

Company Number: 2967121

**Citizens Advice Reading  
(Limited by Guarantee)**

**Report and Financial Statements**

**Year to 31 March 2022**

# **Citizens Advice Reading (Limited by Guarantee)**

## **Report of the Trustees for the year to 31 March 2022**

### **Reference and administrative details**

#### **Members of the Trustee Board as at the 31 March 2022**

Chair	Ms M. French
Vice Chair and Company Secretary	Mr I. Curtis-Nye
Honorary Treasurer	Mr A. Edger FCA
Individual member	Ms K. Bosley
Individual member	Mr S. Juthani
Individual member	Ms S. Lawal
Individual member	Ms G. Ridge
Individual member	Ms S. Vallins
Individual member	Mr D. Weekes
Individual member	Mr A. Wilson

Member Nominated by:	
Reading Borough Council	Cllr M. Leng
Reading Borough Council	Cllr E. Terry

#### **Independent Examiner**

Mr L. J. Baker FCA, Partner  
Wenn Townsend  
Chartered Accountants and Registered Auditors  
30 St. Giles, Oxford, OX1 3LE

#### **Bankers**

CAF Bank Ltd 25 Kings Hill Ave, Kings Hill, West Mallory ME19 4JQ	Hampshire Trust Bank, 55 Bishopsgate, London EC2N 3AS	Virgin Money UK PLC Jubilee House, Newcastle upon Tyne, NE3 4PL	Cambridge & Counties Bank Charnwood Court, 5B New Walk, Leicester, LE1 6TE
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#### **Solicitors**

Dexter Montague & Partners  
105 Oxford Road  
Reading, Berkshire  
RG1 7UD

#### **Registered office**

Minster Street  
Reading, Berkshire,  
RG1 2JB

#### **Registered company number**

2967121

#### **Registered charity number**

1042542

## **Citizens Advice Reading (Limited by Guarantee)**

### **Report of the Trustees for the year to 31 March 2022 (continued)**

The Trustee Board presents its report, together with the financial statements for the year ended 31 March 2022.

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

Citizens Advice Reading is a company limited by guarantee and was first incorporated in September 1994. In accordance with its Memorandum of Association, every member of the company undertakes to contribute to its assets a sum not exceeding £1 in the event of winding up, while they are members, or within one year after they cease to be members. Citizens Advice Reading is also a registered charity.

Citizens Advice Reading has its own Trustee Board and is its own autonomous unit, but by satisfying certain conditions it is also a member of the National Association of Citizens Advice. The National Association is the policy making body of Citizens Advice nationally. It sets the standards that all local Citizens Advice offices must meet in order to qualify for membership and acts as a national voice for them on issues such as national social policy. An annual appraisal of Trustee Board performance is carried out.

The Trustee Board assesses the current skills and experience of the Board, such as management, fundraising and business acumen, to identify any gaps. Prospective trustees are selected for their potential to make an effective contribution to the activities of Citizens Advice Reading through their skills, knowledge and experience. The Trustee Board recognises that diversity of membership is important and adds to its effectiveness and seeks to ensure that it is representative of the local community. New Trustee Board members complete a register of interests and receive an induction supported by an information pack and ongoing training enables them to fulfil their role.

The Trustee Board is responsible for every aspect of Citizens Advice Reading's affairs and is ultimately accountable for the conduct of the organisation. The full Board meets a minimum of four times throughout the year to discharge these responsibilities. Individual members of the Board are provided with enough and timely information to enable them to discharge their respective duties.

The Trustee Board retains responsibility for all key decisions, including approval of:

- The strategy and policies adopted by Citizens Advice Reading to achieve its charitable objects
- The annual budget
- Major capital expenditure, including property acquisition and refurbishment
- The annual financial statements

Responsibility for specific matters is allocated to named members as appropriate.

The Trustee Board is responsible for the organisation's system of internal control and for reviewing its effectiveness. It must also ensure that the organisation's system of internal control manages risk effectively. Such a system is designed to manage rather than eliminate the risk of failure to achieve the objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Trustee Board has assessed the major strategic, business and operational risks which it believes Citizens Advice Reading faces. The external risks to which the organisation is exposed are kept under constant review. Internal risks are minimised by the implementation of procedures for the authorisation of all transactions and projects and to ensure the highest standards in the delivery of advice services and in all operational aspects of the organisation.

## **Citizens Advice Reading (Limited by Guarantee)**

### **Report of the Trustees for the year to 31 March 2022 (continued)**

These procedures, including the adherence to the established financial controls, are reviewed annually as part of our overall risk management plan process, to ensure they still meet the needs of Citizens Advice Reading.

The Trustees consider the Board of Trustees and the Chief Executive as comprising the key management of the charity in charge of directing and controlling the charity and running the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in note 7 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. Trustees, in compliance with Charity Commissioners guidelines, are always expected to act in the best interest of the Charity.

The pay of the Chief Executive is reviewed annually as part of the paid staff salary review process.

### **Objectives and activities**

Citizens Advice Reading was established to provide advice and support, and promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress, in particular, but without limitation, for the benefit of the community in Reading and surrounding areas. In carrying out its objects and in all aspects of its work, the Charity is committed to promoting diversity, equity, equality and inclusion, to preventing prejudice and discrimination, to ensuring equal access and to promoting good relations between all sections of the community.

