

CITIZENS ADVICE SOUTH LAKELAND

(A Company limited by guarantee)

Report and Financial Statements

Year ended 31 March 2010

Company number 04500088

Charity number 1093888

Citizens Advice South Lakeland

Contents

	Page
Reference and administrative information	1 - 2
Report of the trustees	3 - 7
Independent auditors' report	8 - 9
Statement of financial activities	10
Income and expenditure account	11 - 12
Balance Sheet	13
Notes to the financial statements	14 - 23

Citizens Advice South Lakeland

Reference and administrative information

Constitution Citizens Advice South Lakeland is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

Charity Number 1093888

Company Number 4500088

Directors and Trustees The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association the charity can appoint a maximum of twelve (minimum of four) trustees. Eight elected at the annual general meeting; no more than two nominated volunteers elected by volunteers; and up to two co-opted by the trustee board.

Officers of the charity are nominated by the trustees at the first meeting following the Annual General Meeting. The officers currently serving were elected by the trustees at the board meeting held on 30 September 2009.

All elected trustees shall retire in rotation from office at the third annual general meeting following the annual general meeting at which they were elected but may be re-elected.

The trustees serving during the year and since the year end were as follows:-

	Appointed	Resigned
A Dobson		Sep-09
M A Jones (Chair)		
D Jordison		Sep-09
K James		
W Byford		
A Holton		
M Cooper (Volunteer)		
R Pater (Volunteer)		
J Dersley (Co-Opted)	Mar-10	
K Cornah	Feb-10	
A Parker (Co-Opted)	Mar-10	Jul-10

Citizens Advice South Lakeland

Reference and administrative information

Membership

The charity may admit into membership: individuals (over the age of 18 years) who are interested in furthering the work of the charity and, any body corporate or unincorporated association which is interested in furthering the charity's work. Applications for membership can be made at any time and will be admitted following approval by the trustee board.

The trustees have sought applications from a wide range of individuals and bodies in order to develop the membership base and an encouraging number of applications have been received.

Company Secretary

R Pater

Senior Management

G Livingstone

General Manager

Auditors

Saint & Co
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

Bankers

Unity Trust Bank
Nine Brindleyplace
4 Oozell Square
Birmingham
B1 2HB

CCLA
80 Cheapside
London
EC2V 6DZ

Registered Office

Blackhall Road
Kendal
Cumbria
LA9 4BT

Citizens Advice South Lakeland

Report of the Trustees

For the year ended 31 March 2010

The trustees present their report and the audited financial statements for the year ended 31 March 2010.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice: Accounting and Reporting Charities 2005.

Structure, Governance & Management

Recruitment and Appointment of Trustee Board

Trustees are recruited in line with the terms laid out in the Bureau's Articles of Association. A term of office is 3 years and Trustees may be re-elected.

Trustees can be elected at the Annual General Meeting, nominated by member organisations or co-opted by the Trustee Board, provided that the total number of co-opted and nominated Trustees does not exceed one third of the total number of trustees.

Trustee Induction and Training

At board level the trustees have continued to implement the recruitment and induction programme for new trustees, which includes a mentoring scheme. Established reporting and decision making procedures have continued and all trustees have regular contact with management.

Risk management

The trustees have a strategic plan for the charity, which sets out the major opportunities available and establishes a strategic financial framework for supporting the service in the medium to long term.

The Finance Committee has a comprehensive set of financial procedures and operated the annual work plan to minimise internal and external financial risks. The financial procedures, together with the Strategic Plan allow for the diversification of funding and activities, and ensure a consistent quality of delivery for all operational aspects of the charity in future years.

Organisational Structure

To administer the charity, the board of trustees has held bi-monthly meetings. A Finance Committee and a Personnel Committee have been established and various working groups have been set up to deal with short-term matters. A General Manager appointed by the trustees manages day-to-day operations of the charity. One trustee and the general Manager represent the charity on the board of Citizens Advice, Cumbria.

Related Parties

As an independent Charity, Citizens Advice South Lakeland is a member of the National Association - "Citizens Advice". Citizens Advice provide support and guidance to Citizens Advice Bureaux across the country, and provide quality assurance for all aspects of Citizens Advice South Lakeland's operations through detailed and comprehensive Membership Scheme.

