

**Charity Registration No. 700314**

**Company Registration No. 02228358 (England and Wales)**

**Leeds Citizens Advice Bureau**

**(Citizens Advice Leeds)**

**Annual Report And Financial Statements**

**For The Year Ended 31 March 2021**

# LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Isobel Mills Alison Lowe Nigel John Turner Richard Balfe Rebecca Dearden Ryk Downes Ian Lawson Kenneth Patterson Susan Samuel	(Chair) (Vice Chair) (Treasurer)    (resigned 25 November 2020)
<b>Key Management Personnel</b>	Dianne Lyons Badamkhand Palmer Ed Browne Ann Richardson Greaves	Chief Executive Finance Manager (from September 2021) Finance Director (until September 2021) Operations Director (until April 2021)
<b>Company secretary</b>	D Lyons	
<b>Charity number</b>	700314	
<b>Company number</b>	02228358	
<b>Registered office</b>	Oxford House Oxford Row Leeds LS1 3BE	
<b>Auditor</b>	Garbutt & Elliott Audit Limited 33 Park Place Leeds LS1 2RY	
<b>Bankers</b>	Unity Trust Bank plc 4 Brindleyplace Birmingham B1 2HB	

---

# LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) CONTENTS

---

	<b>Page</b>
Chair's introduction	1
Trustees' report	2 - 7
Statement of Trustees' responsibilities	8
Independent auditor's report	9 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 33

---

# **LEEDS CITIZENS ADVICE BUREAU**

## **(CITIZENS ADVICE LEEDS)**

### **CHAIR'S INTRODUCTION**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

---

Citizens Advice Leeds has a long and proud history of helping people with their problems. When we celebrated our 80th Anniversary in 2019, none of us could have imagined for a moment that 2020 would be a year of such turbulence, with, over the course of the pandemic, grief and loss marching in lockstep with dedication, innovation – and even hope.

Every aspect of the Citizens Advice Leeds service has been tested, from communications to performance management, from governance to collaboration, from the welfare of staff to simple, practical things like collecting post! We knew it was crucial from the outset of the Covid crisis to establish and sustain a new kind of rhythm, that of delivering digitally, and I am immensely grateful to all staff and volunteers for their resilience, their unceasing commitment to serving Leeds people and communities, and for the creative approaches they have all brought to getting the job done.

The report that follows sets out our achievements this year and our ambitions for the future which, despite the challenges of 2020, remain undimmed. A few key points from the current year are worth highlighting:

- Even with the suspension of face to face advice services we have continued to assist thousands of service users with nearly 23,000 people assisted through telephone and digital services.
- Over £2.5 million was generated for clients through benefits advice, recovery of compensation and other advice, an average of £109 per client.
- 32% of clients who have accessed services this year were from Black, Asian or minority ethnic backgrounds.
- 41% of clients identify as having a long-term health condition.

For all its difficulties, this has been a year rich in learning. Moving forward as an organisation, we have identified a number of operational themes that will frame our near and longer-term thinking and planning. At the operational level:

- The enforced switch to provision of support via digital channels has been transformational, but we need to ensure the transformation “sticks”. This means not only helping advisers to thrive on new ways of working but also ensuring that our commitments to inclusion and accessibility are built in to them.
- Diversification of funding, never far from the minds of Trustees, will be vital. Leeds City Council has been steadfast in its financial and political support for the organisation throughout the pandemic, but we know that public funding will come under pressure and that several nationally funded projects will be re-tendered in 2021.
- This has also been the best of times to be part of a national membership organisation, and we have benefited greatly from Citizens Advice’s reach and support during this year.

In terms of strategy, this year has taught us three things. They are not new. It is rather that Covid has shone a much brighter light on all of them:

- The unequal impacts of the pandemic – on the economy and on the social fabric of communities - is certain to mean we will be dealing with more clients, with different demographics, and with problems that are more acute, starker, and that have more profound consequences.
- Equality, diversity, and inclusion need to be embedded in everything we do. The best organisations are not satisfied with disavowing racism, but drive forward anti-racist policies and practices. We want to be among the best and are developing measures to hold ourselves accountable to the communities we serve.
- We remain fiercely committed to face to face services and will reintroduce them as quickly as we can while adhering to the most rigorous Covid-secure standards. We understand completely that re-introduce does not mean do exactly as we used to. Far from it. Our new premises give us the perfect opportunity to revision this crucial, and special, channel of engagement.

We contemplate this revisioning, and, indeed, all that the next few years may bring, not with trepidation but with confidence.

**Isobel Mills, Chair of Trustees**

---

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

---

## **Report of the Trustees for the Year Ended 31 March 2021**

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 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Reference and Administrative Details**

The Legal and Administrative Information page forms part of this report.

### **Objectives and activities**

The Charity's objects are to promote any charitable purpose for the benefit of the community in the Leeds Metropolitan District and surrounding areas ("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 Leeds seeks to achieve these aims by providing a comprehensive service of information, advice and representation and by working to achieve policy change for the benefit of those in greatest need. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

As a member of the national Citizens Advice service, Citizens Advice Leeds aims to give people the knowledge and the confidence they need to find a way forward - whoever they are and whatever their problem. We provide advice that is free, independent, confidential and impartial; we value diversity, promote equality and challenge discrimination.

Citizens Advice Leeds provides a generalist advice service that covers a wide range of subjects including Benefits, Debt, Employment, Housing, Pensions Guidance and Utilities. We run our services in accordance with the Advice Quality Standard, which we hold at Advice with Casework level. Quality of advice and organisation performance are monitored on an ongoing basis through the Citizens Advice Performance Quality Framework and we are audited annually. We are also regulated by the Financial Conduct Authority in relation to the debt advice we provide.

