

Company number: 02631064 (England and Wales)
Charity number: 1020565

Citizens Advice Gateshead
(A Company Limited by Guarantee)

Report and Financial Statements

For the Year Ended 31 March 2021

Citizens Advice Gateshead

(A Company Limited by Guarantee)

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Citizens Advice Gateshead
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

Registered charity name	Citizens Advice Gateshead
Charity number	1020565
Company registration number	02631064
Registered address	The Davidson Building Swan Street Gateshead Tyne and Wear NE8 1BG

Trustees

Chair & Acting Treasurer	B Taylor	
Vice Chair	M A Kesteven	
	C Robson	
	S P Bell	
	M Dodd	
	I Logan	(Resigned 21.3.2021)
	H Lee	
	E Brown	
	J R Sabarre	
	J D Fenwick	
	F M Urquhart	(Appointed 9.4.2020)
	C A Whittaker	(Appointed 28.5.2020)
	S Dickie	
	J Gibson	
	J Baxter	(Appointed 15.2.2021)

Executive Leadership Team	A Dunn	Chief Executive Officer
	J Graham MBE	Commercial Director
	J Wood-Archer	Service Delivery Director
	A R McDonald	Finance Director (Resigned June 2020)
	P Oliver	Corporate Services Director (Appointed 1.12.2020)

Auditors

Haines Watts North East Audit LLP
17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Bankers

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B1 2HB

Lloyds Bank plc
Grey Street PO Box 1000
NE3 3LS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

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



Objectives & Activities

Citizens Advice Gateshead exists to provide free, independent, confidential and impartial advice both regionally and nationally to thousands of people each year, on a wide variety of issues. Established over 60 years ago, the charity has grown into one of the biggest providers of Citizens Advice services in the UK, employing around 180 staff with a turnover circa £4m.



Our Vision & Mission

Our ambitious vision is for a fair society for all, with lives well lived, supported by our mission - to mobilise knowledge so the system works, it works for everyone, and it powers the changes we need to be an equal and inclusive society. Our purpose extends beyond simply reacting to crises; we also own responsibility for finding ways to stop the tide of problems we so adeptly respond to every day.

Our Values

We deliver our vision and mission through our core values:-

Rock the system - Our mission is to mobilise knowledge so the system works for everyone.

Stand up for equality - We value diversity and advocate social justice.

Own it! - We strive every day to be the best that we can be.

Blaze the trail - We actively embrace change.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021



Our Strategy

Supported by our ethical principles of *Beneficiaries First, Integrity, Openness* and the *Right to be Safe*, we are now midway through the delivery of our ambitious strategic plan for 2019-22. Our 3 strategic priorities that define our criteria for measuring success are:-

1. *Help people to know and understand their social welfare rights and responsibilities so they can improve their quality of life.*
2. *Progress to a system that supports and enables people to reach their full potential - that doesn't stigmatise, cause hardship or allow anyone to fall through the net.*
3. *Be an enduring and dynamic charity that never stands still until we have a fair society for all, with lives well lived.*



How We Work

Our client facing services are organised into three areas, supported by various funding streams. They all have one thing in common at their core, the desire to provide support to people, to know and understand their social welfare rights and responsibilities, so they can improve their quality of life.

Contact Centres: our largest service, providing advice funded through National Citizens Advice, covering general advice and also specialist advice in areas including Consumer, Witness Service, Help to Claim and the Trussell Trust Foodbank Helpline.

Local Advice: 16 different projects positioned within the local community - including general help, welfare benefits, energy advice and specialist social welfare advice projects.

Legal & Regulated Advice: covering advice for money and pensions, employment, housing and discrimination.

TRUSTEES' REPORT

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Working alongside our client facing service, our **Service Development Team** provide overarching support with the development of new projects, with delivery of specialist areas of support or those at risk of gambling related harm, a children's support fund to provide financial support for families experiencing financial hardship and also Research & Campaigns, working to improve the policies and practices that affect people's lives.

TRUSTEES' REPORT
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A Partnership Approach

Embedded within the mobilisation of our vision, mission and delivery of our services is a commitment to developing cohesive partnerships with our funding partners and other local charities/agencies who share our values. Working closely with partner agencies allows us to provide holistic overarching support to clients and their touchpoints when accessing various services. Over the last year, we have collaborated on services with Gateshead Foodbank, Age UK Gateshead, Oasis Community Housing (crisis support for homeless), Great North Children's Hospital Foundation as well as a range of wider local community projects, with hubs supported by government, community and health projects.

Alison Dunn, the Chief Executive of Citizens Advice Gateshead, is currently seconded to a role funded by Gateshead Council, working within the Directorate of Housing, Environment and Communities as Service Director for Voluntary and Community Sector Development.

The purpose of this role is to tackle poverty and inequality; develop successful, collaborative relationships with the voluntary, community and social enterprise sector and promote the unique value and contribution of volunteers to Gateshead in creating vibrant, inclusive and sustainable communities

Alison is supported by a Leadership Directorate consisting of a Commercial Director, Service Delivery Director and a new Corporate Services Director, appointed in December 2020.

Independent quality endorsements

We remain committed to quality assurance and continual improvement, embedded into all aspects of the charity in support of our client facing services and in line with our contractual and governance requirements.



TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE

We have a tangible impact on the lives of our clients, ensuring millions of pounds are justly claimed by those who can each year, helping people at their most vulnerable moments when it is needed most.

