

# A fair society for all, with lives well lived

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Annual Report: 2022-2023



**citizens  
advice**

**Gateshead**



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 and Head of Risk & Compliance sub-group	B Taylor	
Vice Chair	H Lee	
Head of Finance sub-group	R Lee	Appointed 29/9/22
	S P Bell	
	M Dodd	Resigned 21/7/22
	E Brown	
	J R Sabarre	
	J D Fenwick	Resigned 12/6/23
Head of Research & Campaigns sub-group	F M Urquhart	Resigned 6/2/23
	C A Whittaker	
	J Gibson	
	A Tunmore	Appointed 29/9/22
	A Marsh	Appointed 29/9/22
	Scot Gardener Mcharg	Appointed 29/9/22
	Volunteer Representative	M Dodd
Executive Leadership Team	A Dunn	Chief Executive Officer
	J Graham MBE	Commercial Director - resigned 30/9/22
	D Mayne	Commercial Director - appointed 10/10/22
	J Wood-Archer	Service Delivery Director
	P Oliver	Chief Operating Officer - from 1/1/23
Auditors	Haines Watt North East Audit LLP, 17 Queens Lane, Newcastle upon Tyne, NE1 1RN	
Bankers	Unity Trust Bank plc, Nine Brindley Place, 4 Oozells Square, Birmingham, B1 2HB	







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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

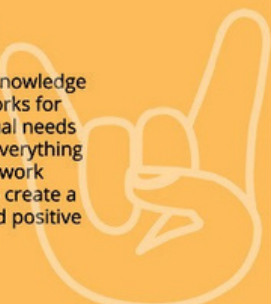
## Objectives & Activities

Citizens Advice Gateshead is an independent charity based in the North-East of England, delivering free, impartial and confidential advice, information, guidance and support to people who live, work and study in Gateshead through our local community advice services. We also work regionally and nationally via funded partnerships delivered through our contact centre and legal teams as well as delivering expert welfare training, social consultancy and direct access advice services through our trading company, Society Matters Community Interest Company (Society Matters CIC).

**Our core values are fundamental to the ethos of the charity, reflecting the attitudes and behaviours we encourage, expect and praise**

### Rock the system

Our mission is to mobilise knowledge so the system works and it works for everyone. We put the individual needs of our clients at the heart of everything we do every day, and actively work individually and collectively to create a system that has a tangible and positive impact on people's lives.



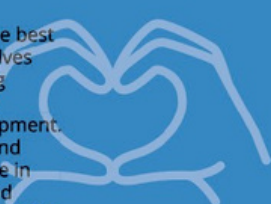
### Stand Up, Speak Out

We acknowledge there are historic and systemic injustices in our society and believe we must stand up for a fair society for all, with lives well lived. We speak out against racism, discrimination, oppression and all forms of harassment as we strive to understand and value each other's culture, life experience, gender identity, disability, class and sexuality.



### Own it!

We strive every day to be the best that we can be, holding ourselves personally accountable, taking ownership of our actions, our achievements and our development. With our focus on efficiency and shrewd planning we take pride in making every pound count and securing the long-term health of the charity.



### Blaze the trail

We embrace a culture of change and innovation, constantly striving to develop new ways of working to better serve our clients and communities. We know that not everything will work first time, but we fail forward, trying new things and learning from the journey.



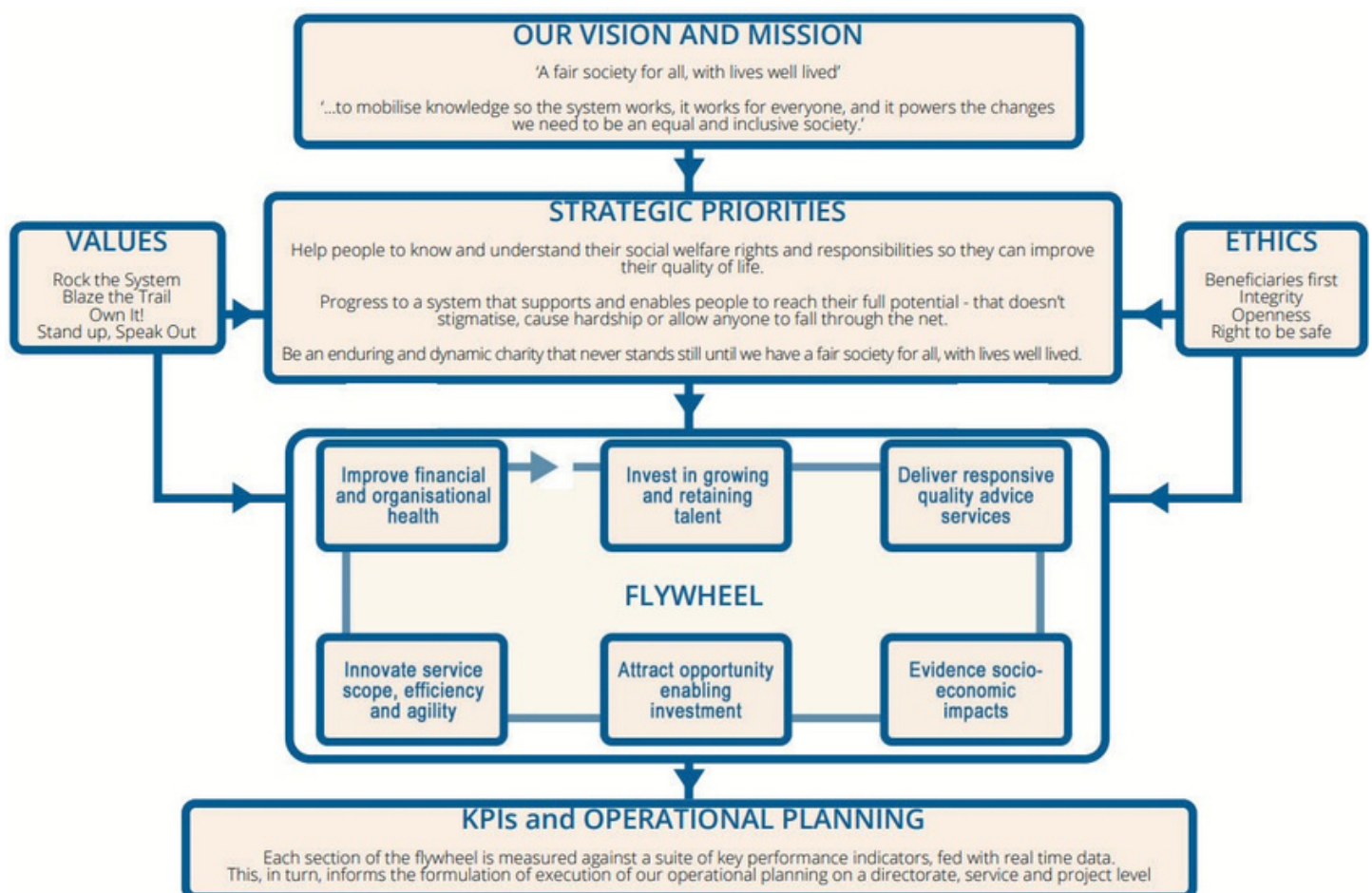




Our ambitious vision is for **a fair society for all, with lives well lived**, supported by our mission - **to mobilise knowledge so the system works, it works for everyone, and it powers the changes we need to be an equal and inclusive society**. Our purpose extends beyond simply reacting to crises;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

## Our Strategic Model & Priorities

Grounded in our absolute commitment to the people we exist to support, and to the staff, volunteers and partners who are devoted to achieving our vision, we have defined three clear strategic priorities for 2023-25. These priorities, supported by our values and ethics reflect our ambition for a fair society for all, with lives well lived.







To create and maintain the momentum and focus of the charity, we use a flywheel concept - a cycle of business operations where success in one 'lever' of the flywheel drives forward the subsequent levers, creating the momentum required for progress. Focusing on operational efficiency in this business cycle, we will deliver best value for our funders, as well as the best advice for our clients.