Objectives and activities

The charity's objectives are to promote any charitable purpose for the benefit of the community predominantly in South Lakeland and surrounding areas ("the principle area of benefit") and elsewhere in Cumbria, Cheshire, Greater Manchester - the Metropolitan Districts of Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford, Wigan - Lancashire, The Metropolitan Districts of Knowsley, Liverpool, St Helens, Sefton, Wirral, (together being "the area of benefit") by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

Citizens Advice South Lakeland

Report of the Trustees (Continued)

For the year ended 31 March 2010

Objectives and Activities (Continued)

To promote its objectives but not for any other purpose the charity has a number of powers set out in the Memorandum of Association to enable it to establish and provide Citizens Advice Bureau services and outlets supplying a free, independent, confidential and impartial service of advice, information and counsel for the public.

Citizens Advice South Lakeland shares the twin Aims of all Citizens Advice Bureaux, which are to provide the advice people need for the problems they face and to improve the policies and procedures that affect peoples lives.

In accordance with these aims Citizens Advice South Lakeland's main objectives remain the provision of quality advice and services to the local community, and the effective use of information gained in providing these services to influence policies and practices affecting the community as a whole.

The focus upon these aims and objectives is clearly reflected in the bureau's Strategic Plan where the strategies for achieving each objective are also detailed. This document is reviewed on a rolling basis and provides the direction for Citizens Advice South Lakeland over the coming period. Presently, main objectives include extending public access and expanding the General Advice Service, as well as the development of additional projects and services.

Citizens Advice South Lakeland is committed to volunteering and makes significant use of volunteers in many aspects of its operation and with particular regard to the roles of Adviser, Trustee, Administrative and I.T Support, and Social Policy development. Further information about volunteers is provided below.

Achievements & Performance

Citizens Advice South Lakeland has continued to provide a wide variety of high quality services to the local community and throughout a period of continued financial pressure has still been able to increase public access through the development of the bureau's new "Access Reception" system.

Citizens Advice South Lakeland's performance of its charitable activities is monitored in a variety of ways as prescribed by the various funders and as appropriate for the different types of work undertaken. The bureau is always striving to provide more and better services to more people in the community, and a selection of measurements reflect another positive year. In 2009/10 the Advice Service dealt with almost 3,000 different people, assisted local people with over £3.6 million of personal debt, advocated for approaching 250 local people in court, at benefits tribunals, at Health Complaints proceedings, and in a variety of other formal and informal settings.

A full review of the work of Citizens Advice South Lakeland is published in a separate report available on request from the registered office.

Financial Review

Financial Position

Incoming resources in the year were £445,721 (2009: £397,273). Of this £201,824 (2009: £274,252) related to project restricted activities (see note 7).

A deficit by £29,150 was made in the year (2009: £10,956). At 31 March 2010 total reserves were £71,330 of which £19,212 represented unrestricted funds (2009: £31,108).

Citizens Advice South Lakeland

Report of the Trustees (Continued)

For the year ended 31 March 2010

Principal Financial Management Policies Adopted During The Year

Citizens Advice South Lakeland financial management and policies are overseen by the Finance Committee, whose members include the treasurer and other trustees. The committee meets monthly to review the financial position, including a full review of financial management and profit and loss variance spreadsheets at least quarterly.

Citizens Advice South Lakeland reserves policy is recommended by the Finance Committee and then agreed by the Trustee Board each year (see Reserves Policy below)

"LSC New S Cumbria (Centre)" deficit represents a shortfall between work invoiced plus 'work in progress' compared to money received from the LSC. This deficit is expected to be met by the bureau in 2009/10.

Principal Funding Sources

Citizens Advice South Lakeland receives funding from a range of statutory, non-statutory and charitable organisations, and these funds fall principally into Unrestricted and Restricted definitions.

Unrestricted funding such as that from the Districts and Town Councils and various charitable organisations is used to support the bureau and its General Advice Service. This funding supports the key advice service, but by helping support the organisation it also ensures the firm foundations are in place upon which the many additional projects and services Citizens Advise South Lakeland provides to its community can stand.

Citizens Advice South Lakeland receives Restricted funding from a variety of sources including the Legal Services Commission, The DTI, and others as detailed in these accounts. The bureau uses this funding to most effectively provide the particular service sought by the funder.

Investment Policy

Under the memorandum and articles of association, the charity has the power to invest or deposit funds in any lawful manner whilst having regard to the suitability of investments and the need for diversification.

Reserves Policy

In accordance with The Charity Commission Statement of Recommended Practice 2005, in order to provide the Citizens Advice service to the community of South Lakeland, CASL should be able to absorb operating setbacks and take advantage of change and opportunity. The Trustees accordingly reviewed CASL's needs for reserves in accordance with guidelines issued by the Charity Commission; and recognise that reserves are part of CASL's income funds which are freely available for CASL's general purpose i.e. Unrestricted Current Assets after all income and expenditure has been accounted for.

