

**CHARITY NO: SC013364**

**MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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**MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO**  
**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**  
**REFERENCE AND ADMINISTRATIVE INFORMATION**

<b>Trustees:</b>	Olga Melnyk	(Chair)
	Deborah Mather	
	John Williamson	
	Katy Sandford	(Vice-Chair)
	Ashley Dee	(Secretary)
	Cllr Andy Forrest	(ELC Rep)
	Kerry Brookes	
	Malcolm Currie	
	Andrew Duncan	(Treasurer) (appointed 31.07.19)

**Senior Management Team:** Yvonne Cassidy

**Principal Office** 141 High Street  
Musselburgh  
East Lothian  
EH21 7DD

**Charity Number:** SC013364

**Independent Examiners** Wylie & Bisset LLP  
Chartered Accountants  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers** Bank of Scotland  
172 High Street  
Musselburgh  
EH21 7EA

## MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO

### Report of the Trustees for the year ended 31 March 2019

The Board of Management are pleased to present their report together with the financial statements of the charity for the period ended 31 March 2019.

The legal and administrative information contained on page one forms part of this report.

#### Directors and Trustees

The Board of Management of the charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the period and since the year end, unless otherwise stated, were as follows:

Fiona O'Donnell	ELC Co-opted member	Resigned 6 August 2018
Deborah Mather	Volunteer representative	
Diane Stoddart	Ordinary Member	Resigned 15 November 2018
Ruth Currie	Ordinary Member	Resigned 6 June 2018
John Williamson	Ordinary Member	
Anne Milne	Treasurer	Resigned 15 November 2018
Olga Melnyk	Chair	Appointed 6 June 2018
Katy Sandford	Vice-Chair	Appointed 6 June 2018
Ashley Dee	Secretary	Appointed 1 September 2018
Cllr Andy Forrest	ELC Rep	Appointed 15 November 2018
Kerry Brooks	Ordinary Member	Appointed 15 November 2018
Malcolm Currie	Ordinary Member	
Andrew Duncan	Treasurer	Appointed 31 July 2019

#### Structure, Governance and Management

##### Governing Document

The Bureau incorporated to a SCIO and is governed by its constitution dated 15<sup>th</sup> December 2011.

##### Recruitment and Appointment of the Board of Management

Trustees are either elected at the Annual General Meeting or nominated by member organisations e.g. East Lothian Council, or co-opted by the Board of Management (provided that the number of co-opted trustees does not exceed one third of the total number of Trustees). The main objective for Trustees is to ensure that they are able to certify that they feel fully engaged, part of the process and understand the needs of the organisation. Agreed actions are:

- i. The board has overall responsibility for the strategic direction, organisational policy and planning, finance and decision making.
- ii. The board evaluates the skills incorporated within the bureau and undertakes equal opportunities monitoring.
- iii. A positive recruitment programme is developed and adopted.

## **MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO**

### **Report of the Trustees for the year ended 31 March 2019**

#### **Structure, Governance and Management (continued)**

##### Trustee Induction and Training

New Trustees are invited to attend the bureau and are provided with an "Induction Pack" covering such topics as legal status and governance, structure, organisation and staffing, finances, policy and strategy. In addition, they are invited to familiarise themselves with the charity and the context within which it operates and to attend an Advice in Action day as part of the induction. New Trustees are invited and encouraged to complete on line training and attend training courses organised by Citizens Advice Scotland and to attend specialised training where it is considered to be appropriate. Additionally, new members can request support from the CAS Development Officer appointed to the Board.

##### Risk Management

Trustees have established a basis for the assessment, review and management of the major risks faced by the charity and are satisfied that all major risks have been addressed. This is now in the form of a new risk register which will be agenda item at all future Trustee meetings. Among these is the ever present risk of the impact of change in local government finance and on the ability of our funders to continue to commit to the current level of support.