The trustees confirm they have given due consideration to the information contained in the Charity Commission's published guidance on public benefit when reviewing the aims and objectives of Citizens Advice Reading and in planning activities and setting its policies and priorities.

As well as offering generalist advice in several fields, it was able to offer a range of specialist services focussed on providing benefits and debt advice to address complex situations; securing Debt Relief Orders and supporting clients with housing and employment issues.

The organisation continued to offer a specialist benefits advice service, funded by Macmillan Cancer Support, for people living or receiving treatment for cancer in Berkshire. This service principally operated remotely supporting clients in two health settings – the Royal Berkshire Hospital in Reading and the Wexham Park Hospital in Slough.

Citizens Advice Reading led the UK's contribution to a new European-wide project, funded by the European Commission, to provide advice on energy saving and delivered the national Energy Best Deal project in Reading, which entailed a programme of activities to promote the importance of making sure that clients have the necessary information to secure the most appropriate tariff to meet their circumstances.

Due to the pandemic, Citizens Advice Reading discontinued access to specialist legal clinics at its Minster Street Reading offices, however referrals for expert help were still made when necessary.

## **Citizens Advice Reading (Limited by Guarantee)**

### **Report of the Trustees for the year to 31 March 2022 (continued)**

An essential part of the organisation's work was that of research and campaigns. Through its advice work it had the opportunity to gather an enormous amount of evidence about clients' experiences, of the way a wide range of services and legislation operated both locally and nationally. By collecting and collating such evidence it was possible to identify local issues and take appropriate action to raise these issues with local policy makers and respond to requests from Citizens Advice nationally to supply evidence on issues which it was monitoring.

Citizens Advice Reading, a founder member of the Reading Advice Network (RAN) was again awarded the local advice and information quality standard for a further three years.

Throughout the year, the organisation successfully delivered against a range of ongoing and new contracts including the major partnership arrangement to provide services for the local council under Maximising Income and a trust funded commission to provide specialist support for housing related debt issues.

Existing service level agreements with Thames Water Trust continued to provide debt advice to pay water bills and support clients with more complex cases.

### **People and performance**

At any one time the organisation typically operates with around 28 paid staff and 55 volunteers. However, there is significant turnover, particularly amongst the volunteers during COVID, so during the financial year a total of 123 people worked for CAR in different capacities:

- 1 person full-time as a paid staff member
- 28 people part-time as paid staff members
- 68 people as volunteer advisers (level 1 and level 2) or trainee advisers
- 24 people as volunteer reception or administration workers
- 2 life coaches

Between April 2021 and March 2022, 14 volunteers and 6 paid members of staff joined the organisation. During this period 5 trustees resigned, and 4 new trustees were appointed to the Board of Trustees, with 12 trustees on the Board on 31 March 2022. The 6 longer-standing non-RBC trustees were members of the company, and there were 9 other members of the company who were not trustees. The 4 newly appointed trustees were not yet members on 31 March 2022.

The CAR service focuses upon providing an assessment of a client's goals and providing information and advice to resolve or progress their issue in one call. If a client needs more help or their circumstances are complex, this is followed with bespoke support. Initial help has been achieved via telephone or online due to the learning and infrastructure CAR developed through the pandemic. Follow up work has been offered to best meet the needs of the client, including face to face and telephone appointments, as well as email and webchat support.

In July 2021 the organisation restructured to improve financial viability and reduced the general service offer to three days a week (from five). Project delivery remained unchanged throughout this process. Overall client numbers did reduce as a consequence of these changes, however there was an increase in the number of people helped by the general service for each day CAR was open for this service.

# **Citizens Advice Reading (Limited by Guarantee)**

## **Report of the Trustees for the year to 31 March 2022 (continued)**

Citizens Advice Reading is subjected to an ongoing performance and quality regime by its national organisation. This entails quarterly audits on quality of advice and financial performance and annual assessment of 9 leadership areas: governance; risk management; financial management; people management; operational performance management; partnership working; research, campaigns and equality. An independent audit is undertaken annually and in September 2021 Citizens Advice Reading was again rated as excellent.

During the year Citizens Advice Reading responded to 13,161 advice request issues which resulted in 16,573 contacts for 3,033 unique clients. Of the clients seen 58% were female and 42% male. Our services continued to be used extensively by all nationalities, ethnic groups and people with disabilities or health problems. In terms of ethnicity 14% were Asian, 16% were Black, 63% were White, 4% were of mixed origin and 3% identified themselves as other. 44% of clients described themselves as disabled or living with a long-term health problem - the minority client profile statistics were all increased relative to 2020/21.

The number of people under 25 accessing our services slightly reduced to 5.2% (from 7.4% during 20/21), probably due to the changes in ways of accessing the service i.e. mainly telephone and some online. The breakdown of main enquiry issues was benefits, including Universal Credit (40%), Utilities & communications (15%) housing (8%) debt (8%) - significantly lower than previous years due to the pandemic related repayment holidays and lack of enforcement) and employment (5%).

