

Charity registration number 1121988

Company registration number 6347304 (England and Wales)

CITIZENS ADVICE SUNDERLAND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CITIZENS ADVICE SUNDERLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Graham	
	D W Reed	
	D R Wood	
	P Wallace	
	R Singh	
	T Johnston	
	L Usher	(Appointed 27 October 2022)
	J Bell	(Appointed 27 October 2022)
Secretary	Mrs D Irving	
Charity number	1121988	
Company number	6347304	
Registered office	5a Waterloo Place Sunderland Tyne and Wear United Kingdom SR1 3HT	
Independent examiner	Kathryn Morris FCCA Bede House 3 Belmont Business Park Durham DH1 1TW	

CITIZENS ADVICE SUNDERLAND

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CITIZENS ADVICE SUNDERLAND

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 bureau'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 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 Sunderland and surrounding areas.

All of the charity's activities focus on advice provision and support for public benefit and the work is carried out through face-to-face consultations, telephone advice and community talks/sessions.

Through free, independent, confidential and impartial advice, we aim to provide the advice people need for the problems they face and to improve the policies that affect people's lives. We also recognise the positive value of diversity, promote equality and challenge discrimination.

Contribution of Volunteers

Although few in number at present, the organisation receives help and support in the form of voluntary assistance in administering the charity through its Trustee Board. In addition to the nine trustees, we currently benefit from having five volunteers, with others who we can call on to help with one off events such as bag packs and manning information stalls.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities undertaken during the year and are satisfied that the information provided in the report and accounts meet the public benefit reporting requirements.

Achievements and performance

Despite the uncertain and difficult financial landscape, Citizens Advice Sunderland has performed well and has helped 9,300 clients this year with over 34,000 issues. We continue to struggle to meet demand and after our Help to Claim contract ended at the end of 2022, we lost a number of key staff. We have also struggled to recruit and maintain staff for some roles within the organisation and, while that has resulted in a cost saving, it has had an impact on our ability to see more clients it has added pressure to the existing team.

CITIZENS ADVICE SUNDERLAND

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

FOR THE YEAR ENDED 31 MARCH 2023

We have a three year contract with Sunderland City Council to provide First Tier advice for those living in the East of Sunderland. This contract is commissioned until November 2023, and it supports our daily drop in generalist service and benefit form filling service. We offer benefit, debt, employment and housing advice under the First Tier contract predominantly face to face. However, our Adviceline telephone service also supports the contract. Our existing contract is to be extended by a further 12 months and commissioning will take place in 2024.

In addition to our First Tier contract, we offer money advice/debt support through the funding we receive from the Money and Pensions Service (MAPS) managed through the national Citizens Advice body. Sunderland is one of the most indebted regions in the country and the area suffers from high levels of deprivation and high levels of unemployment and sickness.

Our contract with the Wise Group to provide Financial Capabilities to people on the Wise Steps programme, ended this year. This programme was funded by the European Social Fund and the Big Lottery Community Fund and supported people to get back into work. It proved to be a very successful project and it helped us to build stronger relationships with our local stakeholders.

Our grant with the British Gas Energy Trust is performing very well and we have exceeded our annual target. This project allows us to offer a wrap around and holistic service to clients and we are seeing great benefits in this approach. We also received additional funding during the year to offer a mobile advice bus for eight months to support people with energy enquiries and crisis support. We were able to engage with over 750 people and while it was a huge success, it was an even bigger learning curve for us. The bus was further supported by Sunderland Council who funded a driver, insurance and fuel vouchers.

We were successful in securing Warm Homes Funding through working in partnership with Sunderland Council and Green Doctors. The aim of this project is to support people in accessing and installing air source heat pump systems and additional support in the form of energy advice and welfare benefit and debt advice.

We are also working in partnership with Stockton Citizens Advice and other local offices providing energy advice and support through home visits after Stockton led on a funding application to the Energy Redress Scheme for their Warm Up North project. Due to its success, this project was extended and will continue until August 2024.

We have had a number one off grants through Citizens Advice to support us with the impact of the Cost of Living and to support energy and carbon monoxide advice.