##### Organisational Structure

The organisation is managed by a Board of Management who are volunteers to the service. In 2018-19 there were a total of 11 Trustees. There are generally 7 ordinary meetings per year and one Annual General Meeting. The Trustees have agreed that from January 2019 the number of Trustee meetings will reduce to 4 quarterly meetings per year plus 1 Annual General Meeting in November. The Chief Officer of the organisation is in attendance at all meetings. The bureau has a staff of 1 Chief Officer (F/T), 1 Finance Officer [F/T], 1.6 FTE Money Advisers, 1.7 FTE Admin Assistant, 1 FTE Volunteer Support Officer, and 1.2 FTE Finance Capability Officers, 2 FTE Benefits and Income Maximisation Officers, 0.3 FTE Outreach Officer, 0.3 HTC Officer and 0.1 FTE Cleaner. The staff count is 10.1 FTE with a total headcount of 13. There were 32 volunteers supporting the service in this reporting period.

Appointment to the Board of Management is through a formal recruitment process where the applicant is measured against a set of skills and essential criteria. Trustees may also be co-opted to serve by a majority of Trustees at any point throughout the year where they will be required to be formally elected at the AGM.

##### Service Aims, Objectives and Activities

The principal activities of the bureau are to provide free, confidential and impartial advice, information and assistance to the public.

The principal aims of the organisation are twofold:

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

## **MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO**

### **Report of the Trustees for the year ended 31 March 2019**

#### **Structure, Governance and Management (continued)**

The objectives and activities for the year focus on the provision of advice and guidance to the local population. The strategies in place to assist the charity to meet these objectives included the following:

1. We ensure a full complement of trained staff and volunteers with the necessary skills to deliver the objects of the service
2. We are providing increased access to the charity's specialised resource through walk in surgery visits, online and telephone advice, home visits and outreach clinics in those areas of greatest need.
3. We work to strengthen existing partnerships and create new alliances with other key agencies to ensure that the widest range of services is available that best suits the needs of the client population.

#### **Achievements and Performance**

The East Lothian Advice Consortium [ELAC] manages the 3-year East Lothian Advice Services Contract [January 2016 – December 2018] which was extended to 31 March 2020. The Consortium Board consists of 2 representatives from Musselburgh and Haddington CAB Boards and an Independent Chair. Musselburgh CAB is a member of the ELAC Board and also a sub-contractor of the Consortium and delivers the East Lothian Contract in partnership with Haddington CAB and Carers of East Lothian.

The Scottish Legal Aid Board (SLAB) project funding ended formally on the 31 March 2019. The Scottish Government funded a three-month extension until the 30 June 2019, with a further 3 months managed by Citizens Advice Scotland [CAS] until the 30 September 2019.

We secured £5,000 from the Corra Foundation to continue the Buddy Project for 1 year.

We recruited a new Chair and Vice Chair in June 2018 and Secretary in September 2018 following an extensive recruitment process which involved using an external recruitment consultant to fill the vacancy. We find recruiting Office Bearers to the Board of Trustees challenging and used the same means to fill the Treasurer vacancy created in November 2018. The new treasurer was recruited in July 2019.

In the period 1 April 2018 – 31 March 2019 we assisted 1,858 clients of whom 1,303 were new to the service. We delivered advice on 7,328 issues. 44% of bureau activity relates to welfare benefits advice and included representation at HMCTS Benefits Tribunal for clients. Personal Independence Payment (PIP) is now the single biggest benefit issue advised on and accounts for 41% of all benefits work covering daily living and mobility. This service brings significant benefit to the people of East Lothian by providing advice, assistance and representation to those most vulnerable and in need in our community.

Debt advice covered 24% of all the work undertaken at Musselburgh CAB. For many of our clients sequestration is the only means of disposing of debt as other options such as Protected Trust Deed (PTD) and Debt Arrangement Scheme (DAS) require disposable income which they do not possess.

In the year we made 316 referrals to East Lothian Foodbank on behalf of clients struggling financially due to being in debt or experiencing benefit delays and / or deductions feeding 626 people of which 185 were under 16. This equates to 4,051kgs of food.



## **MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO**

### **Report of the Trustees for the year ended 31 March 2019**

#### **Achievements and Performance (continued)**

During the period we secured gains for our clients amounting to £2,521,586 much of which is fed back into the local economy in East Lothian.