Citizens Advice Reading achieved financial gains for our clients totalling £2,618,505 in benefit entitlements, employment related awards, charity awards and compensation. We also had £70,321 in debts rearranged or written off and £411,073 in other financial gains for clients.

### **Financial review**

#### **a) Financial Performance in 2022**

Citizens Advice Reading maintained its stable financial position in 2022.

Total income decreased to £574,000, a drop of £94,000 compared to 2021. The decrease was driven mainly by the receipt of a National Lottery COVID community fund grant of £89,000 in 2021 that was not repeated in 2022.

Total expenditure reduced to £540,000, a decrease of £119,000 compared to 2021. The decrease was due mainly to a reduction in personnel costs of £100,000 in 2022 compared to 2021, caused principally by a reduction in employees to 12.1 FTE by March 2022, compared to 16.8 FTE in March 2021.

Overall, the charity achieved a net surplus of £34,000 for the year, of which £13,000 related to a restricted surplus, and the balancing £21,000 to an unrestricted surplus. A net £14,000 was transferred from restricted to unrestricted reserves, as detailed in Note 15 to the Financial Statements.

As a result, the unrestricted funds available at the end of March 2022 increased £21,000 to £224,000 compared to prior year, whilst the restricted reserves increased to £27,000 at the end of the year.

The cash balance improved at the end of March 2022 to £388,000, as a result both of the funding surplus in 2022 and of the increased funding payments received in advance, as outlined in Note 14 to the Financial Statements in the line "funding payments received in advance".

## **Citizens Advice Reading (Limited by Guarantee)**

### **Report of the Trustees for the year to 31 March 2022 (continued)**

#### **b) Reserves Policy**

Each year the Trustee Board reviews its reserves policy and considers the appropriate level of reserves for the charity to hold, in the light of the risks that it faces and the economic environment in which it is operating. The Board's key priority remains to ensure the continuity of the charity's operations to meet the needs of the community.

Based on this year's review the Trustee Board's reserve policy is to hold funds which have not been designated for a specific use ("free reserves") at the equivalent of between 3- and 6-months' anticipated cash expenditure. The Board considers that this level of free reserves will ensure that in the event of a major shortfall of funding enough time will be available to consider and implement mitigating steps, allowing Citizens Advice Reading to continue its charitable activities, or to organize an orderly wind up of the charity.

As at the 31<sup>st</sup> March 2022 the free reserves (unrestricted funds) totalled £224,000 and lay within the target range of 3 to 6 months' anticipated cash expenditure.

#### **c) Investment Policy**

As at 31 March 2022 the policy of the Trustee Board is to hold most of its cash assets in Bank Accounts providing immediate access to funds, whilst agreeing to hold a portion of the funds in Deposit Accounts requiring no more than 100 days' Notice of Withdrawal in order to increase interest income. This approach is subject to periodic review.

Further, the policy of the Trustee Board is to limit deposits with any Bank to no more than the amount provided for under the Financial Services Compensation Scheme (FSCS), currently £85,000, allowing for short term balances above £85,000 in its main operating bank account.

Citizens Advice Reading was entitled to exemption from taxation on its income and capital gains to the extent that its funds were used for charitable purposes.

#### **d) Going Concern**

The financial position and performance have been summarized in the Financial Review. The Trustees have assessed our position and concluded that Citizens Advice Reading is able to meet all its liabilities as they fall due.

In October 2022 the general advice funding from Reading Borough Council will cease. The CAR Trustees together with the Senior Management Team are undergoing a review to reconfirm the charitable services that Citizens Advice will offer, and to ensure that future activities will only be undertaken on a funded basis. The Trustees have reviewed a worst-case scenario 12-month cash forecast of Citizens Advice Reading and confirm that the charity is able to meet its financial obligations in the next 12 months.

As a result, we have adopted the going concern basis of preparation of our financial statements and conclude there is a reasonable expectation that we have enough resources to continue in operational existence for at least 12 months from the date of approval of these Financial Statements.

## **Citizens Advice Reading (Limited by Guarantee)**

### **Report of the Trustees for the year to 31 March 2022 (continued)**

#### **Plans for future periods**

An internal review for our business plan refresh identified several priorities, detailed below and in priority of delivery. These are based on the identified need and resource capacity to deliver and will inform CAR annual action plans.

1 - Service delivery - Move to an effective, blended service delivery model which best meets the needs of clients. Maintain good service quality and work to increase service capacity.

2 - Resources (Finance and Funding) - Maintain sound financial management, increase unrestricted income generation capacity and embrace relevant and financially viable partnering and collaboration activities.

3 - Resources (Infrastructure) - Ensure that IT/telephony is secure and fit for purpose. Ensure that processes and support mechanisms for service delivery are in place, up to date and relevant and contribute to the net zero agenda.

4 - Resources (People) - Champion Equity, Diversity and Inclusion and actively increase diversity within our teams. Support the professional development and wellbeing of our people.

5 - Fundraising, Partnerships and Communications - Strengthen our reputation with key stakeholders and build a wider range of strong and effective partnerships, with existing and new partners to service client needs. Ensure that CAR is a trusted voice for community-based service provision and campaigning, both at local and national levels.