Disregarding the notional pension-funding deficit calculated under FRS 17 (see below), the Trustees believe that to meet the General Statement of Requirement above, CASL should aim to have a minimum operating contingency reserve equivalent to 3 months' operating costs, £46,380, a target exceeded throughout the year, and at the year end Unrestricted Funds balance was £129,212.

Citizens Advice South Lakeland

Report of the Trustees (Continued)

For the year ended 31 March 2010

Reserves Policy (continued)

Total unrestricted funds as shown in the accounts of £19,212, include a notional funding deficit of £110,000 (2009 £65,000) calculated under FRS 17 in respect of the Charity's defined benefit pension scheme. The Trustees believe that the notional funding calculation, which can vary considerably between surplus and deficit according to the assumptions made at each year end, has no material effect on the Charity's cash flows in the short term, and that in the longer term its effects are sustainable out of future income. For this reason we feel it should be disregarded for Reserves Policy purposes.

The charity has a number of restricted funds, which are detailed in Note 7 of the financial statement. Their existence, and the sums of money therein, do not imply that there has been an under spend but may result from a variety of circumstances including timing differences between charity's financial year and the funding year of the project concerned.

Plans for Future Periods

In accordance with its Charitable Objectives and its twin Aims, and through the operation of its Strategic Plan, Citizens Advice South Lakeland key objectives in the coming period will remain the provision of quality advice and services to the local community and the effective use of information gained in providing these services to effect an influence upon policies and practices affecting the community as a whole.

Citizens Advice South Lakeland will also seek to secure and effectively utilise resources to allow expansion of its work, so that more services can be offered to more people over more - and different - times, and through an increased variety of access methods.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning our future activities.

Volunteers

Many volunteers give freely of their time to ensure that the frontline advice service at the various bureau outlets are staffed on a daily basis. The charity could not operate without these volunteers, they are a vital resource, and unpaid. The time they give represents a substantial notional financial asset. The trustees are greatly indebted to the volunteers for their unstinting commitment and support.

Trustees' responsibilities in relation to the financial statements

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 as at the balance sheet date and of its incoming resource and application of resources including income and expenditure for the financial period. In preparing those financial statements the Trustees should follow the best practice and :

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue on that basis.

The Trustees are responsible for maintaining 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 assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Citizens Advice South Lakeland

Report of the Trustees (Continued)

For the year ended 31 March 2010

Statement of disclosure to auditor

- (a) So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) They have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

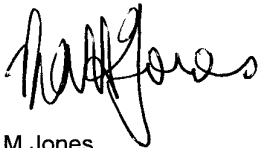
Trustees

The Trustees who are directors for the purpose of company law who served during the period and up to the date of this report are set out on page 1. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Auditors

Saint & Co were appointed as the charitable company's auditors during the period and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice in "Accounting and Reporting by Charities" and in accordance with the special provisions of Part 15 of the Companies' Act 2006 relating to small companies.



M Jones
Chair of Trustees
Citizens Advice South Lakeland

Date:

12.11.10

Citizens Advice South Lakeland

Independent Auditors' Report to the Trustees

We have audited the financial statements of Citizens Advice South Lakeland for the year ended 31 March 2010 on pages 10 to 23 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and on the basis of the accounting policies set out on page 14.

This report is made solely to the company's members, as a body, in accordance with chapter 3 of section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Trustees and Auditors

The responsibilities of the trustees (who also act as directors of Citizens Advice South Lakeland for the purposes of company law) 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) are set out in the Statement of Responsibilities of the Trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Citizens Advice South Lakeland

Independent Auditors' Report to the Trustees

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees Annual Report is consistent with the financial statements.