Local Advice Services

The charity reacted quickly to the COVID19 outbreak, during the first lockdown in March 2020, to move the staff and volunteer team to remote working and with that, the switch of our face to face local advice services to digital and telephone access. We quickly saw an upsurge in related advice needs, with dramatic increases in employment and welfare benefits issues, in particular universal credit which represented 1 in 5 enquiries.

Alison Dunn, who has led the charity through the challenges of the pandemic over the past year explained "We're seeing unprecedented demand for our services, questions about Universal Credit are up 125%, employment enquiries have increased by 74%. Demand for energy advice is also rising exponentially as so many people are struggling with fuel costs and the increased need triggered by a particularly cold spell of weather."

The number of clients who received full advice are up on last year, with almost £7m achieved in financial outcomes from income gained through benefits owed, awards secured and appeals won, as well as debts written off or deferred. This was achieved despite the pausing of tribunals, assessments and various measures put in place to prevent debt enforcement.



An area which has seen a significant increase is referrals to the local foodbank, and various charitable support organisations. In 2020/21 we helped 1,768 people in food crisis and 710 with applications for charitable support to help them through tough times, which represents a 100% increase on 2019/20. The pandemic has had devastating effects on those living in poverty in Gateshead.

Issues per client were consistent with last year at 4.5, highlighting the fact that many of our clients have complex needs and access different services across the charity. Further work was done by our Research and Campaigns team, producing a deep dive evidence-based report into our top 100 returning clients. This work has fed into the next stage of our strategic planning process, including the future development of our services and a further piece of work to develop client personas, to better understand the client journey and barriers to accessing the support they need.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021



Local Advice Case Study

Emotional, terrified, exhausted and defeated, a young mother 'Sarah' came to us for help with two declined disability living allowance claims in support of her children's highly complex health issues. The team supported her with written submissions to the court and successfully secured over £9k in entitled benefits to support 'Sarah' and her children.

Following her struggles, heartache and feeling ashamed that people would think of her as a benefits scrounger she is now able to provide for her family's needs, including a second-hand car for hospital trips and some outdoor toys for the children. On hearing the good news Sarah told us...

"I finally feel like someone believed me."

National Advice Services

Our Contact Centre Team provide advice nationally over a range of advice needs such as general advice, consumer issues, including energy and national projects supporting clients to support hardship and benefit claims. One National Helpline Service is a pilot funded by Citizens Advice, through the Trussell Trust. Its objectives are to deliver a high-volume service which provides targeted and personalised support, driving improved experience and outcomes for some of the most disadvantaged and financially excluded in society. Below are some key highlights from our National Advice Services:-



TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Legal and Regulated Services

Our Legal Service Projects were affected by the COVID19 pandemic, working on a reduced service, due to the closure of the courts during lockdown, with use of flexible furlough, and staff being redeployed to other services. Nevertheless, our client outcomes remained good through our Discrimination and Money Advice Service as highlighted below. Our debt and financial advice service funded by the Money Advice and Pensions Service is a granted funded project managed by Citizens Advice and delivered by Local Citizens Advice offices under a sub-grant agreement. The grant is paid in quarterly payments based on the FTE allocation for the office with a small allowance for training costs. Performance is measured by case numbers and quality scoring, measured through structured internal file reviews and external reviews.



Volunteering

We could not do the work we do without the generosity and dedication of our team of amazing volunteers. We have a vast array of volunteer opportunities ranging from giving advice to clients, to managing our social media, to maintaining our secret garden. Despite the restrictions imposed by lockdown and switching to remote advice, we still achieved significant volunteer hours across the charity, providing admin support, generalist advice and form filling - equivalent to £21k in staff costs at minimum wage.

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FOR THE YEAR ENDED 31 MARCH 2021

People

The charity made several key staff appointments during the year supplemented by some new roles to support key areas of our strategy. Three new trustees were added to the board, bringing with them senior level marketing and legal experience. A Corporate Services Directorate was established within the Leadership Team, with designated responsibility for Finance, Governance & Risk, Quality & Compliance and Facilities/IT. A Corporate Service Director was recruited to head up the team, along with a new Finance Manager. A Volunteer Programme Lead was also created, to support the new People Development Manager, leading on recruitment and development of our staff and volunteers.

Over the course of the year, 44 new staff roles were filled, the majority of those to boost the capacity of our advice services. Several excellent people initiatives were also launched, including our 'Mobilising Brilliance' training, 'Bright Start' induction programmes and volunteer forward 'Springboard' programmes, as well as the launch of a new staff benefits scheme.

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FOR THE YEAR ENDED 31 MARCH 2021

PUBLIC BENEFIT STATEMENT

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisations aims and objectives and in planning future activities.

FINANCIAL REVIEW

The charity has seen income during the year increase by £522,475 with additional funding becoming available to provide additional advice services during COVID-19.

The funding sources listed on page 30 show the funds received to help run the organisation. The majority of the funding is sourced from grant funding, with additional income earned through contracts with the Legal Aid Authority and secondment of staff. The charity acknowledges and gratefully thanks all its funders, staff and volunteers who contribute so substantially to the resources of the organisation.

Reserves Policy

It is the policy of the charity to hold free reserves amounting to 6 months expenditure (excluding expenditure and direct payroll costs) which is currently calculated at £480,000.

Free reserves are classed as those reserves not invested in tangible fixed assets, including associated loans, or designated for any purpose.