#### **Trustees' responsibilities in relation to the financial statements**

The Trustee Board constitutes the directors for the purposes of company law.

Company law requires the directors to prepare Financial Statements for each financial period which give a true and fair view of the company and of the surplus or deficit of the company for that period. In preparing those Financial Statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Financial Statements on the going-concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that applicable accounting standards have been followed and that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have taken advantage, in the preparation of their report, of the special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 2006.

## Citizens Advice Reading (Limited by Guarantee)

### Report of the Trustees for the year to 31 March 2022 (continued)

This report was approved by the Trustee Board and signed on its behalf.



Signature

Marie French

Print name

Chair of Trustees

Position on Trustee Board



Date

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

I report to the charity trustees on my examination of the accounts of the company for year ended 31st March 2022, which are set out on pages 10 to 19.

**Responsibilities and basis of report**

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

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


**Independent examiner's statement**

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

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

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

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

  
.....

6 October ..... 2022

Lee Baker FCA  
Partner  
Wenn Townsend  
30 St Giles  
Oxford  
OX1 3LE

## Citizens Advice Reading (Limited by Guarantee)

### Statement of Financial Activities Year to 31 March 2022 (including income and expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>INCOME FROM</b>							
<b>Donations and legacies</b>	2	84,288	-	84,288	90,148	-	90,148
<b>Investments</b>	3	1,215	-	1,215	1,720	-	1,720
<b>Charitable Activities</b>	4	147,649	340,842	488,491	133,520	442,662	576,182
<b>Other Income</b>		-	-	-	77	-	77
<b>TOTAL INCOME</b>		<u>233,152</u>	<u>340,842</u>	<u>573,994</u>	<u>225,465</u>	<u>442,662</u>	<u>668,127</u>
<b>EXPENDITURE ON</b>							
<b>Raising Funds</b>	5	8,095	-	8,095	21,128	-	21,128
<b>Charitable Activities:</b>	6						
Staff Costs	7	133,368	228,873	362,241	140,328	322,059	462,387
Premises Costs		57,360	42,203	99,563	65,856	47,268	113,124
Support costs	8	27,290	20,115	47,405	13,369	38,157	51,526
Payments to Third Parties	9	-	22,411	22,411	-	10,525	10,525
<b>TOTAL EXPENDITURE</b>		<u>226,113</u>	<u>313,602</u>	<u>539,715</u>	<u>240,681</u>	<u>418,009</u>	<u>658,690</u>
<b>NET INCOME/(EXPENDITURE)</b>	10	7,039	27,240	34,279	( 15,216)	24,653	9,437
<b>TRANSFERS BETWEEN FUNDS</b>	11	14,260	( 14,260)	-	10,954	( 10,954)	-
<b>NET MOVEMENT IN FUNDS</b>		<u>21,299</u>	<u>12,980</u>	<u>34,279</u>	<u>( 4,262)</u>	<u>13,699</u>	<u>9,437</u>
<b>RECONCILIATION OF FUNDS:</b>							
<b>TOTAL FUNDS BROUGHT FORWARD</b>		202,874	13,699	216,573	207,136	-	207,136
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>224,173</u>	<u>26,679</u>	<u>250,852</u>	<u>202,874</u>	<u>13,699</u>	<u>216,573</u>

All of the above results for the years ended 31 March 2022 and 31 March 2021 are derived from continuing activities.

The notes on pages 13 to 19 form part of these financial statements.

# Citizens Advice Reading (Limited by Guarantee)

## Balance Sheet at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible Assets	12	-	-
<b>Current assets</b>			
Debtors	13	46,639	41,622
Cash at bank and in hand		388,178	304,127
		<u>434,817</u>	<u>345,749</u>
<b>Less: Liabilities</b>			
Amounts falling due within one year	14	<u>( 183,965)</u>	<u>( 129,176)</u>
<b>NET CURRENT ASSETS</b>		250,852	216,573
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>250,852</u>	<u>216,573</u>
<b>Funds of the Charity</b>	15		
Unrestricted funds		224,173	202,874
Restricted funds		26,679	13,699
<b>TOTAL FUNDS</b>		<u>250,852</u>	<u>216,573</u>

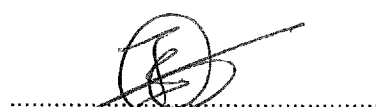
The directors are satisfied that the company is entitled to exemption from the requirements to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

These accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to small companies regime.

These accounts were approved by the Trustees and signed on their behalf.

  
Marie French – Chair

  
Ian Curtis-Nye – Vice Chair

15/9/22  
Date

6/10/2022  
Date

**Company Registration Number: 02967121**

**Charity Registration Number: 1042542**

The notes on pages 13 to 19 form part of these financial statements.

