS 102, the charity must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

2 Income from donations and legacies

	2019 £	2018 £
Gifts	1,120	3,587
	<u>1,120</u>	<u>3,587</u>

3 Income from charitable activities

	2019 £	2018 £
Advice and information services		
Unrestricted	648,753	706,884
Restricted	2,506,581	2,287,381
	<u>3,155,334</u>	<u>2,994,265</u>

Income from charitable activities includes government grants of £1,695,725 (2018: £1,511,089).

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

4 Income from other trading activities

	2019 £	2018 £
Room hire	6,659	6,217
	<u>6,659</u>	<u>6,217</u>

5 Income from investments

	2019 £	2018 £
Interest - deposits	648	87
	<u>648</u>	<u>87</u>

6 Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support and governance costs £	Total 2019 £	Total 2018 £
Charitable activities – advice and information services				
Staff costs	1,495,453	205,424	1,700,877	1,865,993
Recruitment costs	1,000	124	1,124	3,764
Training	6,751	3,944	10,695	7,859
Travel	13,565	1,402	14,967	15,955
Client expenses	113,905	-	113,905	87,618
Volunteer expenses	11,730	-	11,730	12,481
Translation costs	46,231	-	46,231	57,853
Publicity	2,335	-	2,335	3,688
Subscriptions and licences	6,129	15,041	21,170	9,463
Printing, postage and stationery	16,709	5,022	21,731	26,411
Telephone	16,522	4,157	20,679	29,534
Insurance	2,210	6,110	8,320	7,097
Rent, rates and service charges	49,575	80,491	130,066	133,575
Heat and light	2,853	11,125	13,978	11,969
Premises and equipment repairs and maintenance	4,014	39,938	43,952	10,258
Computer costs	5,672	19,555	25,227	27,994
Settlement costs	704,825	-	704,825	552,086
Partnership payments	47,118	-	47,118	58,603
Professional fees	7,053	9,615	16,668	41,323
Depreciation	-	4,908	4,908	26,924
Other costs	23,306	14,789	38,095	60,148
	<u>2,576,956</u>	<u>421,645</u>	<u>2,998,601</u>	<u>3,050,596</u>

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

7 Governance costs

	2019 £	2018 £
Auditor's remuneration	4,770	4,640
Professional fees	9,615	33,388
Staff costs	49,561	48,132
Other	2,096	5,538
	<u>66,042</u>	<u>91,698</u>

8 Net income for the year

Net income is stated after charging / (crediting):

	2019 £	2018 £
Auditor's remuneration	4,770	4,640
Depreciation	4,908	26,924
Operating lease rentals	103,230	108,840
	<u></u>	<u></u>

9 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2018: £nil).

The trustees did not have any expenses reimbursed during the year (2018: £nil).

The charity considers its key management personnel to comprise the trustees and the Chief Executive Officer. The total employment benefits including pension contributions of key management personnel was £62,400 (2018: £81,993).

10 Staff costs and employee benefits

The average monthly number of employees during the year, expressed as full time equivalents, was as follows:

	2019 Number	2018 Number
Charitable activities	56	59
Management and administration	6	7
	<u>62</u>	<u>66</u>

The total staff costs and employees' benefits was as follows:

	2019 £	2018 £
Wages and salaries	1,509,243	1,648,451
Social security	124,410	137,075
Defined contribution pension costs	67,225	74,923
Bureau agency costs	5,072	5,544
	<u>1,705,950</u>	<u>1,865,993</u>

Total redundancy / termination payments amount to £2,253 (2018: £42,873) and related to Central Services (2018: infrastructure and advice services).

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

11 Tangible fixed assets

	Leasehold premises £	Computer equipment £	Fixtures and fittings £	Total £
Cost or valuation:				
At 1 April 2018 and 31 March 2019	166,946	120,375	66,673	353,994
Depreciation:				
At 1 April 2018	162,676	118,712	66,533	347,921
Charge for the year	3,105	1,663	140	4,908
At 31 March 2019	165,781	120,375	66,671	352,829
Net book value:				
At 31 March 2019	1,165	-	-	1,165
At 31 March 2018	4,270	1,663	140	6,073

12 Debtors

	2019 £	2018 £
Trade debtors	164,119	380,562
Prepayments and accrued income	38,190	41,369
	<u>202,309</u>	<u>421,931</u>

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	40,908	29,843
Other tax and social security	38,638	34,258
Other creditors	16,929	15,742
Deferred income	5,000	13,953
Accruals	4,433	5,712
	<u>105,908</u>	<u>99,508</u>

Deferred income comprises amounts received in advance where the performance conditions of the grant have not been met.

	2019 £	2018 £
Balance at 1 April	13,953	80,661
Amounts released to incoming resources	(13,953)	(80,661)
Amounts deferred in year	5,000	13,953
	<u>5,000</u>	<u>13,953</u>

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

14 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than one year	89,414	103,892
Later than one and not later than five years	209,213	292,159
	<u>298,627</u>	<u>396,051</u>

The charity has a financial commitment in the region of £70,000 to paint the interior and exterior of the building under the terms of its lease. At the balance sheet date this commitment was not deemed to meet the criterion of being a present obligation and accordingly no provision has been made in the accounts.

