

Charity registration number 701882

Company registration number 02366214 (England and Wales)

**CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN
AMENDED ANNUAL REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

WEDNESDAY



ACFE9B4P

A10

01/11/2023

#124

COMPANIES HOUSE

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

D Anderton
G Bretherton
B Jordan
G Smith
M Wright
J Fagan
C Greenhalgh
K Oakes
R Bradley (Appointed 14 March 2023)
E Fox (Appointed 14 March 2023)
L Higson-Bliss (Appointed 24 January 2023)

Secretary

L Kidston

Charity number

701882

Company number

02366214

Registered office

Magnum House
33 Lord Street
Suite 2.1
Leigh
Lancashire
WN7 1BY

Independent examiner

Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Bankers

National Westminster Bank plc
4 Standishgate
Wigan
Lancashire
WN1 1UE

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

LEGAL AND ADMINISTRATIVE INFORMATION

Network membership

Citizens Advice
3rd Floor North
200 Aldersgate Street
London
E1A 4HD

Membership number

35/0033

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

CONTENTS

	Page
Trustees' report	1 - 7
Independent examiner's report	8
Statement of financial activities	9 - 10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 27

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and accounts for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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) (effective 1 January 2019)".

Objectives and activities

The Charitable Company's objectives are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of the community in the Borough of Wigan and surrounding areas. The trustees have had regard to the Charity Commission guidance on public benefit.

Vision and Mission

Our Vision is that people can access our service easily and have the knowledge and confidence they need to find a way forward, whatever the problem.

What we will do to achieve this is set out in our mission statement which is:

To support our communities health and wellbeing through the provision of quality advice which empowers people to overcome their problems, and to speak up for those who are treated unjustly, championing equal, diverse and inclusive policy and practice.

Public Benefit

We review our aims, objectives and activities each year. We have referred to the guidance contained in the Charity Commission's Charities and Public Benefit document. All of our charitable activities focus on the promotion of research, charitable and youth projects for the benefit of the community.

Overview of Services

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

The service is free, independent, impartial and confidential. It is accessible to anyone, regardless of age, race, sex, ethnic origin, sexual orientation, disability or religious belief.

The voluntary contribution

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

The Charitable Company's volunteers provided 6,285 advice and administrative support hours during the year. The monetary value of the voluntary contribution to the Charitable Company is estimated at £74,352 for the year. This is not recorded in these financial statements.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

The Charitable Company has met the performance requirements under contracts and service level agreements and good progress has continued to be made on the Business Development Programme.

During the year we have:

- Re-opened our drop in services within our 2 main town centre sites, enabling people to access face to face advice
- Introduced opportunities for clients to access advice through email, therefore enabling them to contact us even outside of opening hours
- Continued to work with partner organisations for the benefit of clients
- Supported 11,937 unique clients with 42,710 issues
- Continued to assist vulnerable clients in debt, maximise clients' incomes and promote money management through budgeting advice, via Money and Pensions Service Debt Advice funding
- Successfully bid for continued funding to provide energy advice to fuel poor households under the Energy Advice Programme. This funding enabled us to provide advice and assistance with switching energy suppliers, applications for grants and information about energy saving measures
- Received funding through the Big Energy Saving Network to provide energy saving sessions to residents in the community who wouldn't normally access support
- Were awarded funding to deliver Carbon Monoxide Awareness activities to Wigan Borough residents
- Continued delivering pensions guidance under the Government's Pension Wise service
- Continued to provide specialist advice in debt and welfare benefits, supporting clients with Welfare Benefit Tribunal hearings via conference calls and written submissions
- Worked with Wigan Council to provide cost of living advice to residents in community locations
- Provided outreach advice for NHS staff on cost of living matters
- Continued supporting clients to claim Universal Credit, under the Universal Support Help to Claim service; helping them to understand their rights and responsibilities in relation to this
- Successfully applied for funding from Atherton & Leigh Foodbank, via the Trussell Trust, to provide information and advice direct to people visiting their food banks
- Successfully applied for funding from Macmillan to deliver welfare benefits advice and casework to people living with cancer
- Held a Strategic Planning Day with trustees, staff and volunteers to agree our strategic priorities for the next 2 years
- Undertook campaigning activities aimed at increasing knowledge and uptake of Healthy Start Vouchers and continues our communications to keep residents informed of their rights and the help available to them
- Worked with other local Citizens Advice across Greater Manchester to raise awareness of the issues residents faced as a result of the cost of living crisis
- Helped our clients gain or maintain income equating to almost £5.5 million (based on an annualised equivalent)
- Assisted clients with over £1.3 million worth of personal debt