## Citizens Advice Reading (Limited by Guarantee)

### Statement of Cash Flows for the year ended 31 March 2022

#### Reconciliation of increase in funds to net cash flow from operating activities

	2022	2021
	£	£
Increase (Decrease) in funds	34,279	9,437
Depreciation charge	-	-
Decrease/(increase ) in debtors	( 5,017)	6,608
(Decrease)/ Increase in creditors	54,789	( 13,678)
Interest received	( 1,215)	( 1,720)
Net cash flow from operating activities	<u>82,836</u>	<u>647</u>

#### Cash flow statement

<b>Net cash flow from operating activities</b>	82,836	647
<b>Investing activities</b>		
Interest received	1,215	1,720
Fixed assets addition	-	-
<b>Increase /(Decrease) in cash</b>	<u>84,051</u>	<u>2,367</u>
Movement in cash	84,051	2,367
Net cash 1 April	304,127	301,760
Net cash at 31 March	<u>388,178</u>	<u>304,127</u>

The notes on pages 13 to 19 form part of these financial statements.

## Citizens Advice Reading (Limited by Guarantee)

### Notes to the Financial Statements Year to 31 March 2022

#### 1. Accounting policies

The following accounting policies have been used in dealing with items which are considered material in relation to the Bureau's financial statements.

##### a) **Basis of accounting**

These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is paid and received. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1st October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011."

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts include all transaction, assets and liabilities for which the Charity is responsible for.

##### b) **Going concern**

The financial statements have been prepared on the going concern basis. Financial forecasts are set to ensure that the organisation can continue to operate for the foreseeable future, being at least 12 months from the date of approval of these financial statements. Detailed financial budgets are presented and approved by the trustee board on an annual basis. Management accounts are presented at regular intervals to the trustee board throughout the financial year on progress against budget and variances addressed.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### c) **Income**

###### i) Recognition of Incoming Resources

These are included in the statement of financial activities when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain that they will receive the resources; and
- the monetary value can be measured with reasonable accuracy.

###### ii) Grants and donations

Grants are only included in the statement of financial activities when the charity has unconditional entitlement to the resources.

###### iii) Gifts in kind

Gifts in kind are accounted for when receivable, at a reasonable estimate of their value to the charity.

###### iv) Investment income

Bank and building society interest is included in the statement of financial activities when receivable except for the interest on our Virgin Money account which is accrued.

##### d) **Expenditure and liabilities**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

##### e) **Fixed assets**

Tangible fixed assets for use by the charity are capitalised if they can be used by the charity for more than one year and cost at least £1,000. They are valued at cost or, if gifted, at the value to the charity on Assets costing less than £1,000 are written off in the year of acquisition.

Fixtures, fittings and equipment (none of which individually cost more than £1,000) have been purchased during the year in the total amounting to £5,559 (2021 £14,569)

##### f) **Depreciation**

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

IT Equipment	3 years straight line
Other furniture and equipment	5 years straight line

##### g) **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is allocated to the fund, together with a fair allocation of support costs.

##### h) **Debtors and Creditors**

Debtors and creditors receivable or payable within one year are recognised at transaction price. Any losses arising from impairment are recognised in expenditure.

# Citizens Advice Reading (Limited by Guarantee)

## Reading Citizens Advice Bureau (Limited by Guarantee)

### Notes to the Financial Statements Year to 31 March 2022

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
<b>2 INCOME FROM DONATIONS AND LEGACIES</b>						
<b>Benefit in Kind</b>	55,000	-	55,000	50,000	-	50,000
Reading B. Council, provision of Premises occupied by Reading Citizens Advice on a Rent Free Basis (see also Note 18)						
<b>Corporate</b>						
London Legal	3,991	-	3,991	-	-	-
TDK Epcos (UK) Ltd.	500	-	500	700	-	700
Waitrose	-	-	-	333	-	333
Vodafone	2,745	-	2,745	-	-	-
<b>Parish Councils</b>						
Earley	1,000	-	1,000	800	-	800
Holybrook	500	-	500	-	-	-
Shinfield	1,250	-	1,250	-	-	-
Tilehurst	-	-	-	500	-	500
<b>Trust Funds and Other Organisations</b>						
Englefield Trust	-	-	-	3,000	-	3,000
J Davy Foundation	-	-	-	30,000	-	30,000
Reading Rotary Club	-	-	-	200	-	200
St. Michael's Church Congregation	-	-	-	375	-	375
Reading Lions	500	-	500	-	-	-
Berkshire Community Fund	5,000	-	5,000	-	-	-
St Peter's Church Congregation	799	-	799	-	-	-
<b>Other Donations</b>						
Restricted	-	-	-	-	-	-
Unrestricted	13,003	-	13,003	4,240	-	4,240
<b>Gift Aid Recoveries from HMRC</b>	-	-	-	-	-	-
	84,288	-	84,288	90,148	-	90,148
<b>3 INVESTMENT INCOME</b>						
Interest on Bank Deposits	1,215	-	1,215	1,720	-	1,720
<b>4 INCOME FOR CHARITABLE ACTIVITIES</b>						
Reading Borough Council Maximising Income	126,000	-	126,000	101,000	-	101,000
Big Lottery / Red Cross Immigration Advice	-	3,019	3,019	-	38,480	38,480
Catalyst Housing	-	-	-	1,260	-	1,260
Energy / Financial Capability	15,951	55,000	70,951	15,260	-	15,260
Energy Savings Trust	-	-	-	-	12,691	12,691
EU Energy (STEP)	-	54,261	54,261	-	35,780	35,780
Macmillan	-	95,120	95,120	-	103,354	103,354
Thames Water Trust Fund	-	35,000	35,000	-	35,000	35,000
Henry Smith Charity	-	38,983	38,983	-	57,325	57,325
Peace of Mind Matters - see Note 15 for Funders	-	16,119	16,119	-	16,119	16,119
Help to Claim	-	29,340	29,340	-	32,110	32,110
National Lottery Community Fund	-	-	-	-	89,008	89,008
Equipment Upgrade - see Note 15 for Funders	-	14,000	14,000	-	10,892	10,892
Coronavirus Job Retention Scheme	-	-	-	-	11,903	11,903
Others	5,698	-	5,698	16,000	-	16,000
<b>TOTAL</b>	<b>147,649</b>	<b>340,842</b>	<b>488,491</b>	<b>133,520</b>	<b>442,662</b>	<b>576,182</b>

