

REGISTERED COMPANY NUMBER: 2366214 (England and Wales)
REGISTERED CHARITY NUMBER: 701882

**REPORT OF THE TRUSTEES AND
CONSOLIDATED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2014
FOR
CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN**

TUESDAY



A01 *A3FLWIIG* #384
COMPANIES HOUSE

Fairhurst
Registered Auditors
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

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for the Year Ended 31 March 2014**

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**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

2366214 (England and Wales)

Registered Charity number

701882

Registered office

6 The Avenue
Leigh
Lancashire
WN7 1ES

Trustees

Mrs M R Percival	
Mrs M M Brown	
Mrs L Corcoran	- resigned 10/09/2013
G J Fairhurst	
Revd R J Hutchinson	- resigned 26/02/2014
Mrs E V Longmore	
J R Roberts	
Cllr J Talbot	
M Wright	
Dr T Sundaresan	- resigned 08/08/2013

Company Secretary

G J Fairhurst

Auditors

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Bank

National Westminster Bank
4, Standishgate
Wigan
WN2 2EL

Network Membership

Citizens Advice
3rd Floor North
200 Aldersgate Street
London
EC1A 4HD

Membership no. 35/0033

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

REPORT OF THE TRUSTEES for the Year Ended 31 March 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT OF THE CHARITY

Governing Document

Citizens Advice Service in the Borough of Wigan is a charitable company limited by guarantee, and was registered as a charity on 10th August, 1989. The Company was established under a Memorandum of Association, and incorporated on 29th March, 1989. The Memorandum & articles of Association were amended by special resolution dated 4th July, 1996.

Recruitment and Appointment of the Management Committee

The Articles of Association provide that the Committee of Management shall consist of members who are elected, representative and co-opted. One third of elected members and all representative and co-opted members retire from office each year and are eligible for re-election or re-appointment.

The trustees retain overall responsibility and control of the process for recruiting members of the Committee of Management. Prospective trustees are selected for their ability to make an effective contribution to the Company through their skills, knowledge and experience. In addition, consideration is given as to how representative the Committee is of the community.

Organisational Structure

The Board of Management is responsible for:

- the overall control and conduct of the affairs of the Company;
- establishing the strategic direction and the strategic objectives of the Company;
- the determination of the terms of reference and the composition of Committees;
- the review of Board Membership in accordance with the Memorandum and Articles of Association;
- the financial viability of the Company, including financial policies and control;
- monitoring the performance of all the Company's functions, to ensure that it performs in accordance with legislative and regulatory requirements, and to the highest standards of probity, efficiency, effectiveness and service.

The Board of Management may appoint committees to undertake various aspects of its work, but responsibility for matters that are so delegated remains with the full Board. The Board of Management ensures that the committee structure of the Company is appropriate to the scope and nature of its operations and is capable of ensuring that its responsibilities can be properly controlled and conducted. The committees for the time being constituted are Finance and Personnel.

The delegation of managerial authority

The Board of Management has resolved that the operational management of the affairs of the Company shall be delegated to the Chief Officer of the Company, with the Chief Officer being responsible to the Board for the proper conduct of the Company's operations. The Chief Officer must assist the Board of Management to ensure that the Company's objectives are achieved.

Network Membership

The Company is a member of the National Association of Citizens Advice Bureaux, and as such is monitored under the Association's Membership Scheme. The Company applies the aims & principles of the Association.

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

Risk Management

The Board of Management has considered the significant risks which the Company faces. These were included in the Company Business Plan.

The Board recognises that:

- A balance needs to be achieved between benefits and risks, that is, between being concerned not only to prevent adverse situations from happening, but also to ensure that worthwhile changes do happen and are not prevented by a disproportionate assessment of possible difficulties.
- The resources expended in mitigating a risk must be proportion to its probable impact on the service.

The Company's risk management process consists of:

- The systematic identification and assessment of potential risks.
- Monitoring Company and external developments to ensure that the matrix is updated.
- The use of management information and reporting procedures to show up, and prepare a response to, any potential problems.
- The involvement of all staff and Board members in the risk management process.
- The application and on-going refinement of quality assurance systems.
- The application of a risk assessment in the appraisal of new projects.
- Business continuity planning.