Through funding from Sunderland Council, we have offered outreach advice at Warm Spaces venues across Sunderland which proved very popular and led to additional sessions once the project finished. We are also working with the Council to ensure that people without heating can access emergency support and advice. We are working with Grace House in Sunderland to support their service users access outreach advice and support with form filling and general advice. So far, we have secured financial gains of over £500,000 for their service users. Following the success of the Warm Home projects, we have been working with Choices Wellbeing, a newly formed service to support parents of disabled children and that's also proving popular. In 2024, our aim will be to undertake more outreach work, to ensure we engage with people who would not normally reach out to us.

The 12 month project for the Cumbria Northumberland Tyne and Wear NHS Foundation Trust comes to an end in December 2023 and our dedicated member of staff has been supporting people with benefit/debt support and the early intervention can have a positive effect on people and their ability to cope. This contract will test the impact of introducing our services early into the process to see if makes a difference long term.

CITIZENS ADVICE SUNDERLAND

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

FOR THE YEAR ENDED 31 MARCH 2023

It has been good year for securing income gains and writing off debts on behalf of clients and gains of just under £2.5 million were recorded. This is lower than what we achieved last year, however, this is mostly due to the loss of our Help to Claim contract which supported people to make a new claim for Universal Credit.

It has been a busy year for the organisation, and we are very fortunate to have an excellent and cohesive team who are all willing to go the extra mile to make a real difference to people's lives. Our greatest difficulty this year has been in recruiting and training staff. We have had our highest turnover of staff over the last 18 months. It is a difficult sector in which to work, and the roles are demanding. The training programme is extensive, and it takes a significant time to train up and gain the knowledge needed to make an exceptional adviser. In the coming year, we will be looking at ways of making the organisation more attractive to potential employees in a particularly competitive employment market.

We are proud of our achievements, however, we have faced some difficult challenges, and it has been another extremely tough year for us and our local community. The cost of living crisis is still biting, and people are struggling to pay for basic essentials. As a community we need to work together, and our aim is to work with local stakeholders to ensure we reach as many in the community as possible.

Financial review

The organisation is primarily funded by grants from the Money Advice and Pensions Service to provide advice on debt and financial issues and the British Gas Energy Trust to provide advice on energy and debt issues and income maximisation. We have two other major contracts with Sunderland Council, the First Tier Service and the Warm Homes Fund funded through Affordable Warmth Solutions. We have a number of smaller grants including funding from the Energy Redress Scheme and the CNTW Trust. All of our contracts ensure we are helping clients holistically, seeking to maximise income through energy savings measures, budgeting, dealing with debts and financial resilience and capabilities. All other income comes from one-off projects, donations and bank interest.

The organisation ends the year with a small deficit which is significantly better than the budget forecast at the beginning of the year. Most of the clawback comes from staff vacancies and salary savings plus new and unanticipated grant awards. Office costs were higher than anticipated due to a delay in renegotiating our new tenancy agreement with our landlords. Having lost some staff that have not been replaced, we need to rebuild our numbers and focus our attention on regrowth. We have little capacity to cover us for sickness or holidays and this is something we need to address if we are to achieve our goal of growth and meeting client demand.

Nevertheless, having reviewed the organisation's current financial position, the Trustee Board is assured that the charity has adequate financial resources and is able to manage all known business risks going forward. The Management Committee has a reasonable expectation that it has adequate resources to continue in operation for the foreseeable future and believe that there are no material uncertainties that call into doubt its ability to continue as a going concern.

Investment Policy

The Management Committee regularly reviews available investment products and seeks to invest reserve funds in low risk, short term investment products which provide the best interest rates attainable. To mitigate investment risk, diversification is limited to those institutions with a solid reputation and a strong credit rating.

CITIZENS ADVICE SUNDERLAND

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

FOR THE YEAR ENDED 31 MARCH 2023

Reserves Policy

The Trustee Board has a policy for holding unrestricted reserves to protect the organisation from the impact of shortfalls in forecast income, unforeseen expenditure or planned expenditure that will support the delivery of its charitable objectives.

Reserves carried forward as at 31 March 2023 are £631,110 Unrestricted (2022: £595,145) and £331,548 Restricted (2022: £380,018), totalling £962,658 (2022: £975,163).

In light of the current climate and an uncertain future, the Trustee Board seeks to maintain a minimum of nine months' of £37,821 (2022: £69,392) running costs in reserve. The unrestricted reserves position as at the 31 March 2023 is more than sufficient, but given the uncertainty of the funding landscape and the economic climate, it is important to remain prudent, agile and flexible.

Any restricted balances held for the purpose of specific projects at year end do not form part of the reserves policy other than to spend the money in accordance with funders' restrictions.