At 31 March 2021, free reserves were £455,030 (2020 - £415,176), an increase of £39,854 in the year. As detailed, in the reserves notes and future plans designated reserves amount to £43,684 (2020 - £43,684) and therefore the current level of free reserves are within an acceptable level of the targets set by the trustees based on the 2021/22 budgets. The trustees continue to work with funders to budget future surpluses in order to provide improved organisational sustainability.

Restricted funds are restricted by the donor or funder and cannot be used for the general purposes of the charity. Their existence, and the sums of money therein, do not imply that there has been an underspend, but may result from a variety of circumstances including timing differences between the charity's financial year and the funding year of the project concerned. Details of these can be found in note 21 on pages 38 to 40 in the financial statements. At the year end restricted reserves amounted to £54,706 (2020 - £32,314).

This reserves policy is monitored and reviewed by the trustees annually.

Impact of COVID-19

While the in-person advice service was affected by Covid restrictions, the charity reacted remarkably well to those challenges, as it quickly adapted to a fully remote service supported by the swift deployment of technologies and remote working. Moreover, the overall strategy

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and deliverables did not need adjusting but were actually accelerated in implementation. The use of cloud-based systems, softphones and adapting frontline services to meet the needs of the client all gained momentum during this time.

We will continue to support a flexible working approach for staff to be able to work remotely, with the option to reconnect in person, through hotdesking and common meeting places at the office when it becomes safe to do so. The development of the Davidson Building as a local community hub, the adaptation of our client facing service, along with onsite access to various services, supported by partner agencies will allow us to improve the client experience with smoother signposting and referrals.

The charity's forecasts and projections for the next twelve months indicate that the charity is able to continue in operational existence.

The charity received furlough for a small number of staff who are funded through payment by results (the majority of staff are grant funded therefore furlough was not an option for the majority). It was not necessary to take advantage of any delays available for payment of PAYE or VAT. Additional funding has been made available by funders to assist with the move to a more agile workforce, working from home, and reduced facilities costs during this period have also been reallocated to technology.

The trustees therefore consider the charity able to continue to meet its debts as they fall due and it remains appropriate to prepare the financial statements on a going concern basis.

Investment Policy

Aside from the principle of trying to retain a prudent amount in reserves most of the charity's funds are spent in the short term, so there are few funds for long term investment. Having considered the options available, the trustee board has decided to invest any surplus monies in a short-term interest account. At the balance sheet date, the charity has one wholly owned subsidiary, Society Matters CIC, which gift aids available profits to the charity.

Fundraising Policy

The charity seeks to raise additional funds through marketing of the charity, its work and its impact on its beneficiaries. Fundraising takes the form of holding virtual and in person events, sponsorship for participation in public events, cashback through recycling, and running social media campaigns which provide for donations by text and online giving. The charity does not work with any commercial participators or professional fundraisers, with donor fundraising activity being dispersed across several roles in the executive team. Fundraising is monitored by the Commercial Director and complaints are dealt with by the Chair of Trustees.

Principal Risks and Uncertainties

The trustees monitor risks using a Risk Register which is reviewed by the board bi-monthly. Risks and mitigating factors are assessed on a bi-monthly basis and actioned by the Risk Committee which includes members of the trustee board and the Executive Leadership Team.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees are satisfied that systems are in place to mitigate exposure to major risks. Overall our risk level remains at 'medium' across the charity and are mindful of our latest emerging risks in the areas of business continuity planning, recommissioning of some key contracts in 2022, information assurance risks relating to storage and transferral of data with remote working and ongoing management of the Covid-19 associated risks.

TRUSTEES' REPORT
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FUTURE PLANS

We will continue in the pursuit of [our vision of a fair society for all, with lives well lived](#) through the continuance and development of our vital frontline services. In particular, we will seek to broaden the reach and deepen the impact of our local advice services through the implementation of our new Community Advice Model. We will deliver services throughout the Gateshead area, wherever and however it is best for each person, to ensure our services are accessible and reach the people who need us most.

Our Community Advice Services team will provide advice, information, guidance and advocacy to anyone who lives, studies or works in Gateshead who accesses our help, to fulfil our aim of helping people to know and understand their social welfare rights and responsibilities so they can improve their quality of life. Through this model we will be fulfilling our strategic objectives by enabling the people to easily access the knowledge they need while shaping the service around the needs of the person. In doing so we will improve accessibility to our services by meeting people where they are.

Barry Taylor, Chair of the charity's Trustee Board adds *"We refuse to stand still when the number of people facing hardship and poverty is increasing so quickly. Our drive for new staff, new volunteers and new ways of reaching out to help people is a statement of intent that as we seek a fair society for all, there should always be someone you can talk to for help and advice."*

In addition to positioning ourselves within the community we will also re-engineer our building, to transform our premises into a community hub, providing access to advice, signposting and cross-referral of clients through local onsite partnerships with other charities and agencies. We also have an opportunity to re-engage in person with those who are most marginalised in the local community and have been unable to access digital support, through the return of in-person advice services.

We will also invest in our infrastructure, with the continuance of our agile working agenda through the adoption of new technologies. This includes the further digitisation of our systems and processes towards cloud-based technology, to facilitate secure remote and efficient access to our IT systems. Specifically, we will rollout further our successful softphone pilot across the remainder of our advice services, continue to encourage collaborative working across the charity through process improvements, facilitated by our digital platforms.