Performance & Quality Management

The Company's quality programme is applied to meet our responsibilities to clients, the community and its funders and other stakeholders to provide good quality advice and support services for Wigan Borough which are cost effective, fairly delivered and relevant to the community's needs.

In doing this, the Company applies:

- The ACAS Model Workplace template and the H&SE Management Standards including training & development; communications & consultation.
- Quality control systems, which also feed into a programme of quality assurance through monitoring and review processes.
- Service and operational standards prescribed under the Citizens Advice Membership Scheme and the Advice Quality Standard.
- Performance measures related to service delivery aims.
- Survey and communication systems to provide for the involvement of service users and other stakeholders in the development of services and to measure effectiveness in achieving our service aims in terms of the quality of work and the outcomes we achieve for individuals and the community.
- A service review and reporting programme to enable any shortfalls in performance to be identified and addressed.

Reserves and Depositing Funds

The Memorandum and Articles of Association of the Charitable Company make provision for the Board of Management to invest monies not immediately required in or upon such investments or other assets as the Board in its complete discretion think fit, subject nevertheless to such conditions and consents as may be imposed or required by law.

In establishing its policy on the holding of reserves, the Board of Management considers the following:

- income and expenditure forecasts for the core service based on the levels of service to be provided and the amount of grant paid under the Service Level Agreement with the Wigan Metropolitan Borough Council, and in respect of any special projects, under the relevant funding arrangements;
- a risk assessment covering financial and operational matters, including the dependability of income sources, and the level and nature of expenditure commitments;
- the Company's Development Plan and service developments arising under Citizens Advice requirements.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

REPORT OF THE TRUSTEES for the Year Ended 31 March 2014

Risk Management (Cont.)

The Board of Management has resolved to try to hold an amount in reserve equivalent to three months' salaries and other running costs which is available on immediate request, and to try to establish a further amount held in reserve equivalent to three months' salaries and other running costs which is available on three months' notice.

The Company seeks to establish and maintain the appropriate level of reserves through prudent expenditure controls, consistent with service requirements.

In placing funds on deposit or in investing funds, the Board of Management considers the following:

- the level of risk;
- the anticipated return and whether interest is paid net or gross of tax;
- in respect of any investment made, the potential for capital growth;
- the access to the funds;
- the standing of the fund, as ascertained after full and careful consideration and through independent professional advice, where external assistance is considered by the Board of Management to be appropriate in view of the amount of funds to be invested and the proposed investment period; and of secondary importance:
- the standard of service provided by the institution.

OBJECTIVES AND ACTIVITIES

Company Aims & Objectives

The Company is established for the promotion of any charitable purposes for the benefit of the community in the area of the Metropolitan Borough of Wigan, by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

These objectives are expressed through the Company Mission Statement as follows:

- *To provide a quality, comprehensive and accessible advice service to meet the changing needs of the people of Wigan.*
- *To ensure that local people do not suffer through a lack of information or advice, and to undertake social policy work on the issues that are important to them.*
- *To be an inclusive and outward looking organisation that welcomes social diversity and actively seeks to promote social inclusion through partnership working and capacity building in the community.*

Overview of the service

The Citizens Advice Service in the Borough of Wigan provides a Borough-wide advice service through a range of methods of delivery, and seeks to make its services available for all sections of the community in the Borough and to provide services that are relevant to their needs. Services are the subject of Delivery Plans, agreed with the main funders.

The service is free, independent, impartial and confidential, and is offered to everyone in need of advice regardless of race, gender, sexual identity, or disability.

