

**MORAY CITIZENS' ADVICE BUREAU
REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019**

Company registration number SC119038

Charity number SC018026

**MORAY CITIZENS' ADVICE BUREAU
FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2019
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**MORAY CITIZENS' ADVICE BUREAU
FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2019
REFERENCE AND ADMINISTRATIVE INFORMATION**

Registered company number

SC119038

Registered charity number

SC018026

Registered office and principal address

6 Moss Street

Elgin

IV30 1LU

Trustees

AE Coutts (Chair)

LL Easton (Vice chair)

M Grant

BR Johnston

A Major - appointed 30 January 2019

E Major - appointed 22 November 2018

I Speight - appointed 22 November 2018

FL Norrie

D Ralph (Treasurer)

MR Shand

B Woodrow - resigned 22 November 2018

J Workman

Moray Council representatives and advisors to the board

Councillor J Divers

Councillor S Morrison

Company secretary and key management personnel (bureau manager)

M Myhajlenko-Riley

Independent examiner

RJ Laing (Partner)

Anne A Laing, Chartered Accountants

Lavona

Calcots

Elgin

IV30 8NB

**MORAY CITIZENS' ADVICE BUREAU
YEAR ENDED 31 MARCH 2019
TRUSTEES' REPORT**

The Trustees are pleased to present their annual director's report together with the financial statements of the charity for the year ended 31 March 2019, which are also prepared to meet the requirement of the director's report and account for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, the 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).

Chair's report

We come to the end of another successful and eventful year for the Bureau. The numbers of clients have continued to increase and enquiries become more complex. We are now delivering the Universal Credit Help to Claim service funded by the Department of Work & Pensions.

All our current project funding is secured for the coming year and the bureau manager has recently secured additional funding of £50,000 from SSE (The Beatrice Partnership Fund) to enable full time employment for a Community Project Worker over a two year period.

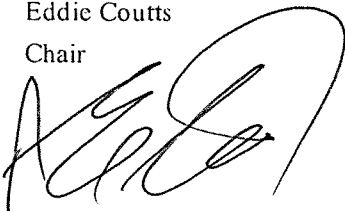
During the year we have either lost, or are about to, lose the services of a few of our long term volunteers who have decided to relocate or retire. I would like to thank them for their dedication to the work of the Bureau and wish them well in their new ventures. Meanwhile our recruitment campaigns have attracted new volunteer advisors to maintain our numbers and training is ongoing.

As the year end accounts show we have maintained and improved the high standard of service to clients within budget due to the access to bureau reserves funds which augmented the £30,000 funding cut by Moray Council. However, I would like to take this opportunity to thank Moray Council for our core funding.

On behalf of everyone associated with the Bureau I thank the Elected Members for their continued support. I also wish thank our project funders Macmillan, Armed Services Advice Project, Pension wise, Welfare Rights Project (funded via bureau reserves), Robertson, SSE (Moray Beatrice Fund), CAS (Citizens Advice Scotland) who fund EU Settlement Scheme, Financial Health Check service, Mitigation (Outreach), Patient Advice and Support Service, UC, Help to Claim via Government funds, SLAB (Scottish Legal Aid Board), without their support support the enhanced project funded services would not be possible to serve the community of Moray.

Finally I wish to extend my sincere thanks to our outstanding Staff and Volunteers without whom we would not exist, and to my fellow Directors and our Advisors for their corporate guidance and advice all carried out in a thoroughly professional and light hearted manner.

Eddie Coutts
Chair



Purpose and activities

The purposes of the charity are to promote any charitable purposes for the benefit of the community in Moray by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

Volunteers

The charity relies on volunteers to deliver the core services. We wish to thank them for their commitment, support and service.

Achievements and performance

We have helped 2,198 clients with 7,449 issues. Client financial gain from our service is £584,125.76. Benefits, housing, debt and employment remain our highest categories followed by family, consumer, immigration and health.

Client enquiries are becoming increasingly complex and more time consuming however our volunteers continue to meet the challenge of the complexities with the support and guidance from management

We deliver a high quality service to our clients and have established a rigorous checking procedure. Enquiries are audited on a quarterly basis in house and checked for compliancy via Citizens Advice Scotland. Our operational audit occurs on a 3 year cycle

We have held two volunteer training courses; we continue to promote our service which includes the generalist core service of the bureau and our specialism projects, for example, Macmillan, Outreach, PASS, Money Talk Team (previously Financial Health Check, SLAB housing).

Although the demand for our service ever increases we continue to face challenges with regard to sustaining core funding, sustaining sufficient numbers of volunteer advisers and sustaining the Quality of Advice.