The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

Saint & Co
Chartered Accountants
& Statutory Auditor

Dated

Citizens Advice South Lakeland

Statement of Financial Activities

For the year ended 31 March 2010

	Note	Unrestricted Fund £	Restricted Fund £	Total 2010 £	Total 2009 (restated) £
Incoming Resources		(see Page 9 and 10)			
Incoming resources from generated funds					
Voluntary Income		83,650	1,000	84,650	80,240
Investment Income	2	593	-	593	3,517
Incoming resources from charitable activities		159,654	200,824	360,478	313,516
Total Incoming Resources		<u>243,897</u>	<u>201,824</u>	<u>445,721</u>	<u>397,273</u>
Resources Expended					
Costs of generating Voluntary Income		6,447	-	6,447	6,314
Charitable Activities		196,987	225,558	422,545	403,290
Governance Costs		3,879	-	3,879	3,625
Total Resources Expended	3	<u>207,313</u>	<u>225,558</u>	<u>432,871</u>	<u>413,229</u>
Net Incoming/(Outgoing) Resources before transfers		36,584	(23,734)	12,850	(15,956)
Transfer between funds	7/15	(6,480)	6,480	-	-
Net Incoming/(Outgoing) Resources before other recognised gains and losses		<u>30,104</u>	<u>(17,254)</u>	<u>12,850</u>	<u>(15,956)</u>
Actuarial gains and (loses) on Defined benefit pension schemes	19	(42,000)	-	(42,000)	5,000
Net movement in funds for the year		<u>(11,896)</u>	<u>(17,254)</u>	<u>(29,150)</u>	<u>(10,956)</u>
Fund Balances at 01 April 2009		31,108	69,372	100,480	111,436
Fund Balances at 31 March 2010	7	<u>19,212</u>	<u>52,118</u>	<u>71,330</u>	<u>100,480</u>

The notes on pages 14 to 23 form part of these financial statements

Citizens Advice South Lakeland

Income and Expenditure Account

For the year ended 31 March 2010

		Unrestricted Fund	Restricted Fund	Total 2010	Total 2009 <i>(restated)</i>
Income	Schedule	£	£	£	£
Income from generated funds					
Voluntary income					
SLDC		46,462	-	46,462	45,317
Kendal Town Council		5,000	-	5,000	5,100
Ulverston Town Council		1,800	-	1,800	1,800
Cumbria Community Foundation		3,000	-	3,000	-
Lakeland Ltd		3,500	-	3,500	3,500
Townlands Trust		1,500	-	1,500	1,000
Sir John Fisher Foundation		6,250	-	6,250	3,000
Cumbria CSV		-	-	-	1,903
The Scotshill trust		-	-	-	5,000
Dowager Countess		5,000	-	5,000	-
Miscellaneous items		11,138	1,000	12,138	13,620
		<u>83,650</u>	<u>1,000</u>	<u>84,650</u>	<u>80,240</u>
Investment Income					
Bank Deposit Income		593	-	593	3,517
		<u>84,243</u>	<u>1,000</u>	<u>85,243</u>	<u>83,757</u>
Income from charitable activities					
Legal Services Commission	20	102,226	-	102,226	124,313
Cumbria County Council		34,040	36,360	70,400	40,359
Cumbria County Council Social Services/Health			24,223	24,223	24,369
Department of Trade and Industry		-	38,691	38,691	41,062
Big Lottery Fund		-	18,419	18,419	-
Cumbria DAAT		-	23,804	23,804	21,753
MacMillan Cancer Support		-	59,327	59,327	45,537
Income from Projects		44,957	-	44,957	57,397
Income transfers		(44,957)	-	(44,957)	(57,397)
Miscellaneous items		23,388	-	23,388	16,123
		<u>159,654</u>	<u>200,824</u>	<u>360,478</u>	<u>313,516</u>
		<u>243,897</u>	<u>201,824</u>	<u>445,721</u>	<u>397,273</u>
Expenditure					
Costs of generating Voluntary Income	A	6,447	-	6,447	6,314
Charitable Activities	B	196,987	225,558	422,545	403,290
Governance Costs	C	3,879	-	3,879	3,625
		<u>207,313</u>	<u>225,558</u>	<u>432,871</u>	<u>413,229</u>
Surplus/(Deficit for the year)		<u><u>36,584</u></u>	<u><u>(23,734)</u></u>	<u><u>12,850</u></u>	<u><u>(15,956)</u></u>

The notes on pages 14 to 23 form part of these financial statements

Citizens Advice South Lakeland
Income and Expenditure Account
For the year ended 31 March 2010