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

Principal activities

- The provision of open door services at the two main town centre sites of Wigan and Leigh.
- Partnership arrangements with referring agencies and advice providers to facilitate access to advice.
- The delivery of advice sessions in the townships, largely through appointments, in locations which enable the service to connect effectively with potential clients.
- The provision of community outreach services covering people who are socially excluded or otherwise unable to access standard advice services, including a dedicated advice service for people with mental health needs and their families and carers.
- The provision of a Telephone Information Line.
- Operation of a Contact Centre for receiving and processing referrals from partner agencies.
- The provision of a texting service to enable people faced homelessness to access advice and support quickly and effectively.
- Promotion of the Citizens Advice web-based information system through development of information points throughout the Borough and the provision of 'resource centres' in Leigh Bureau.
- Provision of an email facility, through the Company website, for clients to register their need for advice.
- The provision of Specialist Level services in debt and welfare benefits at both the Wigan and Leigh sites and through appointments in community based locations.
- The provision of preventative services, especially in budgeting/money management.
- The provision of self-help and information packs, where these are appropriate for clients.
- Provision of 'in house' training, including courses provided for all trainee advisers under the Citizens Advice Certificate of Competency Programme and annual programmes of subject based and skills courses for qualified advisers & paid staff.
- Administrative support services, including in-house bookkeeping and personnel matters.

The voluntary contribution

The Company relies on volunteers undertaking advice work, administrative support and governance; to enable us to deliver our services. Their continued commitment and dedication is recognized with appreciation.

The Company's volunteers provided 8,429.5 advice hours and 2,974 administrative support hours during the year, in addition to the time offered by trainee advisers. The monetary value of the voluntary contribution to the Company is estimated at £101,521 for the year.

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

ACHIEVEMENTS AND PERFORMANCE

The Company has met the performance requirements under contracts and service level agreements.

A complete review of the Company's strategic plan was undertaken during the year, and good progress has been made on the Service Development Programme.

During the year, we have:

- Risen to the challenges we faced following the loss of Legal Aid funding by re-organising the operation of the service.
- Worked with Wigan Council to provide a Welfare Support service to those affected by Welfare Reform.
- Attended to 9,878 individual clients.
- Been successful in obtaining funding through the Big Lottery Advice Services Transition Fund to develop partnership working and improve access to and provision of advice services across the Borough.
- Continued to offer support systems for clients adversely affected by the introduction of Universal Credit, Personal Independence Payments and the social sector size criteria for Housing Benefit.

Client outcomes achieved

LONG TERM DIFFERENCE						
	YOUR CONFIDENCE	YOUR PEACE OF MIND	YOUR HEALTH AND WELL BEING	YOUR RELATIONSHIPS WITH FAMILY & FRIENDS	YOUR ABILITY TO COPING WITH CHANGE	YOUR ABILITY TO HELP YOURSELF
	%	%	%	%	%	%
a No difference	19.04	12.38	20.95	36.19	33.33	26.67
b Some difference	38.10	26.67	40.95	26.67	32.38	39.05
c A lot of difference	35.24	52.38	21.91	19.04	20.95	20.00
d Not recorded	7.62	8.57	16.19	18.10	13.34	14.28

Client satisfaction

A client feedback system is under operation, the results of which indicate that the service has a reasonably sound base in terms of client support for the service on which to develop its accessibility programme.

Overall satisfaction	
Very satisfied:	90.21%
Fairly satisfied:	7.59%
Would you use CAB again or recommend us?	
Yes:	72.3%
Probably:	27.7%
Do you feel you were treated fairly at all times?	
Yes:	99.1%
Do you feel you were treated with care and respect?	
Yes:	99.1%
Was it easy to access our service?	
Yes:	98.7%

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

EQUAL OPPORTUNITIES

As a member of Citizens Advice, the Company operates and implements the equal opportunities policies of the Association, and requires that all employees, volunteers and Board members accept and act in line with the policies. The Company operates an on- going cultural monitoring survey of its clients, covering disability, ethnicity, gender & age groups.

A summary of the results for 2013/14 is given below:

Ethnicity

% BAME clients	% BAME people in Borough
10.1%	5%

Gender

% female clients	% male clients
49%	51%

Disability

% disabled clients	% disabled people in Borough
42.4%	26%

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

FACTORS AFFECTING THE SERVICE

The present economic circumstances are adversely impacting on our clients in terms of their personal finances, but also have implications for their health and wellbeing and for community cohesion. We are seeing an increasing number of people affected by the impacts of Welfare Reform. The issues presented to the service by clients often cover a range of social welfare needs which require a comprehensive approach across a number of categories of advice, and there is a growing need for specialist casework intervention as well as more preventative work. In addition, we have seen an increase in the number of people who need access to food parcels and help with gas and electricity and more clients are requesting help with Council Tax and rent arrears.