Each lever is monitored using a 'golden key performance indicator (KPI)' providing a top-level view of the organisational health of the measure, and several supplemental sub-KPIs. These in turn feed into our business plan and our monthly planning review cycle, as well as the service, project and departmental plans that inform the day-to-day delivery within the charity.

## **Our Commitment to Equality, Diversity and Inclusion (EDI)**

Our desire is to be confident that our strategic vision applies to everyone we encounter, that our practices in both how we provide inclusive access to our advice services and in how we behave as an equitable, diverse and inclusive employer reflect that vision.

We started this work by ensuring we directly reference our ambition through our strategic plan. The work should not sit as a separate document or strategy, to be dusted down each time we're asked for it. The existing value of "Stand up for Equality" is still good and valid, however, to achieve equality our work must focus on speaking out for an equitable society. Therefore, after careful thought, our new value reads: - Stand Up, Speak Out!

We acknowledge there are historic and systemic injustices in our society and believe we must stand up for a fair society for all, with lives well lived. We speak out against racism, discrimination, oppression and all forms of harassment as we strive to understand and value each other's culture, life experience, gender identity, disability, class and sexuality.

Our priorities reflect our ambitions and are grounded in our absolute commitment to the people we exist to support and the staff, volunteers and partners who are devoted to achieving our vision. If we truly believe in a fair society for all with lives well lived then we must have strategic objectives which specifically drive the equity, diversity and inclusion practices. These new specific objectives are now part of our planning for the next 3 years.







## How We Work

Our client facing services are organised into three areas, supported by various grants, sponsors and contracts. They all have one thing in common; 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 area both in terms of staffing and income, providing advice funded through national Citizens Advice and others, covering general advice with Adviceline and Help Through Hardship and specialist advice in areas including consumer goods and services, energy and the Witness Service.

**Community Advice Services:** embedded in Gateshead's local communities and increasing accessibility to specific groups through our direct access programmes, we provide help and practical support on a wide range of issues including, welfare benefits, energy advice, housing and financial wellbeing.

**Legal & Regulated Advice Services:** providing specialist debt counselling and advice through Financial Conduct Authority (FCA) authorised debt services as well as Legal Aid contracts in discrimination and housing.

## A Partnership Approach

We are proud to be working with a wide range of partners who share our commitment, and through their continued support we have been able to expand our service and widen the range of advice we can bring to our community. Some of our projects operate locally, others across the North-East region, and an increasing number are national.

We ensure millions of pounds of welfare benefits are justly claimed by those who are eligible each year and help thousands of people at their most vulnerable moments, providing advice and reassurance when it is needed most. However our work isn't restricted to welfare benefits and by working closely with partner organisations across local community projects, hospitals and local government we are able to help people with a whole range of problems, whatever the problem.

Our CEO also holds the role of Service Director for Voluntary and Community sector development within Gateshead Council. The purpose of this dual role is to provide a single point of leadership across the public and voluntary sector to more easily move resource, capability and knowledge responding to issues as they emerge rather than retrospectively.





Our goal is to influence how local government identifies opportunities to collaborate with the voluntary, community and social enterprise sector (VCSE), to reduce red-tape and bureaucracy, improve commissioning processes and influence the policy and practice relating to poverty, disadvantage and inequality.

By working in this way we have created several grant programmes for the benefit of the VCSE sector to include provision for digital transformation, emergency food provision, energy advice and utility re-connection, as well as the creation of a network of Warm Spaces and an independent Volunteer Centre for Gateshead. Our work on behalf of the VCSE sector has increased connectivity, knowledge and awareness of its activity. It has also highlighted the challenges faced by the sector and it has helped to mitigate risks, both perceived and real.

2023 sees a renewal of the Research and Campaigns (R&C) function of the charity, with the allocation of two full-time staff members to develop and execute R&C activity. This work prioritises spreading information with the charity and with our stakeholders, to ensure everyone is better informed on the issues that impact the people we work with. We also want to use research to highlight the present and future issues facing our communities and develop plans to tackle them.

## Independent quality endorsements

The most important aspect of the charity's purpose is that it truly serves the needs of our clients. We firmly believe that we can only do this by delivering consistently high quality of advice. This year we have redesigned a Quality Management System (QMS) that underpins our organisation's KPIs and delivers process efficiency, continuous improvement, high client satisfaction, and ultimately achieves our purpose.

To help our service be the best version of itself for all clients and stakeholders, it's important that we objectively and dispassionately review and measure ourselves by achieving objective external accreditation - this is why we are proud to display the accreditations detailed below.







## A Case Study - How we helped a disabled adult challenge unfair treatment in the workplace

*Our Civic Legal Advice (CLA) funded discrimination service helps clients from across England and Wales to challenge unlawful discrimination in both employment and in the provision of goods and services.*

*This case shows how one of our advisers helped a client use the Equality Act 2010 to challenge discriminatory employment practices and gain compensation for their unfavourable treatment. Naturally, names have been changed to maintain anonymity.*

“Chris is a 21 year old disabled person who started a new job in retail. He required reasonable adjustments to enable him to do his job, which included reasonable time off for medical appointments. These adjustments and the details of his disability were fully discussed in the recruitment process, however, as soon as he started work he experienced difficulties with his line manager.

The line manager refused to implement the adjustments needed, denied Chris time off for medical appointments, and bullied Chris by spreading gossip among the workforce about his condition. Chris tried to resolve this informally but that did not work, so he made a formal grievance about the situation. Sadly, Chris felt he had no option but to resign after only 3 months in the role. This not only left him with no job and no income, but affected his mental health significantly.

**He contacted us for advice about challenging this.** This case was typical of the type of disability discrimination we see in employment cases and is one of the most common issues dealt with by this service overall. We advised Chris about the process he would go through to challenge this. He was keen to try and reach a settlement and we valued the claim at around £5,000 based on previous case decisions and court guidance. With our support, Chris contacted the conciliation service ACAS and entered into settlement negotiations with his former employer.

Ultimately they offered a settlement of £5,500, which was happily accepted. This delivered some redress to Chris for this unlawful treatment and allowed him to move on from this difficult period.

We helped Chris negotiate a potentially complex legal proceeding to a successful outcome and ensured he was compensated for losses suffered for discriminatory behaviour. He used the money to buy a car which has allowed him to seek alternative employment more easily, and was bolstered knowing that he did not have put up with being discriminated against in the workplace.”