		Unrestricted Fund	Restricted Fund	Total 2010	Total 2009 <i>(restated)</i>
	Note	£	£	£	£
A Costs of generating Voluntary Income					
Salaries	5	5,943	-	5,943	5,802
Employment Oncosts	5	504	-	504	512
Publicity		-	-	-	-
		6,447	-	6,447	6,314
B Charitable activities					
Salaries	5	154,778	112,474	267,252	236,391
Employment Oncosts	5	23,797	14,443	38,240	41,087
Pension Service Cost	5/19	8,000	-	8,000	9,000
Indirect Employment Costs		3,228	-	3,228	708
Training/Meeting/Conferences		832	370	1,202	2,121
Travel, Subsistence & Carers' Costs		6,642	8,434	15,076	13,062
Office Equipment		1,356	2,472	3,828	2,449
Postages		1,806	1,128	2,934	2,929
Premises		20,442	7,948	28,390	30,835
Telephone & Communications		2,450	1,560	4,010	4,311
Books/Stationery/Printing		6,467	2,704	9,171	10,930
Management/Finance/Admin Costs		(3,579)	14,976	11,397	21,945
Legal Fees & Disbursements		6,498	0	6,498	8,234
Other Expenditure		2,548	235	2,783	1,729
Pension Finance Costs	19	6,000	-	6,000	3,000
Depreciation	6	679	13,857	14,536	14,559
Expense transfers		(44,957)	44,957	-	-
		196,987	225,558	422,545	403,290
C Governance costs					
Salaries	5	-	-	-	-
Employment Oncosts	5	-	-	-	-
Audit & Accountancy Charges	6	3,200	-	3,200	3,200
Trustee Indemnity Insurance		430	-	430	216
Trustee Board Expenses	5	249	-	249	209
		3,879	-	3,879	3,625

The notes on pages 14 to 23 form part of these financial statements

Citizens Advice South Lakeland

Balance Sheet at 31 March 2010

	Note	2010		2009 (restated)
		£	£	£
Tangible Assets	8		51,118	65,654
Current Assets				
Debtors and Prepayments	9	91,160		93,485
Cash at bank and in hand		<u>109,508</u>		<u>96,658</u>
		<u>200,668</u>		<u>190,143</u>
Creditors				
Amount falling due within one year	10	<u>70,456</u>		<u>90,317</u>
Net current assets			<u>130,212</u>	<u>99,826</u>
Total Net assets before pension deficit			<u>181,330</u>	<u>165,480</u>
Defined benefit pension scheme funding deficit	19		<u>(110,000)</u>	<u>(65,000)</u>
Total Net assets after pension deficit			<u><u>71,330</u></u>	<u><u>100,480</u></u>
Funds				
Unrestricted funds				
Reserves			80,000	80,000
General funds			41,641	8,537
Designated funds			7,571	7,571
			<u>129,212</u>	<u>96,108</u>
Less Pension Reserve (Deficit)			<u>(110,000)</u>	<u>(65,000)</u>
Net Unrestricted funds	7		<u>19,212</u>	<u>31,108</u>
Restricted funds	7		<u>52,118</u>	<u>69,372</u>
Total funds			<u><u>71,330</u></u>	<u><u>100,480</u></u>

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 Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the board on


M A Jones


R Pater

The notes on pages 14 to 23 form part of these financial statements

Citizens Advice South Lakeland
Notes to the Financial Statements
For the year ended 31 March 2010

1. Accounting policies

(a) Basis of preparation

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 financial statements have been prepared in accordance with the statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005), issued in March 2005, applicable accounting standards and the Companies Act 2006.

(b) Fund accounting

General funds are unrestricted funds which 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.

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 cost of raising and administering such funds are charged against the specific fund.

Further explanation of the nature and purpose of each fund is included in the annual report, which can be obtained from the Registered Office.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- Voluntary income is received by ways of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitled is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at value to the charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- If income is received but the related performance does not take place until a future accounting period, the income will be deferred to that accounting period.

(d) Resources expended

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

- Costs for generating voluntary income are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Citizens Advice South Lakeland

Notes to the Financial Statements

For the year ended 31 March 2010

(d)Resources expended (cont)

- Charitable activity expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

(e)Tangible fixed assets and depreciation

Tangible fixed assets costing more than £250 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Property improvements	6.67%
Office equipment	25.00%

(f)Pension schemes

Contributions to the company's pension scheme with Local Government are calculated on the basis of actuarial valuations and the proportion met by the company is charged to revenue over the service lives of the employees. The scheme is being accounted for under FRS 17, with the annual calculated notional surplus or deficit on the funding of the scheme shown in the accounts as a designated fund entitled "Pensions Reserve" which is deducted from Unrestricted Funds in the balance sheet. The Trustees note that the calculated notional deficit or surplus calculated under FRS 17 can vary greatly from year to year depending on the assumptions made at the valuation date, but with normally little or no effect on short term cashflows.

The company also contributed to personal pension plans for certain employees together with contributions to a defined contribution scheme. The assets of these schemes are held separately from those of the charity being invested with insurance companies. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the period.

(g)Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period of the lease.

(h)Work in progress

Work in progress is valued basis on unbilled cases at the year end. Fixed fee cases are calculated based on an average of 50% completion. Non fixed fee cases are calculated based on hours worked. Provision is made for any foreseeable losses where appropriate.