Our services are available via telephone, online and face-to-face channels. During 2020/21 our face-to-face services have been closed due to the Covid-19 pandemic but in normal circumstances we provide advice sessions at venues across Leeds and Bradford.

### **Public benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

### **Purpose and Values**

Citizens Advice Leeds is working for a fairer society where people are free from the effects of poverty and injustice.

Through our work we bring about changes for individuals, families and communities:

- We help people on low incomes to achieve better living conditions through increased income, better housing and improved health and wellbeing.
- We help people to fight back against discrimination, abuse and illegal and unfair practices.
- We make connections between individual situations and collective injustice and use our evidence to campaign for policy solutions locally and nationally.

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

---

Our work is underpinned by our commitments to:

- Valuing equality, diversity and inclusion in all aspects of our work.
- Providing advice services that are free to clients and independent of political, religious or other external influences.
- Good governance and robust performance management and financial planning.
- Developing our people and offering opportunities to build a career in the advice sector.
- Encouraging innovation, resourcefulness and collaboration within our organisation and externally.

## **Achievements and performance**

At the start of 2020/21 the world was facing a very uncertain future and we therefore set ourselves just two priorities for the year:

- Maintaining access to advice remained our first priority with the expectation that we would have to make changes to the ways we deliver advice with, for example, an emphasis on telephone and online channels, the introduction of video calls and the development of new initiatives to ensure access for those who may struggle with online communications.
- Protecting the sustainability and resilience of the charity was also a key priority in light of high levels of uncertainty about funding streams.

Our progress in delivering against these priorities is described below.

### **1. Maintaining access to advice**

During 2020/21 60 employees worked with Citizens Advice Leeds to help service users find solutions to their financial, housing, employment and other legal problems. While our face to face services remained closed during the year, we put all our resources into telephone/digital services delivered by staff working from home. We took the decision not to ask volunteers to work from home as we were unable to provide them with the IT equipment or remote supervision needed. This has had an effect on our capacity to answer calls but the diversion of all paid staff to telephone/digital services has partly compensated for that. Our staff have responded fantastically to the challenges of remote working, keeping services open Monday to Friday, 9-5, throughout the year.

Demand for advice has changed throughout the year with enquiries about housing and employment problems increasing while enquiries about benefits and debt issues have fallen for some of the year. The latter may seem counter intuitive, but government measures such as furlough, the increase to Universal Credit and forbearance measures in the benefits system, mean that immediate financial pressure was lessened for many. As those measures are withdrawn however, we expect to see a surge in demand in 2021.

During the year Citizens Advice introduced a freephone number for Adviceline, their nationally co-ordinated telephone advice service. Citizens Advice Leeds and Chapeltown Citizens Advice have been jointly delivering a service through a local number but we agreed that we should make the freephone facility available to Leeds residents. In January 2021 we therefore joined Adviceline but we have a local 0800 number so that our service remains focussed on local residents.

The number of people we've helped this year is below our target of 30,000, due to some of the issues described above, and the absence of volunteers from our workforce. We also saw an increase in the number of enquiries each client was experiencing, which had a knock on effect on client numbers, reflecting the difficult and complex situations that many clients were experiencing.

- We helped 22,899 service users through telephone and digital channels.
- They were helped to find answers to 67,385 enquiries:
  - 42% of enquiries were about Benefits and Tax Credit issues
  - 12% of enquiries were about Debt problems
  - 15% of enquiries were about Employment and Housing problems.

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

---

In the autumn 2020 we underwent our membership audit with Citizens Advice, achieving excellent results across the board for management standards and retaining our Advice Quality Standard Quality Mark at General Help level, with Casework in Benefits, and Telephone Help.

## **2. Building the organisation's sustainability and resilience**

In June 2020 we completed our move to new premises in the city centre. This project took a great deal of preparation during the previous year and we were very pleased to move on schedule despite the obstacles caused by the pandemic. Unfortunately we've not been able to take full advantage of our much improved facilities while staff are continuing to work from home but we're confident that this move will support our other strategic priorities to develop services for clients and enhance our working environment for staff. We're extremely grateful to DLA Piper for providing us with pro bono legal advice in support of this project.

We've also been able to greatly improve our IT infrastructure and equipment during the year, building organisation resilience and supporting flexibility for staff and service users. Our transition to Google Workspace in March 2020 was very timely in enabling us to move immediately to working from home and financial support from the Department for Business, Energy and Industrial Strategy (via Citizens Advice) allowed us to purchase IT equipment to facilitate remote working.

We have been extremely fortunate that our funding has not been reduced in 2020/21 and we've been able to keep all our employees in post. And while costs increased in some areas (IT support for example), savings on office and travel costs have helped us end the year in a positive financial position.

During the year we also took the decision to end our membership of the West Yorkshire Pension Fund (WYPF). The escalating costs of the WYPF scheme and the increasing fund deficit meant we had to reluctantly take this step. Undertaking consultation with staff was challenging in the circumstances and we're grateful to staff for engaging constructively with the process, although we recognise this was a disappointing decision for many. We will move to a defined contributions scheme with The People's Pension from 31 May 2021 with our WYPF scheme being subsumed into the Leeds City Council scheme, under the terms of our guarantee agreement with them. We're grateful to the Council for honouring this agreement which means our financial sustainability is greatly improved.