At the same time, funding is reducing, with the Legal Aid cuts having a huge adverse impact on the capacity of the advice sector in responding to needs. We can no longer place traditional voluntary-sector reliance solely on the grants system to provide our services, and so we must support our work through making ourselves more effective and efficient; developing social enterprise; enhancing the voluntary contribution; and by making the best use of resources through working and sharing with other agencies.

KEY AIMS AND OBJECTIVES

Our key aims for the next business planning period are, therefore, to:

- Maintain our continuing improvement programme for quality of service and workplace standards.
- Develop our volunteer recruitment and training processes.
- Establish sustainable funding streams through social enterprise initiatives.
- Contribute to Third Sector development in the Borough.
- Improve service accessibility for older and younger people.
- Extend our outreach and preventative services to serve and support vulnerable members of the community.
- Maintain our social policy work to show how things really are for the disadvantaged members of the community as a result of the welfare benefit cuts and the economic situation.

ACKNOWLEDGEMENTS

The Board of Management gratefully acknowledges the support of our funders and other stakeholders.

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**REPORT OF THE TRUSTEES
for the Year Ended 31 March 2014**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Citizens Advice Service in the Borough of Wigan for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

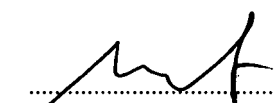
In so far as the trustees are aware:

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

AUDITORS

The auditors, Fairhurst, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Trustee - M Wright

Date:24/07/14.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

We have audited the financial statements of Citizens Advice Service in the Borough of Wigan for the year ended 31 March 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for the audit work, for this report or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2014, and of the group's 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 and the Charities Act 2011.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosure of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

Fairhurst

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Date: 24 July 2014

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 March 2014

		Unrestricted funds	Restricted funds	2014 Total funds	2013 Total funds
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	394,242	1,284	395,526	533,658
Investment income	4	134	-	134	1,372
Activities for generating funds	3	119,846	-	119,846	95,804
Incoming resources from charitable activities 5					
Community Support Project (PCT)		-	51,950	51,950	61,950
Homeless Prevention		-	-	-	20,000
HPAW		-	-	-	29,750
Lloyds TSB		-	-	-	10,000
Advice services transition fund		-	78,244	78,244	-
United Utilities Trust Fund		-	29,420	29,420	-
Crisis support - Project 1		-	59,631	59,631	-
Crisis support - Project 2		-	11,902	11,902	39,595
Bond Scheme		-	4,530	4,530	35,514
Supporting People		-	75,302	75,302	75,605
Total incoming resources		514,222	312,263	826,485	903,248
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		87,584	-	87,584	85,523
Charitable activities					
Legal Help Unit		-	-	-	177,178
Core Services		318,971	-	318,971	528,971
Community Support Project (PCT)		-	56,113	56,113	54,198
Charity Relief Fund		-	-	-	190
Homeless Prevention		-	-	-	17,431
HPAW		-	30,597	30,597	26,407
Big Local GPI 2		-	-	-	14,098
Lloyds TSB		-	5,041	5,041	5,548
Advice Services Transition Fund		-	51,015	51,015	-
United Utilities Trust Fund		-	30,748	30,748	-
Crisis support - Project 1		-	59,353	59,353	-
Crisis support - Project 2		-	11,686	11,686	39,595
Bond Scheme		-	43,845	43,845	45,468
Supporting People		-	91,482	91,482	73,151
Governance costs 6		4,940	7,522	12,462	13,151
Total resources expended		411,495	387,402	798,897	1,080,909
NET INCOMING/(OUTGOING)					
RESOURCES before transfers		102,727	(75,139)	27,588	(177,661)
Gross transfers between funds 13		(5,199)	5,199	-	-

The notes form part of these financial statements

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 March 2014

RECONCILIATION OF FUNDS	13	97,528	(69,940)	27,588	(177,661)
Total funds brought forward	13	17,739	130,841	148,580	326,241
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	13	<u>115,267</u>	<u>60,901</u>	<u>176,168</u>	<u>148,580</u>