## Achievements and Performance

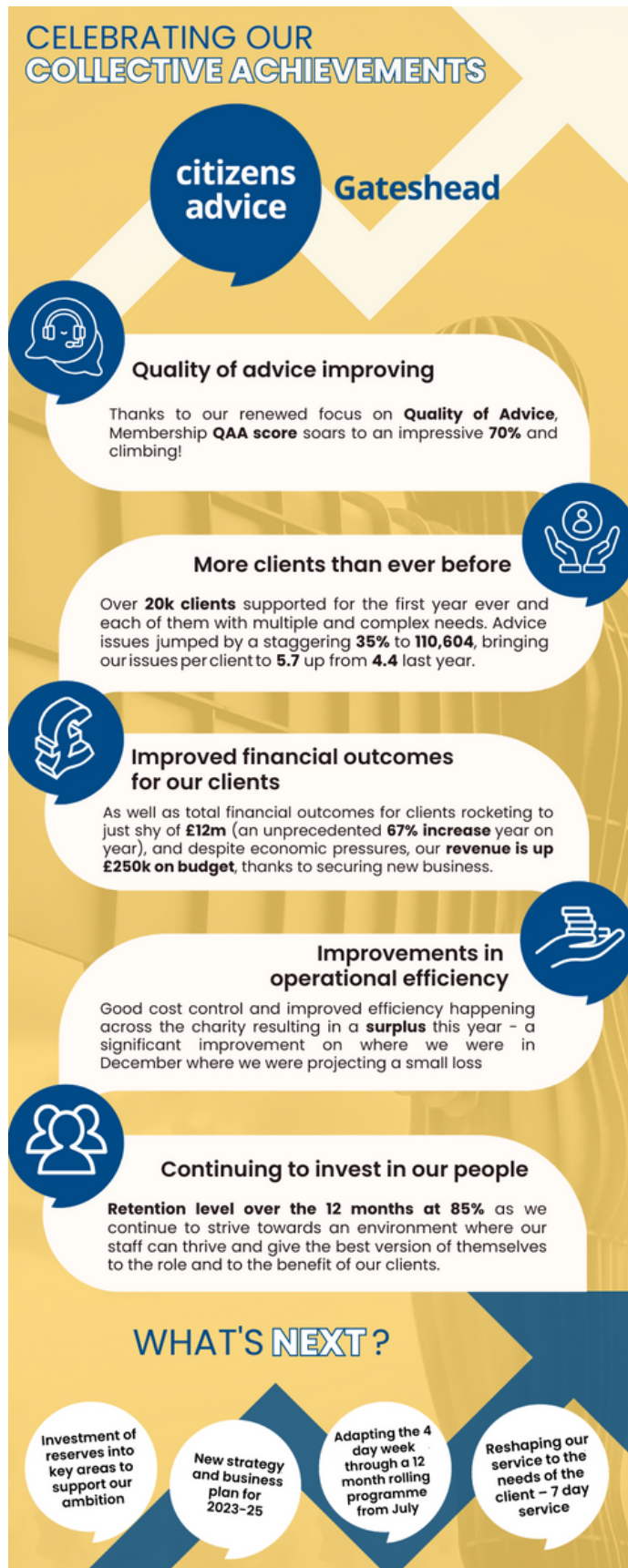
During the 2022/23 financial year, we began monitoring our top-level golden KPIs for the first time as a visual dashboard to track our organisational health. Our end of year figures showed clear progress over those 12 months with improvements in all areas. These KPIs along with our various sub-measures are embedded in our business plan to ensure we are measuring the impact and driving forward our vision, mission and strategy.

In 2022/23 Citizens Advice Gateshead **supported 20,160 clients** - an increase of 4% on the previous year and the most people we have worked with in our history.

In the wake of the cost of living crisis, **the number of issues dealt with rose by 35% to 110,604**. This represents an increase from 4.4 issues per client to 5.7, reflecting the increased complexity of the cases we are working with.

As a result, financial outcomes for our clients have exploded, **rising by 67% to £11,983,885**, with an additional estimated £2.25m reduction in the burden on the state system.

Over the last 8 years, **our client numbers have risen by a staggering 124%**.









We're seeing more people with more complex and urgent issues. In addition to the local contacts highlighted above, we have also supported around 300,000 national contacts. We want to extend our thanks to our funders and sponsors who support us to deliver our strategic vision of a fair society for all with lives well lived. Here are some examples of the ways we have achieved that.

The Community Legal Advice discrimination team work with people who have suffered discrimination, harassment, or victimisation because of who they are - for example because of their race, gender, sexuality, or belief. This might be in the workplace or in other areas such as shops or when accessing healthcare. The outcomes clients can achieve can be significant.

A recent success was a client who was racially discriminated against in the workplace. We helped them to win a financial settlement of £30,000 by providing casework support and help through to the employment tribunal.

The community advice team have focussed on embedding their work into Gateshead communities overcoming the barriers people experience when trying to get help from us. The problems of geography and transport create a "do-it-tomorrow" style of procrastination with some of our clients.

The drop-in at Chopwell community centre situated 13 miles away from our central office is a great example of how this has worked. We supported a client there who told us they received a large energy bill and didn't know what to do about it. Our adviser reviewed the documents and was able to help the client to resolve the issue. Without being able to easily access our adviser, we were told they wouldn't have bothered with the long bus ride into central Gateshead and would have ignored the bill. Putting off the task of dealing with the bill could have had significant consequences for our client which might have gone as far as court action.





The **contact centre teams** speak to people from all over the country on lots of different topics. We deliver consumer advice on problems with goods and services, general social welfare advice and we deliver the national referral hub for Citizens Advice Witness Service. The consumer energy team have done some great work over the winter, almost 20% of their calls at that time were from people who had been disconnected from their energy supply. They've supported some vulnerable and challenging clients, helping them to navigate through the energy price increases.

Our **Help Through Hardship** team funded through Trussell Trust speak to people who are in crisis and have nowhere else to turn. These can be very difficult calls as we balance the client's immediate need for help with a longer-term plan to address their difficult situation.

## New services

We actively seek partners and funding which will help us to further our strategic vision of a fair society for all with lives well lived. We make sure new partners have values which align with our own or work with existing partners to broaden our work and deliver our strategic objectives.

A winter programme was funded by **Newcastle Hospital Charity** and sponsored by the Newcastle Hospitals NHS Foundation Trust to provide advice to patients of the North-East Ventilation Service. These patients need to keep warm and use lifesaving ventilation and other hospital equipment at home, which can lead to higher energy bills. This programme also gathered evidence to campaign for policy change for these patients.

Working in partnership with **Newcastle Building Society**, we created Helping Hand, a direct access programme dedicated to the Society's members providing access to an advice expert for support when they need it most.

We continue to work with **Gateshead Council** on a direct transfer service so that customers who call council departments such as council tax or revenues and benefit can be passed straight through to us for support and advice.

Building on our experience of delivering legal aid contracts in specialist housing advice we are now able to provide **face to face specialist legal aid housing advice** to people who live in South Tyneside.







Recognising that families living with neurodiversity experience significant barriers when seeking help we have developed a presence at the **Young Women's Outreach Project**. This allows families to seek help with welfare benefits and access to education in a familiar and safe environment.

We have worked with our VCSE locality partners to embed our locality work and to build connected communities, increasing to 20 venues across the borough, where clients can easily connect with services within a short distance of their home. Several funders have re-commissioned our services including **the Kay Kendall Leukaemia Fund, the Integrated Care Board** as well as partnership work with Stockton Citizens Advice on the Energy Redress Fund.

Since January 2023, we have been delivering a brand new partnership with E.on Next providing support and advice to their most vulnerable customers through a direct access scheme. The initial pilot, scheduled to complete in July, has been a resounding success, thanks to the team's dedication and hard work. At the beginning, we were faced with a significant influx of clients - well in excess of our initial estimates. However, through innovative thinking and meticulous planning, the team successfully adjusted to manage the volume of referrals. The team's ability to adapt and find effective solutions has been instrumental in the success of this program.

## Volunteering

There is no doubt we could not do the great work we do without the dedication and support of our team of amazing volunteers. They bring to life our goal of great people doing great things with their vibrancy, diversity, skills, and the lived experience that is so important for the success of our service. When people come to us for help, of course, they want professional, quality services, but in shaping our services around the needs of our clients, we know they also want to see and be heard by people who look and sound like them, people they can relate to, and build trust with.

Last year 5,848 volunteer hours were given to the charity, equivalent to staff costs of £63,000.

The volunteering landscape continues to change and as people are facing daily challenges, lifestyle decisions such as volunteering are perhaps not on people's agenda. With this in mind, we have focused on how we can support and upskill our current volunteers, improving their experience and having a greater impact for the charity and the clients we serve.





Engagement and retention of volunteers is crucial, and to improve engagement, we have renewed the Induction and training pathway with more focus on experiential learning. We want our volunteers to really feel part of something and bring to life their learning in the work that they do with clients.

We currently have over 30 active volunteers across the service with an additional 20 progressing through training and induction. We're delighted to report that 30% of those who actively volunteered with us last year successfully gained employment either externally or within Citizens Advice Gateshead.

## People

Our vision of a life well lived extends beyond our clients and as such, we remain committed to a supportive remote/hybrid working environment for our staff, volunteers, clients, and guests. We've continued to invest in our building and in technology in support of this, as well as creating new opportunities for staff to develop their skills and career path. In spite of the financial pressures upon us, we continued to honour our commitment as a real living wage employer and also began work on a salary benchmarking and career pathway plan for our paid staff, due to be rolled out in the coming year.

