

Charity Registration No. 1100450

Company Registration No. 04794809 (England and Wales)



**CITIZENS ADVICE SEFTON**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

## CITIZENS ADVICE SEFTON

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Ms S Critchley	(Appointed 22 September 2021)
	Mr B Culshaw	
	Ms L Evans	(Appointed 1 September 2021)
	Ms A M Gibbon	
	Ms L D Gibbs	
	Ms L Heap	
	Mr G Hignett	
	Mr R Mathew	(Appointed 22 September 2021)
	Ms E Mercer	
	Ms V Roberts	(Appointed 8 May 2021)
<b>Secretary</b>	Ms P A Killen	
<b>Charity number</b>	1100450	
<b>Company number</b>	04794809	
<b>Registered office</b>	297 Knowsley Road Bootle Merseyside L20 5DF	
<b>Auditor</b>	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	

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## **CITIZENS ADVICE SEFTON**

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# **CITIZENS ADVICE SEFTON**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

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 charitable company'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).

#### **Objectives and activities**

The charity's objects 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 Merseyside and surrounding areas.

#### **Aims, Objectives, Strategies and Activities for the Year**

The aims of Citizens Advice Sefton are to provide advice people need for the problems they face and to improve the policies and practices that affect people's lives.

The service we provide is free, independent, confidential, and impartial. We value diversity, promote equality and challenge discrimination.

Our staff and volunteers deliver a range of advice services to the public on issues that impact on the quality of people's lives such as debt, welfare benefits, housing, and employment. During the year we continued to provide access to advice and information through the national service "Adviceline" and volunteers continued to do this remotely and from the office. We were able to re-open the office in Bootle for appointments to help clients for whom the telephone service was difficult to access.

Throughout the year we continued working in partnership as a delivery partner within Living Well Sefton. Our team has taken referrals from community partners and provided support to local people to navigate their problems including housing issues, debt problems and benefit claims and appeals.

Our work funded by The Freshfield Foundation meant that we were able to continue representing clients at tribunal hearings as they were scheduled remotely. Being able to support people to access justice and present their cases became even more important during the restrictions imposed by the response to the pandemic.

As a partner in the Liverpool city region wide Money Advice partnership (GMMAP) our advisers have helped people with multiple and complex debt problems through appointments and online platforms.

We continued to provide support to people with their claims for Universal Credit and related enquiries.

Our Research and Campaigns activity continued in 2021-2022 with our long serving volunteer co-ordinator John Trotter reducing his role to focus on writing weekly Scam Action Service columns for the local free newspaper (paper and online). We thank John for his dedicated and long serving work. A new volunteer Co-Ordinator - Caroline O'Shea - came forward to fill the role in May 2021 and continue to work with our advisers and national Citizens Advice to collect local evidence for national and local campaigns.

In February 2022 all the Citizens Advice in the Liverpool City Region joined forces to establish a Research and Campaigns Group with a view to producing a regional report of the Cost-of-Living Crisis in 2023.

#### **Public Benefit**

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

The principal activity of Citizens Advice Sefton is the provision of free, confidential, independent, and impartial advice, information, and counsel for members of the public.

## **CITIZENS ADVICE SEFTON**

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

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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##### **Contribution of Volunteers**

We have recruited and trained 19 volunteers remotely throughout the year. We have been fortunate that many of our established volunteers continued to help run the advice services remotely from their homes during the year. During the year most volunteers returned to the offices although some have continued to work remotely. Citizens Advice Sefton relies on the help and support of volunteers in advising the public and administering and governing the charity. The goodwill and commitment given by volunteers is essential to the existence of the charity. Volunteers improve not just the capacity of Citizens Advice to improve lives but the communities in Sefton in general benefit. It is also well documented that volunteering improves wellbeing, strengthens communities, improves social cohesion, and gives people a greater stake in their local area.

##### **Achievements and performance**

During the year our staff and volunteers helped 6,044 people with 21,791 issues. This is 28% more people than the previous year which had been seriously impacted by the loss of volunteers and the lockdowns.

Universal Credit was the main enquiry at 39%, with Benefits at 30%, Debt at 11% and Housing representing 5% of all enquiries during the year.