Financial review

Total expenditure for the year exceeded income by £17,926 (2018: income exceeded expenditure by £25,357) which is offset by a transfer from reserves to cover the costs of the welfare rights officer who's posted has been funded internally.

The Bureau will continue with its commitment to support its project work, maintain and now expand its core activities in 19/20 now that full Core funding has been reinstated by the Moray Council, and to develop and expand its volunteer base and expertise with out which the Bureau could not deliver its services to the Moray community.

Principal source of funding

As noted the principle funder for core activities is The Moray Council.

Reserves policy and going concern

The policy of the Directors is to maintain sufficient working capital to enable the charity to carry out all of its activities effectively and to agreed timescales within the financial year, and to ensure prompt and efficient payment of its creditors for goods and services received.

The reserves at 31 March 2019 includes within designated funds £31,600, committed for redundancy payments and £61,200 for the running costs to ensure the orderly closure of the Bureaus services if this ever arose. Further details on both restricted and unrestricted reserves are given in Notes 14 and 15. 3

Financial controls

Financial controls are maintained by the preparation of annual budgets and preparation of bi-monthly management reports.

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has power to make any investment which the Directors see fit. It is the charity's practice to maintain a low risk investment policy.

Dividends and appropriations

In accordance with the charity's Memorandum no portion of its income or property may be paid or transferred by way of dividend, bonus or otherwise by way of profit to the members of the charity other than the payment of reasonable and proper remuneration in return for services rendered to the

Plans for the future

The priority for the immediate future is to ensure sufficient core funding to enable the Bureau to continue to deliver its current level of service, and to look for additional external funding.

Trustees' responsibilities in relation to the financial statements

The charity Trustees (who are also the directors of the Moray Citizens Advice Bureau for the purposes of company law) are responsible for preparing a Trustees' annual report and 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 year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and

In preparing the 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 charity will continue in business

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

The Trustees are responsible for the maintenance and integrity of the corporate and finance information included on the charitable company's website.

Structure, governance and management

Governing document

The Moray Citizens Advice Bureau is a company limited by guarantee (SC119038), incorporated on 14 July 1979. It is also registered as a charity with the Scottish Charity Regulator (SC018026). The charity is governed by its Memorandum and Articles of Association, as amended by special resolution on 20 February 2006.

In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of Directors

As set out in the Articles of Association, the Directors, who may delegate powers to separate committees made up of Directors and members, run the charity. There are four classes of directors:

- local resident Director
- local group Director
- volunteer Director
- co-opted Director

At each Annual General Meeting the members of each class may appoint any of their members as a director subject to the restrictions in the number of Directors. If a vacancy should arise in the year, the Directors will convene a meeting of that class of members within 30 days to fill the vacancy. The directors may at any time appoint a co-opted Director, whom they reasonably consider appropriate, and will stay in office until the next Annual General Meeting.

There is a policy of advertising the service and for members. Individuals who become members can then be appointed as a Director.

Directors' induction and training

Induction and training of Directors is carried out by Citizens Advice Scotland. The training includes the legal obligations under charity and company law, the Scottish Charity Regulator's guidance on trustee duties as well as the content of the Memorandum and Articles of Association. Trustees are encouraged to undertake appropriate external training designed to help them undertake their role.

Organisation

The Board of Directors meets every two months and is responsible for the strategic direction and policy of the charitable company.

Day-to-day responsibility for the delivery of a range of services rests with the bureau manager. This responsibility includes the supervision of staff and volunteers, identifying future funding partners, and for ensuring training needs are met for both staff and the Board.

Risk management

The Directors have examined major strategic, business and operational risks that the charitable company faces and confirm that systems have been established to produce regular reports to ensure appropriate steps can be taken to lessen risk.

The Directors have identified that the principal risk to which the charitable company is exposed is the uncertainty regarding future funding. There are also other ongoing risks associated with recruitment, training and retention of enough volunteers to enable the provision of a full range of services. 5

The Trustees have a risk management strategy that comprises:

- periodic review of the principal risks and uncertainties facing the charity
- the establishment of policies, systems and procedures to mitigate identified risks identified in the annual review, and
- implementation of procedures to minimize or manage any potential impact on the charity should the risks crystallise

This work has identified that financial well-being is the major finance risk for the charity. The management of this risk involves regular review of available funds to ensure that creditors are paid when they fall due and active dialogue with key partners to ensure that sufficient working capital both during the financial year and to ensure that the charity has sufficient funds to continue to serve the community of Moray for at least 6 months post any material reduction in core funding.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefit from the work for the charity. All citizens' advice bureaux in Scotland are members of Citizens Advice Scotland. This is an umbrella organization providing training, advice and information technology support in return for an annual subscription. In addition, the charitable company must meet the required level of membership standard.