We continue to provide the bi-monthly legal clinic in the Musselburgh premises through LawWorks Scotland and delivered on a pro bono basis by the staff of Sheppard and Wedderburn [S&W]. The contract with LawWorks is due to end and the service will be continued by S&W. We deliver a monthly energy clinic through Changeworks and a weekly PensionWise clinic on Friday afternoons.

We were approached by the Port Seton Trust with a request to pilot a new outreach clinic based in the Port Seton Community Centre for a 3-month period. 2 quarterly reports have now been issued and the funding extended to December 2019 when a further review will take place.

We now deliver a fortnightly outreach clinic from Musselburgh Job Centre and are gradually building stronger links with jobcentre management and staff which will enable a more effective partnership when supporting mutual clients.

As part of CAS's new membership requirements, we have completed five quarters of the quarterly Quality of Advice Assessment for all Scottish CAB. Musselburgh CAB has achieved full compliance for four of the five assessments.

#### **Financial Review**

The results for the period are set out in the Statement of Financial Activities on page 9.

- **Principal Funding Sources**

Our core/main grant, which was the result of the successful tender from East Lothian Council [ELC] by Musselburgh and Haddington CABx, is managed by East Lothian Advice Consortium [ELAC]. Funding was also secured from, Citizens Advice Scotland for additional Debt [Welfare Reform Mitigation] the Scottish Legal Aid Board [CABEL project], the Horizons Recovery Café for recovery related Outreach work and The Women's Fund for the Criminal Justice Project, the Port Seton Centre for fortnightly outreach clinics, Citizens Advice Scotland and the Musselburgh Area Partnership for the Financial Health Check project. Other funders approached for specific projects include:

- CAS [PensionWise]
- CAS [Patient Advice and Support Project]

The ELAC contract is up for renewal at the end of December 2019 and the ELAC board is currently in negotiation with ELC for a new contract for services as outline in a 'Proposed Specification'. ELC has launched the invitation to tender for the East Lothian Advice Service contract for 2020 to 2023, with a projected 33% cut to the contract.

The SLAB 'CABEL' project ended as at the 31 March 2019 after 5 years of funding and is a significant loss to the local community and to Musselburgh CAB. Attempts are being made by the Board to find alternative funding.

## **MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO**

### **Report of the Trustees for the year ended 31 March 2019**

#### **Financial Review (continued)**

An application has been made [June 2019] to the Robertson Trust and to KPE4 for funding to mitigate the loss of the SLAB funding and the known ELAC funding cuts.

- **Reserves Policy**

The reserves policy recommended and approved by the Board of Management in October 2005 was that of a minimum of 3 months running costs to be held in reserve. Based on current expenditure levels, the amount required to cover 3 months is £91,910. As at 31 March 2019, the charity had general reserves of £119,095, which is above the target level.

- This year we have a deficit of £18,709 in the accounts. This is due to various reasons. £7,871 of this is as a result of a 3% increase in staff salaries, £4,000 has been spent on refurbishments in the year and £1,440 has been spent on staff travel but has not yet been repaid by Access to Work. £2,018 of the deficit is due to amounts being spent to fund the Horizon project but income not yet received in the year. Similarly, there is a further £199 that has been spent on the PASS project, but income not yet received in the year and £1,923 that has been spent on Port Seton outreach service, but no income has been received in the year. £2,000 of the deficit has been spent on Outreach ELC where the income was received in the prior year.

#### **Plans for Future Periods**

We have submitted funding applications to the Robertson Trust and to KPE4 to mitigate any losses resulting from the funding cuts outlined in ELCs Proposed Specification and the loss of the SLAB project and will look to submit further applications to relevant funders.

We deliver the new CAS HelpToClaim project in the form of Multichannel and Face2Face advice, contributing to the delivery of the National telephony and web chat CAB service. We would like to further develop this service to include the delivery of a National Generalist telephone and webchat advice line.

We have a partnership application with the Edinburgh College and Children 1<sup>st</sup> to deliver a package of tailored support to those children and families most in need within the Musselburgh ward in the Musselburgh Total Place Project. We are awaiting the outcome of this application.

We aim to further strengthen our Board of Trustees to ensure that the service continues to be a well governed and fully compliant Citizens Advice Bureau.



## MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO

Report of the Trustees for the year ended 31 March 2019

### Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:

Name:



Date:

03/11/19

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF MUSSELBURGH AND DISTRICT CITIZENS ADVICE BUREAU SCIO FOR THE YEAR ENDED 31 MARCH 2019**

I report on the accounts of the charity for the year ended 31 March 2019, which are set out on pages 9 to 21.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

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

### **Independent examiner's statement**

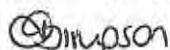
In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respects the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Jenny Simpson BSc (Hons) FCA DChA  
**Wylie & Bisset LLP**  
Chartered Accountants  
168 Bath Street  
Glasgow  
G2 4TP

Date: 7 November 2019

**MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2019**  
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
<b>Income and endowments from:</b>							
Donations and legacies	4	233,595	-	233,595	235,595	-	235,595
Charitable activities	5	25,931	89,364	115,295	3,083	112,438	115,521
Investments	6	40	-	40	13	-	13
<b>Total Income</b>		<b>259,566</b>	<b>89,364</b>	<b>348,930</b>	<b>238,691</b>	<b>112,438</b>	<b>351,129</b>
<b>Expenditure on:</b>							
Charitable activities	8	269,972	97,667	367,639	238,909	135,581	374,490
<b>Total Expenditure</b>		<b>269,972</b>	<b>97,667</b>	<b>367,639</b>	<b>238,909</b>	<b>135,581</b>	<b>374,490</b>
<b>Net (expenditure) for the year</b>		<b>(10,406)</b>	<b>(8,303)</b>	<b>(18,709)</b>	<b>(218)</b>	<b>(23,143)</b>	<b>(23,361)</b>
Transfers between funds		981	(981)	-	-	-	-
<b>Net movement in funds</b>		<b>(9,425)</b>	<b>(9,284)</b>	<b>(18,709)</b>	<b>(218)</b>	<b>(23,143)</b>	<b>(23,361)</b>
<b>Funds reconciliation</b>							
Total Funds brought forward	17	132,189	11,881	144,070	132,407	35,024	167,431
<b>Total Funds carried forward</b>	<b>17</b>	<b>122,764</b>	<b>2,597</b>	<b>125,361</b>	<b>132,189</b>	<b>11,881</b>	<b>144,070</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

## BALANCE SHEET AS AT 31 MARCH 2019

	Note	2019 £	2018 £
<b>Fixed assets:</b>			
Tangible assets	12	<u>3,669</u>	<u>2,503</u>
<b>Current assets:</b>			
Debtors	14	2,368	51
Cash at bank and in hand		<u>130,887</u>	<u>147,783</u>
<b>Total Current assets</b>		<u>133,255</u>	<u>147,834</u>
<b>Liabilities:</b>			
Creditors falling due within one year	15	<u>(11,563)</u>	<u>(6,267)</u>
<b>Net Current assets</b>		121,692	141,567
<b>Net assets</b>		<u>125,361</u>	<u>144,070</u>
<b>The funds of the charity:</b>			
Unrestricted funds	17	122,764	132,189
Restricted funds	17	2,597	11,881
<b>Total charity funds</b>		<u>125,361</u>	<u>144,070</u>

Approved by the trustees and signed on their behalf by:

Name: ANDREW DUNCAN

Date: 31 OCTOBER 2019



Name:

Oge Melnyk

Date:

03/11/19





## MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

#### 1. Accounting Policies

##### (a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. However, trustees acknowledge that there are uncertainties of the funding from the main funder, East Lothian Advice Consortium Limited, from 01 April 2020. A decision on whether the charity will receive funding for 2020/21 is not expected until December 2019. The trustees are actively contingency planning to source alternative sources of funding. The trustees acknowledge that if however, there is a reduction in the funding from East Lothian Advice Consortium then there will have to be a material reduction in the service provided.

##### (b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 17.

##### (c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the SCIO has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.



## MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

#### 1. Accounting Policies (continued)

##### (c) Income recognition (continued)

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 16).

##### (d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

- Expenditure on charitable activities includes expenditure undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

##### (e) Allocation of governance costs

Governance costs have been directly allocated to the cost of charitable activities.