We will maintain our strong working partnerships with our stakeholder partners to provide the highest level of quality of advice and the improvement of people's lives. This includes collaborating with organisations that share our values and common purpose. We will continue to promote the charity through our marketing and communications resources, ensuring our stakeholders recognise the value of our work, and increasing their desire to work with us. This will be supported through the recruitment of patrons for our charity, to broaden our networking capability and visibility in previously untapped areas.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

We will also seek to build further financial resilience through diversification of our income streams and funding mix, with an emphasis on corporate partnerships and further development of donor fundraising.

Our focus on developing the management and leadership capabilities across the charity is building our resilience and ability to achieve our strategic priority to be an enduring and dynamic charity. The ongoing development of our people function and planned investment in our People Team infrastructure will bolster these efforts further.

As the year progresses, we will look ahead to the next stage of our strategic planning process, building the framework for our strategic plan for 2022-25 which we aspire to launch at our 65th anniversary in March 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 22nd July 1991 but originally formed in May 1957 and governed by the Memorandum and Articles of Association which were last amended in March 2021. The organisation is a registered as a charity.

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of approval of the accounts are detailed on page 2.

Trustee appointment, induction and training

Citizens Advice Gateshead has a trustee board which has provision for 18. The trustees meet bi-monthly and are responsible for the strategic direction and policy of the charity. At present the board consists of 14 trustees from a variety of voluntary and professional backgrounds relevant to the work of the charity. A proportion of the board are representatives of specific groups whose input is critical to our strategy and governance, including Gateshead's BAME community, our volunteers and the local authority. All trustees are members of the charity and have a right to vote. A current governance review is considering how best to ensure that the board is able to operate effectively and adequately reflect the charity's client base.

The trustee board seeks to ensure that the needs of our clients are appropriately reflected and met through the diversity of the trustee board, which includes members with local charitable and voluntary agency knowledge, traditional business skills and experience of statutory services.

Trustees are elected for a period of three years after which they must be re-elected at the next Annual General Meeting.

The trustee induction process aims to:

- inform the new directors/trustees about their roles, responsibilities and liabilities;
- inform them about the current work of the charity; the business and development plans; financial and staffing resources; quality, services and fundraising requirements;
- identify the knowledge, skills and experience that the director/trustee brings to the trustee board;

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

- identify any initial training required and any additional information or support needed

Training of trustees is also undertaken on an ongoing basis through taking advantage of external training specifically geared to the charitable sector, as well as learning and development enabled through technical papers and presentations delivered during and outside trustee board meetings.

Membership of Citizens Advice

At Citizens Advice Gateshead we highly value our long-established affiliated membership of the Citizens Advice network, as one of almost 300 independent charities across the UK. As a Citizens Advice member we research and campaign on behalf of our citizens, we contribute innovation and lead best practice across the network, and we draw on the extensive knowledge base and resources of the membership organisation.

We are proud to uphold the immense value of the Citizens Advice brand through our work, and are equally proud that whilst doing so we are ploughing our own furrow as a local charity with a national presence and an absolute commitment to delivering of our vision of a fair society for all, with lives well lived.

Related Parties

The charity is a member of National Association of Citizens Advice and as such, is regularly audited against its membership requirements, including assessment of members' leadership capability which has been appraised for Citizens Advice Gateshead as 5 Star, the highest level available, and this has been maintained during the financial year 2020/21.

The charity's wholly owned subsidiary, Society Matters Community Interest Company (Society Matters CIC) traded during the year. As a result the charity has produced Group Financial Statements, consolidating the group's financial activities. Available profits from the subsidiary are gift aided annually to the charity.

Organisation

The trustees have overall responsibility for the management of the charity. The Chief Executive Officer, is appointed by the trustees and in conjunction with the executive leadership team (detailed on page 1), manages the day-to-day operations of the charity.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation;

The trustees are responsible for keeping proper accounting records which 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. The trustees 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR

A resolution to appoint auditors for the ensuing year will be proposed at the annual general meeting in line with the charity's policies and in accordance with section 485 of the Companies Act 2006.

Approved by the trustees on 30th September 2021 and signed on their behalf



Barry Taylor
Chair of Trustees

Citizens Advice Gateshead

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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS' OF CITIZENS ADVICE GATESHEAD FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Citizens Advice Gateshead (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Group Balance Sheet and Charitable Company Balance Sheet, the Cash Flow Statement and 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 group's and charitable company's affairs as at 31 March 2021, and of the group's 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 group and 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charitable company's activities, customers, suppliers and wider economy. The trustees' view on the impact of COVID-19 is disclosed on page 10 and within the accounting policies note.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITIZENS ADVICE GATESHEAD *(Continued)* **FOR THE YEAR ENDED 31 MARCH 2021**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 by the parent charitable company, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16 the trustees (who are also the directors of the charitable company for the purposes 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 group's and parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITIZENS ADVICE GATESHEAD *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2021

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

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.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the directors and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates;
- confirmation received from the bank to verify the balance as on the last day of the accounting year; and
- review of minutes of meetings of those charged with governance.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 audit report.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITIZENS ADVICE GATESHEAD *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2021

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.



Gillian Benjamin ACA

for and on behalf of Haines Watts North East Audit LLP

14th October 2021
.....