Significant outcomes were achieved during the year for people who sought the help of our advisers. There was a total income gain of £4,699,547. Debts to the value of £869,520 were written off and debts of £38,993 were rescheduled for a more affordable repayment plan.

The Help to Claim Service helped 1,346 people with 7,274 issues relating to claiming universal credit. Our advisers helped with 4,032 initial claims enquiries from people who had never claimed universal credit before. At the end of March 2022 funding for the face-to-face service ended and a new remote service was commissioned on a regional basis.

We successfully participated in the Kickstart scheme and both placements obtained full time employment as an outcome, one with a university and one as a trainee money adviser with Citizens Advice Sefton.

Our research and campaigns team contributed evidence to '#keepthelifeline' arguing that the retention of the £20 additional payment was a vital lifeline for people claiming universal credit. We continue to collate evidence of the impact of the cost-of-living crisis on the people who seek our help.

##### **Factors affecting the achievements of objectives**

The objective of returning to a face-to-face service for the public was impacted yet again by the Covid19 pandemic as plans to refurbish a new level access office for the general public to visit in Southport were delayed. We continued to provide advice through phone and digital services and in person appointments were scheduled in our Bootle office.

##### **Financial review**

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Total income for the year ended 31 March 2022 was £976,540 (2021: £1,097,041) which included unrestricted income of £257,162 (2021: £307,001) and restricted income of £719,378 (2021: £790,040).

Total expenditure for the financial year was £987,172 (2021: £1,012,748) which included unrestricted expenditure of £267,794 (2021: £222,708) and restricted expenditure of £719,378 (2021: £790,040).

The result is a net deficit for 2021/22 of £10,632 (2020/21: surplus of £84,293).

##### **Reserves policy**

The unrestricted funds of the charity at 31 March 2022 were £653,886 (2021: £664,518). There are no restricted funds at the year end. The trustees continue to comply with Citizens Advice Sefton's policy of being capable of funding 3-6 months working capital requirements.

The designated premises reserve at 31 March 2022 was £93,330 (2021: £100,000). This reserve is primarily intended to fund the relocation to improved premises in Southport which was completed in the year.

## **CITIZENS ADVICE SEFTON**

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

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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##### **Funds in deficit**

No funds were in deficit at the balance sheet date.

##### **Principal Funding Sources**

The Directors extend their gratitude to:

Sefton Borough Council continues to support the core operating capacity of the charity and who also support the work of Citizens Advice Sefton through public health funding for Living Well Sefton.

The trustees of The Freshfield Foundation who fund Citizens Advice Sefton and Citizens Advice Liverpool to provide tribunal representation and support to people who would otherwise find themselves without access to justice as this work falls outside the scope of the legal aid scheme.

South Sefton and Southport and Formby Clinical Commissioning Groups for supporting vital work supporting a vulnerable client group in Clock View in-patient mental health facility.

Money Advice and Pensions Service who fund the Greater Merseyside Money Advice Partnership which enables Citizens Advice Sefton to deliver money advice services in Sefton.

Citizens Advice, who funded Citizens Advice Sefton (DWP funding) via a sub-contract for the Help to Claim Service and Best Practice Lead (Merseyside)

The European Social Fund which funds Advice Services Academy 2 which is a partnership of Citizens Advice centres and other organisations led by The Woman's Organisation with the aim of developing and upskilling our workforce.

The charity did not have any borrowings from either providers of funding or other sources at the balance sheet date.

##### **Investment policy**

As required in its Memorandum paragraph 4.15 in furtherance of its objects, and for no other purposes, the Company has the power to invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being imposed or required by law.

##### **Risk policy**

Citizens Advice Sefton has worked on a risk management exercise. A risk management strategy and risk register were agreed by the trustee board. The trustees recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end Citizens Advice Sefton is continually monitoring and managing its risk, reviewing the corporate risk register and ensuring action plans are in place to mitigate key risks.

Citizens Advice Sefton has adopted the recommended Citizens Advice information risk policy. The trustees review any non-compliance with procedures. There were no incidences of data breaches to report.

##### **Plans for the future**

We plan to continue to develop offering advice through a variety of channels, including community outreach to extend our reach for people who are struggling with the despair of coping with the rising costs of living for food, warmth, and shelter.