We remain grateful to our funders who have largely sustained funding levels despite pressures on public spending, particularly Leeds City Council, Leeds Clinical Commissioning Group, the Department for Work and Pensions and the Money and Pensions Service. We've also been able to extend our partnership working with Northern Powergrid and Leeds NHS.

2020/21 has been an exceptionally challenging year for everyone but despite the uncertainties and obstacles that have arisen, Citizens Advice Leeds has come through the year in a strong position.

### **Financial review**

#### **Reserves policy**

Citizens Advice Leeds' reserves policy states that the charity should hold a minimum of 2.7 months' running costs (excluding sub-contracted services) in reserves, while aiming to increase the level of reserves to the equivalent of 6 months' running costs, in the long term. As at 31 March 2021 the charity's unrestricted reserves not held in tangible fixed assets were £403,903 (2020 £466,110) (before taking into account the Pension Reserve Liability) which is equivalent to 4.3 months' unrestricted operating costs (excluding sub-contracted services).

#### **Financial position**

Citizens Advice Leeds has achieved a better than expected year end position, despite the uncertainties that beset us during the year. The statement of financial activities shows a surplus for the year of £268,648. When adjusted for pension scheme payments in the year of £219,000, the operating result is £49,648. This includes exceptional net income of £94,756 in respect of the lease surrender.

Also included within the Financial Statements is a pension scheme gain of £2,635,000 following the charity's exit from the pension scheme at no cost to the charity.

The trustees are confident therefore that the charity has sufficient resources to manage anticipated outgoings in the next year and therefore consider it appropriate to prepare the financial statements on the going concern basis.

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

---

## **Principal funding sources**

Leeds City Council remains the principal funder of Citizens Advice Leeds, representing 58% of total income in 2020/21. 31% of income derived from Citizens Advice to deliver the MaPSDAP, Help to Claim and Pension Wise projects and the remaining 11% of income came from other projects and donations.

We are very grateful to all those funders who have supported Citizens Advice Leeds' work in 2020/21:

- Leeds City Council
- Money and Pensions Service
- Department for Work and Pensions
- Leeds Clinical Commissioning Group
- Northern Powergrid
- Leeds Cares charity
- Dept for Business Energy and Industrial Strategy

We are also grateful to all those individuals and organisations who have made donations during the year and to local firms that have provided pro bono services or other support in kind.

## **Investment policy and objectives**

The investment policy of the organisation is to adopt a low risk strategy with liquid resources being invested in deposit accounts and this policy is reviewed annually.

### **Aims and Objectives for 2021/22**

As 2021/22 begins, the rollout of Covid-19 vaccines is giving cause for some optimism about the future. Citizens Advice Leeds has come through the past year in a good position, having taken steps to improve our facilities and infrastructure, and to address what was our greatest financial risk, membership of the West Yorkshire Pension Fund. Funding for 2021/22 has been confirmed with little reduction, which is an excellent position to be in but funding beyond that year is less reliable. The Money and Pensions Debt Advice Project and Help to Claim are both expected to go out to tender during 2021, as could Pension Wise, with our Northern Powergrid project due to end in September 2021. All of this means that strengthening organisation sustainability remains a key priority for us so that we can continue to provide the advice services that are needed by local people. This and our other objectives for the year are summarised below.

#### 1. Strengthen the organisation's financial sustainability:

- As part of the national Citizens Advice network, work with colleagues to ensure we are well placed to be successful in national service tenders.
- Secure new income streams to a value of at least £200k p.a.
- Work towards meeting the criteria to bid for Legal Aid Contracts

#### 2. Strengthen service delivery:

- Build on learning from the past year to further develop telephone/digital services.
- Re-open face to face services that meet service user needs.
- Build casework capacity in social welfare law.

#### 3. Manage the organisation's resources to ensure services meet accreditation standards and contract KPI's, while providing a positive working environment for all:

- Develop trainee support programmes.
- Increase opportunities for career development through specialist advice and management training.
- Renew the organisation's Equality, Diversity and Inclusion Strategy.

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

---

## **Structure, governance and management**

### **Governing document**

Leeds Citizens Advice Bureau is a charitable company. The charity was registered on 16 June 1988, number 700314 and the company was incorporated on 1 March 1988, number 2228358. The Charity is constituted as a company limited by guarantee, and is therefore governed by Articles of Association, which were updated as of 27 November 2012.

The members of the Charity are the current Trustees as named on the Legal and Administrative Information page. The maximum liability of each member is limited to £1. At 31 March 2021 the Charity had 8 members.

From December 2015 Leeds CAB adopted the operating name 'Citizens Advice Leeds'.

### **Trustee Board**

The Charity is governed through a Trustee Board, which has a maximum of 15 members and a minimum of 3, being either:

- Elected at the AGM (up to 10); or
- Co-opted (provided that on appointment the total number of co-opted trustees does not exceed one third of the total number of trustees).

The Directors and Trustees who have held office during the year are set out on the Legal and Administrative Information page. Trustees shall retire from office at the third Annual General Meeting following the Annual General Meeting at which they were elected, and are eligible for re-appointment.

### **Recruitment and appointment of Trustees**

Procedures for electing/appointing trustees are set out in the Articles of Association. The Charity wishes its Trustee Board to be representative of the local communities it serves, as well as containing the range of skills necessary to provide leadership and good governance. To that end the Charity advertises to fill any vacancies on the Board from time to time and Trustees are selected through an open recruitment process.

All trustees give their time voluntarily. Any expenses reclaimed by trustees from the charity are set out in note 10 to these accounts.

### **Organisational structure**

The Trustee Board is responsible for the strategic direction of the Charity and its policy, planning and finances. The Trustees carry ultimate responsibility for ensuring that the Charity meets its legal, regulatory and contractual obligations. The Trustee Board meets at least six times a year and delegates day-to-day running of the organisation to the Chief Executive and senior managers.