Statutory Auditor

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Citizens Advice Gateshead

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account)**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	4	2,490	110,119	112,609	28,596
Charitable activities	5	388,886	3,594,973	3,983,859	3,559,652
Other trading activities	7	51,819	-	51,819	63,040
Investment Income	6	152	-	152	610
Other Income	7	25,934	-	25,934	-
Total income		469,281	3,705,092	4,174,373	3,651,898
Expenditure on:					
Raising funds		34,388	-	34,388	74,843
Charitable activities	8	469,134	3,609,675	4,078,809	3,441,777
Total expenditure		503,522	3,609,675	4,113,197	3,516,620
Net movement in funds before transfers		(34,241)	95,417	61,176	135,278
Transfer between funds	21	73,025	(73,025)	-	-
Net movement in funds after transfers		38,784	22,392	61,176	135,278
Reconciliation of funds					
Total funds brought forward		50,265	32,314	82,579	(52,699)
Total funds carried forward		89,049	54,706	143,755	82,579

All income and expenditure derive from continuing activities.

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

Citizens Advice Gateshead

(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET**AS AT 31 MARCH 2021**

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	15		58,438		82,084
			<hr/> 58,438		<hr/> 82,084
Current assets					
Debtors	17	314,983		396,546	
Cash at bank and in hand		708,667		518,214	
		<hr/> 1,023,650		<hr/> 914,760	
Creditors: amounts falling due within one year	18	(470,230)		(423,586)	
		<hr/>		<hr/>	
Net current assets			553,420		491,174
Total assets less current liabilities			<hr/> 611,858		<hr/> 573,258
Creditors: amounts falling due after more one year	19		(468,103)		(490,679)
Net assets			<hr/> 143,755		<hr/> 82,579
			<hr/>		<hr/>
Funds					
Unrestricted funds			45,365		6,581
Designated Funds			43,684		43,684
Restricted funds			54,706		32,314
	21		<hr/> 143,755		<hr/> 82,579
			<hr/>		<hr/>

The notes on pages 25 to 43 form part of these financial statements.

The financial statements were approved by the Trustees on 30th September 2021 and signed on their behalf by:



.....
B Taylor
Chair of Trustees

Company Number: 02631064

Citizens Advice Gateshead

(A Company Limited by Guarantee)

CHARITABLE COMPANY BALANCE SHEET**AS AT 31 MARCH 2021**

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	15		58,438		82,084
Investments	16		1		1
			<u>58,439</u>		<u>82,085</u>
Current assets					
Debtors	17	312,586		413,423	
Cash at bank and in hand		697,082		473,807	
		<u>1,009,668</u>		<u>887,230</u>	
Creditors: amounts falling due within one year	18	(463,847)		(411,886)	
		<u></u>		<u></u>	
Net current assets			545,821		475,344
Total assets less current liabilities			<u>604,260</u>		<u>557,429</u>
Creditors: amounts falling due after more one year	19		(468,103)		(490,679)
Net assets			<u>136,157</u>		<u>66,750</u>
Funds					
Unrestricted funds			37,767		(9,248)
Designated Funds			43,684		43,684
Restricted funds	21		54,706		32,314
			<u>136,157</u>		<u>66,750</u>

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

The notes on pages 25 to 43 form part of these financial statements.

The financial statements were approved by the Trustees on 30th September 2021 and signed on their behalf by:



.....
B Taylor
Chair of Trustees
Company Number: 02631064

Citizens Advice Gateshead

(A Company Limited by Guarantee)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Net cash flow from operating activities:			
<i>Net cash provided by (used in) operating activities</i>	25	211,803	(257,293)
Cash flows from investing activities			
Interest receivable and similar income		152	610
Purchase of tangible fixed assets		-	(64,940)
<i>Net cash flow from investing activities</i>		152	(64,330)
Cash flows from financing activities			
Repayment of loans and borrowings		(21,502)	(20,481)
Net increase in cash and cash equivalents		190,453	(342,104)
Cash and cash equivalents at the beginning of the year		518,214	860,318
Cash and cash equivalents at the end of the year		708,667	518,214

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Citizens Advice Gateshead meets the definition of a public benefit under FRS 102.

The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Basis of consolidation

The financial statements consolidate the results of Citizens Advice Gateshead and its wholly owned subsidiary Society Matters CIC on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because Citizens Advice Gateshead has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.3 Going concern

The financial statements have been prepared on a going concern basis. Whilst the COVID-19 pandemic has significantly changed the way in which the charity operates, with a move from office to home working, utilising web and telephone systems, our project work continues, and funding remains available for a variety of our work.

Forecasts and projections for the next 12 months indicate that the charity is able to continue in operational existence. The directors therefore consider the charity able to continue to meet its debts as they fall due, and it remains appropriate to prepare the financial statements on a going concern basis.

1.4 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Citizens Advice Gateshead and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by Citizens Advice Gateshead for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

1.5 Income

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

Donations and legacies

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

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and 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. It is categorised under the following headings:

- Costs of raising funds includes all costs incurred in the running of the trading subsidiary; and
- Expenditure on charitable activities includes all direct and support costs incurred in the management of the charity.

Irrecoverable VAT is charged as a cost against the expenditure when incurred.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

1.7 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.8 Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Equipment	- 20% straight line
Fixtures, fittings and equipment	- 25% straight line

1.9 Fixed asset investments

Investments in subsidiaries are at cost less impairment.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Creditors and provisions

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

1.13 Pensions

Citizens Advice Gateshead operates a defined contribution pension scheme for employees. Amounts payable by Citizens Advice Gateshead are included in the Statement of Financial Activities when the related salary is paid. Unremitted amounts are included in creditors.