More than half of the people who used our service during the year had a disability or long-term health issue so it is important for the organisation to be as accessible as possible within clinical settings and community outreach.

## **CITIZENS ADVICE SEFTON**

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

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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##### **Structure, governance and management**

Citizens Advice Sefton is a registered charity and a company limited by guarantee. It is also known and referred to as Sefton CAB.

It is governed by a Memorandum and Articles of Association 2003 as amended on 15th January 2008 and October 2022 and was incorporated under the Companies Act as a private company on 11th June 2003. The changes made in October 2022 have increased the maximum liability of each member is limited to £10.

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:

Ms J Austin	(Resigned 25 May 2021)
Ms S Critchley	(Appointed 22 September 2021)
Mr B Culshaw	
Ms L Evans	(Appointed 1 September 2021)
Ms A M Gibbon	
Ms L D Gibbs	
Ms P Hardy	(Resigned 16 March 2022)
Ms L Heap	
Mr G Hignett	
Mr R Mathew	(Appointed 22 September 2021)
Ms E Mercer	
Ms V Roberts	(Appointed 8 May 2021)

##### **Recruitment, Appointment and Induction of Trustees**

Trustees, who are also Directors of the Company, are elected in accordance with the Memorandum and Articles of Association. An Executive Group made up of Trustees and chaired by the Chair is established to oversee the elections process for Board appointments. A separate process agreed by the Trustee Board is followed for the election of the Chair. No other persons or bodies external to the charity were entitled to appoint persons to the Trustee Board.

New Trustees follow a programme of induction into the Citizens Advice service and are issued with an induction pack.

##### **Organisational Structure**

Citizens Advice Sefton is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of Citizens Advice Sefton and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet at a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management. A register of Directors' interests is maintained at the registered office and is available to the public.

##### **Key management remuneration**

Pay scales for senior staff are benchmarked against similar posts in the Citizens Advice network.

## **CITIZENS ADVICE SEFTON**

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

***FOR THE YEAR ENDED 31 MARCH 2022***

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#### **Related parties**

Citizens Advice Sefton is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards. Operating policies are independently determined by the Trustee Board of Citizens Advice Sefton in order to fulfil its charitable objects and comply with the national membership requirements.

The charity also co-operates and liaises with a number of other statutory and voluntary services, local and national charities on behalf of clients. Where one of the Trustees holds the position of Trustee/Director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a 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.

#### **Small company provisions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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

**Ms P A Killen**

Secretary

Dated: 15 December 2022



## **CITIZENS ADVICE SEFTON**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### ***FOR THE YEAR ENDED 31 MARCH 2022***

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The trustees, who are also the directors of Citizens Advice Sefton for the purpose of company law, are responsible for preparing the Trustees' Report 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 year.

In preparing these financial statements, the trustees are required to:

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

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

# CITIZENS ADVICE SEFTON

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CITIZENS ADVICE SEFTON

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#### Opinion

We have audited the financial statements of Citizens Advice Sefton (the 'charitable company') for the year ended 31 March 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 charitable company 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 charitable company'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.

## **CITIZENS ADVICE SEFTON**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF CITIZENS ADVICE SEFTON**

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

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

In the light of the knowledge and understanding of the charitable company 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 charitable company 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 charitable company'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.

##### **Capability of the audit in detecting irregularities, including fraud**

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.

## **CITIZENS ADVICE SEFTON**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF CITIZENS ADVICE SEFTON**

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Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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.