The trustees have assessed the major risks to which the bureau is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for 2023-24

We expect that 2023 will be another busy year due to the cost of living crisis and high energy prices. In the coming year, our aim is to get out and about more within the community to raise awareness of our services and engage with hard to reach groups. Energy is a concern for everyone, and we have a high level of households currently living in energy poverty. With the experience we now have of energy advice and support we want to build on our energy offer to help people make energy efficiencies that will support their sustainability going forward.

We are very keen to increase our outreach advice programme and work with our stakeholders to ensure everyone understands what support is available to them. Demand for our services is already high and our drop in services are always busy, but we know that a lot of people aren't aware of our services and how we can help them, so we need to invest in raising our profile and be in locations where people visit on a regular basis. This is undoubtedly resource heavy, but we feel it is a worthwhile investment to we reach people.

The trustee board have refreshed our strategy, and the focus is on securing more funding to allow us to reach more people and make a significant difference to people's lives. The first step will be to ensure the team's wellbeing and to grow our numbers. We started the year with just 22 staff, and we end it with 21. In order to meet existing demand, further investment is needed in additional resource and that will be predominantly in staffing. Despite our best efforts in updating our recruitment and training, we have not been able to increase our numbers over the year.

In addition to the investment in the workforce, we are also looking to increase our numbers on the trustee board with a focus on diversity and those who have backgrounds in finance and PR/marketing.

We find ourselves in a cost of living crisis and we need to be able to deal with high levels of demand, complex enquiries and meet our funders' requirements through KPIs and positive outcomes. We are in a fortunate position of having a solid financial base and a dedicated and hardworking workforce. Whatever the future holds, we will ensure that we will continue to provide an excellent and efficient service to those in our community, but we need to protect our assets, starting with the team.

CITIZENS ADVICE SUNDERLAND

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

Structure, governance and management

Citizens Advice Sunderland is a member of the National Association of Citizens Advice Bureaux (NACAB) which provides support and a framework of agreed membership standards of advice and casework management. However, the organisation maintains its independence and all policy decisions are taken by the Trustee Board in meeting its charitable objects.

The charity was incorporated on the 20 August 2007 and is governed by its Memorandum and Articles of Association which have been updated and amended in 2023. Overall responsibility for governance rests with the Trustee Board.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

C Graham	
T Taylor	(Resigned 14 March 2023)
J Hicks	(Resigned 13 July 2022)
D W Reed	
D R Wood	
P Wallace	
M Hankins	(Resigned 8 September 2022)
R Singh	
N Islam	(Resigned 20 May 2022)
T Johnston	
L Usher	(Appointed 27 October 2022)
C Eynon	(Appointed 22 February 2023 and resigned 8 August 2023)
J Bell	(Appointed 27 October 2022)

CITIZENS ADVICE SUNDERLAND

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

FOR THE YEAR ENDED 31 MARCH 2023

The trustees are also directors of Citizens Advice Sunderland for the purposes of Company Law. Starting the year with nine trustees, the newly recruited Board members have been getting to grips with learning about the organisation and looking to the future. We now have a cohesive and ambitious Board of Directors who are keen to make a difference in our local community and the trustees are working hard on drawing up an achievable but ambitious strategic action plan.

The Trustee Board:

- sets the policy of the charity
- determines corporate strategy including setting key strategic objectives
- makes major decisions about the use of finances

All newly appointed trustees receive a Welcome Pack and a full induction using training and resources provided through the Citizens Advice intranet site and training site, Skillbook. All trustees are encouraged to take up further training opportunities as appropriate and engagement with the wider service is undertaken throughout the year in participating in forums, conferences and consultations wherever possible.

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

We plan to carry out another trustee recruitment drive in the coming year to ensure that the work we have to do can be shared evenly amongst the board and that all meetings are quorate, particularly as many of our trustees have careers outside of the organisation. The Board have ambitious plans for the coming year and the trustees are keen to ensure the infrastructure and our strategy are fit for purpose and will ensure our ongoing ability to meet demand, survive a possible recession and ensure a quality and efficient service for our service users.

Management Team

Denise Irving is the Chief Officer and is supported by a small management team of Susan White and Louise Young, and Peter Wilson, the Finance Officer, who help manage the day to day operations of the organisation.