Last year we invested in several key areas of the charity as part of a restructure, to provide new opportunities for our staff, to add depth and resilience within our teams as well as creating resources to support our ambition and the delivery of our new strategic plan. This included the creation of 8 new management & leadership roles, 5 of which were secured as progression opportunities for existing staff members. One of the new roles was a Learning & Development Manager to spearhead our internal staff training to equip them for current and future roles within the charity.

During the year, there were 79 role changes across the staff team, 47 of which were people progressing into new roles.

The key highlight for the year was the successful implementation of the 4-day week during the summer of 2022. Following a series of discovery and planning sessions held with the staff team, the charity successfully onboarded into the National UK 4-day week trial. Since then, we are delighted to report that our data now confirms that the 'slower burn' efficiencies we were hoping to come through have materialised.





Our short-term sickness levels have reduced significantly as have our attrition levels, so our staff are healthier and also choosing to stay with us. This gives us further operational efficiencies in our recruitment costs, maintaining our day-to-day staff levels and being able to develop established and experienced people to better support the complex needs of our clients.

With our performance metrics and our success criteria for 4-day working met, we'll be incorporating a new rolling 12-month 4-day week working arrangement for staff to opt into from July 2023, which we will review each year on an ongoing basis.

## **Public relations & communications**

In pursuit of our goal to embed our voice across the system as an impartial and evidence-based commentary, this year has been a breakout year for our media presence. We have enjoyed two periods of intense engagement; during the Warm Spaces campaign and in the wake of the Four Day Week trial. We were featured across TV, radio, digital and print media locally, nationally, and in some cases, internationally.

We have also established new relationships with local media, becoming the 'go-to' advice service for our local BBC Ask the Experts slot and gaining the confidence of news channels that we can deliver quickly on media requests. We have continued to develop our market intelligence gathering and processing capabilities alongside this increase in profile to ensure that staff involved in media work receive accurate briefings prior to engagement. This capability to mobilise our knowledge of the sector positions us as a reliable knowledge resource and policy influencer in Gateshead and the local area.







## Local, Regional and National Awards

One of our goals is to be an enduring and dynamic charity, to become the charity of choice, full of great people, doing great things. Local, regional, and national awards are just one of the ways we can measure our success in achieving this.

In 2021-2023, our work during the Covid-19 pandemic, helping the people of the region tackle the cost of living crisis and provide a strong, healthy work environment for all of our staff and volunteers was recognized by several prestigious awards.

- North East Charity of the Year 2022
- North East Chamber of Commerce Business Diversification Award
- British Chambers of Commerce North East Regional Problem Solver Award
- Gateshead Voluntary Organisation/Charity of the Year 2022
- Better Health at Work Silver Award
- Great Place to Work Certification, Best Workplaces and Best Workplace for Women 2022 and 2023.





## A Case Study - How we helped a disabled adult challenge unfair treatment in the workplace

*Our Money Advice and Financial Inclusion service helps clients with serious money and debt issues to try to balance their budgets and tackle their debts. Where that is not possible, they engage with the clients to find the best alternative solution, which may be insolvency or bankruptcy.*

*This case highlights an increasingly regular issue - someone who has previously lived comfortably but through a change in circumstance was forced into serious debt.*

Grant, a 49-year-old single person with mental health disabilities, who as a result of his disability was unable to work. Prior to the onset of his disability, he worked and lived abroad, enjoying a good income and made several purchases on credit. However, when he became unwell he could no longer afford the repayments, resulting in a considerable amount of debt.

Grant had spoken to us looking for debt advice previously and had determined that insolvency was a solution to his issues. However, he had not followed through with that option. Following a downturn in his mental health caused by the demand letters he was receiving, he looked for our advice again, determined to take action.

Our first move was a discussion around income maximisation, budgeting, and debt management. Following this, Grant was clear that he could not afford to make any substantial repayments towards his debts and that the pressure of making token payments was too much for his mental health. He was clear that he wanted to pursue insolvency.

We helped Grant to communicate with his creditors and gather the evidence needed about the impact his debt was having on his mental health. This allowed £26,500 of non-priority debts to be written off, bringing his debt to a level that is eligible for a debt relief order (DRO). We helped Grant apply for this, which wiped off the rest of his debt and gave him a fresh start, debt-free.

While this process was ongoing, we helped Grant apply for a charitable grant for a new cooker, as he had no cooking facilities at home, and assisted him to access the food bank for short-term assistance with expenditure.

Grant told us there has been a significant improvement in his mental health, as he knows that these matters have been resolved and he no longer has to fear demand letters dropping through his letterbox. He can move on with his life now.





## **Our Subsidiary Company - Society Matters CIC**

We're very proud of the progress that Society Matters CIC has made over the last twelve months, record breaking in many different ways! Society Matters CIC is a key enabler of the charity's 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. It does this in the following ways:

### **Training**

To achieve our mission of mobilising knowledge Society Matters CIC training continues to perform strongly working with a loyal customer base who continue to engage with our CPD accredited courses upskilling their staff and improving their social welfare knowledge. Over the last 12 months our the Society Matters CIC team have delivered over 170 courses to over 1,500 learners.

### **Social Action**

To achieve the charity's goal of creating a system that supports and enables people to reach their full potential, Society Matters CIC have secured and started delivering two contracts with the North of Tyne Combined Authority (NTCA). The first is to deliver support to employers (and their employees) as part of Pillar 3 in NTCA's Child Poverty Prevention Strategy, The programme delivers a mix of workshops to raise awareness around in-work poverty, a confidential employee survey (Making Ends Meet) looking at financial wellbeing, which is then followed up with a tailored Poverty Prevention strategy and toolkit – this has positively impacted over 4,500 people across the North East to-date and helps us to achieve our objective to be a compelling force for change.

The second is NTCA's Multiply Programme which supports our objective to give people the knowledge they need for a life well lived, improving numeracy skills and confidence of employees and families to improve their financial well-being through the Cost of Living Crisis.

### **A bigger and upskilled team**

To meet the increasing demand for our services recruitment of an additional Trainer, Business Development Manager, NTCA Programme Director and Social Action Development Manager has been implemented. Each person has brought new skills and experience to help deliver the charity's vision and mission.

## Recognition

Society Matters CIC work was recognised with an Outstanding Achievement Award in the 2022 North East Charity of the Year awards, and we've also been shortlisted to the last 36 organisations in the 2023 Centre for Social Justice Award, and North East VentureFest Award.

## Thank you!

The charity, trustees and directors of Society Matters CIC would like to thank everyone involved in this success – the Society Matters CIC team and colleagues in Citizens Advice Gateshead as well as our funders, supporters and friends - for their hard work, support and dedication over the last 12 months.





## 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 organisation's aims and objectives and in planning future activities.

## Financial Review

The charity has seen income during the year increase by £709,000 with new funding from existing funders as well as new partnerships.

The funding sources listed in note 5 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 depreciation and direct payroll costs) which is currently calculated at £590,000. This policy is monitored and reviewed by the trustees annually.

Free reserves are classed as those reserves not invested in tangible fixed assets, including associated loans, or designated for any purpose. Note 23 details the analysis of net assets between the fund types from which free reserves can be identified.

At 31 March 2023, free reserves were £627,246 (2022 - £561,680), an increase of £35,566 in the year and £37,246 greater than the target of £590,000. As detailed, in the reserves notes and future plans, designated reserves amount to £435,541 (2022 - £262,684) and therefore the current level of free reserves are in excess of the targets set by the trustees. The trustees continue to work with funders to provide improved organisational sustainability within budgets.



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 22 to the financial statements. At the year-end restricted reserves amounted to £332,281 (2022 - £266,454).