#### **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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

**Andrew Moss BA FCA (Senior Statutory Auditor)**  
**for and on behalf of DSG**

15 December 2022

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

Castle Chambers  
43 Castle Street  
Liverpool  
L2 9TL

## CITIZENS ADVICE SEFTON

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	330	-	330	400	-	400
Charitable activities	4	254,690	719,378	974,068	303,015	790,040	1,093,055
Other trading activities	5	2,113	-	2,113	2,330	-	2,330
Investments	6	29	-	29	1,256	-	1,256
<b>Total income</b>		<b>257,162</b>	<b>719,378</b>	<b>976,540</b>	<b>307,001</b>	<b>790,040</b>	<b>1,097,041</b>
<b>Expenditure on:</b>							
Charitable activities	7	267,794	719,378	987,172	222,708	790,040	1,012,748
<b>Total expenditure</b>		<b>267,794</b>	<b>719,378</b>	<b>987,172</b>	<b>222,708</b>	<b>790,040</b>	<b>1,012,748</b>
<b>Net (expenditure)/income for the year/</b>							
<b>Net movement in funds</b>		<b>(10,632)</b>	<b>-</b>	<b>(10,632)</b>	<b>84,293</b>	<b>-</b>	<b>84,293</b>
<b>Reconciliation of funds</b>							
Fund balances at 1 April 2021		664,518	-	664,518	580,225	-	580,225
<b>Fund balances at 31 March 2022</b>		<b>653,886</b>	<b>-</b>	<b>653,886</b>	<b>664,518</b>	<b>-</b>	<b>664,518</b>

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

# CITIZENS ADVICE SEFTON

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	11		70,805		20,939
<b>Current assets</b>					
Debtors	12	20,713		18,761	
Cash at bank and in hand		600,141		757,733	
		<u>620,854</u>		<u>776,494</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(37,773)</u>		<u>(132,915)</u>	
Net current assets			583,081		643,579
<b>Total net assets</b>			<u>653,886</u>		<u>664,518</u>
<b>The funds of the charity</b>					
<u>Unrestricted funds</u>					
Designated funds	16	93,330		100,000	
General unrestricted funds		<u>560,556</u>		<u>564,518</u>	
			653,886		664,518
<b>Total charity funds</b>			<u>653,886</u>		<u>664,518</u>

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 15 December 2022

Ms A M Gibbon  
Trustee

Ms L Heap  
Trustee

Company registration number 04794809

## CITIZENS ADVICE SEFTON

### STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19		(87,005)		173,956
<b>Investing activities</b>					
Purchase of tangible fixed assets		(70,616)		(19,756)	
Investment income received		29		1,256	
<b>Net cash used in investing activities</b>			(70,587)		(18,500)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(157,592)		155,456
Cash and cash equivalents at beginning of year			757,733		602,277
<b>Cash and cash equivalents at end of year</b>			<u>600,141</u>		<u>757,733</u>

## **CITIZENS ADVICE SEFTON**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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#### **1 Accounting policies**

##### **Charity information**

Citizens Advice Sefton is a private company limited by guarantee incorporated in England and Wales. The registered office is 297 Knowsley Road, Bootle, Merseyside, L20 5DF.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

The trustees consider that it is appropriate to prepare the accounts on a going concern basis as the charity will be able to meet its liabilities as they fall due. In making this assessment the trustees have considered the impact of the Coronavirus which is prevalent at the time of approval of these accounts and are confident that they have adequate resources to continue to operate having taken account of current and future income streams and expenditure commitments.

##### **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 charitable company 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 charitable company 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.



## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

Grants receivable to finance the bureau's activities are credited to the income and expenditure account in the period to which they relate. Revenue grants received in advance are held as deferred income within creditors in the balance sheet and released to income and expenditure account in the relevant period.

Capital grants are credited to restricted funds when receivable and transferred to unrestricted funds when the asset is purchased. Depreciation on the fixed assets purchased with such grants is charged against unrestricted funds.

Bank interest, donations and the proceeds of fundraising events are credited as income on receipt. Lottery subscriptions are credited in the period to which they relate, with advance payments held in the balance sheet within creditors.

The bureau also benefits enormously from voluntary assistance in carrying out its activities. This voluntary contribution is not included in the financial statements but its value to the bureau has been estimated and is disclosed in the Directors' report.

#### 1.5 Expenditure

All expenditure is accounted for on an accruals basis. Direct staff costs relating to each area of service provision are attributed to the relevant activity. Other costs including general management, finance and administration, together with overhead costs, have been apportioned to the core activities on the basis of their actual or estimated share of resource utilisation, as appropriate.

#### 1.6 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.

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	10 years (or life of lease if shorter)
Fixtures, fittings & equipment	3 years

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 charitable company 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.

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### 1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

##### **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 charitable company 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.