The notes form part of these financial statements

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

(REGISTERED COMPANY NUMBER: 2366214)

CONSOLIDATED BALANCE SHEET

At 31 March 2014

		Group 2014	Group 2013	Charity 2014	Charity 2013
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10	11,948	15,200	11,854	15,083
CURRENT ASSETS					
Debtors: amounts falling due within one year	11	32,585	62,912	59,337	122,631
Cash at bank and in hand		<u>284,246</u>	<u>290,856</u>	<u>215,007</u>	<u>217,331</u>
		316,831	353,768	274,344	339,962
CREDITORS					
Amounts falling due within one year	12	(152,611)	(220,388)	(110,122)	(206,516)
NET CURRENT ASSETS		<u>164,220</u>	<u>133,380</u>	<u>164,222</u>	<u>133,446</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		176,168	148,580	176,076	148,529
CREDITORS					
Amounts falling due after more than one year		-	-	-	-
NET ASSETS		<u>176,168</u>	<u>148,580</u>	<u>176,076</u>	<u>148,529</u>
FUNDS	13				
Unrestricted funds		115,267	17,739	115,175	17,688
Restricted funds		60,901	130,841	60,901	130,841
		<u>176,168</u>	<u>148,580</u>	<u>176,076</u>	<u>148,529</u>

The notes form part of these financial statements

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
(REGISTERED COMPANY NUMBER: 2366214)
CONSOLIDATED BALANCE SHEET - CONTINUED
At 31 March 2014

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2014.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.


The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These group financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on24/07/14..... and were signed on its behalf by:


.....
Trustee - M Wright

The notes form part of these financial statements

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

All income is reported gross except the Legal Help Unit income, which is stated net of VAT. No income was received from outside the United Kingdom.

Grants and donations are accounted for when the resources are receivable or when the charity's entitlement is legally enforceable.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Expenditure incurred by the Legal Help Unit excludes VAT, which is fully recoverable. All other expenditure includes VAT, which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
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Fixed assets with an individual cost of less than £1000 are written off in the year of purchase as consumable equipment.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The pension scheme of the company is funded partly by the employees and partly by the company. The contributions made by the company are charged against surplus income on an accrual basis.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 March 2014

1. ACCOUNTING POLICIES - continued

Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Wigan Housing Solutions Community Interest Company.

The summary financial performance of the charity alone is:

	2014	2013
	£	£
Incoming resources	706,536	807,217
Covenant from trading subsidiary	<u>32,325</u>	<u>10,550</u>
	738,861	817,767
Expenditure on charitable activities	(698,852)	(982,235)
Governance costs	<u>(12,462)</u>	<u>(13,151)</u>
Net incoming resources	27,547	(177,619)
Total funds brought forward	<u>148,529</u>	<u>326,148</u>
Total funds carried forward	<u><u>176,076</u></u>	<u><u>148,529</u></u>
Represented by:		
Restricted funds	115,175	17,688
Unrestricted funds	<u>60,901</u>	<u>130,841</u>
	<u><u>883,588</u></u>	<u><u>699,549</u></u>

2. VOLUNTARY INCOME

	2014	2013
	£	£
Donations	11,795	120
Grants in relation to core services	375,902	515,636
Other income	<u>7,829</u>	<u>17,902</u>
	<u><u>395,526</u></u>	<u><u>533,658</u></u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN LIMITED

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

3. ACTIVITIES FOR GENERATING FUNDS

The wholly owned subsidiary, Wigan Housing Solutions Community Interest Company is incorporated in the United Kingdom and has covenanted its profits to the charity for the year ended 31 March 2014. The company provides a housing management service to private landlords and Wigan Council. The company is limited by guarantee. A summary of the trading results is shown below:

The summary financial performance of the subsidiary alone is:

	2014	2013
	£	£
Turnover	119,846	95,804
Cost of sales and administration costs	(87,584)	(85,523)
Interest receivable	<u>103</u>	<u>227</u>
Net profit	32,365	10,508
Amount covenanted to the charity	<u>(32,325)</u>	<u>(10,550)</u>
Tax	-	-
Retained in subsidiary	<u><u>40</u></u>	<u><u>(42)</u></u>
The assets and liabilities of the subsidiary were:		
Fixed assets	94	117
Current assets	77,462	91,406
Current liabilities	<u>(77,466)</u>	<u>(91,473)</u>
Total net Assets	<u><u>90</u></u>	<u><u>50</u></u>
Aggregate reserves	<u><u>90</u></u>	<u><u>50</u></u>

4. INVESTMENT INCOME

	2014	2013
	£	£
Deposit account interest	<u>134</u>	<u>1,372</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

		2014	2013
	Activity	£	£
Grants	Local authority grants & service level contracts	151,365	200,464
Grants	Other grant providers	<u>159,614</u>	<u>71,950</u>
		<u><u>310,979</u></u>	<u><u>272,414</u></u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

6. GOVERNANCE COSTS

	2014	2013
	£	£
Payroll bureau	2,100	1,142
Auditors' remuneration	8,795	8,308
AGM costs	181	-
Trustees expenses	40	-
Consultancy	<u>1,347</u>	<u>3,701</u>
	<u>12,462</u>	<u>13,151</u>

Governance costs include the costs of compliance with constitutional and statutory requirements, external audit and any legal costs.

7. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	8,795	8,308
Depreciation - owned assets	<u>3,229</u>	<u>3,866</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the year ended 31 March 2013.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

9. STAFF COSTS

	2014 £	2013 £
Salaries & social security costs	599,912	805,044
Other pension costs	<u>3,484</u>	<u>8,215</u>
	<u>603,396</u>	<u>813,259</u>

There are no members of staff who receive emoluments above £60,000.

10. TANGIBLE FIXED ASSETS

Group

	Fixtures & fittings £	Total £
COST		
At 1 April 2013	163,333	163,333
Additions	-	-
Disposals	<u>-</u>	<u>-</u>
At 31 March 2014	<u>163,333</u>	<u>163,333</u>

	Fixtures & fittings £	Total £
DEPRECIATION		
At 1 April 2013	148,133	148,133
Charge for year	3,252	3,252
Eliminated on disposals	<u>-</u>	<u>-</u>
At 31 March 2014	<u>151,385</u>	<u>151,385</u>

	Fixtures & fittings £	Total £
NET BOOK VALUE		
At 31 March 2014	<u>11,948</u>	<u>11,948</u>
At 31 March 2013	<u>15,200</u>	<u>15,200</u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

10. TANGIBLE FIXED ASSETS

Charity

	Fixtures & fittings £	Total £
COST		
At 1 April 2013	147,915	147,915
Additions	-	-
Disposals	-	-
	<u>147,915</u>	<u>147,915</u>
At 31 March 2014	<u>147,915</u>	<u>147,915</u>
	Fixtures & fittings £	Total £
DEPRECIATION		
At 1 April 2013	132,832	132,832
Charge for year	3,229	3,229
Eliminated on disposals	-	-
	<u>136,061</u>	<u>136,061</u>
At 31 March 2014	<u>136,061</u>	<u>136,061</u>
	Fixtures & fittings £	Total £
NET BOOK VALUE		
At 31 March 2014	<u>11,854</u>	<u>11,854</u>
At 31 March 2013	<u>15,083</u>	<u>15,083</u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014

11. DEBTORS

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Amounts falling due within one year:				
Trade debtors	24,547	-	1,381	-
Owed from subsidiary	-	-	51,175	77,670
Prepayments and accrued income	<u>8,038</u>	<u>62,912</u>	<u>6,781</u>	<u>44,961</u>
	<u>32,585</u>	<u>62,912</u>	<u>59,337</u>	<u>122,631</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Social security and other taxes	23,700	24,934	8,681	18,233
Deferred income	99,145	42,007	91,142	22,102
Other creditors	18,468	121,576	4,499	86,125
Due to subsidiary company	-	-	-	75,000
Client monies	1,748	12,515	-	-
Accrued expenses	<u>9,550</u>	<u>19,356</u>	<u>5,800</u>	<u>5,056</u>
	<u>152,611</u>	<u>220,388</u>	<u>110,123</u>	<u>206,516</u>