1.14 Financial instruments

Citizens Advice Gateshead only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2021

1.15 Judgements and key sources of estimation uncertainty

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.

There are no significant accounting estimates which are considered to materially impact the financial statements.

2. Legal status

Citizens Advice Gateshead is a company limited by guarantee, registered in England and Wales, (number 02631064) and not having a share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**3. Statement of financial activities from the prior year**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from:				
Donations and legacies	4	28,596	-	28,596
Charitable activities	5	581,262	2,978,390	3,559,652
Other trading activities	7	1,409	-	1,409
Investments	6	610	-	610
Other	7	61,631	-	61,631
Total income		673,508	2,978,390	3,651,898
Expenditure on:				
Raising funds		(74,843)	-	(74,843)
Charitable activities	8	(579,343)	(2,862,434)	(3,441,777)
Total expenditure		(654,186)	(2,862,434)	(3,516,620)
Net movement in funds before transfers		19,322	115,956	135,278
Transfer between funds	21	83,642	(83,642)	-
Net movement in funds after transfers		102,964	32,314	135,278
Reconciliation of funds				
Total funds brought forward		(52,699)	-	(52,699)
Total funds carried forward		50,265	32,314	82,579

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**4. Income from donations**

	2021	2020
	£	£
Donations	2,490	2,895
Employment allowance	-	3,000
Trusts and foundations	110,119	22,701
	<u>112,609</u>	<u>28,596</u>

5. Income from charitable activities

	2021	2020
	£	£
Grant Income:		
Contact Centre Services	2,229,534	2,034,286
Local Services - Health	231,115	211,671
Local Services – Social Welfare Advisers	643,391	554,398
Legal Services	349,870	307,148
Equipment including softphone	57,963	31,959
Other grants	83,100	85,410
Contract Income:		
Legal Aid	273,002	181,272
Other Income (including seconded staff)	115,884	153,508
	<u>3,983,859</u>	<u>3,559,652</u>

Grant Income has been provided by the following organisations;

National Association of Citizens Advice Bureaux
 Gateshead Council
 Newcastle Gateshead Clinical Commissioning Group
 Kay Kendall Leukaemia Fund
 Access to Justice Foundation
 The Wise Group
 North East Law Centre
 Sir James Knott Trust
 Newcastle Hospitals NHS Charity
 Oasis Aquila Housing
 Edberts House (The Big Lottery Funding)
 National Lottery Community Foundation
 The Round Table
 Great North Children's Hospital Foundation
 Energy Redress Scheme

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**6. Investment income**

	2021	2020
	£	£
Interest receivable on bank deposits	152	610
	<u> </u>	<u> </u>

7. Other income

	2021	2020
	£	£
Other trading income		
Income from Trading Subsidiary	43,227	44,785
Rental income	8,055	16,846
Other Income	537	1,409
	<u>51,819</u>	<u>63,040</u>
	<u> </u>	<u> </u>
Other Income		
Government Grants – HMRC Furlough Claims	25,934	-
	<u> </u>	<u> </u>

8. Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs £	Total 2021 £	Total 2020 £
Grant supported activities				
Contact Centre Services	1,797,891	484,990	2,282,881	1,989,015
Local Services - Health	121,299	64,137	185,436	190,832
Local services – Social Welfare Advisers	407,908	176,798	584,706	491,719
Legal Services – grant support	257,368	90,469	347,837	328,150
Equipment including softphone	56,036	-	56,036	-
Client Assistance Projects	104,131	-	104,131	-
Other activities	57,422	-	57,422	76,377
Contract and other income sources				
Legal Services	270,273	74,293	344,566	276,236
Staff Secondment	108,234	7,560	115,794	89,448
	<u>3,180,562</u>	<u>898,247</u>	<u>4,078,809</u>	<u>3,441,777</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**9. Support costs**

	2021	2020
	£	£
Staff costs	510,682	304,698
Office costs	93,518	141,631
Depreciation	23,646	19,840
Premises costs	98,932	116,770
Other costs	104,391	26,878
Governance costs (note 10)	67,078	41,498
	<hr/>	<hr/>
	898,247	651,315
	<hr/>	<hr/>

10. Governance costs

	2021	2020
	£	£
Auditor's fees	10,770	6,000
Legal & professional	32,806	34,461
Other	23,502	1,037
	<hr/>	<hr/>
	67,078	41,498
	<hr/>	<hr/>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

11. Net income for the year

Net incoming/(outgoing) resources for the year include;

	2021	2020
	£	£
Audit fees	10,770	6,000
Depreciation of fixed assets	23,646	19,840
	<hr/>	<hr/>

12. Auditor's remuneration

The auditor's remuneration amounts to an audit fee for the group of £10,770 (2020 - £6,000) and non-audit fees of £2,720 (2020 - £7,715).

13. Financial performance of the charitable company

The Consolidated Statement of Financial Activities includes the results of the wholly owned subsidiary.