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 1 Accounting policies

(Continued)

##### *Derecognition of financial liabilities*

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

##### 1.10 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

##### 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.12 Retirement benefits

The bureau offers defined contributions to employees' personal pension funds at the rate of 7% of gross salary and these are charged to expenditure in the period to which they relate.

#### 2 Critical accounting estimates and judgements

In the application of the charitable company'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 that there are no key sources of estimation uncertainty.

#### 3 Donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Donations and gifts	330	400

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 4 Charitable activities

	2022 £	2021 £
Services provided under contract	974,068	1,093,055
Analysis by fund		
Unrestricted funds	254,690	303,015
Restricted funds	719,378	790,040
	974,068	1,093,055

#### 5 Other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Activities for generating funds	2,113	2,330

#### 6 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	29	1,256

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

#### **7 Charitable activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff costs	655,078	700,431
Depreciation and impairment	20,420	17,440
Premises costs	67,200	52,116
Telephone	11,599	13,720
Printing, postage and stationery	8,059	8,957
Training and travel	7,024	6,106
Publicity and information	11,680	11,531
Equipment, support and leases	14,892	9,577
Sundry expenses	11,050	8,663
Bank charges	257	177
Partner payments	104,356	104,356
	<u>911,615</u>	<u>933,074</u>
Share of support costs (see note 8)	67,774	72,063
Share of governance costs (see note 8)	7,783	7,611
	<u>987,172</u>	<u>1,012,748</u>
<b>Analysis by fund</b>		
Unrestricted funds	267,794	222,708
Restricted funds	719,378	790,040
	<u>987,172</u>	<u>1,012,748</u>

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 8 Support costs

	Support costs	Governance costs	2022Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	56,963	-	56,963	60,907	60,907
Depreciation	330	-	330	1,517	1,517
Premises costs	4,866	-	4,866	4,532	4,532
Telephone	1,009	-	1,009	1,193	1,193
Printing, postage and stationery	701	-	701	779	779
Training and travel	884	-	884	531	531
Publicity and information	1,016	-	1,016	1,003	1,003
Equipment, support and leases	1,295	-	1,295	833	833
Sundry expenses	688	-	688	753	753
Bank charges	22	-	22	15	15
Audit fees	-	6,254	6,254	-	6,088
Payroll fees	-	1,529	1,529	-	1,523
	<u>67,774</u>	<u>7,783</u>	<u>75,557</u>	<u>72,063</u>	<u>79,674</u>
Analysed between Charitable activities	<u>67,774</u>	<u>7,783</u>	<u>75,557</u>	<u>72,063</u>	<u>79,674</u>

#### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2021: £nil).

During the year, the trustees received a total of £nil (2021: £nil) in expenses from the charity.

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Direct charitable activities	24	25
Management and administration	4	4
	<u>28</u>	<u>29</u>

##### Employment costs

	2022 £	2021 £
Wages and salaries	616,837	658,818
Social security costs	51,518	56,296
Other pension costs	43,686	46,224
	<u>712,041</u>	<u>761,338</u>

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

#### 11 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2021	72,302	162,324	234,626
Additions	66,699	3,917	70,616
Disposals	(28,490)	-	(28,490)
	<u>110,511</u>	<u>166,241</u>	<u>276,752</u>
At 31 March 2022			
<b>Depreciation and impairment</b>			
At 1 April 2021	72,302	141,385	213,687
Depreciation charged in the year	6,670	14,080	20,750
Eliminated in respect of disposals	(28,490)	-	(28,490)
	<u>50,482</u>	<u>155,465</u>	<u>205,947</u>
At 31 March 2022			
<b>Carrying amount</b>			
At 31 March 2022	60,029	10,776	70,805
	<u>60,029</u>	<u>10,776</u>	<u>70,805</u>
At 31 March 2021	-	20,939	20,939
	<u>-</u>	<u>20,939</u>	<u>20,939</u>

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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**12 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	490	850
Prepayments and accrued income	20,223	17,911
	<u>20,713</u>	<u>18,761</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other creditors	4,899	54,446
Accruals and deferred income	32,874	78,469
	<u>37,773</u>	<u>132,915</u>

**14 Retirement benefit schemes**

**Defined contribution schemes**

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

The charge to statement of financial activities in respect of defined contribution schemes was £43,686 (2021: £46,224).



## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

##### 15 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		
	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£	£	£
Greater Merseyside Money Advice Project	210,674	(210,674)	-	150,722	(150,722)	-
The Freshfield Foundation	171,732	(171,732)	-	171,369	(171,369)	-
Best Practice Leads	39,648	(39,648)	-	39,980	(39,980)	-
Help to Claim Grant	106,460	(106,460)	-	107,534	(107,534)	-
Advice Skills Academy	-	-	-	29,603	(29,603)	-
The Better Off Project (Building Better Opportunities)	41,822	(41,822)	-	-	-	-
South Sefton CCG/Southport & Formby CCG	38,185	(38,185)	-	38,279	(38,279)	-
Enterprise Hub	4,825	(4,825)	-	-	-	-
Living Well Sefton	167,004	(167,004)	-	167,004	(167,004)	-
Kickstart	-	-	-	12,457	(12,457)	-
Energy Advice Programme	9,690	(9,690)	-	2,430	(2,430)	-
	<u>790,040</u>	<u>(790,040)</u>	<u>-</u>	<u>719,378</u>	<u>(719,378)</u>	<u>-</u>

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

#### 15 Restricted funds

(Continued)

**Greater Merseyside Money Advice Project** - a restricted fund for the provision of money advice services.

**The Freshfield Foundation** - a restricted fund for the provision of welfare rights advice with Liverpool Citizens Advice Partnership.

**Best Practice Leads** - a restricted fund for the provision of a new Help to Claim service, with funds provided to set up Best Practice Leads, to gather and share information about the performance of Universal Credit and Help to Claim, build local relationships and to develop and share best practice.

**Help to Claim Grant** - a restricted fund sub-grant to set up a Universal Support: Help to Claim service. The funding allows services to be delivered including recruiting appropriate numbers of staff and volunteers for the project, training these staff and volunteers and setting up infrastructure needed for the delivery of phone and chat.

**Advice Skills Academy** - funded as part of a partnership to develop and upskill the workforce for specialist advice services in the Liverpool City Region

**The Better Off Project** - a restricted fund to enable people from diverse profiles support.

**South Sefton CCG/Southport & Formby CCG** - a restricted fund for an NHS standard contract.

**Enterprise Hub** - Provision of better off calculations and budgeting advice for people thinking of moving into self-employment or starting a business.

**Living Well Sefton** - a restricted fund for the provision of both; social welfare advice across Healthy Living Centres, the Living Well Centre and three GP hubs; and health and wellbeing assessments supporting people who may experience stress, anxiety or depression and who are at risk at developing mental health problems.

**Kickstart** - Funding for Government scheme to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment

**Energy Advice Programme** - a restricted fund for the provision of energy advice to advise clients on energy related matters

#### 16 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:

	Movement in funds				
	Balance at 1 April 2020 £	Incoming resources £	Balance at 1 April 2021 £	Transfers £	Balance at 31 March 2022 £
Designated premises fund	100,000	-	100,000	(6,670)	93,330
	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>(6,670)</u>	<u>93,330</u>

Designated premises fund - these reserves have been designated by Trustees for the purpose of securing improved Bureau premises.

## CITIZENS ADVICE SEFTON

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

##### 17 Operating lease commitments

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

	2022 £	2021 £
Within one year	36,000	40,000
Between two and five years	96,000	108,000
In over five years	86,000	110,000
	<u>218,000</u>	<u>258,000</u>

##### 18 Related party transactions

###### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>162,324</u>	<u>150,415</u>

There have been related party transactions in accordance with FRS 102. There were transactions between Citizens Advice Sefton and Citizens Advice in relation to insurance and information systems.

##### 19 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(10,632)	84,293
Adjustments for:		
Investment income recognised in statement of financial activities	(29)	(1,256)
Depreciation and impairment of tangible fixed assets	20,750	18,957
Movements in working capital:		
(Increase)/decrease in debtors	(1,952)	24,763
(Decrease)/increase in creditors	(95,142)	47,199
<b>Cash (absorbed by)/generated from operations</b>	<u>(87,005)</u>	<u>173,956</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.