Administrative details

Company Number: 6347304

Registered Charity Number: 1121988

Company Secretary: Denise Irving

Registered Office: 5a Waterloo Place, Sunderland, SR1 3HT

Independent Examiner: Kathryn Morris FCCA (Bede House, 3 Belmont Business Park, Durham, DH1 1TW)

Bankers: HSBC (101 Front Street, Chester le Street, Co Durham, DH3 3BL)

CITIZENS ADVICE SUNDERLAND

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

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

L Usher

Trustee

Dated: 14 December 2023

CITIZENS ADVICE SUNDERLAND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CITIZENS ADVICE SUNDERLAND

I report to the trustees on my examination of the financial statements of Citizens Advice Sunderland (the bureau) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the bureau (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 bureau 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 bureau'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 bureau'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 ACCA, 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 bureau 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 accounts to be reached.

Kathryn Morris FCCA

Azets Audit Services

Bede House
Belmont Business Park
DURHAM
DH1 1TW
United Kingdom

Dated: 14 December 2023

CITIZENS ADVICE SUNDERLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	2	260	-	260	631	-	631
Charitable activities	3	74,068	568,339	642,407	30,977	811,334	842,311
Investments	4	12,065	-	12,065	6,287	-	6,287
Total income		86,393	568,339	654,732	37,895	811,334	849,229
Expenditure on:							
Charitable activities	5	50,239	616,809	667,048	92,522	703,627	796,149
Other finance costs	9	189	-	189	94	-	94
Total expenditure		50,428	616,809	667,237	92,616	703,627	796,243
Net income/(expenditure) for the year/ Net movement in funds		35,965	(48,470)	(12,505)	(54,721)	107,707	52,986
Fund balances at 1 April 2022		595,145	380,018	975,163	649,866	272,311	922,177
Fund balances at 31 March 2023		631,110	331,548	962,658	595,145	380,018	975,163

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 SUNDERLAND

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		30,506		39,314
Current assets					
Debtors	12	85,244		37,497	
Cash at bank and in hand		875,085		928,673	
		<u>960,329</u>		<u>966,170</u>	
Creditors: amounts falling due within one year	13	<u>(28,177)</u>		<u>(30,321)</u>	
Net current assets			932,152		935,849
Total assets less current liabilities			<u>962,658</u>		<u>975,163</u>
Income funds					
Restricted funds	14		331,548		380,018
Unrestricted funds			631,110		595,145
			<u>962,658</u>		<u>975,163</u>

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.

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 14 December 2023

T Johnston
Trustee

L Usher
Trustee

Company registration number 6347304

CITIZENS ADVICE SUNDERLAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(60,645)		76,795
Investing activities					
Purchase of tangible fixed assets		(5,008)		(40,267)	
Investment income received		12,065		6,287	
Net cash generated from/(used in) investing activities			7,057		(33,980)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(53,588)		42,815
Cash and cash equivalents at beginning of year			928,673		885,858
Cash and cash equivalents at end of year			<u>875,085</u>		<u>928,673</u>

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Citizens Advice Sunderland is a private company limited by guarantee incorporated in England and Wales. The registered office is 5a Waterloo Place, Sunderland, Tyne and Wear, SR1 3HT, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the bureau'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 bureau is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the bureau. 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

At the time of approving the financial statements, the trustees have a reasonable expectation that the bureau has adequate resources to continue in operational existence for the foreseeable future. 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.

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 Incoming resources

Income is recognised when the bureau 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 bureau 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 SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Resources expended

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as an expenses against the activity for which expenditure arose.

Direct charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on an appropriate basis.

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	Straight line over 5 years
Computers	25% on cost

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 bureau 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 SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Financial instruments

The bureau 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 bureau's balance sheet when the bureau 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.

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 bureau's contractual obligations expire or are discharged or cancelled.