The summary financial performance of the charity alone is;

	2021	2020
	£	£
Income	4,148,214	3,552,027
Expenditure	(4,078,809)	(3,414,744)
	<hr/>	<hr/>
Net income	69,405	137,283
	<hr/>	<hr/>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**14. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel**

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Wages and salaries	3,179,874	2,807,887
Social security costs	235,763	188,171
Other pension costs	51,993	54,993
	<u>3,467,630</u>	<u>3,051,051</u>

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2021	2020
	Number	Number
Administrative	8	8
Management	3	4
Other	163	147
	<u>174</u>	<u>159</u>

The number of employees whose emoluments fell within the following bands was:

	Number	Number
	2021	2020
£60,001 - £70,000	-	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u></u>	<u></u>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)**FOR THE YEAR ENDED 31 MARCH 2021****14. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel expenses (continued)**

The Trustees were not paid or received any other benefits from employment in the year (2020 – £nil). No Trustee received payment for professional or other services supplied to the charity (2020 - £nil).

During the year payments of £nil (2020 - £298) were made for travelling expenses to no trustees (2020 – 2). The total amounts paid in the year are £nil (2020 - £298).

The key management personnel of the charity comprise the Trustee and Management Team identified on page 1. The total employee benefits of the Management Team of the charity were £231,804 (2020 - £236,916). The Chief Executive is currently seconded to Gateshead Council who fund her salary, together with a contribution for staff who support this role.

**15. Tangible fixed assets
Group and Charity**

	Furniture and equipment £	Motor Vehicles £	Total £
Cost			
At 1 April 2020	187,239	8,706	195,945
Additions	-	-	-
Disposals	-	-	-
Impairment loss	(1,000)	-	(1,000)
At 31 March 2021	186,239	8,706	194,945
Depreciation			
At 1 April 2020	106,424	7,437	114,861
Charge for the year	22,646	-	23,646
At 31 March 2021	129,070	7,437	136,507
Net book value			
At 31 March 2021	57,169	1,269	58,438
At 31 March 2020	79,815	1,269	82,084

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

16. Investments

Shares in group undertakings and participating interests

	Subsidiary undertakings	Total
	£	£
Cost and Net Book Value		
At 1 April 2020	1	1
At 31 March 2021	1	1

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of Incorporation	Holding	Proportion of voting rights and shares held		Principle activity
			2021	2020	
Subsidiary undertakings					
Society Matters	England and	Ordinary	100%	100%	Employment
Community Interest	Wales	shares			services

Society Matters Community Interest Company provides specialist social welfare and welfare benefits training and support services to professionals associated with the provision of housing, financial, utility, employability and justice. The results and summary of assets and liabilities of the company are as follows:

	2021	2020
	£	£
Turnover	81,387	99,871
Cost of sales	(75,923)	(89,178)
Profit for the year	5,454	10,693
	2021	2020
	£	£
Total assets	15,268	52,022
Total liabilities	(7,599)	(36,194)
Shareholders' funds	7,599	15,828

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**17. Debtors**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	245,272	279,405	242,875	271,968
Due from group undertakings	-	-	-	24,314
Prepayments	18,878	26,632	18,878	26,632
Accrued income	47,033	82,730	47,033	82,370
Other debtors	3,800	7,779	3,800	8,139
	<u>314,983</u>	<u>396,546</u>	<u>312,586</u>	<u>413,423</u>

18. Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Other Loan	22,574	21,501	22,574	21,501
Trade creditors	61,010	28,182	60,548	27,152
Other taxation and social security	66,528	54,038	60,791	53,041
VAT repayable	18,412	39,431	18,412	36,518
Other creditors	70,181	66,351	68,711	63,351
Accruals	79,080	20,099	79,080	16,339
Deferred income	152,445	193,984	152,445	193,984
Amounts owed from group undertakings	-	-	1,286	-
	<u>470,230</u>	<u>423,586</u>	<u>463,847</u>	<u>411,886</u>

19. Creditors: Amounts falling due over one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Other Loans	468,103	490,679	468,103	490,679
	<u>468,103</u>	<u>490,679</u>	<u>468,103</u>	<u>490,679</u>

The loan was obtained from Gateshead Council during the year ended 31 March 2012 with an annual interest of 4.88%. It is repayable over 25 years and is secured in the form of a fixed charge against the freehold property, which is owned by Gateshead Council and leased by the charity, until the discharge of its obligations under the Loan Agreement.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

20. Deferred Income

Group	2021 £	2020 £
Deferred income at 1 April	193,984	431,185
Resources deferred in the period	152,445	193,984
Amounts released from previous periods	(193,984)	(431,185)
Deferred income at 31 March	152,445	193,984

21. Fund reconciliation

Year ended 31 March 2021

	Brought Forward	Income £	Expenditure £	Transfers £	Carried Forward £
Unrestricted Funds					
General fund	6,581	469,281	(503,522)	73,025	45,365
Designated Funds					
Redundancy	43,684	-	-	-	43,684
	50,265	469,281	(503,522)	73,025	89,049
Restricted Funds					
Contact Centre Services	13,820	2,229,534	(2,266,770)	51,416	28,000
Local Services – Health	-	231,115	(185,436)	(45,679)	-
Local Services – Social Welfare	-	643,391	(584,706)	(58,685)	-
Legal Services	-	349,870	(347,839)	(2,031)	-
Client Assistance Projects	-	110,119	(104,009)	-	6,110
Equipment	18,494	57,963	(56,569)	-	19,888
Other	-	83,100	(64,346)	(18,046)	708
	32,314	3,705,092	(3,609,675)	(73,025)	54,706
Total funds	82,579	4,174,373	(4,113,197)	-	143,755

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**21. Fund reconciliation (Continued)**Year ended 31 March 2020