##### (f) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged as follows:

	Basis
Equipment	25% reducing balance

##### (g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### (h) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### (i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## **MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **1. Accounting Policies (continued)**

##### **(j) Pensions**

The charity pays contributions of 7% into employee's personal pension schemes. Details of the contributions are included within note 9.

The SCIO has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

##### **(k) Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **(l) Operating leases**

Rental charges for property are charged on a straight-line basis over the term of the lease.

##### **(m) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **(n) Taxation**

The SCIO is a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

##### **(o) Investments**

The charity's investment in the joint venture is included within the accounts at cost less provision for any impairment.

#### **2. Legal status of the Charity**

The Charity is a registered Scottish Charitable Incorporated Organisation.

#### **3. Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2018: £nil). No expenses were reimbursed to or waived by trustees during the year (2018: £nil). One trustee donated two amounts during the year totalling £90 (2018: £nil).

During the year no trustee had any personal interest in any contract or transaction entered into by the charity (2018: none).

# MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

### 4. Income from donations and legacies

	2019 £	2018 £
Cruden Foundation Limited	500	500
East Lothian Advice Consortium	233,095	235,095
	<u>233,595</u>	<u>235,595</u>

### 5. Income from charitable activities

	2019 £	2018 £
Advice services	115,295	115,521
	<u>115,295</u>	<u>115,521</u>

### 6. Investment income

	2019 £	2018 £
Interest on cash deposits	40	13
	<u>40</u>	<u>13</u>

### 7. Allocation of governance

Governance costs:	2019 £	2018 £
Independent Examiners remuneration	993	1,149
	<u>993</u>	<u>1,149</u>

# MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

### 8. Analysis of expenditure on charitable activities

	Advice Services £	2019 Total £	2018 Total £
Staff costs (note 9)	287,052	287,052	273,502
Recruitment expenses	1,730	1,730	2,329
Rent & Rates	18,449	18,449	18,626
Heat & Light	87	87	2,511
Printing postage & stationery	10,061	10,061	7,502
Telephone & IT	3,892	3,892	5,418
Repairs & maintenance	3,496	3,496	45,311
Premises costs	2,297	2,297	3,261
Volunteer costs	2,197	2,197	1,878
Staff expenses	3,468	3,468	3,007
Travel expenses	10,710	10,710	-
Insurance	1,203	1,203	1,147
Subscriptions	1,233	1,233	1,287
General expenses	2,830	2,830	879
Staff & Volunteer training	1,015	1,015	1,058
Professional expenses	516	516	355
Information resources	150	150	-
Cleaning	899	899	186
Subsistence	1,702	1,702	1,262
Office Equipment	11,962	11,962	2,958
Loss on disposal of FA	474	474	-
Miscellaneous Purchases	-	-	30
Depreciation	1,223	1,223	834
Governance costs (note 7)	993	993	1,149
	<u>367,639</u>	<u>367,639</u>	<u>374,490</u>

### 9. Analysis of staff costs and remuneration of key management personnel

	2019 £	2018 £
Salaries and wages	255,203	240,984
Social security costs	16,690	16,837
Employer contributions to defined contribution pension schemes	15,159	15,681
Total staff costs	<u>287,052</u>	<u>273,502</u>
Key Management Personnel Remuneration		
Salaries and wages	40,308	38,321
Social security costs	4,400	4,162
Employer contributions to defined contribution pension schemes	2,822	2,683
	<u>47,530</u>	<u>45,166</u>

The charity made £15,159 of contributions to employee's personal pension schemes (2018: £15,681). For more information about the pension contributions refer to note 1(j).

No employees had employee benefits in excess of £60,000 (2018: Nil).



# MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

### 9. Analysis of staff costs and remuneration of key management personnel (continued)

	2019 No.	2018 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	15	12

### 10. Net income/(expenditure) for the year

	2019 £	2018 £
This is stated after charging:		
Depreciation	1,223	834
Independent Examiners remuneration	993	1,149

### 11. Government Grants

Income from government grants comprises:

Scottish Legal Aid Board – £48,915 (2018: £49,765) was received for Making Advice Work programme. The grant was fully expended during the year.

ELC Partnership Refurbishment - £nil (2018: £10,000) was received for the Office Refurbishment Project that was started in 2016 and originally funded by CAS Development.