Feedback received from clients showed that:

87% respondents said we helped them find a way forward with their issue

87% respondents would recommend our services to others

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

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

A summary of the results for 2022/23 is provided below:

Client Profile for 2022/23

Ethnicity

86% White
4% Asian
4% Black
2% Mixed
4% Other

Gender

55% female
44% male
1% prefer different term

Disability / Long Term Health Condition

42% clients with a disability / LTH condition

Factors affecting the service

As we move forward, we continue to face some significant challenges. The increased cost of living is hitting our clients hard and client queries are becoming more complex and time consuming and we are seeing an increase in housing, employment and relationship enquiries as the toll of the economic crisis impacts on businesses and people's relationships. Alongside this, static or reduced budgets impact our ability to recruit, train and retain high quality staff, leading to increased concerns about staff health and wellbeing.

A number of long existing funding streams are due to cease at the end of March 2024, including the Council contract which funds our Core service. We anticipate this to be recommissioned and are preparing ourselves to be able to respond effectively to that, in order to secure further funding.

Given the sheer amount of people who need our help, we need to prioritise those who get more in depth support from us, whilst empowering those who are able to move their issues forward themselves, to do so. This is integral to our service delivery plans for our new strategic plan.

Strategic priorities

Our priorities for the planning period centres around 4 key themes, which are Organisational Health, Advice, Advocacy and Inclusivity.

Our priorities over the next 12 months are:

- Improving organisational sustainability and increasing staff retention
- Increasing our volunteer pool and ensuring that we have a seamless and clearly communicated client journey
- Increasing staff engagement with research and campaigning activities and sharing our knowledge with those who can effect change
- To ensure that our service is easy to access for people from disadvantaged communities, especially those with sensory impairments

Acknowledgements

The Trustee Board gratefully acknowledges the support of our funders. In 2022/23 these were: Wigan Council, National Association of Citizens Advice Bureaux (Money and Pensions Service - Pension Wise and Debt Advice Project, the Energy Advice and Carbon Monoxide Awareness Programmes, Big Energy Saving Network and Help to Claim Universal Credit), Atherton and Leigh Foodbank (the Trussell Trust), Macmillan.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The Statement of Financial Activities provides a summary of the Charity's Income and Expenditure during 2022/2023

The Charity has had a challenging year but has worked hard to ensure that we continued to provide high quality services to clients. Income is down from the previous year by £99,195 to £981,637. This was anticipated as we had received a number of one off grants in the previous year and funding for the Help to Claim service was reduced for 2022/23, we therefore had to reduce our staffing levels from 1st April 2022. However, in the latter part of the year we successfully applied for funding from both Macmillan and Atherton & Leigh food bank (in partnership with the Trussell Trust).

As in previous years, we have focused expenditure on the direct delivery of services, and consequently most of our costs relate to staffing (approximately 81% of total costs). The number of employees dropped from an average of 40 to 35 as a result of funding loss and general staff attrition, this resulted in a reduction of staffing costs overall. However, out of necessity, staff costs increased within the year due to an increase in the Real Living Wage. We undertook a salary benchmarking exercise mid year and salaries were uplifted to ensure that we remained competitive within the marketplace to assist with staff recruitment and retention.

Other expenditure has included investment in our IT infrastructure to ensure that staff and volunteers have the necessary equipment to provide quality services to clients.

Going forward we anticipate continued pressure on social-funding budgets as the economic impact of the cost of living crisis, Brexit and the Russia/Ukraine war continues to make an impact, and as such there remains a risk to the Charity's income in the new financial year. The Board of Trustees and the Management Team remain committed to identifying new sources of funding and strategic investments in the Charity, to ensure our business model is sustainable and that we can continue to provide our vitally important services to those who need them in the local community.