### **Trustee induction and training**

New trustees are provided with an induction pack containing information about the Charity, the work it carries out and the national Citizens Advice network and induction meetings are held with the Chair of the Trustee Board and the Chief Executive.

Trustees are also invited to attend training and conferences run by Citizens Advice at regional and national levels.

### **Related parties**

Citizens Advice Leeds is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux. Citizens Advice Leeds has entered into a Membership Agreement with Citizens Advice, which requires it to meet certain standards in its service provision and organisational management. The Organisation pays fees to Citizens Advice, for which it receives a range of services, including information resources, electronic case recording facilities and management consultancy. All local Citizens Advice have voting rights at Citizens Advice annual general meeting.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**Risk management**

Citizens Advice Leeds holds a risk register and systems are put in place to mitigate those risks. Having exited membership of the West Yorkshire Pension Fund the most significant risks remaining are potential failure to retain existing funding, or to secure new sources of income. Citizens Advice Leeds is in a comparatively fortunate position in not being reliant on fundraising income and does not anticipate an immediate threat to its income in 2021. Looking further ahead however, the charity's dependence on public funding to support its work, could lead to reduced income in future years.

Income and expenditure is monitored regularly and reviewed quarterly by the Directors and Trustees in line with the approved budget, to identify trends as part of the risk management process and avoid unforeseen calls on reserves.

**Auditor**

Garbutt & Elliott Audit Limited have indicated their willingness to be reappointed at the annual general meeting.

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

.....

Nigel Turner

Dated: .....

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

---

The trustees (who are also the directors of Leeds Citizens Advice Bureau 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 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.

# LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEEDS CITIZENS ADVICE BUREAU

---

## Opinion

We have audited the financial statements of Leeds Citizens Advice Bureau (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of 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.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEEDS CITIZENS ADVICE BUREAU**

---

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable company's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF LEEDS CITIZENS ADVICE BUREAU**

---

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable company to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular the risk that income is recognised in the wrong reporting period; and
- subjective accounting estimates

Both fraud risks arise due to a potential desire to present weaker results due to an incentive to obtain further funding.

As required by auditing standards we also identified and addressed the risk of management override of controls. We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias;
- testing the recognition of income and in particular that it was appropriately recognised or deferred; and
- testing the control environment around cash takings, including segregation of duties and daily cash reconciliations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF LEEDS CITIZENS ADVICE BUREAU**

---

**Use of our report**

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

**Laura Masheder (Senior Statutory Auditor)**  
**for and on behalf of Garbutt & Elliott Audit Limited**

.....

**Chartered Accountants**  
**Statutory Auditor**

33 Park Place  
Leeds  
LS1 2RY

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted general	Unrestricted pension reserve	Restricted	Total	Total
	Notes	2021 £	2021 £	2021 £	2021 £	2020 £
<b>Income from:</b>						
Donations and legacies		-	-	-	-	1,320
Charitable activities	3	1,562,854	-	898,432	2,461,286	2,394,092
Investments		3,020	-	-	3,020	1,500
Exceptional item - lease surrender	4	150,000	-	-	150,000	-
<b>Total income</b>		<b>1,715,874</b>	<b>-</b>	<b>898,432</b>	<b>2,614,306</b>	<b>2,396,912</b>
<b>Expenditure on:</b>						
Charitable activities	5	1,615,852	-	893,562	2,509,414	2,377,091
Exceptional item - property relocation costs	4, 5	55,244	-	-	55,244	-
Net pension scheme credit/cost	5	-	(219,000)	-	(219,000)	324,000
<b>Total charitable expenditure</b>		<b>1,671,096</b>	<b>(219,000)</b>	<b>893,562</b>	<b>2,345,658</b>	<b>2,701,091</b>
<b>Net income/(expenditure) for the year</b>		<b>44,778</b>	<b>219,000</b>	<b>4,870</b>	<b>268,648</b>	<b>(304,179)</b>
<b>Other recognised gains and losses</b>						
Actuarial (loss)/gain on defined benefit pension schemes	18	-	-	-	-	373,000
Exceptional gain on exit from defined benefit pension scheme	11	-	2,635,000	-	2,635,000	-
<b>Net movement in funds</b>		<b>44,778</b>	<b>2,854,000</b>	<b>4,870</b>	<b>2,903,648</b>	<b>68,821</b>
Fund balances at 1 April 2020		540,762	(2,854,000)	4,519	(2,308,719)	(2,377,540)
<b>Fund balances at 31 March 2021</b>		<b>585,540</b>	<b>-</b>	<b>9,389</b>	<b>594,929</b>	<b>(2,308,719)</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure, excluding the exceptional income and expenditure, derive from continuing activities

The notes on pages 16-33 comprise part of these financial statements.

A fully detailed Statement of Financial Activities for the year ended 31 March 2020 is shown at note 27.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
BALANCE SHEET  
AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12		5,832		6,480
Tangible assets	13		175,805		68,172
			<u>181,637</u>		<u>74,652</u>
<b>Current assets</b>					
Debtors	14	38,096		27,383	
Cash at bank and in hand		598,629		668,446	
			<u>636,725</u>	<u>695,829</u>	
<b>Creditors: amounts falling due within one year</b>	15	(223,433)		(225,200)	
Net current assets			413,292		470,629
<b>Total assets less current liabilities</b>			<u>594,929</u>		<u>545,281</u>
<b>Pension scheme liability</b>	17		-		(2,854,000)
<b>Net assets/(liabilities)</b>			<u>594,929</u>		<u>(2,308,719)</u>
<b>Income funds</b>					
Restricted funds	19		9,389		4,519
Unrestricted funds - pension reserve	17		-		(2,854,000)
Unrestricted fund - building fund			5,835		5,835
Unrestricted funds - general			579,705		534,927
			<u>594,929</u>		<u>(2,308,719)</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Trustees on .....