# Citizens Advice Reading (Limited by Guarantee)

## Notes to the Financial Statements Year to 31 March 2022

	Unrestricted Funds £	Restricted Funds £	2022 Funds £	Unrestricted Funds £	Restricted Funds £	2021 Funds £
<b>5 COSTS OF RAISING FUNDS</b>						
<b>COSTS OF RAISING VOLUNTARY INCOME</b>						
Direct and Overhead Expenses	1,068	-	1,068	-	-	-
Staff Costs	7,027	-	7,027	21,128	-	21,128
<b>TOTAL</b>	<b>8,095</b>	<b>-</b>	<b>8,095</b>	<b>21,128</b>	<b>-</b>	<b>21,128</b>
Staff Costs are for two part-time staff members.						

## 6 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

<u>Year to 31 March 2022</u>	Reading BC Narrowing The Gap	Macmillan	Henry Smith	PoMM	BIG Lottery /Red Cross Immigration	Help to Claim
Staff cost	116,679	77,337	22,641	12,268	2,574	23,677
Premises cost	52,992	14,033	5,699	2,289	306	4,482
Support cost	23,074	6,483	2,967	1,070	-	1,070
Payments to Third Parties	-	-	-	-	-	-
<b>Sub-Total</b>	<b>192,745</b>	<b>97,853</b>	<b>31,307</b>	<b>15,627</b>	<b>2,880</b>	<b>29,229</b>
	RBC Winter Grant	Thames Water	EU STEP	Others		<b>Total</b>
Staff cost	14,836	32,456	43,084	16,689		<b>362,241</b>
Premises cost	1,711	2,912	10,771	4,368		<b>99,563</b>
Support cost	811	1,492	406	10,032		<b>47,405</b>
Payments to Third Parties	22,411	-	-	-		<b>22,411</b>
<b>Sub-Total</b>	<b>39,769</b>	<b>36,860</b>	<b>54,261</b>	<b>31,089</b>		<b>531,620</b>
<u>Year to 31 March 2021</u>	Reading BC Narrowing The Gap	Macmillan	Henry Smith	National Lottery Fund	BIG Lottery/ Red Cross Immigration	Help to Claim
Staff cost	90,229	89,608	47,074	36,343	41,916	27,491
Premises cost	50,288	10,889	7,110	5,657	3,498	9,491
Support cost	9,242	1,756	1,976	8,094	722	1,875
<b>Sub-Total</b>	<b>149,759</b>	<b>102,253</b>	<b>56,160</b>	<b>50,094</b>	<b>46,136</b>	<b>38,857</b>
	Wider Advice	Thames Water	EU STEP	Others		<b>Total</b>
Staff cost	25,908	32,205	19,948	51,665		<b>462,387</b>
Premises cost	10,183	4,399	4,987	6,622		<b>113,124</b>
Support cost	1,885	749	10,845	14,382		<b>51,526</b>
Payments to Third Parties	-	-	-	10,525		<b>10,525</b>
<b>Sub-Total</b>	<b>37,976</b>	<b>37,353</b>	<b>35,780</b>	<b>83,194</b>		<b>637,562</b>

<b>7 STAFF AND VOLUNTEER COSTS</b>	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Wages and Salaries	116,281	199,549	315,830	123,901	278,864	402,765
Social Security Costs	6,964	11,952	18,916	7,456	14,266	21,722
Other Pension Costs (Note 16)	4,936	8,471	13,407	5,315	10,170	15,485
Other Staffing Costs						
Paid Staff (expenses, recruitment, training)	3,366	5,775	9,141	2,924	5,622	8,546
Volunteers (expenses)	-	-	-	732	-	732
Redundancy Payments	4,947	-	4,947	-	13,137	13,137
<b>TOTAL</b>	<b>136,494</b>	<b>225,747</b>	<b>362,241</b>	<b>140,328</b>	<b>322,059</b>	<b>462,387</b>

As at 31<sup>st</sup> March 2022 the number of staff employed was 19 (= 12.1 Full Time Equivalent).

The corresponding numbers as at 31<sup>st</sup> March 2021 were 28 (= 16.8 Full Time Equivalent).

No employee earned more than £60,000 in the current or preceding year.