1.10 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 bureau is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	260	631

3 Charitable activities

	Provision of advice	Provision of advice
	2023	2022
	£	£
Performance related grants	568,339	811,334
Other income	74,068	30,977
	642,407	842,311
Analysis by fund		
Unrestricted funds	74,068	30,977
Restricted funds	568,339	811,334
	642,407	842,311
MASDAP	252,950	310,533
First Tier	41,500	43,000
Wise Steps	28,451	40,516
Help to Claim	-	197,543
Energy Redress Scheme	20,461	21,563
British Gas Energy Trust	134,607	147,945
MIn Cap	-	15,234
Cumbria Northumberland Tyne and Wear NHS Foundation Trust	-	35,000
Warm Homes Fund	49,747	-
Carbon Monoxide Advisory Project	40,623	-

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	12,065	6,287

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	Provision of advice	Provision of advice
	2023	2022
	£	£
Staff costs	475,177	572,865
Depreciation and impairment	1,512	2,840
Vehicle hire	7,258	-
Staff and volunteer expenses	465	1,006
Repairs and renewals	453	237
Insurance	1,516	568
Postage, printing and stationery	874	1,092
Materials, subscriptions and licences	1,129	2,298
Telephone	2,641	1,982
Rent	4,429	4,885
Rates	224	325
Light and heat	1,017	933
Cleaning	313	2,509
Sundry expenses	8,726	46,685
Other charitable expenditure	835	2,218
	<u>506,569</u>	<u>640,443</u>
Share of support costs (see note 6)	154,816	150,124
Share of governance costs (see note 6)	5,663	5,582
	<u>667,048</u>	<u>796,149</u>
Analysis by fund		
Unrestricted funds	50,239	92,522
Restricted funds	616,809	703,627
	<u>667,048</u>	<u>796,149</u>
For the year ended 31 March 2022		
Unrestricted funds	92,522	
Restricted funds	703,627	
	<u>796,149</u>	

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	47,358	-	47,358	55,202
Depreciation	12,303	-	12,303	18,787
Independent examiners fee	-	5,400	5,400	2,500
Legal and professional	-	263	263	3,082
Staff and volunteer expenses	356	-	356	1,159
Repairs and renewals	5,289	-	5,289	764
Insurance	4,511	-	4,511	3,758
Printing, stationery and postage	4,491	-	4,491	4,042
Materials, subscriptions and licences	5,548	-	5,548	5,416
Telephone	21,493	-	21,493	12,513
Rent	35,499	-	35,499	32,255
Other support costs	17,968	-	17,968	16,228
	<u>154,816</u>	<u>5,663</u>	<u>160,479</u>	<u>155,706</u>
Analysed between				
Charitable activities	<u>154,816</u>	<u>5,663</u>	<u>160,479</u>	<u>155,706</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed travelling expenses (2022- none were reimbursed travelling expenses).

8 Employees

The average monthly number employees during the year was 24 :

	2023 Number	2022 Number
Management	4	4
Administrative	3	2
Caseworkers	15	22
Cleaner	2	1
Total	<u>24</u>	<u>29</u>

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8	Employees	(Continued)	
	Employment costs	2023	2022
		£	£
	Wages and salaries	482,085	578,448
	Social security costs	31,602	37,365
	Other pension costs	8,848	12,254
		<hr/>	<hr/>
		522,535	628,067
		<hr/>	<hr/>

In addition a great amount of time, the value of which is impossible to reflect in these financial statements, is donated by volunteers.

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

9	Other finance costs	Unrestricted funds	Unrestricted funds
		2023	2022
		£	£
	Financing costs	11	11
	Other expenditure	178	83
		<hr/>	<hr/>
		189	94
		<hr/>	<hr/>

10 Taxation

Citizens Advice Sunderland, as a registered charity, is potentially exempt from taxation of income and gains falling within S505 of the Income and Corporation Taxes Act 1988 and S256 of the Taxation of Chargeable Gains Act 1992. No tax charge has arisen in the year.

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Tangible fixed assets

	Leasehold improvements	Computers	Total
	£	£	£
Cost			
At 1 April 2022	81,887	115,999	197,886
Additions	720	4,288	5,008
	<u>82,607</u>	<u>120,287</u>	<u>202,894</u>
At 31 March 2023	82,607	120,287	202,894
Depreciation and impairment			
At 1 April 2022	50,939	107,634	158,573
Depreciation charged in the year	7,880	5,935	13,815
	<u>58,819</u>	<u>113,569</u>	<u>172,388</u>
At 31 March 2023	58,819	113,569	172,388
Carrying amount			
At 31 March 2023	23,788	6,718	30,506
	<u>23,788</u>	<u>6,718</u>	<u>30,506</u>
At 31 March 2022	30,948	8,366	39,314
	<u>30,948</u>	<u>8,366</u>	<u>39,314</u>

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	32,165	3,582
Other debtors	198	198
Prepayments and accrued income	52,881	33,717
	<u>85,244</u>	<u>37,497</u>
	<u>85,244</u>	<u>37,497</u>