.....  
Nigel John Turner  
**Trustee & Treasurer**

**Company Registration No. 02228358**

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25		44,598		68,849
<b>Investing activities</b>					
Purchase of intangible assets		-		(6,480)	
Purchase of tangible fixed assets		(117,435)		(68,172)	
Interest received		3,020		1,500	
<b>Net cash used in investing activities</b>			<b>(114,415)</b>		<b>(73,152)</b>
<b>Net decrease in cash and cash equivalents</b>			<b>(69,817)</b>		<b>(4,303)</b>
Cash and cash equivalents at beginning of year			668,446		672,749
<b>Cash and cash equivalents at end of year</b>			<b>598,629</b>		<b>668,446</b>

# **LEEDS CITIZENS ADVICE BUREAU (CITIZENS ADVICE LEEDS) NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

---

## **1 Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### **Charity information**

Leeds Citizens Advice Bureau is a private company limited by guarantee incorporated in England and Wales and is a charity registered in England and Wales. The registered office is Westminster Buildings, 31 New York Street, Leeds, LS2 7DT.

Each member of the company has undertaken to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is 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 £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Whilst the global economy has been significantly impacted by the COVID-19 virus, the charity still has reserves sufficient to meet its immediate requirements. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The balance sheet shows net assets at the year end of £598,490 (2020 net liabilities of £2,308,719) however the prior year includes the pension scheme liability of £2,854,000, which when excluded leaves net assets of £545,281.

The 2021 financial statements report the charity's exit from the defined benefit pension scheme, which creates a net asset position for 2021 compared to the 2020 net liability position.

### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

### **1.4 Income**

Income is recognised in the Statement of Financial Activity ("SoFA") when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SoFA in the period in which they are receivable.

The value of services provided by volunteers is not included.

Trading and investment income is accounted for on an accruals basis.

Where income is received specifically for expenditure in a future accounting period that amount is deferred.

The value of donated assets and services is recognised as income at the fair value of the gift in the period the donated assets were received.

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

**1.5 Expenditure**

Expenditure, which includes attributable VAT which cannot be recovered, is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them.

Governance costs, included in support costs, include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements and are allocated to charitable activities.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.

**1.6 Intangible fixed assets other than goodwill**

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Individual assets costing more than £5,000 are capitalised.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	20% straight line
----------	-------------------

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

**1.7 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Individual assets costing more than £5,000 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Straight line over the life of the lease
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.11 Taxation**

Leeds Citizens Advice Bureau is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

**1.12 Employee benefits**

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.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Accounting policies**

**(Continued)**

**1.13 Retirement benefits**

During the year the charity was a participating employer in the West Yorkshire Pension Fund, a defined benefit scheme which was closed to new members, at rates set by the scheme's actuaries. As disclosed in note 24 to these financial statements at 31 May 2021 the assets and liabilities of the scheme were formally transferred back to Leeds City Council. At the year end the balance on withdrawal was in surplus accordingly the net gain on the exit from the pension scheme has been taken to the statement of financial activity through actuarial gains/(losses).

The charity contributes to a defined contribution pension scheme for the benefit of its employees. Contributions are charged to the statement of financial activities as they are incurred.

**1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees have judged that the following material estimates or assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

**Critical Judgements**

*Defined benefit pension scheme*

The charity was a member of the West Yorkshire Pension Fund, a multi-employer defined benefit scheme. The charity previously recognised its share of scheme liabilities at fair value based on certain critical assumptions, such as discount rate, mortality and expected rates of return, as calculated by the scheme actuary. The charity formally exited the scheme on 31 May 2021, with discussions for this exit taking place prior to 31 March 2021, and therefore consequently the defined benefit pension scheme liability has been removed from these financial statements. An exit valuation has confirmed that a surplus was present at the date of exit, hence no exit liability has been included within these financial statements in relation to the scheme.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**3 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Leeds Advice Service contract	1,003,463	988,463
Leeds Advice Service contract - sub contracted services	436,300	436,300
Money Advice Service - Debt Advice Project	315,489	312,192
Money Advice Service - Trainee	17,749	-
Day One Outreach Services - Leeds Cares	22,105	21,640
Help to Claim	268,262	257,645
Leeds Clinical Commissioning Group - Outreach service	90,000	90,000
PensionWise	147,144	152,198
Northern Powergrid	125,183	86,784
LCC Social Inclusion Fund	-	21,764
LCC - Financial advice to people with TB in Leeds	2,500	10,000
Other Income	33,091	17,106
	<u>2,461,286</u>	<u>2,394,092</u>
	<u><u>2,461,286</u></u>	<u><u>2,394,092</u></u>
<b>Analysis by fund</b>		
Unrestricted funds - general	1,562,854	1,541,869
Restricted funds	898,432	852,223
	<u>2,461,286</u>	<u>2,394,092</u>
	<u><u>2,461,286</u></u>	<u><u>2,394,092</u></u>

**4 Exceptional income and expenditure**

During the year, the charity vacated its previous property, with a lease surrender incentive of £150,000 paid by the property landlord. The costs expensed directly attributable to the relocation totalled £55,244, therefore an exceptional gain of £94,756 has been recognised during the year. Fixed asset additions capitalised in the year totalled £117,435, significantly all of this capitalised expenditure related to the relocation.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**5 Charitable activities**