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

## **Principal Risks and Uncertainties**

The trustees are committed to their responsibilities towards risk management and mitigation. In May 2023 the board, through its Risk and Compliance Subcommittee, commissioned a new Risk Management Framework which adheres to recommendations of sector best practices. The new processes allow the charity to react readily to emerging risk through dynamic and real time horizon scanning through a "three lines of defence" system enabled by delegated authority essentially meaning there are three levels of controls in place to mitigate risks:

- The first line of defence: This is the responsibility of the charity's management team and subject matter experts. They are responsible for identifying and managing risks in their day-to-day activities.
- The second line of defence: This is the responsibility of the charity's Risk Subcommittee. It is responsible for reviewing new risk items and approving the charity's risk management framework, and for ensuring that the first line of defence is effective.
- The third line of defence: This is the responsibility of the charity's board of trustees. They are responsible for overseeing the charity's risk management framework, and for ensuring that it is effective.

Risk and emerging risk items are now weighted according to risk category appetite and mitigated through controls which are overseen by a quarterly subcommittee.

The Risk Management Strategy was subject to external review by the on-site Leadership Self-Assessment in June 2023 and received indicative positive feedback pending formal audit findings. Overall, the Risk to the charity remains at "Medium".

## Future Plans

*“Our vision of a fair society for all with lives well lived is still far from being achieved. Indeed, the challenge we face has increased over the last three years due to Covid and the subsequent cost of living crisis, both of which have impacted disproportionately on the most vulnerable in our society. The demand for our services has never been greater and continues to rise.” - **Barry Taylor, Chair of Trustees***

Our vision remains unchanged, as do our objectives:

- Help people to know and understand their social welfare rights and responsibilities so they can improve their quality of life.
- 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.
- Be an enduring and dynamic charity that never stands still until we have a fair society for all, with lives well lived.

However, in pursuit of this, there are two areas of laser focus for the coming year, they are:

- Increasing accessibility to the people who need us most
- Renewed energy around equality, diversity, and inclusion.

To ensure we are as accessible as possible to the people who need us most, we will continue to be out in the community delivering support to our clients alongside our partner agencies, increasing visibility, connectivity, and understanding local context to remove the barriers created by traditional advice delivery and geography.

In Spring 2023, we will launch a pilot with extended opening hours with the goal of opening seven days per week and till late Monday to Friday, as we seek to break out of the traditional 9-5 working model for both our staff and clients, recognizing that rising in-work poverty has seen people estranged from traditional advice services due to full-time work, rising economic pressure, and stress.

With a renewed focus on equality, diversity, and inclusion, we will accelerate our activities, making a stand against racism, in all its forms. If we truly believe in our vision, we must ensure that we develop as an anti-racist organisation.



*"We have seen millions of people faced with the realities of poverty, which is no longer just about the unemployed, with more than half our clients in paid employment yet still unable to make ends meet." - Alison Dunn, Chief Executive Officer*

Our intention is to ensure our impact extends beyond Gateshead and with Society Matters CIC, we are extending our mission to mobilize knowledge to a regional and national level. We're investing more time, effort, and resource into our social enterprise, recognizing the role of partnering with businesses in helping us achieve our goals around the alleviation of poverty, particularly child poverty. With an expanding direct access portfolio and a burgeoning training order book for social welfare learning, Society Matters CIC is set to expand rapidly in the coming years and will be a valuable asset in achieving the charity's goals.

Our ambition to be an enduring and dynamic charity has not dwindled. Our intention is to continually develop our agile infrastructure to support the ambition of the charity, through further investment in digital systems and data-driven intelligence, while continually pushing ourselves to be better by refining our internal systems and processes. In doing so, we will drive income and efficiencies through innovation and creativity and continue to make every pound count.

Our goal is to be a great charity full of great people doing great things. To achieve this, we want to employ and nurture people with the right values. To support their success, we are implementing measures to invest in our staff through better onboarding, training, access to apprenticeships, and more opportunity to maximize their earning potential through better-defined career paths. We want our people to grow and evolve, to be the best they can be, so they can offer the best possible service to our clients, and a big part of that is improving their working environment. Along with the permanent implementation of the 4-day week, we will also conduct a comprehensive review of our wider benefits, terms, and conditions. We will also continue to develop improvements to our main office building, to make it a warm, welcoming, and safe place to be for our staff, volunteers, clients, and visitors.

Finally, we remain resolved in our goal to be known as ethical and inspirational, and a leading light in the community and voluntary sector; therefore, it is our firm commitment to ensure that all of our activities are delivered in a responsible way.

In 2023, we will embark on a journey that sees us commit to a path of environmental sustainability and a pathway towards carbon neutrality for the charity.





## 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 1.

### Trustee appointment, induction and training

Citizens Advice Gateshead has a trustee board which has provision for 18 trustees. The trustees meet quarterly and are responsible for the strategic direction and policy of the charity. At present the board consists of 12 trustees from a variety of voluntary and professional backgrounds relevant to the work of the charity.

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 Trustee 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;
- 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.

This year we have continued our work on streamlining our processes. This has included reviewing articles of association, which were last amended in March 2021, testing our induction plans, increasing participation in sub-committees, altering reporting rhythms to enable a strategic focus and continuing to populate our dedicated secure intranet for trustees to access everything they need to be a board member.

A recruitment process to appoint new trustees was started during Summer 2022 to increase our diversity to add new skills to the board and be more representative of the communities we serve. We had 4 new trustees join us in September 2022.

## **Membership of Citizens Advice**

At Citizens Advice Gateshead we highly value our long-established affiliated membership of the Citizens Advice network, as one of 265 independent charities across England and Wales. 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. In our 2022 Citizens Advice Leadership Assessment we were described as an “organisation which understands risk, one which is constantly pushing the boundaries to innovate” - something we are incredibly proud of.

## **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. In our 2022 appraisal national Citizens Advice rated Citizens Advice Gateshead as 5 Star, the highest level available.



The charity's wholly owned subsidiary, 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 generally gift aided annually to the charity but as an exception profits from accounts for 2021/22 and 2022/23 were retained by the subsidiary for investment in future developments with the aim to increase the gift aid available in future years. The Gift Aid income recorded in the 2021/22 Accounts of £2,464 were paid from the profits earned by Society Matters CIC in 2020/21.



*The logo of our subsidiary, Society Matters CIC.*

## Reference and Administrative Details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

## 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.

## Statement of trustees' responsibility

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 to Disclosure of Information to Auditor

This has included reviewing the articles of association, which were last amended in March 2021, testing our induction plans. 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 16/11/23 and signed on their behalf.

A handwritten signature in black ink, appearing to read 'Barry Taylor'.

Barry Taylor  
Chair of Trustees

## **Citizens Advice Gateshead**

(A Company Limited by Guarantee)

### **INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS' OF CITIZENS ADVICE GATESHEAD FOR THE YEAR ENDED 31 MARCH 2023**

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#### **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 2022 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 2022, 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.



## **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 2023**

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#### **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 2023**

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**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 2023***

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**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.



**Craig Henderson (Senior Statutory Auditor)**

**for and on behalf of Haines Watts North East Audit LLP**

**Statutory Auditor**

*12 December 2023*  
.....