Structure, governance and management

Citizens Advice Service in the Borough of Wigan is a charitable company limited by guarantee, and was registered as a charity on 10 August 1989. The Company was established under a Memorandum of Association, and incorporated on 29 March 1989. The Articles of Association were amended by special resolution dated 20 September 2022, superseding all previous amendments. Notice of these special resolutions have been filed at Companies House and the Charity Commission.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Anderton	
R Brameld	(Resigned 2 August 2022)
G Bretherton	
B Jordan	
G Merrett	(Resigned 31 December 2022)
G Smith	
M Wright	
D McDonald	(Resigned 14 June 2022)
J Fagan	
C Greenhalgh	
K Oakes	
R Bradley	(Appointed 14 March 2023)
E Fox	(Appointed 14 March 2023)
L Higson-Bliss	(Appointed 24 January 2023)

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

National Association of Citizens Advice Bureaux (Citizens Advice)

The Charitable Company is a member of the National Association of Citizens Advice Bureaux (trading as Citizens Advice) and is subject to the terms and conditions of the Membership Agreement entered into with Citizens Advice.

Recruitment and Appointment of the Trustees

The Articles of Association provide that the Trustees shall consist of members who are elected, representative and co-opted.

All elected Trustees must retire from office at the third annual general meeting following the annual general meeting at which they were elected, but then may be re-elected.

All co-opted Trustees must retire from office at the third annual general meeting following the meeting of the Trustee Board at which they were appointed, but then may be elected or re-appointed.

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

Organisational structure

The Trustee Board is responsible for:

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

The Trustee Board/Management Committee may appoint committees to undertake various aspects of its work, but responsibility for matters that are so delegated remains with the full Board. The Board of Trustees/Management Committee ensures that the committee structure of the Charitable Company is appropriate to the scope and nature of its operations and is capable of ensuring that its responsibilities can be properly controlled and conducted. There are no separate committees at the present time.

The delegation of managerial authority

The Trustees Board has resolved that the operational management of the affairs of the Charitable Company shall be delegated to the Chief Officer of the Charitable Company (L Kidston) with the Chief Officer being responsible to the Board for the proper conduct of the Charitable Company's operations. The Chief Officer must assist the Trustee Board to ensure that the Charitable Company's objectives are achieved.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Risk Management

The Trustee Board has considered the significant risks which the Charitable Company faces. These are included in the Company Risk Register and Business Continuity Plans.

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

In managing risks, the Trustee Board:

- identifies the risks which apply to the charity
- determines the likelihood and impact of the risk materialising
- considers how they can mitigate against each risk
- ensures effective controls are in place
- regularly reviews its risks throughout the year

Statement of Internal Control

The board of trustees oversees the information security of all personal information of our clients, staff, funders and strategic partners which is processed. The Trustee Board holds joint responsibility for client data that is held in its case management system, with the national Citizens Advice Service. An information assurance management team exists to ensure that the confidentiality, integrity and availability of all personal and sensitive data is maintained to a level which is compliant with the requirements of the UK General Data Protection Regulation and Data Protection Act 2018.

Performance & Quality Management

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

Reserves, Depositing and Designated Funds

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

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

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

The Trustee Board has agreed to hold an amount in unrestricted reserves equivalent to three months salaries and other running costs (equates to £240,704 based on current known expenditure for 2023/24).

The Trustee Board has also considered its financial responsibilities for redundancy provision at the end of the Council contract and has deemed it prudent to set aside an amount for redundancy costs of £85,446. In addition, an amount equating to £1,000 of unrestricted funds has been set aside as designated funding to award a non-consolidated award payment to those staff who have made an exceptional contribution to the Charitable Company. A further amount of £300 has been designated as funds to help the Charitable Company meet its Health and Safety duties in respect of covering the cost of eye tests for those staff who spend a large proportion of their time looking at Display Screen Equipment. Additionally, an amount of £3,740 has been designated as funds to improve IT within the organisation.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees report was approved by the Board of Trustees.



G Smith

Trustee

Dated: 25 July 2023

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

I report to the Trustees on my examination of the financial statements of Citizens Advice Service in the Borough of Wigan (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

E. P. Atkinson

Peter Atkinson F.C.A.
Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Dated: 07/08/2023.....

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes				
Income from:					
Donations and legacies	3	446,830	-	446,830	469,163
Charitable activities	4	-	503,473	503,473	552,281
Other trading activities	5	27,536	-	27,536	59,304
Investments	6	3,798	-	3,798	84
Total income		478,164	503,473	981,637	1,080,832
Expenditure on:					
Charitable activities	7	502,395	507,313	1,009,708	1,047,598
Other	12	1,902	-	1,902	28
Total expenditure		504,297	507,313	1,011,610	1,047,626
Transfers between funds		7,928	(7,928)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(18,205)	(11,768)	(29,973)	33,206
Fund balances at 1 April 2022		461,255	11,768	473,023	439,817
Fund balances at 31 March 2023		443,050	-	443,050	473,023

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

All income and expenditure derive from continuing activities.