2. Interest receivable and similar income

	2010	2009
	£	(restated)
		£
Bank interest	593	3,517

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

3. Resources Expended

					2010	2009
	Staff	Depreciation	Direct	Other	Total	(restated) Total
	£	£	£	£	£	£
Costs of Generating Funds	6,447	-	-	-	6,447	6,314
Governance Costs	-	-	-	3,879	3,879	3,625
Charitable Activities (including generalist advice service)						
Crisis Health Advocacy	18,078	-	4,179	5,928	28,185	24,869
Substance Misuse	13,401	458	4,360	7,524	25,743	24,934
ICAS	-	-	-	-	-	135
Money Advice (DTI)	44,705	811	15,661	17,196	78,373	79,116
Macmillan/CASL - Cancer Support	30,802	-	7,727	8,808	47,337	45,634
LSC South Cumbria & Housing	56,095	-	21,650	14,234	91,979	91,977
Welfare Benefits	18,614	-	3,528	5,676	27,818	26,352
Recruitment & Training	6,110	-	3,648	3,852	13,610	17,676
Health & Community Care	-	401	-	-	401	541
Cumbria Advice Network	11,042	-	1,941	3,960	16,943	-
Non LSC Welfare Benefit Service	2,779	-	-	-	2,779	-
Capital Projects	-	12,187	-	-	12,187	14,726
Other Generalist Advice	114,866	679	(66,518)	28,163	77,190	77,330
Total Charitable Activities	316,492	14,536	(3,824)	95,341	422,545	403,290
Total Resources Expended	322,939	14,536	(3,824)	99,220	432,871	413,229

Direct costs are those associated with providing the activity.

Other costs include support costs as detailed in Note 4.

4. Analysis of Support Costs

Total resources expended include all support costs, which comprise:

					2010	2009
	Management	Human Resources	Finance	IT	Total	(restated) Total
	£	£	£	£	£	£
Crisis Health Advocacy	2,256	2,556	600	516	5,928	5,928
Substance Misuse	1,992	4,152	924	456	7,524	7,524
Money Advice	3,768	8,352	3,600	1,476	17,196	15,696
Macmillan/CASL - Cancer Support	3,600	2,796	1,500	912	8,808	8,808
LSC South Cumbria & Housing	9,542	420	2,856	1,416	14,234	11,232
Welfare Benefits	1,992	1,620	1,380	684	5,676	5,676
Recruitment & Training	2,220	144	996	492	3,852	3,852
Cumbria Advice Network	3,000	816	-	144	3,960	-
Other Generalist Advice	12,758	7,819	3,845	3,741	28,163	16,452
	41,128	28,675	15,701	9,837	95,341	75,168

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

5. Trustees and employees

	2010	2009 <i>(restated)</i>
	£	£
Trustees' emoluments	nil	nil

Two trustees were reimbursed for travel expenses totalling £249 (2009: £209) during the year.

Trustee indemnity insurance totalling £216 has been paid on behalf of the trustees by the charity.

	2010	2009 <i>(restated)</i>
	£	£
Employee costs during the period		
Wages and salaries	273,195	242,193
Social Security costs	20,915	18,285
Pension costs	28,829	32,314
	<u>322,939</u>	<u>292,792</u>

The average number of trustees and employees during the period was as follows:

	2010	2009 <i>(restated)</i>
Trustees	8	8
General Manager	1	1
Finance & Administrative Support	-	-
Project Managers and Support Staff	21	21

There were no employees receiving more than £60,000 in the year.

CASL employs 21 paid staff, 4 are full time, 17 part time.

6. Movement in total funds for the period

This is stated after charging:

	2010	2009 <i>(restated)</i>
	£	£
Depreciation	14,536	14,559
Auditors' Remuneration:		
External Audit	2,100	2,100
Other Services	-	-