13. MOVEMENT IN FUNDS

	At 1/4/13 £	Net movement in funds £	Transfers between funds £	At 31/3/14 £
Unrestricted funds				
General fund	17,739	102,727	(5,199)	115,267
Restricted funds				
Advice Services Transition Fund	-	25,890	-	25,890
CSP	24,304	(3,884)	-	20,420
United Utilities Trust Fund	-	(1,609)	-	(1,609)
HPAW	25,554	(30,997)	5,443	-
Lloyds TSB	4,452	(5,066)	614	-
CRISIS	-	(603)	603	-
Bond Scheme	46,195	(40,148)	-	6,047
Supporting People	28,875	(18,722)	-	10,153
Charity Relief Fund	<u>1,461</u>	<u>-</u>	<u>(1,461)</u>	<u>-</u>
	<u>130,841</u>	<u>(75,139)</u>	<u>5,199</u>	<u>60,901</u>
TOTAL FUNDS	<u>148,580</u>	<u>27,588</u>	<u>-</u>	<u>176,168</u>

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014**

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	514,222	(411,495)	102,727
Restricted funds			
Advice Services Transition Fund	78,244	(52,354)	25,890
CSP	53,030	(56,914)	(3,884)
United Utilities Trust Fund	29,624	(31,233)	(1,609)
HPAW	-	(30,997)	(30,997)
Lloyds TSB	-	(5,066)	(5,066)
CRISIS	79,536	(80,139)	(603)
Bond Scheme	4,530	(44,678)	(40,148)
Supporting People	<u>75,302</u>	<u>(94,024)</u>	<u>(18,722)</u>
	320,266	(395,405)	(75,139)
TOTAL FUNDS	<u>834,488</u>	<u>(806,900)</u>	<u>27,588</u>

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014**

14. CONTINGENT LIABILITIES

Citizens Advice Service in the Borough of Wigan participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan. Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.

In determining the investment return assumptions the Trustees considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary has prepared a funding position update as at 30 September 2012. The market value of the Plan's assets at that date was £790 million and the Plan's Technical Provisions (i.e. past service liabilities) was £984 million. The update, therefore, revealed a shortfall of assets compared with the value of liabilities of £194 million, equivalent to a funding level of 80%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

**CITIZENS ADVICE SERVICE IN THE BOROUGH
OF WIGAN**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2014**

14. CONTINGENT LIABILITIES

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). The calculation basis that applies to the Growth Plan was amended due to a change in the definition of money purchase contained in the Pensions Act 2011 but the regulations that will determine exactly how the change will apply in practice are still awaited. As the law stands, it is not yet clear whether the statutory calculation should include or exclude Series 3 liabilities. However, based upon current advice, the most likely interpretation is that Series 3 liabilities will have to be included in the calculation of an employer's debt on withdrawal.

Owing to this situation, the potential employer debts have been calculated as follows:

- The cost of withdrawal if we include Series 3 liabilities in the calculation is £72,225.79
- The cost of withdrawal if we exclude Series 3 liabilities from the calculation is £21,261.79

These were the figures as at 30th September 2012. No further information has been received from The Pensions Fund since that date.

If an employer withdraws from the Growth Plan prior to the implementation of the regulations, the debt will be calculated on both bases and we would request payment of the higher amount with any adjustment being made when the regulations are implemented.

15. RELATED PARTY DISCLOSURES

The Metropolitan Borough of Wigan nominates Trustees to the Charity and provides funding to enable it to achieve its charitable objectives.

The company operates rent free from two locations in premises owned by the Metropolitan Borough of Wigan. These gifts in kind are not provided for in the financial statements as the likelihood of a payment in settlement is remote.

16. PENSION

The total cost to the group in respect of the pension scheme during the year was £3,484 (2013: £8,215).

17. NATIONAL ORGANISATION

Citizens Advice Service in the Borough of Wigan is part of Citizens Advice operating in the United Kingdom. The national contact is:

Citizens Advice
3rd Floor North
200 Aldersgate Street
London
EC1A 4HD