The pay of the Key Manager during the year totalled £36,720 (2021: £33,240)

No trustee received a salary during the year (2021: Nil)

No Trustee received any expenses of in the year ending 31<sup>st</sup> March 2022 (31<sup>st</sup> March 2021: Nil)

# Citizens Advice Reading (Limited by Guarantee)

## Notes to the Financial Statements Year to 31 March 2022

### 8 SUPPORT COSTS

The charity allocates its support costs as shown in the table below. Both Independent Examination and AGM Expenses are treated as Governance costs; all Consulting costs are allocated directly to the relevant Project; whilst General Office and Payroll costs are charged on a basis consistent with the use of resources.

The method of support cost allocation in the current year is unchanged from that used in the prior year.

	General support	Governance	2022 Total	General support	Governance	2021 Total
	£	£	£	£	£	£
Independent Examination	-	810	<b>810</b>	-	775	<b>775</b>
AGM Expenses	-	210	<b>210</b>	-	167	<b>167</b>
General office	43,413	13	<b>43,426</b>	48,728	-	<b>48,728</b>
Payroll cost	1,152	-	<b>1,152</b>	1,152	-	<b>1,152</b>
Consulting	1,807	-	<b>1,807</b>	704	-	<b>704</b>
Depreciation	-	-	-	-	-	-
	<u>46,372</u>	<u>1,033</u>	<u><b>47,405</b></u>	<u>50,584</u>	<u>942</u>	<u><b>51,526</b></u>

Support costs includes £20,115 (2021: £38,157) of restricted expenditure

### 9 PAYMENTS TO THIRD PARTIES

The Energy Voucher Scheme Contract includes £22,411 which represents the total cost of Energy Vouchers and Energy Efficiency items distributed to those local clients identified as being eligible to receive them.

### 10 NET INCOMING/(OUTGOING) RESOURCES FOR THE

This is stated after charging:

	2022 £	2021 £
Depreciation	-	-
Independent examination	<u>810</u>	<u>775</u>

### 11 FUND TRANSFER

Transfers to (and from) restricted funds are made at the discretion of the Trustees.

Transfers from restricted funds of £17,752 were made resulting in a net transfer of £14,260 to unrestricted funds (please see note 15).

### 12 TANGIBLE FIXED ASSETS

Cost	2022 £	2021 £
Cost at 1 April 2021	16,002	16,002
Additions	-	-
At 31 March 2022	<u>16,002</u>	<u>16,002</u>
<b>Depreciation</b>		
At 1 April 2021	16,002	16,002
Charge for the year	-	-
At 31 March 2022	<u>16,002</u>	<u>16,002</u>
<b>Net Book Value</b>		
At 31 March 2021	-	-
At 31 March 2022	<u>-</u>	<u>-</u>

### 13 DEBTORS

	2022 £	2021 £
Funding Payments outstanding	32,546	24,542
Prepayments	14,093	16,163
Other debtors	-	917
	<u>46,639</u>	<u>41,622</u>

### 14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Taxation and social security	5,566	7,242
Other creditors	15,309	37,440
Accruals	1,033	1,017
Funding payments received in advance	162,057	83,477
	<u>183,965</u>	<u>129,176</u>

## Citizens Advice Reading (Limited by Guarantee)

### Notes to the Financial Statements Year to 31 March 2022

#### 15 MOVEMENT IN FUNDS

Year to 31 March 2022	As at 31st March 2021	Incoming Resources	Outgoing Resources	Transfers 2022	As at 31st March 2022
	£	£	£	£	£
<b>RESTRICTED FUNDS</b>					
Thames Water Trust Fund	-	35,000	36,860	1,860	-
Red Cross - Immigration	-	3,019	2,880	( 139)	-
Macmillan	1,101	95,120	97,853	1,632	-
EU Energy (STEP)	-	54,261	54,261	-	-
Henry Smith Charity	1,165	38,983	31,307	( 6,183)	2,658
Help to Claim	-	29,340	29,229	-	111
Peace of Mind Matters	138	16,119	15,627	( 630)	-
Equipment Upgrade	495	14,000	5,816	-	8,679
RBC Winter Grant	-	55,000	39,769	-	15,231
National Lottery Community Fund	10,800	-	-	( 10,800)	-
<b>TOTAL RESTRICTED FUNDS</b>	<b>13,699</b>	<b>340,842</b>	<b>313,602</b>	<b>( 14,260)</b>	<b>26,679</b>

The £10,800 Reserve as at 31st March 2021 within the National Lottery Community Fund refers to a new Telephone System purchased in March 2021, which has now been fully expensed.

#### UNRESTRICTED FUNDS

<b>General Fund</b>	202,874	233,150	226,111	-	209,913
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>202,874</b>	<b>233,150</b>	<b>226,111</b>	<b>14,260</b>	<b>224,173</b>
<b>TOTAL FUNDS</b>	<b>216,573</b>	<b>573,992</b>	<b>539,713</b>	<b>-</b>	<b>250,852</b>

#### CURRENT RESTRICTED FUND PROJECTS

**Thames Water Trust Fund:** This is to help customers find ways of resolving their water debt problems. Extended Contract terminates March 2023.

**Red Cross - Immigration:** Funded by the Big Lottery, this was a partnership between the British Red Cross, Citizens Advice Reading and Sanctuary Hosting to develop services for improving the lives of refugees and others in the Thames Valley area - Contract terminated 30 April 2021.