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 2023**

		Unrestricted funds	Designated funds	Restricted funds	Total 2023	Total 2022
	Notes	£	£	£	£	£
<b>Income from:</b>						
Donations and legacies	4	4,104	-	115,536	119,640	88,984
Charitable activities	5	595,229	-	4,876,446	5,471,675	4,964,785
Other trading activities	7	247,464	-	-	247,464	85,594
Investment income	6	6,086	-	-	6,086	92
Other income		8,578	-	-	8,578	3,290
<b>Total income</b>		861,461	-	4,991,982	5,853,443	5,143,745
<b>Expenditure on:</b>						
Raising funds		-	-	-	-	12,711
Charitable activities	8	683,061	22,297	4,835,658	5,541,016	4,599,480
<b>Total expenditure</b>		683,061	22,297	4,835,658	5,541,016	4,572,191
<b>Net movement before transfers</b>		178,400	( 22,297 )	156,324	312,427	571,554
Transfers between funds	22	( 104,657 )	195,154	( 90,497 )	-	-
<b>Net movement in funds</b>		73,743	172,857	65,827	312,427	571,554
<b>Reconciliation of funds</b>						
Total funds brought forward		186,171	262,684	266,454	715,309	143,755
<b>Total funds carried forward</b>		259,914	435,541	332,281	1,027,736	715,309

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 2023**

	Notes	£	2023 £	£	2022 £
<b>Fixed assets</b>					
Tangible assets	15		18,832		38,894
Intangible assets	16		33,357		-
			<u>52,189</u>		<u>38,894</u>
<b>Current assets</b>					
Debtors	17	627,491		387,494	
Cash at bank and in hand		1,150,081		1,189,503	
		<u>1,777,572</u>		<u>1,576,997</u>	
<b>Creditors: amounts falling due within one year</b>	18	( 382,504 )		( 456,179 )	
		<u></u>		<u></u>	
<b>Net current assets</b>			1,395,068		1,120,818
<b>Total assets less current liabilities</b>			<u>1,447,257</u>		<u>1,159,712</u>
<b>Creditors: amounts falling due after more one year</b>	19		( 419,521 )		( 444,403 )
			<u></u>		<u></u>
<b>Net assets</b>			<u>1,027,736</u>		<u>715,309</u>
<b>Funds</b>	22				
Unrestricted funds			259,914		186,171
Designated Funds			435,541		262,684
Restricted funds			332,281		266,454
			<u>1,027,736</u>		<u>715,309</u>
			<u></u>		<u></u>

The notes form part of these financial statements.

The financial statements were approved by the Trustees on 30th November 2023 and signed on their behalf by:


B Taylor  
Trustee

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**CHARITABLE COMPANY BALANCE SHEET****AS AT 31 MARCH 2023**

	Notes	£	2023 £	£	2022 £
<b>Fixed assets</b>					
Tangible assets	15		18,832		38,894
Intangible assets	16		33,357		-
Investments	17		1		1
			<u>52,190</u>		<u>38,895</u>
<b>Current assets</b>					
Debtors	17	604,552		383,808	
Cash at bank and in hand		1,083,012		1,147,165	
		<u>1,687,564</u>		<u>1,530,973</u>	
<b>Creditors: amounts falling due within one year</b>	18	( 348,456 )		( 436,235 )	
		<u></u>		<u></u>	
<b>Net current assets</b>			1,339,108		1,094,738
<b>Total assets less current liabilities</b>			<u>1,391,298</u>		<u>1,133,633</u>
<b>Creditors: amounts falling due after more one year</b>	19		( 419,521 )		( 444,403 )
			<u></u>		<u></u>
<b>Net assets</b>			<u>971,777</u>		<u>689,230</u>
			<u></u>		<u></u>
<b>Funds</b>	22				
Unrestricted funds			203,955		160,092
Designated Funds			435,541		262,684
Restricted funds			332,281		266,454
			<u>971,777</u>		<u>689,230</u>
			<u></u>		<u></u>

The notes form part of these financial statements.

The financial statements were approved by the Trustees on 30th November 2023 and signed on their behalf by:


B. Taylor  
Trustee



**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Net cash flow from operating activities</b>			
<i>Net cash provided by (used in) operating activities</i>	<b>25</b>	18,647	503,317
<b>Cash flows from investing activities</b>			
Interest receivable and similar income		6,086	92
Purchase of tangible fixed assets		( 40,845 )	-
Proceeds of sale of tangible fixed assets		390	-
<i>Net cash flow from investing activities</i>		( 34,369 )	192
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings		( 23,700 )	( 22,573 )
<b>Net increase in cash and cash equivalents</b>		( 39,422 )	480,836
Cash and cash equivalents at the beginning of the year		1,189,503	708,667
<b>Cash and cash equivalents at the end of the year</b>		1,150,081	1,189,503

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**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 entity 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. The directors have prepared forecasts for the 12 months from the date of approval of these financial statements, which indicate that the charity is able to continue in operational existence. Whilst future income streams can be difficult to predict, previous experience and current communications do not currently indicate any significant changes to income. The directors and executive management team regularly review key projects and have various contingencies prepared should any material changes evolve. New streams of income are constantly being sourced to increase our breadth of funders.

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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

**1.5 Income**

**Income and endowments**

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.



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

**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) 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 furnishings	- 20% straight line

**1.9 Fixed asset investments**

Investments in subsidiaries are at cost less impairment.

**1.10 Intangible fixed assets**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software	- 20% straight line
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**1.11 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.

**1.12 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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1.13 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.

**1.14 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.

**1.15 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.

**1.16 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 2023****3. Statement of financial activities from the prior year**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies	4	3,984	85,000	88,984	112,609
Charitable activities	5	426,273	4,538,512	4,964,785	3,983,859
Other trading activities	7	86,594	-	86,594	51,819
Investment Income	6	92	-	92	152
Other Income		3,290	-	3,290	25,934
<b>Total income</b>		<b>520,233</b>	<b>4,623,512</b>	<b>5,143,745</b>	<b>4,174,373</b>
<b>Expenditure on:</b>					
Raising funds		12,711	-	12,711	34,388
Charitable activities	8	468,681	4,090,799	4,559,480	4,078,809
<b>Total expenditure</b>		<b>481,392</b>	<b>4,090,799</b>	<b>4,572,191</b>	<b>4,113,197</b>
<b>Net movement in funds before transfers</b>		<b>38,841</b>	<b>532,713</b>	<b>571,554</b>	<b>61,176</b>
Transfer between funds	22	320,965	( 320,965 )	-	-
<b>Net movement in funds after transfers</b>		<b>359,806</b>	<b>211,748</b>	<b>571,554</b>	<b>61,176</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		89,049	54,706	143,755	82,579
<b>Total funds carried forward</b>		<b>448,855</b>	<b>266,454</b>	<b>715,309</b>	<b>143,755</b>

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)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

<b>4. Income from donations</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Donations	4,640	3,984
Corporate Donations	10,000	-
Trusts and foundations	105,000	85,000
	<hr/>	<hr/>
	119,640	88,984
	<hr/>	<hr/>
<b>5. Income from Charitable Activities</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Grant Income:</b>		
Contact Centre	2,868,445	2,678,397
Community Advice - Projects	360,360	506,676
Community Advice – Client Services	196,482	161,958
Community Advice Services – Social Welfare Advisers	804,564	539,355
Legal Services	394,331	410,330
Client Assistance Projects	74,881	61,500
Equipment, softphone and environment funding	10,000	9,236
Other grants	167,301	153,402
<b>Contract and Other Income:</b>		
Legal Aid Authority	477,387	308,965
Other Income (including seconded staff)	117,924	134,966
	<hr/>	<hr/>
	5,471,675	4,964,785
	<hr/>	<hr/>

**Grant Income has been provided in the year by the following organisations;**

National Association of Citizens Advice Bureaux

Gateshead Council

NHS North East &amp; Cumbria Integrated Care Board

The Kay Kendall Leukaemia Fund

Newcastle Hospitals NHS Charity

Sir James Knott Trust

Stockton &amp; District Advice &amp; Information Service (Energy Redress Scheme)

Age UK Gateshead Ltd

Gateshead Health NHS Foundation Trust

Edberts House (The Big Lottery Funding)

North East Law Centre

Hadrian Trust

Tyne &amp; Wear Community Foundation

The Wise Group

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****5. Income from Charitable Activities (Continued)**

Great North Children's Hospital Foundation  
 E.ON Next Energy Ltd  
 Gateshead Foodbank  
 Newcastle Building Society  
 The Access to Justice Foundation  
 The Hospital of God

**6. Investment income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Interest receivable on bank deposits	6,086	92
	<u>6,086</u>	<u>92</u>

**7. Other Trading activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income from Trading Subsidiary	228,899	71,613
Rental income	10,880	9,171
Other Income	7,685	5,810
	<u>247,464</u>	<u>86,594</u>