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

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes			
Income from:				
Donations and legacies	3	469,163	-	469,163
Charitable activities	4	-	552,281	552,281
Other trading activities	5	59,304	-	59,304
Investments	6	84	-	84
Total income		528,551	552,281	1,080,832
Expenditure on:				
Charitable activities	7	484,174	563,424	1,047,598
Other	12	28	-	28
Total expenditure		484,202	563,424	1,047,626
Gross transfers between funds		3,691	(3,691)	-
Net (expenditure)/income for the year/ Net movement in funds		48,040	(14,834)	33,206
Fund balances at 1 April 2021		413,215	26,602	439,817
Fund balances at 31 March 2022		461,255	11,768	473,023

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

All income and expenditure derive from continuing activities.

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

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		4,307		8,517
Current assets					
Debtors	14	21,334		130,106	
Cash at bank and in hand		463,739		369,600	
		485,073		499,706	
Creditors: amounts falling due within one year	15	(46,330)		(34,600)	
Net current assets			438,743		465,106
Total assets less current liabilities			443,050		473,623
Creditors: amounts falling due after more than one year	16		-		(600)
Net assets			443,050		473,023
Income funds					
Restricted funds	17		-		11,768
<u>Unrestricted funds</u>					
Designated funds	19	90,216		1,800	
General unrestricted funds		352,834		459,455	
			443,050		461,255
			443,050		473,023

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25 July 2023



G Smith
Trustee

Company registration number 02366214

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		90,341		(88,322)
Investing activities					
Purchase of tangible fixed assets		-		(5,130)	
Investment income received		3,798		84	
Net cash generated from/(used in) investing activities			3,798		(5,046)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			94,139		(93,368)
Cash and cash equivalents at beginning of year			369,600		462,968
Cash and cash equivalents at end of year			463,739		369,600

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Citizens Advice Service in the Borough of Wigan is a private company limited by guarantee incorporated in England and Wales and a registered charity in England and Wales. The registered office is Magnum House, 33 Lord Street, Suite 2.1, Leigh, Lancashire, WN7 1BY.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and 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)" (effective 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 £.

The accounts have been prepared under the historical cost convention. 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. In making this assessment the Trustees have considered contracts currently in place and the duration remaining and reviewed budgets and cashflows for the forthcoming year but as detailed in the Trustees report are mindful of and anticipate further pressure on social funding budgets. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 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.

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 or deeds of covenant is recognised at the time of the donation.

Trading activities relate to student placements and reimbursements made from other Citizens Advice Bureaux for shared costs.

Bank interest is accounted for when received into the charity's bank account.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure, including irrecoverable VAT is recognised on the accrual basis.

In particular, the policy for including items within costs of generating funds is as follows:

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on bases designed to reflect the uses of particular resources. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Only assets with a value of £1,000 or more will be capitalised.

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

Fixtures and fittings	20% per annum 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 the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible 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).

1.8 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.

1.9 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.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

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.

1.10 Taxation

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

1.11 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.

1.12 Retirement benefits

The pension costs charged in the accounts represent the contributions payable by the charity during the period.

The charity has also entered into a deficit funding agreement and the company has recognised its liability for this obligation as disclosed in note 11.

1.13 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.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 consider the company's share of the pension scheme to be a critical area of judgement and estimation as it is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme as detailed in note 11. The actuarial valuation, calculated by independent actuaries with input from management, includes assumptions such as discount rates, annual rates of return and mortality rates. These assumptions vary from time to time according to prevailing economic conditions.

The trustees have also assessed the estimated costs of future potential redundancies and have included this estimate within designated funds in Note 19.