ELC Common Good Refurbishment – £nil (2018: £9,999) was received for the Office Refurbishment Project that was started in 2016 and originally funded by CAS Development.

ELC Partnership Outreach - £nil (2018: £2,000) was received to help fund rent on office outreach. The £2,000 carried forward from the prior year grant carried forward was fully expended this year.

### 12. Tangible Fixed Assets

	Equipment £	Total £
At 1 April 2018	11,626	11,626
Additions	2,864	2,864
Disposals	(1,124)	(1,124)
At 31 March 2019	13,366	13,366
At 1 April 2018	9,123	9,123
Charge for the year	1,223	1,223
Charge on disposals	(649)	(649)
At 31 March 2019	9,697	9,697
At 31 March 2018	2,503	2,503
At 31 March 2019	3,669	3,669



## MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

#### 13. Investments

On 9th October 2015, the charity entered into a joint venture with Haddington Citizens Advice Bureau to form East Lothian Advice Consortium, a company limited by guarantee registered in Scotland. Musselburgh Citizen's Advice Bureau and Haddington Citizens Advice Bureau are both members of the joint venture. The cost of the investment is £nil. The most recent accounts for the joint venture were prepared to the period ended 31st October 2018. The company had a profit of £nil (2018: £nil) for the year. The company had net assets of £nil (2018: £nil).

#### 14. Debtors

	2019 £	2018 £
Accrued income	2,255	-
Prepayments	113	51
	<u>2,368</u>	<u>51</u>

#### 15. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	465	-
Other creditors and accruals	1,352	1,369
Deferred income (Note 16)	4,586	-
Taxation and social security costs	5,160	4,898
	<u>11,563</u>	<u>6,267</u>

#### 16. Deferred income

	2019 £	2018 £
Balance as at 1 April 2018	-	1,835
Amount released to income earned from charitable activities	-	(1,835)
Amount deferred in year	4,586	-
Balance as at 31 March 2019	<u>4,586</u>	<u>-</u>

Deferred income in the current year relates to a 2019/20 grant received in advance.

**MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**17. Analysis of charitable funds**

<b>2018 Analysis of Fund movements</b>	<b>As restated Balance b/fwd £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>2018 Fund c/fwd £</b>
<b>Unrestricted funds</b>					
Fixed Assets	2,779	558	(834)	-	2,503
<b>Total designated funds</b>	2,779	558	(834)	-	2,503
General funds	129,628	238,133	(238,075)	-	129,686
<b>Total unrestricted funds</b>	132,407	238,691	(238,909)	-	132,189
<b>Restricted funds</b>					
CAS Development Fund	24,324	8,722	(26,646)	-	6,400
CAS Financial Health Check Grant	-	1,835	(1,835)	-	-
CAS Mitigation Welfare	-	8,074	(8,074)	-	-
Crudens Refurbishment	-	500	(500)	-	-
ELC Common Good Refurbishment	-	9,999	(9,999)	-	-
ELC Partnership Outreach	-	2,000	-	-	2,000
ELC Partnership Refurbishment	-	10,000	(10,000)	-	-
Horizon Café	-	8,062	(8,062)	-	-
PASS	-	981	-	-	981
Pension Wise	-	2,500	(2,500)	-	-
Robertson Trust	10,500	-	(10,500)	-	-
Santander	200	-	(200)	-	-
Scottish Legal Aid Board	-	49,765	(49,765)	-	-
Women's Fund	-	10,000	(7,500)	-	2,500
<b>Total restricted funds</b>	35,024	112,438	(135,581)	-	11,881
<b>TOTAL FUNDS</b>	167,431	351,129	(374,490)	-	144,070

# MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

### 17. Analysis of charitable funds (continued)

2019 Analysis of Fund movements	2018 Balance b/fwd £	Income £	Expenditure £	Transfers £	2019 Fund c/fwd £
<b>Unrestricted funds</b>					
Fixed Assets	2,503	-	(1,698)	2,864	3,669
<b>Total designated funds</b>	2,503	-	(1,698)	2,864	3,669
General funds	129,686	259,566	(268,274)	(1,883)	119,095
<b>Total unrestricted funds</b>	132,189	259,566	(269,972)	981	122,764
<b>Restricted funds</b>					
CAS Development Fund	6,400	-	(3,803)	-	2,597
CAS Mitigation Welfare	-	8,074	(8,074)	-	-
CAS Scottish Gov Debt	-	5,438	(5,438)	-	-
CORRA Foundation	-	5,000	(5,000)	-	-
ELC Partnership Outreach	2,000	-	(2,000)	-	-
Horizon Café	-	8,223	(8,223)	-	-
PASS	981	797	(797)	(981)	-
Pension Wise	-	2,917	(2,917)	-	-
Scottish Legal Aid Board	-	48,915	(48,915)	-	-
Women's Fund	2,500	10,000	(12,500)	-	-
<b>Total restricted funds</b>	11,881	89,364	(97,667)	(981)	2,597
<b>TOTAL FUNDS</b>	144,070	348,930	(367,639)	-	125,361

- a) The unrestricted funds are available to be spent for any of the purposes of the charity.

The designated fund for fixed assets represents the value of the charity's unrestricted funds that are tied up in fixed assets.

- b) Restricted funds comprise:

CAS Development Fund - For office refurbishment.

CAS Financial Health Check Grant - Funding to Launch and deliver a report on any financial issues affecting clients due to the government's new Universal Credit system.

CAS Mitigation Welfare - For additional Welfare Reform project.

CAS Scottish Government Debt Grant - Short term funding to help with the transitional period since losing Scottish Legal Aid Board (SLAB) funding.

CORRA Foundation - Towards the increased hours of the part-time volunteer support officer to deliver the Buddy Project.

Crudens Refurbishment / ELC Common Good / ELC Partnership Refurbishment - All 3 funders have funded the Office Refurbishment Project that was started in 2016 and originally funded by CAS Development. Additional funding for 2017-18 was required to complete the project.

## MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

#### 17. Analysis of charitable funds (continued)

b) Restricted funds comprise (continued):

ELC Partnership Outreach - To deliver a Financial Capability outreach clinic in Aldhammer House in Prestonpans, 1 day per week, to help clients with personal budgeting.

Horizon Recovery Café - Outreach project for recovering addicts.

PASS - Provides free, confidential information, advice and support to anyone who uses the NHS Scotland.

Pension Wise - The Government's free, impartial retirement guidance service that's open to everyone seeking information about defined contribution pension options.

Robertson Trust - Restricted money towards the costs of a Session Supervisor and buddy project.

Santander - Refund of income for the Business Enterprise programme.

Scottish Legal Aid Board - Income for the Making Advice Work programme.

Women's Fund - Project aims to work with women who have been involved in the criminal justice system to reduce recidivism rates by increasing financial literacy and awareness of rights and responsibilities.

c) Transfers comprise:

Fixed assets – Transfer from general funds to the fixed asset designated fund relates to the fixed asset addition in the year.

PASS – Transfer from restricted funds to unrestricted funds relates to restricted expenditure from the prior year.

#### 18. Net assets over funds

2018	Unrestricted Funds £	Restricted Funds £	Total 2018 £
Fixed assets	2,503	-	2,503
Debtors	51	-	51
Bank & Cash	135,902	11,881	147,783
Creditors due < 1 year	(6,267)	-	(6,267)
	<u>132,189</u>	<u>11,881</u>	<u>144,070</u>

**MUSSELBURGH & DISTRICT CITIZENS ADVICE BUREAU SCIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

**18. Net assets over funds (continued)**

2019	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Fixed assets	3,669	-	3,669
Debtors	113	2,255	2,368
Bank & Cash	125,959	4,928	130,887
Creditors due < 1 year	(6,977)	(4,586)	(11,563)
	<u>122,764</u>	<u>2,597</u>	<u>125,361</u>

**19. Lease Commitments**

At the balance sheet date, amounts due under operating lease commitments for equipment were as follows:

	2019 £	2018 £
Lease commitments falling due within 1 year	600	750
Lease commitments falling due in more than 1 year but less than 5 years	1,050	1,650
	<u>1,650</u>	<u>2,400</u>