**8. Analysis of expenditure on charitable activities**

	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>
<b>Grant Supported Activities</b>		
Contact Centre Services	2,547,546	2,552,232
Community Advice - Projects	371,954	312,703
Community Advice – Client Services	183,945	157,844
Community Advice – Social Welfare Advisers	953,724	426,534
Legal Services – grant support	373,873	343,242
Equipment, softphone and environment funding	9,376	25,677
Client Assistance Projects	201,386	140,758
Other grant activities	194,190	135,743
<b>Contract and other income sources</b>		
Legal Aid Authority	357,252	310,628
Staff Secondment	325,509	154,119
Designated fund	22,297	-
	<u>5,541,016</u>	<u>4,559,480</u>

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**9. Support costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Staff costs	610,105	460,384
Office costs	140,698	110,981
Depreciation, amortisation and loss on disposal of fixed assets	27,550	19,544
Premises Costs	123,291	109,155
Other costs	104,504	85,958
Governance costs (note 10)	59,473	28,754
	<hr/>	<hr/>
	1,065,620	814,776
	<hr/>	<hr/>

**10. Governance costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditor's fees	7,850	8,326
Legal & professional	39,204	5,235
Other	12,419	15,193
	<hr/>	<hr/>
	59,473	28,754
	<hr/>	<hr/>



**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**11. Net income for the year**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit fees	8,500	8,060
Depreciation of fixed assets	16,573	19,544
Amortisation of intangible assets	7,488	-
	<hr/>	<hr/>

**12. Auditor's remuneration**

The auditor's remuneration includes the audit fee for the year of £8,500 (2022 - £8,060).

**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;

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income	5,775,123	5,118,856
Expenditure	( 5,492,576 )	( 4,565,783 )
	<hr/>	<hr/>
<b>Net income</b>	<b>282,547</b>	<b>553,075</b>
	<hr/>	<hr/>

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****14. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel**

The aggregate payroll costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,214,248	3,583,071
Social security costs	346,900	284,756
Other pension costs	78,123	67,544
	<u>4,639,271</u>	<u>3,935,371</u>

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

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Administrative	10	7
Management	4	4
Other	194	177
	<u>208</u>	<u>188</u>

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

	<b>Number</b>	<b>Number</b>
	<b>2023</b>	<b>2022</b>
£80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****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 (2022 – £nil). No Trustee received payment for professional or other services supplied to the charity (2022 - £nil).

During the year payments of £nil (2022 - £nil) were made for travelling expenses to no trustees (2022 – nil). The total amounts paid in the year are £nil (2022 - £nil).

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 £244,302 (2022 - £241,226). 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**

	<b>Furniture and equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2022	181,042	8,706	189,748
Additions	-	-	-
Disposals	( 104,222 )	-	( 104,222 )
At 31 March 2023	76,820	8,706	85,526
<b>Depreciation</b>			
At 1 April 2022	143,419	7,437	150,856
Charge for the year	16,573	-	16,573
Elimination on disposal	( 100,735 )	-	( 100,735 )
At 31 March 2023	59,257	7,437	66,694
<b>Net book value</b>			
At 31 March 2023	17,563	1,269	18,832
At 31 March 2022	37,625	1,269	38,894



**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****16. Intangible fixed assets**  
**Group and Charity**

	Software £	Total £
<b>Cost</b>		
At 1 April 2022	-	-
Additions	40,845	40,845
	<hr/>	<hr/>
At 31 March 2023	40,845	40,845
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 April 2022	-	-
Charge for the year	7,488	7,488
	<hr/>	<hr/>
At 31 March 2023	7,488	7,488
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 March 2023	33,357	33,357
	<hr/>	<hr/>
At 31 March 2022	-	-
	<hr/>	<hr/>

**17. Investments****Shares in group undertakings and participating interests**

	Subsidiary undertakings £	Total £
<b>Cost and Net Book Value</b>		
At 1 April 2022	1	1
	<hr/>	<hr/>
At 31 March 2023	1	1
	<hr/>	<hr/>

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 MARCH 2023****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
			2023	2022	
<b>Subsidiary undertakings</b>					
Society Matters	England and	Ordinary	100%	100%	Social Welfare
Community Interest Company	Wales	shares			Training

Society Matters Community Interest Company provides specialist social welfare consultancy 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:

	2023	2022
	£	£
Turnover	228,899	77,916
Costs	( 199,018 )	( 56,971 )
Profit for the year	29,881	20,945
	<hr/>	<hr/>
	2023	2022
	£	£
Total assets	93,571	47,648
Total liabilities	( 37,611 )	( 21,568 )
Shareholders' funds	55,960	26,080
	<hr/>	<hr/>

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****18. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	455,381	280,522	431,379	278,256
Due from subsidiary	-	-	3,563	-
Prepayments	22,973	16,529	22,943	16,529
Accrued income	137,501	81,433	137,501	80,013
Other debtors	11,666	9,010	9,166	9,010
	<u>627,491</u>	<u>387,494</u>	<u>604,552</u>	<u>383,808</u>

**19. Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other Loan	24,883	23,701	24,883	23,701
Trade creditors	85,484	41,510	83,793	41,166
Other taxation and social security	90,909	73,185	83,900	68,272
VAT payable	38,862	23,701	24,871	20,139
Other creditors	15,016	15,392	3,659	15,392
Accruals	92,683	64,933	92,683	52,184
Deferred income	34,667	213,757	34,667	213,757
Amounts owed from group undertakings	-	-	-	1,624
	<u>382,504</u>	<u>456,179</u>	<u>348,456</u>	<u>436,235</u>

**20. Creditors: Amounts falling due over one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other Loans	<u>419,521</u>	<u>444,403</u>	<u>419,521</u>	<u>444,403</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 2023****21. Deferred Income**

<b>Group</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 April	213,757	152,445
Resources deferred in the period	34,667	213,757
Amounts released from previous periods	( 213,757 )	( 152,445 )
Deferred income at 31 March	34,667	213,757

**22. Fund reconciliation**Year ended 31 March 2023

	<b>Brought Forward</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Carried Forward</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>					
General fund	186,171	861,461	( 683,061 )	( 104,657 )	259,914
<b>Designated Funds</b>					
Redundancy	43,684	-	-	16,316	60,000
REACT Pool	95,000	-	( 22,297 )	( 22,073 )	50,000
Cycle to Work	15,000	-	-	-	15,000
Real Living Wage	40,000	-	-	( 20,115 )	19,885
Development fund	69,000	-	-	64,406	133,406
Efficiency Project	-	-	-	75,500	75,500
Salary benchmarking	-	-	-	50,000	50,000
Contingency	-	-	-	16,750	16,750
Support for single Queue	-	-	-	15,000	15,000
	448,855	861,461	( 705,358 )	90,497	695,455
<b>Restricted Funds</b>					
Contact Centre Services	51,821	2,563,526	( 2,547,546 )	( 1,338 )	66,463
Community Advice - Projects	161,767	360,360	( 371,954 )	( 5,693 )	144,480
Community Advice – Client Services	-	196,482	( 183,645 )	( 12,837 )	-
Community Advice – Social Welfare	3,586	1,109,565	( 953,724 )	( 58,901 )	100,526
Legal Services	1,000	394,331	( 373,837 )	( 21,494 )	-
Client Assistance Projects	27,315	190,417	( 201,386 )	395	16,741
Equipment	3,448	10,000	( 9,376 )	-	4,071
Other	17,517	167,301	( 194,190 )	9,371	-
	266,454	4,991,982	( 4,835,658 )	( 90,497 )	332,281
<b>Total funds</b>	715,309	5,853,443	( 5,541,016 )	-	1,027,736