	Charitable activities	Exceptional item	Net pension scheme credit/cost	Total	Charitable activities	Net pension scheme credit/cost	Total
	2021	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£	£
Staff costs	1,681,989	-	-	1,681,989	1,586,828	-	1,586,828
Defined benefit pension scheme costs	-	-	-	-	-	524,000	524,000
Defined benefit pension contributions paid	-	-	(219,000)	(219,000)	-	(200,000)	(200,000)
Subcontracted advice work	497,584	-	-	497,584	469,118	-	469,118
Depreciation and impairment	10,450	-	-	10,450	-	-	-
Insurance	6,469	-	-	6,469	6,060	-	6,060
Telephone	25,790	-	-	25,790	9,606	-	9,606
Office expenses, stationery and postage	9,906	-	-	9,906	20,332	-	20,332
Premises	151,835	55,244	-	207,079	136,058	-	136,058
Repairs and maintenance	6,978	-	-	6,978	20,103	-	20,103
Equipment	20,360	-	-	20,360	8,742	-	8,742
Training and conferences	5,243	-	-	5,243	19,740	-	19,740
Interpreting costs	17,080	-	-	17,080	14,272	-	14,272
Information, referencing and subscriptions	15,677	-	-	15,677	15,785	-	15,785
Travel and care expenses	1,431	-	-	1,431	13,470	-	13,470
Professional fees	25,080	-	-	25,080	26,845	-	26,845
Employer related costs and recruitment	5,786	-	-	5,786	2,461	-	2,461
Bank charges	896	-	-	896	890	-	890
	<u>2,482,554</u>	<u>55,244</u>	<u>(219,000)</u>	<u>2,318,798</u>	<u>2,350,310</u>	<u>324,000</u>	<u>2,674,310</u>
Share of support costs (see note 7)	19,061	-	-	19,061	18,766	-	18,766
Share of governance costs (see note 7)	7,799	-	-	7,799	8,015	-	8,015
	<u>2,509,414</u>	<u>55,244</u>	<u>(219,000)</u>	<u>2,345,658</u>	<u>2,377,091</u>	<u>324,000</u>	<u>2,701,091</u>

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**6 Pension costs**

Included within the reported (£219,000) (2020 - £324,000) of defined benefit pension scheme costs are items relating to the defined benefit pension scheme including: Current service cost £404,000 (2020 - £418,000); Past service cost £nil (2020- £39,000) and Interest cost £183,000 (2020 - £67,000).

**7 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	19,061	-	19,061	18,766
Audit fees	-	5,220	5,220	3,885
Accountancy	-	2,220	2,220	2,979
Governance and AGM costs	-	359	359	1,151
	<u>19,061</u>	<u>7,799</u>	<u>26,860</u>	<u>26,781</u>

**8 Auditor's remuneration**

The analysis of auditor's remuneration is as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Audit of annual accounts	4,350	3,885
<b>Non-audit services</b>		
All other non-audit services	1,850	1,835

**9 Trustees**

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year (2020 - none).

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**10 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2021 Number</b>	<b>2020 Number</b>
	60	59
	<u>60</u>	<u>59</u>

**Employment costs**

	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	1,368,217	1,298,959
Social security costs	116,648	106,804
Defined benefit scheme contributions	216,185	199,831
	<u>1,701,050</u>	<u>1,605,594</u>

No employees received emoluments in excess of £60,000 (2020 - no employees).

The key management personnel of the charity have been identified as the Chief Executive, Finance Director and the Operations Director. The aggregate employment benefits, including employer's national insurance and pension contributions, for the key management personnel for the year was £155,146 (2020 - £155,358). The remuneration of these key management personnel is set and reviewed annually by the trustee board.

**11 Other gains or losses**

	<b>2021 £</b>	<b>2020 £</b>
Exceptional gain on exit from defined benefit pension scheme	2,635,000	-
	<u>2,635,000</u>	<u>-</u>

At 31 May 2021 the assets and liabilities of the scheme were transferred back to Leeds City Council. As disclosed in note 23 to the financial statements this has been treated as an adjusting post balance sheet event. Accordingly the gain on the exit from the pension scheme of £2,635,000, which represents the opening liability of £2,854,000 less contributions paid in the year of £219,000, has been recognised as an actuarial gain in the statement of financial activity. An exit valuation has confirmed that a surplus was present at the date of exit, hence no exit liability has been included within these financial statements in relation to the scheme.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**12 Intangible fixed assets**

	<b>Software £</b>
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	6,480
<b>Amortisation and impairment</b>	
At 1 April 2020	-
Amortisation charged for the year	648
At 31 March 2021	648
<b>Carrying amount</b>	
At 31 March 2021	5,832
At 31 March 2020	6,480

**13 Tangible fixed assets**

	<b>Leasehold improvements £</b>	<b>Computers £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2020	57,741	10,431	68,172
Additions	117,435	-	117,435
At 31 March 2021	175,176	10,431	185,607
<b>Depreciation and impairment</b>			
Depreciation charged in the year	8,759	1,043	9,802
At 31 March 2021	8,759	1,043	9,802
<b>Carrying amount</b>			
At 31 March 2021	166,417	9,388	175,805
At 31 March 2020	57,741	10,431	68,172

**14 Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	2,500	16,227
Prepayments and accrued income	35,596	11,156
	38,096	27,383

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**15 Creditors: amounts falling due within one year**