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

7. Summary of Funds	Balance at 01 April 2009	Income	Expenditure	Transfers	Actuarial Gain Re: FRS 17	Balance at 31 March 2010
Unrestricted funds						
General funds						
Joint core	75,139	35,542	2,964	12,548	-	120,265
Kendal	-	36,163	31,085	(5,078)	-	-
Ulverston	604	21,426	13,764	(8,266)	-	-
Housing Project	75	5,244	5,334	15	-	-
CLG Court Scheme	-	10,000	-	(10,000)	-	-
Trustees Board	-	-	1,201	1,201	-	-
Additional Hours Advice	2,386	27,427	28,246	(1,567)	-	-
LSC New S Cumbria (Centre)	-	18,707	16,243	(4,053)	-	(1,589)
LSC New Housing (K)	-	56,420	70,402	13,982	-	-
LSC Welfare Benefits 2005	-	21,855	27,818	5,963	-	-
Social Policy	2,965	-	-	-	-	2,965
Financial Capability	-	6,613	6,056	(557)	-	-
Friends of CASL	7,368	4,500	1,200	(10,668)	-	-
	<u>88,537</u>	<u>243,897</u>	<u>204,313</u>	<u>(6,480)</u>	<u>-</u>	<u>121,641</u>
Designated funds						
Accommodation	1,315	-	-	-	-	1,315
Equipment Replacement	6,256	-	-	-	-	6,256
	<u>7,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,571</u>
Designated - Pension Reserve	<u>(65,000)</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>(42,000)</u>	<u>(110,000)</u>
Total unrestricted funds	31,108	243,897	207,313	(6,480)	(42,000)	19,212
Restricted funds						
Community Fund Capital	48,545	-	6,941	-	-	41,604
Tudor Trust Capital	2,121	-	327	-	-	1,794
Friends of CAB Capital	1,165	-	167	-	-	998
Substance Misuse	458	23,804	25,743	1,481	-	-
CCC Money Advice (U)	3,450	14,855	14,822	(3,483)	-	-
CCC Money Advice (K)	-	21,505	22,959	1,454	-	-
LSC New S Cumbria (Centre)	(4,053)	-	-	4,053	-	-
Recruitment and Training Project	-	500	13,610	13,110	-	-
Cumbria Advice Network	-	18,419	16,943	(1,476)	-	-
Westmorland General Hospital	(500)	-	-	500	-	-
Capital Equipment 2005	3,142	-	1,975	-	-	1,167
HCC & RAS Project	401	-	401	-	-	-
Macmillan/CASL Cancer Support Project	-	59,327	47,337	(11,990)	-	-
DTI (FIF) Money Advice Project	811	38,691	40,592	1,090	-	-
Crisis (Health) Advocacy Project	-	24,223	28,185	3,962	-	-
Non LSC Welfare Benefit Service	5,000	-	2,779	(2,221)	-	-
Capital Equipment 2009	500	500	-	-	-	1,000
Information Kiosk	6,870	-	2,290	-	-	4,580
Ulverston IT Server	1,462	-	487	-	-	975
	<u>69,372</u>	<u>201,824</u>	<u>225,558</u>	<u>6,480</u>	<u>-</u>	<u>52,118</u>
Total restricted funds	69,372	201,824	225,558	6,480	-	52,118
Total funds	100,480	445,721	432,871	0	(42,000)	71,330

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

8. Tangible fixed assets

	Total £	Property Improvements £	Office Equipment & Computers £
Cost			
At 01 April 2009	143,486	111,070	32,416
Additions	-	-	-
Disposals	-	-	-
At 31 March 2010	<u>143,486</u>	<u>111,070</u>	<u>32,416</u>
Depreciation			
At 01 April 2009	77,832	59,267	18,565
Charge for year	14,536	7,407	7,129
Depreciation on disposals	-	-	-
At 31 March 2010	<u>92,368</u>	<u>66,674</u>	<u>25,694</u>
Net book value			
At 31 March 2010	51,118	44,396	6,722
At 31 March 2009	<u>65,654</u>	<u>51,803</u>	<u>13,851</u>

9. Debtors

	2010 £	2009 (restated) £
Trade debtors	23,652	9,436
Work in progress	31,994	34,108
Prepayments	2,972	5,849
Other debtors	<u>32,542</u>	<u>44,092</u>
	<u>91,160</u>	<u>93,485</u>

10. Creditors - amount falling due within one year

	2010 £	2009 (restated) £
Trade creditors	6,405	15,856
Accruals	5,175	2,850
Other Creditors	56,360	71,611
Deferred income (note 11)	<u>2,516</u>	<u>-</u>
	<u>70,456</u>	<u>90,317</u>

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

11. Deferred income

Deferred income comprises grants and donations received in advance which the donor has specified must be used in future accounting periods.

	2010	2009 <i>(restated)</i>
	£	£
Balance at 01 April 2009	-	-
Amount released to incoming resources	-	-
Amount deferred in year	2,516	-
Balance at 31 March 2010	<u>2,516</u>	<u>-</u>

Monies were received from Big Lottery Fund before the year end, which in part relate to the next financial year.