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	8,589	4,102
Other creditors	8,829	9,373
Accruals and deferred income	10,759	16,846
	<u>28,177</u>	<u>30,321</u>
	<u>28,177</u>	<u>30,321</u>

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 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 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Business Innovation and Skills Money Advice Service Debt Advice Project	9,256	-	-	9,256	-	-	9,256
Sunderland City Council Big Lottery Fund and European Social Fund Universal Support - Help to claim Energy Redress Scheme British Gas Energy Trust (BGET)	102,223	310,533	(280,608)	132,148	252,950	(255,498)	129,600
Mln Cap	139,057	43,000	(41,248)	140,809	41,500	(71,010)	111,299
Cumbria Northumberland Tyne and Wear NHS Foundation Trust Warm Homes Fund EAP- CMAP	-	40,516	(40,516)	-	28,451	(28,451)	-
	-	197,543	(197,543)	-	-	-	-
	-	21,563	(18,917)	2,646	20,461	(19,382)	3,725
	21,775	147,945	(109,561)	60,159	134,607	(123,924)	70,842
	-	15,234	(15,234)	-	-	-	-
	-	35,000	-	35,000	-	(35,000)	-
	-	-	-	-	49,747	(49,747)	-
	-	-	-	-	40,623	(33,797)	6,826
	<u>272,311</u>	<u>811,334</u>	<u>(703,627)</u>	<u>380,018</u>	<u>568,339</u>	<u>(616,809)</u>	<u>331,548</u>

Unrestricted Funds

The Trustees seek to maintain minimum Reserves levels equivalent to nine months running costs of the Bureau. The Reserves Policy is outlined in the Trustees' Report on page 1 to 7.

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Restricted funds

(Continued)

Restricted Funds

Money Advice Service Debt Advice Project (MASDAP)

This is an integrated debt advice service which is funded by the Money Advice Service and has funding until December 2023.

Sunderland City Council (First Tier Welfare Rights Contract)

This is a welfare benefits and debt advice service funded by Sunderland City Council. The project has funding until November 2023.

Energy Redress Scheme

This is a project to provide energy advice to vulnerable people to meet the objectives of the Energy Redress Scheme (ERS). Funding is from Stockton & District Advice & Information Service (SDAIS). The project has funding until August 2024.

British Gas Energy Trust (BGET)

This is a project to provide energy advice and assistance to the public aimed at reducing and managing debt, maximising income, reducing fuel poverty, and improving energy efficiency. The project has funding until March 2024.

CNTW NHS

Working alongside the three Sunderland NHS Foundation Trusts, the project provides dedicated advice and support to their patients particularly around welfare benefit support. The project has funding until December 2023.

Wise Steps

This project provides one-to-one tailored support to help people take positive steps towards work with funding from the Big Lottery and the European Social Fund. The project has funding that ended in December 2022.

Warm Homes Fund

This project provides 135 first time central heating systems and associated energy efficiency measures to eligible households affected by fuel poverty. The project has funding until March 2024.

Carbon Monoxide Advisory Project

This project involves the delivery of one to one carbon monoxide awareness and energy advice. The project has funding until March 2023.

15 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31						
March 2023 are						
represented by:						
Tangible assets	30,506	-	30,506	39,314	-	39,314
Current assets/(liabilities)	600,604	331,548	932,152	555,831	380,018	935,849
	<u>631,110</u>	<u>331,548</u>	<u>962,658</u>	<u>595,145</u>	<u>380,018</u>	<u>975,163</u>

16 Related party transactions

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

CITIZENS ADVICE SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Charitable Status

Citizens Advice Sunderland is a Registered Charity (Number 1121988). The Charity is a Company Limited by Guarantee, having no share capital. The liability of each member in the event of winding up is £1.

18 Cash generated from operations	2023	2022
	£	£
(Deficit)/surplus for the year	(12,505)	52,986
Adjustments for:		
Investment income recognised in statement of financial activities	(12,065)	(6,287)
Depreciation and impairment of tangible fixed assets	13,816	21,626
Movements in working capital:		
(Increase)/decrease in debtors	(47,747)	7,363
(Decrease)/increase in creditors	(2,144)	1,107
	<hr/>	<hr/>
Cash (absorbed by)/generated from operations	(60,645)	76,795
	<hr/>	<hr/>

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