The majority of the core funding is provided by The Moray Council, which in turn nominates a number of councillors to the Board who have no voting rights but can advise and give opinion on any matters that affect the Council.

Statement as to disclosure to our independent examiner

In so far as the Trustees are aware at the time of approving the Trustees' annual report:

- there was no relevant information, being information needed by the independent examiner in connection with preparing his report, of which the independent examiner is unaware, and
- the Trustees, having made enquiries of fellow Trustees that they ought to have individually taken, have each taken steps that he/she is obliged to take as Trustee in order to make themselves aware of any relevant audit information and to establish that the independent examiner is aware of that information.

By order of the Board of Trustees



E Coutts

25 September, 2019

MORAY CITIZENS' ADVICE BUREAU

YEAR ENDED 31 MARCH 2019

Independent Examiner's report to the Directors and members of Moray Citizens Advice Bureau

I report on the accounts of the charitable company for the year ended 31 March 2019 set out on pages 9 to 17.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND INDEPENDENT EXAMINER

The charitable company's directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Directors (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charitable company's directors consider that the audit requirements of Regulation 10 (1)(a) to (c) of the Accounts Regulations do not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiners statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented in those records. It also includes consideration of any unusual items of disclosure in the accounts, and seeking explanations from the directors concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements;
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R J Laing

Partner

Anne A Laing, Chartered Accountants

Lavona

Calcots

Elgin

IV30 8NB

25 September, 2019

MORAY CITIZENS' ADVICE BUREAU
YEAR ENDED 31 MARCH 2019
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)

	note	Unrestricted funds	Restricted funds	Total funds 2019	Total funds 2018
		£	£	£	£
Income from:					
Voluntary income	2	102,358	145,058	247,416	130,758
Investment income	3	104	-	104	114
Donations and grants	4	1,047	-	1,047	173,348
Total incoming resources		103,509	145,058	248,567	304,220
Expenditure on:					
Charitable activities	5	122,744	143,749	266,492	278,863
Total incoming resources		122,744	143,749	266,492	278,863
Net income of funds		(19,235)	1,309	(17,926)	25,357
Total funds bought forward		184,711	57,896	242,607	242,607
Transfers between funds		-	-	-	-
Total funds carried forward		165,476	59,205	224,681	267,964

**MORAY CITIZENS' ADVICE BUREAU
YEAR ENDED 31 MARCH 2019
STATEMENT OF FINANCIAL POSITION**

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	10	2,161	2,542
CURRENT ASSETS			
Debtors	11	-	417
Cash & cash equivalents	12	225,420	246,846
		<u>225,420</u>	<u>247,263</u>
CREDITORS: amounts due falling due within one year		<u>2,900</u>	<u>7,198</u>
NET CURRENT ASSETS	13	222,520	240,065
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>224,681</u>	<u>242,607</u>
FUNDS			
Restricted funds	14	59,205	57,897
Unrestricted funds	15	165,476	184,710
TOTAL FUNDS		<u>224,681</u>	<u>242,607</u>

The directors are satisfied that the charitable company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

(i) ensuring that the charitable company keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the provisions applicable to the small companies regime.

These financial statements were approved by the directors on 25 September, 2019



Daniel Ralph
Treasurer

The notes on pages 10 to 16 form part of these financial statements

**MORAY CITIZENS' ADVICE BUREAU
YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS**

1 ACCOUNTING POLICIES

1.01 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting for Smaller Entities (effective January 2015) and the requirements of the Statement of Recommended Practice: Accounting and Reporting for

The charitable company has availed itself of Section 398 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008, No.409 and adapted the Companies Act formats to reflect the special nature of its activities.

1.02 Incoming resources

All incoming resources are stated in the financial statements at their gross value.

1.03 Voluntary income: income received by way of grant or donations are included when receivable. Where entitlement is not conditional on the delivery of a specific performance by the charitable company the income is only recognised when the entitlement to the grant becomes unconditional.

1.04 Activities for generating funds: income from any sale of goods and services is included in the year in which it is receivable.

Gifts in kind: gifts in kind and donated services and facilities are included when receivable.

Grants for capital expenditure: grants receivable are recognised in the statement of financial activities then received.

Investment income: interest receivable is included when receivable.

1.05 Fund accounting

Funds held by the charitable company are held as:

Unrestricted general funds: where resources can be used in accordance with the charitable objects at the discretion of the Directors.

Restricted funds: where resources are set aside by the Directors out of unrestricted general funds for specific purposes or projects.

Designated funds: where resources can only be used for particular restricted purposes allowed by the charitable objectives, where particular restrictions are specified by a donor, or where resources are raised for specific purposes.

