

Craven and Harrogate Districts Citizens Advice Bureau

**Appendix to the Financial Statements
Report of the Directors and Trustees**

**Registered Charity No. 1130946
Company No. 6930004**

Citizens Advice Craven and Harrogate Districts

Report of the Directors and Trustees

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Craven and Harrogate Districts is a registered charity and a company limited by guarantee. Craven and Harrogate Districts Citizens Advice Bureau is also known and referred to as Citizens Advice Citizens Advice Craven and Harrogate Districts. The maximum liability of each member is limited to £1. At 31 March 2015 the company had X members. Citizens Advice Craven and Harrogate Districts is governed by its Memorandum and Articles of Association

Citizens Advice Citizens Advice Craven and Harrogate Districts was incorporated as a company limited by guarantee on 10/06/2009. The charity commenced operations on 10/06/09 during at which date the assets and liabilities of the unincorporated Harrogate District Citizens Advice Bureau were acquired.

The company changed its name to Craven and Harrogate Districts Citizens Advice Bureau on 26th September 2014.

On 1st October 2014 the company merged with Ripon Citizens Advice Bureau and Craven Citizens Advice Bureau and at this date it acquired their assets and liabilities.

Recruitment, Appointment of Trustees

Trustees, who are also Directors of the Company, are elected from the local community at the AGM. In the interim they may be appointed until the next AGM. A separate process agreed by the Trustee Board is followed for the election of the Chair.

Induction of Trustees

Newly appointed Trustees are provided with a comprehensive induction to Citizens Advice Craven and Harrogate Districts through the provision of training courses and mentoring by established trustees.

Organisational Structure

Citizens Advice Craven and Harrogate Districts is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of Citizens Advice Craven and Harrogate Districts and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management. A register of members' interests is maintained at the registered office, and is available to the public.

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Related Parties

Citizens Advice Craven and Harrogate Districts is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards.

Operating policies are independently determined by the Trustee Board of Citizens Advice Citizens Advice Craven and Harrogate Districts in order to fulfil its charitable objects and comply with the national membership requirements.

The charity also co-operates and liaises with a number of other advisory services, local charities and social services departments on behalf of clients. Where one of the trustees holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

Major risks

Citizens Advice Craven and Harrogate Districts has worked on a Corporate Risk Management exercise. A risk management strategy and risk register were agreed by the Trustee Board. The Trustees recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end Citizens Advice Craven and Harrogate Districts is continually monitoring and managing its risk, reviewing the corporate risk register and ensuring 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 the procedures in place, which have resulted in funding being secured from a variety of sources. The charity continues to seek to 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.

2. OBJECTIVES AND ACTIVITIES

Objects

The charity's objects are to promote any charitable purpose for the benefit of the community in the local government districts of Craven District and Harrogate Borough Councils, by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

Aims, Objectives, Strategies and Activities for the Year

Citizens Advice Craven and Harrogate Districts aims to provide free, confidential, impartial and independent advice and information for the benefit of the local community, to exercise a responsible influence on the development of social policies and services and to ensure individuals do not suffer through a lack of knowledge or an inability to express their needs effectively

In addition to the continuing provision of high quality advisory services to the local community the primary objectives for the year were to extend the means of service provision to include telephone advice, online advice and to maintain a specialist debt,

mental health, welfare benefits and disability advisory services staffed by appropriately qualified personnel.

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To obtain the necessary funding to provide the additional services applications were made to various local and national providers of community finance. Advertisements were placed in the local press for advisory staff both as paid employees and volunteers, induction and training being provided to the extent that necessary knowledge and skills were not pre-existing.

Public Benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by the bureau during the year. The trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

The principal activity of Citizens Advice Craven and Harrogate Districts remained the provision of free, confidential, independent and impartial advice, information and counsel for members of the public. This is provided through 2 offices in the borough of Harrogate at Ripon and Harrogate and one in the district of Craven at Skipton as well as outreach services at Settle, Bentham and Ingleton. In addition to generalist advice the following specialist advisory services were provided:

- i) Specialist Advice for Mental Health Users
- ii) Specialist Welfare Benefit and Debt provision
- iii) Housing advice at Court
- iv) Right to Know Project
- v) Craven Volunteer Advice Network

Advisory services were provided through face-to-face consultations, telephone advice lines, email and various outreach services in the Craven District.