	Notes	2021 £	2020 £
Other taxation and social security		27,574	26,873
Deferred income	16	68,026	83,330
Trade creditors		6,077	28,950
Other creditors		5,278	21,306
Accruals		116,478	64,741
		<u>223,433</u>	<u>225,200</u>

**16 Deferred income**

	2021 £	2020 £
Brought forward	83,330	64,025
Released in the year	(62,437)	(43,133)
Deferred in the year	47,133	62,438
	<u>68,026</u>	<u>83,330</u>

**17 Pension scheme liability**

	Notes	2021 £	2020 £
Retirement benefit obligations	18	-	2,854,000
		<u>-</u>	<u>2,854,000</u>

**18 Retirement benefit schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

At the year end, pension contributions totalling £23,469 (2020 - £21,886) remained unpaid.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**18 Retirement benefit schemes**

**(Continued)**

**Defined benefit schemes**

The West Yorkshire Pension Fund Scheme is funded and is contracted out of the state scheme. The previous tri-annual valuation of the Scheme took place at 31 March 2019 and was undertaken by professionally qualified actuaries, AON Hewitt, using the projected unit credit method. The charity has obtained a valuation of the scheme as at 31 March 2021 and the figures below are based on that valuation.

The fair value of the assets of the charity's share of the scheme at 31 March 2021 was £6,446,000 and the present fair value of the funded liabilities was £10,490,000 leaving a net pension liability of £4,044,000 at 31 March 2021.

At 31 May 2021 the assets and liabilities of the scheme were transferred back to Leeds City Council. As disclosed in note 24 to the financial statements this has been treated as an adjusting post balance sheet event. Accordingly the gain on the exit from the pension scheme of £2,635,000, which represents the opening liability of £2,854,000 less contributions paid in the year of £219,000, has been recognised as an actuarial gain in the statement of financial activity. An exit valuation has confirmed that a surplus was present at the date of exit, hence no exit liability has been included within these financial statements in relation to the scheme.

*Key assumptions*

	<b>2020</b>
	<b>%</b>
Discount rate	2.3
Expected rate of increase of pensions in payment	1.9
Expected rate of salary increases	3.15
Pension accounts revaluation rate	1.9
CPI Inflation	1.9
	<u>          </u>

*Mortality assumptions*

The assumed life expectations on retirement at age 65 are:

	<b>2020</b>
	<b>Years</b>
Retiring today	
- Males	21.8
- Females	24.6
	<u>          </u>
Retiring in 20 years	
- Males	22.5
- Females	25.7
	<u>          </u>

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**18 Retirement benefit schemes**

**(Continued)**

Amounts recognised in the Statement of Financial Activities:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Current service cost	-	418,000
Net interest on defined benefit liability/(asset)	-	67,000
Other costs and income	-	39,000
	<u>          </u>	<u>          </u>
Total costs	<u>          </u>	<u>524,000</u>

Amounts taken to Other Recognised Gains and Losses:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Actual return on scheme assets	-	368,000
Less: calculated interest element	-	129,000
	<u>          </u>	<u>          </u>
Return on scheme assets excluding interest income	-	497,000
Actuarial changes related to obligations	-	(870,000)
	<u>          </u>	<u>          </u>
Actuarial losses	<u>          </u>	<u>(373,000)</u>

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	-	7,969,000
Fair value of plan assets	-	(5,115,000)
	<u>          </u>	<u>          </u>
Deficit in scheme	<u>          </u>	<u>2,854,000</u>

The charity paid contributions at a rate of 15.8% (2020 - 15.8%) during the year. The cost to the charity for the year was £219,000 (2020 - £200,000). At the year end £nil (2020 - £nil) was unpaid to the scheme.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**18 Retirement benefit schemes**

**(Continued)**

The fair value of plan assets at the reporting period end was as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equity instruments	-	3,964,000
Property	-	230,000
Government Bonds	-	491,000
Corporate Bonds	-	261,000
Cash	-	97,000
Other	-	72,000
	<hr/>	<hr/>
	-	5,115,000
	<hr/> <hr/>	<hr/> <hr/>

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**19 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Current year	Balance at 1 April 2020 £	Movement in funds		Balance at 31 March 2021 £
		Income £	Expenditure £	
Money and Pensions Service	1,296	315,489	(310,806)	5,979
Northern Powergrid	1,354	125,183	(125,183)	1,354
PensionWise	-	147,144	(147,144)	-
MaPS Trainee	-	17,749	(17,749)	-
Help to Claim	-	268,262	(268,262)	-
Day One Outreach service - Leeds Cares	-	22,105	(21,880)	225
Other restricted funds	1,869	2,500	(2,538)	1,831
	<u>4,519</u>	<u>898,432</u>	<u>(893,562)</u>	<u>9,389</u>

Purposes of principal restricted funds:

**Money and Pensions Service**

Funding from the Money Advice Service to deliver debt advice. This is a restricted fund and the monies paid cover the project costs.

**Northern Powergrid**

This is a restricted grant from Northern Powergrid to combat fuel poverty through advice in the Yorkshire region.

**PensionWise**

A restricted grant from The Department of Work and Pensions to deliver pensions guidance to residents of Leeds and Bradford.

**MaPS - Trainee**

Funding to employ a trainee debt adviser to complete accredited MaPS training and provide debts advice sessions to members of the public.

**Help to Claim**

This is a restricted grant from the Department for Work and Pensions to provide a service in Leeds helping people to manage Universal Credit claims.

**Day One Outreach Service - Leeds Cares**

This is a restricted grant from Leeds Cares charity to provide advice to patients and families affected by major trauma.