**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****22. Fund reconciliation (Continued)**Year ended 31 March 2022

	<b>Brought Forward</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Carried Forward £</b>
<b>Unrestricted Funds</b>					
General fund	45,365	520,233	( 481,392 )	101,965	186,171
<b>Designated Funds</b>					
Redundancy	43,684	-	-	-	43,684
REACT Pool	-	-	-	95,000	95,000
Cycle to Work	-	-	-	15,000	15,000
Real Living Wage	-	-	-	40,000	40,000
Development fund	-	-	-	69,000	69,000
	<u>89,049</u>	<u>520,233</u>	<u>( 481,392 )</u>	<u>320,965</u>	<u>448,855</u>
<b>Restricted Funds</b>					
Contact Centre Services	28,000	2,678,397	( 2,552,232 )	( 102,344 )	51,821
Community Advice - Projects	-	506,676	( 312,703 )	( 32,206 )	161,767
Community Advice – Client Services	-	161,958	( 157,844 )	( 4,114 )	-
Community Advice – Social Welfare	-	539,355	( 426,534 )	( 109,235 )	3,586
Legal Services	-	410,330	( 343,242 )	( 66,088 )	1,000
Client Assistance Projects	6,110	161,963	( 140,758 )	-	27,315
Equipment	19,888	9,236	( 25,676 )	-	3,448
Other	708	155,597	( 131,810 )	( 6,978 )	17,517
	<u>54,706</u>	<u>4,623,512</u>	<u>( 4,090,799 )</u>	<u>( 320,965 )</u>	<u>266,454</u>
<b>Total funds</b>	<u>143,755</u>	<u>5,143,745</u>	<u>( 4,572,191 )</u>	<u>-</u>	<u>715,309</u>

**A summary of the designated funds is provided below:****Redundancy Fund**

Funds set aside to fund potential redundancy liabilities should projects cease or not be renewed and where TUPE does not apply.

**REACT Pool**

Fund created to enable the recruitment and training of additional advisers who can then be transferred to operational and new projects allowing the project to be mobilised quickly. The funding covers salaries, supervision and incremental costs.

**Cycle to Work Scheme**

Funds set aside by the trustees to enable to up front payment of cycles provided to employees under the Cycle to Work Scheme.

## **Citizens Advice Gateshead**

(A Company Limited by Guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS (Continued)** **FOR THE YEAR ENDED 31 MARCH 2023**

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#### **22. Fund reconciliation (Continued)**

##### **Real Living Wage Fund**

Funds set aside by the trustees to enable the payment of the Real Living Wage and to support other salaries not currently able to be met by project income.

##### **Development Fund**

Funds set aside by the trustees to be retained to build the base level of reserves held by the charity.

##### **Efficiency Fund**

Funds set aside to meet costs of developing new efficiency programmes.

##### **Salary Benchmarking**

Funds set aside to support salaries not currently funded, identified as part of a benchmarking review.

##### **Contingency**

Funds set aside to meet extraordinary costs outside of the budget.

##### **Single Queue Support**

Funds set aside to support the local telephone service where cost not fully supported by grant funding.

#### **A summary of the restricted funds is provided below:**

##### **Contact Centre Services**

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

- **Consumer Service including Energy** - providing advice on consumer goods & services, including advice on energy provision with onward referrals to the Energy Ombudsman, energy suppliers or for complex cases, a dedicated support team. Advice is also provided on regulated postal services and for complex cases, create referrals for a dedicated support team.
- **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
- **Help Through Hardship (Trussell Trust Foodbank Hotline)** – providing tailored advice to foodbank users in order to empower clients to take action to resolve the immediate crisis they face
- **Single Queue** – the local telephone advice service provided to clients contacting Citizens Advice Gateshead

## **Citizens Advice Gateshead**

(A Company Limited by Guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS *(Continued)*** **FOR THE YEAR ENDED 31 MARCH 2023**

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#### **22. Fund reconciliation *(Continued)***

##### **Community Advice Services - Projects**

Providing social welfare advisers into healthcare settings such as the Great North Children's Hospital, North East & Cumbria Integrated Care Board, Queen Elizabeth Hospital, Gateshead and Great North Children's Hospital. Additional projects support specific communities of interest as identified by the sponsor or grant provider for example-clients referred by Newcastle Building Society or by E.ON Next.

##### **Community Advice Services – Client Services**

Providing social welfare advisers and volunteers to the local community from the Davidson Building.

##### **Community Advice Services – Social Welfare Advisers**

Providing social welfare advisers to the local community from various community hubs based around the Gateshead region. Also providing specialist energy advice and support locally to Gateshead residents.

##### **Legal Services**

Providing specialist debt and financial inclusion, housing and discrimination advice to clients across England and Wales.

##### **Client Assistance projects**

Distributing donations provided specifically for clients with children to provide financial assistance in their time of need. Discretionary fund provides immediate support often in the form of small amounts of cash to avert a crisis. Other client assistance supports specific communities of interest as specified by the donor.

##### **Equipment, softphone and environment**

Funding provided to purchase laptops and other office equipment, including subscription to softphone services as well as improving the environment within the office space for our advisers.

##### **Other Grants**

Including:

- **Future You** - providing debt advice, work experience and qualifications to Gateshead Residents, helping them with their next steps towards employment.
- **Hadrian's Trust** – supporting the training of employees in housing advice.
- **Gateshead Council** – supporting the development of our staff resources.
- **Hospital of God** - supporting community engagement in Bensham with the specific aim of increasing trust with the Black and ethnically minoritised communities living there.

**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****23. Analysis of net assets between funds**  
**Group**Year ended 31 March 2023

	Unrestricted funds			Total	Total
	General	Designated	Restricted Funds	2023	2022
	£	£	£	£	£
Tangible assets	52,189	-	-	52,189	38,894
Net current assets/(liabilities)	627,246	435,541	332,281	1,395,068	1,120,818
Creditors amounts due after one year	( 419,521)	-	-	( 419,521)	( 444,403)
Total net assets	259,914	435,541	332,281	1,027,736	715,309

**23. Analysis of net assets between funds (continued)**  
**Group**Year ended 31 March 2022

	Unrestricted funds			Total	Total
	General	Designated	Restricted Funds	2022	2021
	£	£	£	£	£
Tangible assets	38,894	-	-	38,894	54,438
Net current assets/(liabilities)	591,680	262,684	266,454	1,120,818	553,420
Creditors amounts due after one year	( 444,403 )	-	-	( 444,403)	( 468,103)
Total net assets	186,171	262,684	266,454	715,309	143,755

**24. Related Party Transactions****Charity**

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

**Society Matters CIC**

(Wholly owned subsidiary)

Services paid to the subsidiary during the year £nil (2022 - £6,303)

Management and other fees received from the subsidiary during the year £150,579 (2022 - £44,260)

Gift Aid Donation received from the subsidiary during the year £nil (2022 - £2,464).

At the balance sheet date, the amount due to Society Matters CIC was £nil (2022 - £1,624).

At the balance sheet date, the amount due from Society Matters CIC was £3,563 (2022 - £nil).



**Citizens Advice Gateshead**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2023****Group**

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

**Trustee**

Donations received from one trustee in the year totalled £105,000 (2022 - £85,000).

**25. 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 £78,123 (2022 - £67,544).

Contributions totalling £17,318 (2022 - £13,070) were payable to the scheme at the end of the year and are included in creditors.

**26. Reconciliation of net income to net cash flow from operating activities**

	2023 £	2022 £
Net income for the year	312,427	571,554
Interest received from investments	( 6,086 )	( 92 )
Depreciation on tangible assets	16,573	19,544
Amortisation on intangible assets	7,488	-
Loss of disposal of tangible assets	3,099	-
(Increase)/decrease in debtors	( 239,997 )	( 72,511 )
Increase/(decrease) in creditors	( 74,857 )	( 15,178 )
Net cash flow from operating activities	<u>18,647</u>	<u>503,317</u>

**27. Analysis of changes in net debt**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Long term borrowings	( 444,403 )	24,882	( 419,521 )
Short term borrowings	( 23,701 )	( 1,182 )	( 24,883 )
Total Liabilities	<u>( 468,104 )</u>	<u>23,700</u>	<u>( 444,404 )</u>
Cash and cash equivalents	<u>1,189,503</u>	<u>( 39,422 )</u>	<u>1,150,081</u>
	<u>721,399</u>	<u>( 15,722 )</u>	<u>705,677</u>