12. Operating lease commitments

The amount payable in the next year in respect of property rentals which expire within one year total £12,500 (2009: £10,000).

13. Summary of net assets by funds

	Total £	Unrestricted Funds £	Designated Funds £	Restricted Funds £
Fixed assets	51,118	-	-	51,118
Net current assets	130,212	121,641	7,571	1,000
Defined Pension Fund Liability	(110,000)	-	(110,000)	-
	<u>71,330</u>	<u>121,641</u>	<u>(102,429)</u>	<u>52,118</u>

14. Capital commitments

There were no capital commitments at 31 March 2010 or 31 March 2009.

15. Material Transfers & Funds in Deficit

Any restricted funds in deficit at the year end have been funded by unrestricted funds and transfers have been made to reflect these. The exception to this is the "LSC New S Cumbria (Centre)" fund which is left in deficit. This deficit represents a shortfall between work invoiced plus 'work in progress' compared to money received from the LSC. The LSC is a service contract and as such should be allocated as unrestricted, we have therefore transferred this fund to unrestricted at the start of the year. The MacMillan restricted fund balance at the year end was agreed with the funder to be transferred to unrestricted funds, the underspent balance was in relation to an underallocation of management charges to the fund.

16. Company status

The company is limited by guarantee under the Companies Act 1985. The liability of the members is limited to £1 per member in the event of a winding up.

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

17. Taxation

As a charity, Citizens Advice South Lakeland is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

18. Control

There is no single controlling party of this company.

19. Pensions

Defined Contribution Scheme

The pension cost charge represents contributions payable as follows:

Defined contributions (stakeholder and Personal Pension Plans) £17,702 (2009: £14,716)

No contributions were outstanding at 31 March 2010 or 31 March 2009.

Defined Benefits Scheme

The assets of the defined benefits scheme are held separately from those of the Charity. The contributions to the defined benefit scheme are determined by a qualified independent actuary on the basis of triennial valuations. The most recent valuation was at 31 March 2007.

The charge for the year together with the actuarial gains and losses on the scheme for the year, is recognised in the Statement of Financial Activities in accordance with FRS 17.

The principal assumptions used by the independent qualified actuaries in updating this valuation for FRS 17 purposes were

	2010	2009
	%	%
Financial assumptions		
Rate of increase in salaries	5.05	5.05
Rate of increase in pensions	3.3	3.3
Discount rate	5.6	7.1
Rate of inflation	3.3	3.3
Expected rate of return on assets		
Equities	7.5	7.5
Government Bonds	4.0	4.0
Other Bonds	5.2	6.0
Property	6.5	6.5
Cash/Liquidity	0.5	0.5
Other	7.5	7.5

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

Pensions (Continued)

	2010	2009
	£000	<i>(restated)</i> £000
Analysis of amounts charged to operating profit		
Current service cost	8	10
Analysis of amount credited to other finance income		
Expected return on pension scheme assets	11	14
Interest on pension scheme liabilities	(17)	(17)
Net (loss)/return	(6)	(3)
	2010	2009
	£000	<i>(restated)</i> £000
The actuarial gains and losses shown in the Statement of Financial Activities comprised:		
Actual return less expected return on pension scheme assets	40	(54)
Actual return less expected return on pension scheme liabilities	(82)	60
Changes in assumptions underlying the present value of scheme liabilities	0	0
Net (loss)/gain	(42)	6
The assets in the scheme are as follows:		
Equities	124	87
Government Bonds	48	36
Other Bonds	23	15
Property	14	11
Cash / Liquidity	5	4
Other Bonds	20	21
Total	234	174
Movement in deficit during the year		
Deficit in scheme at 01 April 2009	(65)	(58)
Current service cost	(8)	(10)
Net interest/return on assets	(6)	(3)
Employer contributions	11	9
Past Service/Curtailment/Settlement Gain	0	(8)
Actuarial gains/(losses)	(42)	5
Deficit in scheme at 31 March 2010	(110)	(65)

Citizens Advice South Lakeland

Notes to the Financial Statements (continued)

For the year ended 31 March 2010

20. Legal Services Commission prior year adjustment & change in accounting policy

Citizens Advice South Lakeland receives money from the LSC partly with regard to other bureaux. In the prior year this was shown as gross income and the subsequent redistribution as an expense. The trustees believed this showed an inflated income for the charity.

As a result this years accounts show income received from the LSC only in relation to Citizens Advice South Lakeland. The comparative figures for the prior year have been amended and as a result incoming resources from charitable activities and resources expended on charitable activities have both been reduced by £207,966.