3 Donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	446,830	469,163
Donations and gifts		
Donations	98	2,605
Grants received for core services	376,732	396,558
Partner payment grant	70,000	70,000
	446,830	469,163

4 Charitable activities

	2023 £	2022 £
Energy Advice Programme and Big Energy Saving Network	35,525	8,950
Help to Claim	144,476	240,588
Money Advice Service	151,852	156,482
Pension Wise	146,718	146,261
MacMillan	17,773	-
Atherton and Leigh Food Bank	7,129	-
	503,473	552,281

All income for both years relates to restricted funds.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	27,536	59,304

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	3,798	84

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Staff costs	378,424	441,340	819,764	371,586	503,064	874,650
Depreciation and impairment	2,114	194	2,308	1,828	194	2,022
Staff and volunteer costs	8,644	1,093	9,737	7,807	3,794	11,601
Office costs	25,782	25,794	51,576	17,208	28,551	45,759
Premises costs	15,519	19,662	35,181	9,662	21,989	31,651
Other	(2,278)	14,210	11,932	208	188	396
Age UK costs	70,000	-	70,000	70,000	-	70,000
	<u>498,205</u>	<u>502,293</u>	<u>1,000,498</u>	<u>478,299</u>	<u>557,780</u>	<u>1,036,079</u>
Share of governance costs (see note 8)	<u>4,190</u>	<u>5,020</u>	<u>9,210</u>	<u>5,875</u>	<u>5,644</u>	<u>11,519</u>
	<u>502,395</u>	<u>507,313</u>	<u>1,009,708</u>	<u>484,174</u>	<u>563,424</u>	<u>1,047,598</u>
Analysis by fund						
Unrestricted funds	502,395	-	502,395	484,174	-	484,174
Restricted funds	-	507,313	507,313	-	563,424	563,424
	<u>502,395</u>	<u>507,313</u>	<u>1,009,708</u>	<u>484,174</u>	<u>563,424</u>	<u>1,047,598</u>

8 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Independent examiner fees	-	4,190	4,190	5,875
Legal and professional	-	5,020	5,020	5,644
	<u>-</u>	<u>9,210</u>	<u>9,210</u>	<u>11,519</u>
Analysed between Charitable activities	-	9,210	9,210	11,519

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Trustees

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

10 Employees

	2023 Number	2022 Number
Employees	35	40
Employment costs	2023 £	2022 £
Wages and salaries	733,778	782,210
Social security costs	58,052	61,707
Other pension costs	27,934	30,733
	819,764	874,650

There were no employees whose annual remuneration was £60,000 or more.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
---------------------------------------	----------------------	-------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
---	-----------------------	--

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 March 2023 (£s)	31 March 2022 (£s)	31 March 2021 (£s)
Present value of provision	601	943	4,814

ASSUMPTIONS

	31 March 2023 % per annum	31 March 2022 % per annum	31 March 2021 % per annum
Rate of discount	5.52	2.35	0.66

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Other

	2023 £	2022 £
Net loss on disposal of tangible fixed assets	1,902	-
Financing charge/(credit)	-	28
	<u>1,902</u>	<u>28</u>

13 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2022	19,935
Disposals	(8,394)
At 31 March 2023	<u>11,541</u>
Depreciation and impairment	
At 1 April 2022	11,418
Depreciation charged in the year	2,308
Eliminated in respect of disposals	(6,492)
At 31 March 2023	<u>7,234</u>
Carrying amount	
At 31 March 2023	<u>4,307</u>
At 31 March 2022	<u>8,517</u>

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	13,722	-
Other debtors	4,630	10,894
Prepayments and accrued income	2,982	119,212
	<u>21,334</u>	<u>130,106</u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	12,830	12,553
Other creditors	15,000	481
Accruals and deferred income	18,500	21,566
	<u>46,330</u>	<u>34,600</u>

16 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Other creditors	-	600
	<u>-</u>	<u>600</u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 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:

	Movement in funds				Movement in funds				Balance at 31 March 2023
	Balance at 1 April 2021	Income	Expenditure	Transfers	Balance at 1 April 2022	Income	Expenditure	Transfers	
	£	£	£	£	£	£	£	£	£
Money Advice Service	-	156,482	(157,890)	1,408	-	151,852	(154,000)	2,148	-
Energy Advice Programme and Big Energy Saving Network	-	8,950	(9,107)	157	-	16,000	(15,723)	(277)	-
Pension Wise	11,768	146,261	(145,714)	(547)	11,768	146,718	(147,057)	(11,429)	-
Help to Claim	-	240,588	(239,587)	(1,001)	-	144,476	(146,372)	1,896	-
Innovation Community Project	14,834	-	(11,126)	(3,708)	-	-	-	-	-
Carbon Monoxide Advice Project	-	-	-	-	-	19,525	(18,200)	(1,325)	-
Macmillan	-	-	-	-	-	17,773	(18,395)	622	-
Atherton and Leigh Foodbank	-	-	-	-	-	7,129	(7,566)	437	-
	<u>26,602</u>	<u>552,281</u>	<u>(563,424)</u>	<u>(3,691)</u>	<u>11,768</u>	<u>503,473</u>	<u>(507,313)</u>	<u>(7,928)</u>	<u>-</u>

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

(Continued)

Money Advice Service (Money and Pensions Service Debt Advice Project)

Money and Pensions Service funded debt advice project in partnership with Citizens Advice.