**Other restricted funds**

This represents numerous immaterial pots of money received for specific restricted purposes.

**Irwin Mitchell**

This is a restricted grant from Irwin Mitchell to deliver benefits advice.

**LCC Social Inclusion Fund**

This is a restricted grant from Leeds City Council to develop a webchat advice service and deliver digital skills training.

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**19 Restricted funds**

**(Continued)**

Prior year	Movement in funds			Balance at 31 March 2020 £
	Balance at 1 April 2019 £	Income £	Expenditure £	
Money Advice Service - Debt Advice Project	1,370	312,192	(312,266)	1,296
Northern Powergrid	1,354	86,784	(86,784)	1,354
PensionWise	-	152,198	(152,198)	-
Irwin Mitchell	790	-	(790)	-
LCC Social Inclusion Fund	-	21,764	(21,764)	-
Help to Claim	-	257,645	(257,645)	-
Day One Outreach service - Leeds Cares	-	21,640	(21,640)	-
Other restricted funds	1,869	-	-	1,869
	<u>5,383</u>	<u>852,223</u>	<u>(853,087)</u>	<u>4,519</u>

**20 Analysis of net assets between funds**

	Unrestricted funds 2021 £	Pension reserve 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2021 are represented by:				
Intangible fixed assets	5,832	-	-	5,832
Tangible assets	175,805	-	-	175,805
Current assets/(liabilities)	403,903	-	9,389	413,292
	<u>585,540</u>	<u>-</u>	<u>9,389</u>	<u>594,929</u>

	Unrestricted funds 2020 £	Pension reserve 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2020 are represented by:				
Intangible fixed assets	6,480	-	-	6,480
Tangible assets	68,172	-	-	68,172
Current assets/(liabilities)	466,110	-	4,519	470,629
Pension scheme liabilities	-	(2,854,000)	-	(2,854,000)
	<u>540,762</u>	<u>(2,854,000)</u>	<u>4,519</u>	<u>(2,308,719)</u>

**21 Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>21 Operating lease commitments</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Within one year		94,623	38,955
Between two and five years		290,687	361,308
In over five years		345,038	368,578
		<u>730,348</u>	<u>768,841</u>
		<u><u>730,348</u></u>	<u><u>768,841</u></u>
<b>22 Capital commitments</b>			
There were no capital commitments at 31 March 2021 (2020 - £107,232).			
<b>23 Related party transactions</b>			
There were no disclosable related party transactions during either this or the previous year.			
<b>24 Events after the reporting date</b>			
On 31 May 2021 the charity entered into a formal transfer agreement with Leeds City Council to transfer back the charity's share of the assets and liabilities of the West Yorkshire Pension Fund Scheme to Leeds City Council. As at 31 March 2021 discussions were ongoing but had been agreed in principle with Leeds City Council and all relevant employees and stakeholders had been consulted as necessary. As at 31 March 2021 the balance on withdrawal was in surplus and an exit valuation as at 31 May 2021 confirmed that there continued to be a surplus at the date of exit, hence no exit liability has been included within these financial statements in relation to the scheme.			
Although a full actuarial valuation has been completed for the purposes of complying with the accounting requirements of the SORP the resultant liability of £4,044,000 has not been recognised as the exit post year is considered to be an adjusting post balance sheet event.			
<b>25 Cash generated from operations</b>		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Surplus for the year		268,648	(304,179)
Adjustments for:			
Investment income		(3,020)	(1,500)
Depreciation and impairment of tangible fixed assets		10,450	-
Defined benefit scheme adjustments	<b>6</b>	(219,000)	324,000
Movements in working capital:			
(Increase) in debtors		(10,713)	(7,652)
Increase/(decrease) in creditors		13,537	(25,150)
(Decrease)/increase in deferred income		(15,304)	83,330
<b>Cash generated from operations</b>		<u>44,598</u>	<u>68,849</u>
		<u><u>44,598</u></u>	<u><u>68,849</u></u>

**LEEDS CITIZENS ADVICE BUREAU  
(CITIZENS ADVICE LEEDS)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**26 Analysis of changes in net funds**  
The charity had no debt during the year.

**27 Comparative Statement of Financial Activities**

	Unrestricted funds general £	Unrestricted funds pension reserve £	Restricted funds £	Total 2020 £
<b><u>Income from:</u></b>				
Donations and legacies	1,320	-	-	1,320
Charitable activities	1,541,869	-	852,223	2,394,092
Investments	1,500	-	-	1,500
<b>Total income</b>	<b>1,544,689</b>	<b>-</b>	<b>852,223</b>	<b>2,396,912</b>
<b><u>Expenditure on:</u></b>				
Charitable activities	1,524,004	-	853,087	2,377,091
Net pension scheme credit/cost	-	324,000	-	324,000
<b>Total expenditure</b>	<b>1,524,004</b>	<b>324,000</b>	<b>853,087</b>	<b>2,701,091</b>
<b>Net income/(expenditure) for the year</b>	<b>20,685</b>	<b>(324,000)</b>	<b>(864)</b>	<b>(304,179)</b>
<b>Other recognised gains and losses</b>				
Actuarial gain on defined benefit pension scheme	-	373,000	-	373,000
<b>Net movement in funds</b>	<b>20,685</b>	<b>49,000</b>	<b>(864)</b>	<b>68,821</b>
Fund balances at 1 April 2019	520,077	(2,903,000)	5,383	(2,377,540)
<b>Fund balances at 31 March 2020</b>	<b>540,762</b>	<b>(2,854,000)</b>	<b>4,519</b>	<b>(2,308,719)</b>