15 Funds

	Balance at 01/04/2018	Income	Expenditure	Transfers	Balance at 31/03/2019
	£	£	£	£	£
Unrestricted funds					
General funds	230,611	656,060	(594,156)	(6,988)	285,527
Designated funds:					
Lease reserve	24,000	-	-	-	24,000
Maintenance reserve	13,093	-	-	-	13,093
IT reserve	8,793	-	-	-	8,793
Hardship fund	788	1,120	(320)	-	1,588
Total unrestricted funds	<u>277,285</u>	<u>657,180</u>	<u>(594,476)</u>	<u>(6,988)</u>	<u>333,001</u>
Restricted funds					
CitA – Money Advice Service	-	260,050	(253,861)	(6,189)	-
The Norton Foundation	420	-	-	(420)	-
Healthwatch Services	-	42,165	(42,318)	153	-
Big Lottery – BBO Progress	1,829	27,106	(31,228)	2,293	-
Severn Trent – Big Difference	789	-	-	-	789
NHS Coventry – CCG/HIV/TB	-	29,981	(15,392)	-	14,589
Macmillan	4,088	269,733	(279,486)	5,665	-
Resilience	-	170,000	(87,817)	-	82,183
CitA – Help to Claim	-	13,953	(10,516)	-	3,437
Quality of Life Hardship Fund	-	20,000	(3,831)	-	16,169
CitA – EBDX Champions	9,630	10,000	(19,235)	(395)	-
Help in Crisis	22,793	94,913	(86,480)	-	31,226
Orbit - Frontline	3,444	15,000	(14,074)	-	4,370
CitA – Pension Wise	3,695	160,866	(159,306)	-	5,255
Big Lottery – BBO Breakthrough	-	22,761	(28,642)	5,881	-
Integration 1	46	1,080,405	(1,081,265)	814	-
Integration 2	102,667	289,648	(290,674)	(814)	100,827
Total restricted funds	<u>149,401</u>	<u>2,506,581</u>	<u>(2,404,125)</u>	<u>6,988</u>	<u>258,845</u>
Total funds	<u>426,686</u>	<u>3,163,761</u>	<u>(2,998,601)</u>	<u>-</u>	<u>591,846</u>

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

15 Funds (continued)

Fund descriptions

Lease Reserve	Funds set aside to mitigate the risk of rent in years 6 to 10 of the lease that may not be covered by contract income.
Maintenance Reserve	Funds set aside for reinstating building on expiry of lease.
IT Reserve	Funds set aside to maintain the current computer system.
Hardship Fund	Funds raised by donation to help clients in great need.
CitA – MAS	Funding from the Money Advice Service for the provision of debt advice.
The Norton Foundation	Grants to help children and young persons under the age of 25 who are in need of care or aid of any kind, who live in the Birmingham or Coventry areas or the County of Warwickshire.
Healthwatch Services	Grant enables the charity to run a telephone information enquiry line for people seeking advice with issues relating to health or social care.
Big Lottery - BBO Progress	Grant enables the charity to help young people aged 15 to 18, (24 for care leavers or those with a disability) across Coventry and Warwickshire navigate a path towards a successful future, offering one to one tailored support to gain employment, apprenticeships, training or education.
Severn Trent – Big Difference	Charitable donation to deliver the Big Difference Fund Project. The project was designed to help Severn Trent Water's most vulnerable customers in Coventry, Leicester and Stoke on Trent with grants towards their water debts and also offer support and advice with managing money and utility bills. The balance at 31 March 2019, as shown above, is a remaining balance of up-front payments of the grant by Severn Trent that is held as cash resources and will be used specifically to support clients of the Big Difference Scheme Project's services.
NHS - CCG/HIV TB	Grant towards provision of outreach services.
Macmillan	Grant towards advice service for cancer patients and their families.
Resilience	Funding to cover costs of providing support to those in food crisis who are transferring to Universal Credit in Coventry.
CitA – Help to Claim	Grant to support those in the early stages of making a Universal credit claim from application through to the first payment.
Quality of Life Hardship fund	Grant to help and support those who are struggling with living costs.

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

15 Funds (continued)

Fund descriptions

CitA – EBDX Champions	Funding from Citizens Advice to deliver energy advice to West Midlands consumers through the open door and internal or external referrals, advising them on energy related matters and activities which support the provision of energy advice.
Help in Crisis	Grant enables the charity to provide practical and emotional support to clients who are homeless or vulnerably housed. The project is between Coventry Citizens Advice and Valley House.
Orbit - Frontline	Funds to build up a network of housing and homelessness workers across the city.
CitA - Pension Wise	Grant towards the Pension Wise Service, to ensure that consumers who are approaching retirement with defined contribution pension pots will be offered guidance on how to make informed and confident decisions on how to use their contribution savings in retirement. It is designed for those over the age of 55.
Big Lottery - BBO Breakthrough	Grant towards work with clients offering individual support with finding employment and accessing training, offer support with debts and access to the benefits to help maximise clients' income, wellbeing, confidence, and self-esteem.
Integration Syria and Afghan	Grants towards the delivery of resettlement services to individuals and families from Syria and Afghanistan, including compliance with Home Office requirements.

16 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	1,165	-	-	1,165
Cash and current investments	346,615	47,474	302,500	696,589
Other current assets / liabilities	(62,253)	-	(43,655)	(105,908)
Total	285,527	47,474	258,845	591,846

Coventry Citizens Advice

Notes to the Financial Statements

For the Year Ended 31 March 2019

17 Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net movement for the year	165,160	(46,440)
Interest receivable	(648)	(87)
Depreciation and impairment of tangible fixed assets	4,908	26,924
Decrease)/ increase in debtors	219,622	(152,283)
Increase/ (decrease) in creditors	6,400	(112,894)
Net cash flow from operating activities	395,442	(284,780)

18 Pensions and other post-retirement benefits

The charitable company makes contributions to defined contribution personal pension plans for the employees whereby payments are made to an insurance company independent from the finances of the charitable company. Contributions are charged to the statement of financial activities as and when incurred. The charge for the year was £67,225 (2018: £74,923). At 31 March 2019 £7,741 (2018: £7,818) was due to the scheme.

19 Related party transactions

There are no related party transactions during the period (2018: £ nil).