Energy Advice Programme and Big Energy Saving Network

Funded by BEIS and the Warm Home Discount Industry Initiative, this funding provides advice and support to individuals and groups on energy matters and income maximisation to fuel poor and vulnerable clients who are struggling to pay their bills.

Carbon Monoxide Advice Project

Funded through the Gas Network Vulnerability and Carbon Monoxide Allowance, this funding provides support to consumers in vulnerable situations, raising awareness of carbon monoxide and providing energy advice to them.

Pension Wise

Funded through the Money and Pensions Service in partnership with Citizens Advice and Citizens Advice Manchester to ensure that users who are approaching retirement with defined contribution pension pots can access a guidance appointment on how to make informed and confident decisions on how they use their retirement savings.

Help to Claim

Funded by the Department of Work and Pensions in partnership with Citizens Advice, to provide an end to end Universal Support service to new claimants of Universal Credit.

Innovation Community Project

Funded through the Department of Business, Energy and Industrial Strategy in partnership with Citizens Advice to enable increased capacity in order to respond to the immediate demand for advice arising from Covid-19.

Macmillan

Funded by Macmillan Cancer Support to provide welfare benefits advice and support to People Living with Cancer.

Atherton and Leigh Foodbank

This funding enables us to support foodbank users with their immediate and on-going social welfare advice needs.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Analysis of net assets between funds

	Unrestricted 2023 £	Restricted 2023 £	Total Unrestricted 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	4,307	-	4,307	7,935	582	8,517
Current assets/(liabilities)	438,743	-	438,743	453,920	11,186	465,106
Long term liabilities	-	-	-	(600)	-	(600)
	<u>443,050</u>	<u>-</u>	<u>443,050</u>	<u>461,255</u>	<u>11,768</u>	<u>473,023</u>

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021 £	Resources expended £	Balance at 31 March 2022 £	Balance at 1 April 2022 £	Transfers £	Balance at 31 March 2023 £
VDU Care	4,000	(3,700)	300	300	-	300
NCP	2,500	(1,000)	1,500	1,500	(500)	1,000
IT equipment	-	-	-	-	3,470	3,470
Redundancy	-	-	-	-	85,446	85,446
	<u>6,500</u>	<u>(4,700)</u>	<u>1,800</u>	<u>1,800</u>	<u>88,416</u>	<u>90,216</u>

VDU Care

An amount of unrestricted funds have been designated as funds to help the Charitable Company meet its Health and Safety duties in respect of covering the cost of eye tests for those staff who spend a large proportion of their time looking at Display Screen Equipment.

NCP

An amount of unrestricted funds have been designated as funds to award as a non-consolidated award payment to those staff who have made an exceptional contribution to the Charitable Company.

IT equipment

An amount of unrestricted funds have been designated as funds to improve the IT within the organisation.

Redundancy

An amount of unrestricted funds have been designated for potential redundancy costs.

CITIZENS ADVICE SERVICE IN THE BOROUGH OF WIGAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 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:

	2023 £	2022 £
Within one year	21,480	5,370
Between two and five years	69,810	-
	<u>91,290</u>	<u>5,370</u>

21 Related party transactions

There were no related party transactions during the year (2022: none).

22 Control

The charity is controlled by the trustees.

23 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(29,973)	33,206
Adjustments for:		
Investment income recognised in statement of financial activities	(3,798)	(84)
Loss on disposal of tangible fixed assets	1,902	-
Depreciation and impairment of tangible fixed assets	2,308	2,022
Movements in working capital:		
Decrease/(increase) in debtors	108,772	(104,172)
Increase/(decrease) in creditors	11,130	(19,294)
Cash generated from/(absorbed by) operations	<u>90,341</u>	<u>(88,322)</u>

24 Analysis of changes in net funds

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	369,600	94,139	463,739
	<u>369,600</u>	<u>94,139</u>	<u>463,739</u>