	Brought Forward	Income £	Expenditure £	Transfers £	Carried Forward £
Unrestricted Funds					
General fund	(97,633)	673,508	(654,186)	84,892	6,581
Designated Funds					
Redundancy	43,684	-	-	-	43,684
Cyber Event	1,250	-	-	(1,250)	-
Restricted Funds					
Contact Centre Services	-	2,035,361	(1,970,436)	(51,105)	13,820
Local Services – Health	-	211,671	(190,832)	(20,839)	-
Local Services – Social Welfare	-	286,006	(278,060)	(7,946)	-
Legal Services	-	327,148	(343,392)	16,244	-
Equipment	-	31,959	-	(13,465)	18,494
Other	-	86,245	(79,714)	(6,531)	-
	-	2,978,390	(2,862,434)	(84,892)	32,314
Total funds	(52,699)	3,651,898	(3,516,620)	-	82,579

Redundancy Fund

This is a designated fund created by the trustees to set aside funds for potential redundancy liabilities should projects cease or not be renewed.

Contact Centre Services

Provide a number of advice services involving specialist telephone, chat and email advice for clients across England & Wales, including;

Consumer Service - providing advice on consumer goods & services, as well as problems with energy providers and post.

Scam Action - providing support to clients who are at risk of or have been subject to a scam.

Help to Claim - providing advice on claiming for Universal Credit.

Witness - providing support for witnesses and victims of crime who have been called to provide evidence in criminal courts.

National Adviceline - providing generalist advice to clients contacting National Citizens Advice.

Adviceline Back up Service – providing a back-up service for National Citizens Advice to enable more clients to be supported.

Trussell Trust Foodbank Helpline – supporting clients in crisis; providing advice and practical support through the issuing of vouchers for emergency food parcels.

Single Queue - the telephone advice service provided to clients contacting Citizens Advice Gateshead.

Citizens Advice Gateshead

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NOTES TO THE FINANCIAL STATEMENTS *(Continued)* **FOR THE YEAR ENDED 31 MARCH 2021**

21. Fund reconciliation *(Continued)*

Local Services - Health

Providing direct access to social welfare advice into healthcare settings such as the Gateshead GP surgeries and the Great North Children's Hospital

Local Services - Social Welfare Advisers

Providing social welfare information, advice and casework on a variety of topics including welfare benefits and housing to the local community of Gateshead

Legal Services

Providing specialist casework in money advice and housing across Gateshead

Client Assistance projects

Distributing donations provided specifically for clients with children to provide financial assistance in their time of need.

Equipment including softphone provision

Funding provided to purchase laptops and other office equipment, including subscription to softphone services, to enable our employees to work from home and continue with the provision of our services throughout COVID-19.

Other Grants

Including:

Gamble Support Service - providing training and awareness to frontline workers as well as direct access to clients across England and Wales.

Volunteer forwards - providing work related skills experience to unemployed and inactive residents of Gateshead. This was European Social Fund project funded through the Community Led Local Development funding at Gateshead Council.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**22. Analysis of net assets between funds****Group**Year ended 31 March 2021

	Unrestricted Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible assets	58,438	-	-	58,438
Net current assets/(liabilities)	455,030	43,684	54,706	553,420
Creditors amounts due after one year	(468,103)	-	-	(486,103)
	<u>45,365</u>	<u>43,684</u>	<u>54,706</u>	<u>143,755</u>

Year ended 31 March 2020

	Unrestricted Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible assets	82,084	-	-	82,084
Net current assets/(liabilities)	415,176	43,684	32,314	491,174
Creditors amounts due after one year	(490,679)	-	-	(490,679)
	<u>6,581</u>	<u>43,684</u>	<u>32,314</u>	<u>82,579</u>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

23. Related party transactions

During the year the group made the following related party transactions:

Society Matters CIC

(Wholly owned subsidiary)

Consultancy services paid to the subsidiary during the year £41,535 (2020 - £23,842).

Management and other fees received from the subsidiary during the year £40,293 (2020 - £14,336).

Gift Aid Donation received from the subsidiary during the year £13,693 (2020 - £12,698). At the balance sheet date the amount due to Society Matters CIC was £1,286 (Amount due from 2020 - £22,314).

Charity

During the year the charity made the following related party transactions:

Trustee

Donations received from one trustee in the year totalled £110,119 (2020 - £nil).

24. Pension Commitments

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted £51,993 (2020 - £54,993).

Contributions totalling £11,697 (2020 - £3,000) were payable to the scheme at the end of the year and are included in creditors.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021**25. Reconciliation of net income to net cash flow from operating activities**

	2021	2020
	£	£
Net income for the year	61,176	135,278
Interest and received from investments	(152)	(610)
Depreciation on tangible assets	23,646	19,840
(Increase)/decrease in debtors	81,563	(175,584)
Increase/(decrease) in creditors	45,570	(235,217)
Net cash flow from operating activities	<u>211,803</u>	<u>(257,293)</u>

26. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Long term borrowings	(490,679)	22,576	(468,103)
Short term borrowings	(423,586)	(46,644)	(470,230)
Total Liabilities	<u>(914, 265)</u>	<u>(24,068)</u>	<u>(938,333)</u>
Cash and cash equivalents	<u>518,214</u>	<u>190,453</u>	<u>708,667</u>
	<u>(396,051)</u>	<u>166,385</u>	<u>(229,666)</u>