Contribution of Volunteers

The charity receives help and support in the form of voluntary assistance in advising the public and administering the charity.

80 volunteers contributed approximately 40,000 hours of work to the bureau during the year. We estimate the value of this help at £693,792 in respect of the current year.

3. ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

The key achievements in the year were the successful merger of 3 bureaux Craven, Harrogate and Ripon. This took place on the 1st October 2014 and brought together 2 small and one medium sized bureau with a single strategic management and board.

The bureau staff worked exceptionally hard in the six months preceding the merger to ensure that all the offices continued to deliver advice and that all staff and stakeholders were consulted on the process and that the merger was carried out in accordance with Company and Charity law. Likewise the management team and trustee board continued this work in the second half of the year to ensure that the bureau developed in a fully inclusive manner.

Citizens Advice Craven and Harrogate Districts saw a total of 4688 clients with 13,553 enquiries in 2014/2015. The bureau saw each client on average 2.3 times. The bureau assisted in the recovery of £455,000 on behalf of clients.

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Fundraising Activities

Total income for the year was £501,802 as opposed to £314,796 for the original Harrogate Bureau. The primary cause of this increase was the merger.

Investment Activities

The charity does not currently hold material investments.

Factors Affecting the Achievement of Objectives

The charity is only too well aware of the financial pressures experienced by its major funders, and in view of this has taken active measures to seek additional sources of funding for its services.

4. FINANCIAL REVIEW

Financial Position

Incoming resources in the year were £501,802. Of this £285,685 related to project restricted activities .

A surplus of £107,622 was made in the year At 31 March 2015 total reserves were £491,727 of which £216,472 represented unrestricted funds.

Reserves Policy

Citizens Advice Craven and Harrogate Districts is required to ensure that free monies are available in each financial year to meet any reasonable foreseeable contingency. The bureau will maintain a projection of income for at least 3 years ahead and will ensure that this continues to be derived from as wide a variety of sources possible. They will take all necessary steps to ensure that at no time within this period would it be possible for the cessation of one or more funding streams to present so serious a challenge to the future of the organisation that it could not be managed so as to continue to provide a best value advice service.

In reviewing the potential costs that could arise should a significant reduction in income be incurred the Trustees have determined that 'free' reserves of £200,000 should be maintained which is equal to 6 months normal operating expenditure.

The reasons for holding particular reserves are outlined in notes 13 and 14.

Principal Funding Sources

The Directors extend their gratitude to Craven District Council and Harrogate Borough Council and North Yorkshire County Council who continued to support the core operating capacity of the charity. Additionally project-specific funding was received from MASDAP via Citizens Advice, and BIG Lottery for the two Advice Service Transition Funds (CVAN – Craven and Right to Know – Harrogate).

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Funds in Deficit

No funds were in deficit at the balance sheet date.

Investment Policy

As required in its Memorandum in furtherance of its objects, and for no other purposes, the Company has the power to invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

Designated funds

Redundancy reserve - These reserves have been designated by the Trustees for the purpose of covering redundancy costs totalling £70,000. No redundancies are expected in the next 12 months.

Related party transactions

There have been related party transactions identified in accordance with FRS8. There were transactions between Citizens Advice Craven and Harrogate Districts and Citizens Advice in relation to insurance and information services.

Taxation

The charity is exempt from corporation tax as all income is applied to charitable purposes.

FUTURE PLANS Citizens Advice Craven and Harrogate Districts aims to continually improve access to its service, and intends to extend its service to an even wider number of the community through increased provision of telephone advice. It also intended to raise funds to improve its accommodation in Craven and move to a new location in Ripon.

5. DIRECTORS' RESPONSIBILITES

Company Law and Charity Law require the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of Citizens Advice Craven and Harrogate Districts and of the surplus or deficit for that period. In preparing those financial statements, the directors are required to:

- (a) select appropriate accounting policies and then apply them consistently
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards have been followed, and explain where they haven't been followed, and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Citizens Advice Craven and Harrogate Districts and to enable them to ensure that the financial statements comply with the Companies Acts 1985 to 2006.

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The directors are responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorised use and to prevent and detect fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and reporting by Charities and in accordance and in accordance with the provisions applicable to companies subject to the small companies regime.

Signed.....
Chair of Trustees

Date