1.06 Resources expended

Expenditure is accounted for on an accruals basis, inclusive or irrecoverable VAT. Liabilities are recognised when the charitable company has a legal or constructive obligation to incur and outflow or resources.

Charitable expenditure: are those costs incurred by the charitable company in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and costs of a necessarily indirect nature to support delivery.

Governance expenditure: are those costs associated with meeting the constitutional and statutory requirements of the charitable company, and include the fees of the independent examiner and all strategic management costs.

1.07 Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost, including irrecoverable VAT.

1.08 Depreciation

Depreciation is provided either on a straight line or reducing balance basis, at rates calculated to write off the cost of the asset less any residual value, over the estimated useful life, as follows:

Plant and equipment 33% straight line (3 years) or 25% reducing balance
Fixtures and fittings 15% reducing balance

1.09 Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities over the term of the lease.

1.10 Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the time, any conditions with the associated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

2 VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds	Total funds
			2019	2018
	£	£	£	£
The Moray Council	87,375	-	87,375	117,209
CAS campaign funding	934	-	934	900
Community Action Team grant	500	-	500	556
ASAP management fee	4,104	-	4,104	2,052
SLAB Management fee	3,720	-	3,720	3,653
CAS Pensionwise	2,376	-	2,376	2,500
PASS management fee	3,350	-	3,350	3,889
	102,358	-	102,358	130,758

3 INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Total funds	Total funds
			2019	2018
	£	£	£	£
Bank interest receivable	104	-	104	114

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds	Total funds
			2019	2018
	£	£	£	£
PASS	-	36,332	36,332	36,428
ASAP	-	-	-	6,156
Donations and gifts	1,047	-	1,047	19,542
CAS Mitigation Fund	-	12,802	12,802	12,802
EU Nationals Fund	-	2,000	2,000	-
Financial Health Check	-	5,458	5,458	-
Grampian Macmillan Project	-	13,125	13,125	18,750
Scottish Legal Aid Board	-	62,340	62,340	51,291
Robertson Trust (including match	-	13,000	13,000	13,000
	1,047	145,058	146,105	157,969

5 COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted funds	Restricted funds	Total funds	Total funds
			2019	2018
	£	£	£	£
Core costs	122,744	-	122,744	144,026
Grampian Macmillan Project	-	15,644	15,644	11,557
Lottery support and connect	-	-	-	729
ASAP	-	-	-	6,156
PASS	-	37,705	37,705	39,288
CAS Mitigation	-	12,316	12,316	8,603
Financial Health Check	-	488	488	-
EU Nationals Fund	-	-	-	-
Scottish Legal Aid Board	-	61,201	61,201	54,391
Robertson Trust	-	16,395	16,395	6,937
	122,744	143,749	266,492	271,867

6 GOVERNANCE COSTS

	2019	2018
	£	£
Independent Examiner's fees	2,000	2,000
Trustee meetings costs	-	-
	2,000	2,000

7 NET INCOME RESOURCES FOR YEAR

	2019	2018
	£	£
This is stated after charging:		
Staff pension contributions	1,631	287
Depreciation	381	1,492

8 FUND TRANSFERS

Transfers between unrestricted and restricted funds in the year was £nil (2018: £43,916).

9 STAFF COSTS

	£	£
Wages and salaries	171,142	150,366
Social security	8,074	6,749
Staff pension contributions	1,631	287
	180,847	157,402
Particulars of employees:		
Numbers of management staff	2	2
Numbers of full time staff	1	1
Numbers of part time staff staff	6	4
	9	9

No employees received remuneration greater than £60,000 in either of the two years ended 31 March 2018. The charity considers its key management personnel comprises of the Trustees and the manager. Total employment benefits including employer's pension contributions of the key management personnel were £tba (2016: £29,277).

10 TANGIBLE FIXED ASSETS

	Plant and equipment	Fixtures and fittings	Total
	£	£	£
COST			
At 1 April 2018	52,907	10,666	63,573
Additions	-	-	-
AT 31 March 2019	52,907	10,666	63,573
DEPRECIATION			
At 1 April 2018	52,907	8,124	61,031
Charge for year	-	381	381
At 31 March 2019	52,907	8,505	61,412
NET BOOK VALUE			
At 31 March 2018	-	2,542	2,542
At 31 March 2019	-	2,161	2,161

11 DEBTORS

	2019	2018
	£	£
Other debtors	-	417

12 CASH & CASH EQUIVALENTS

	2019	2018
	£	£
Bank deposit account	33,666	35,166
Reserves account	2	58,364
Bank current account	191,682	153,216
Cash in hand	70	100
	225,420	246,846

13 CREDITORS: amounts due within one year

	2019	2018
	£	£
PAYE and social security	-	2,503
Other creditors and accruals	2,900	4,695
	2,900	7,198