**Macmillan:** Funded by Macmillan Cancer Support this service provides advice on benefit entitlements for cancer sufferers and their families. Extended Contract terminates December 2024.

**EU Energy (STEP):** Funded by the EU, this is a partnership of 11 consumer and research organisations from across the EU, working together to provide solutions to help people who face energy poverty. Contract terminates May 2022.

**Henry Smith Project:** Funded by the Henry Smith Charity, this direct replacement for the previous Lloyds Housing project, helping individuals facing severe housing issues terminated in June 2021. A new project funded by Henry Smith which provides funding for a Benefit Caseworker and Supervisor has commenced providing additional benefit advice. Contract terminates September 2024.

**Help to Claim Project:** Funded via resources provided by the Government and administered centrally by National Citizens Advice; the Help to Claim service offers support with making a new claim for Universal Credit. This replaces support previously provided by local authorities. Contract terminates no earlier than March 2023.

**Peace Of Mind Matters** - funded by The Earley Charity £20,000; Berkshire Community Foundation £9,737; and The Shanley Foundation £2,500; this one year project (50% of the Funding being used in 20/21) is a new service which can help support with advice and guidance around End of Life planning. Contract terminated September 2021.

**Equipment Upgrade** - further funding provided by Big Lottery (£10,000), Mobbs Memorial Trust (£2,500) and Arnold Clark Community Fund (£1,500) with the monies used to support remote working.

**RBC Winter Grant Project** - with money provided from RBC this Fuel Voucher Scheme provides targeted help for people facing hardship. Contract terminates March 2023.

## Citizens Advice Reading (Limited by Guarantee)

### Notes to the Financial Statements Year to 31 March 2022

<u>Year to 31 March 2021</u>	As at 31st March 2020	Incoming Resources	Outgoing Resources	Transfers 2021	As at 31st March 2021
£	£	£	£	£	£
<b>RESTRICTED FUNDS</b>					
Thames Water Trust Fund	-	35,000	37,353	2,353	-
Red Cross - Immigration	-	38,480	46,136	7,656	-
Macmillan	-	103,354	102,253	-	1,101
EU Energy (STEP)	-	35,780	35,780	-	-
Henry Smith Charity	-	57,325	56,160	-	1,165
Help to Claim	-	32,110	38,857	6,747	-
Peace of Mind Matters	-	16,119	15,981	-	138
Equipment Upgrade	-	10,892	10,397	-	495
Energy Savings Trust	-	12,691	10,525	( 2,166)	-
National Lottery Community Fund	-	89,008	50,094	( 28,114)	10,800
Coronavirus Job Retention Scheme	-	11,903	14,473	2,570	-
<b>TOTAL RESTRICTED FUNDS</b>	-	<b>442,662</b>	<b>418,009</b>	<b>( 10,954)</b>	<b>13,699</b>

The £10,800 Reserve as at 31st March 2021 within the National Lottery Community Fund refers to a new Telephone System purchased in March 2021 but yet to be delivered

#### UNRESTRICTED FUNDS

##### Designated Funds

Income Shortfall Fund	69,000	-	-	( 69,000)	-
<b>Total Designated Funds</b>	<b>69,000</b>	<b>-</b>	<b>-</b>	<b>( 69,000)</b>	<b>-</b>

<b>General Fund</b>	<b>138,136</b>	<b>225,465</b>	<b>240,681</b>	<b>79,954</b>	<b>202,874</b>
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<b>TOTAL UNRESTRICTED FUNDS</b>	<b>207,136</b>	<b>225,465</b>	<b>240,681</b>	<b>10,954</b>	<b>202,874</b>
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<b>TOTAL FUNDS</b>	<b>207,136</b>	<b>668,127</b>	<b>658,690</b>	<b>-</b>	<b>216,573</b>
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#### 16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

<u>Year to 31 March 2022</u>	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted Income Funds			
Thames Water Trust Fund	-	-	-
Red Cross - Immigration	-	-	-
MacMillan	-	-	-
EU Energy (STEP)	-	-	-
Henry Smith Charity	-	2,658	2,658
Help to Claim	-	111	111
Peace of Mind Matters	-	-	-
Equipment Upgrade	-	8,679	8,679
RBC Winter Grant	-	15,231	15,231
National Lottery Community Fund	-	-	-
Furlough Payments from HMRC	-	-	-
Unrestricted Funds			
Designated Fund	-	-	-
General Fund	-	224,173	224,173
<b>Totals</b>	<b>-</b>	<b>250,852</b>	<b>250,852</b>

<u>Year to 31 March 2021</u>			
Restricted Income Funds			
Thames Water Trust Fund	-	-	-
Red Cross - Immigration	-	-	-
MacMillan	-	1,101	1,101
EU Energy (STEP)	-	-	-
Henry Smith Charity	-	1,165	1,165
Help to Claim	-	-	-
Peace of Mind Matters	-	138	138
Equipment Upgrade	-	495	495
Energy Savings Trust	-	-	-
National Lottery Community Fund	-	10,800	10,800
Furlough Payments from HMRC	-	-	-
Unrestricted Funds			
Designated Fund	-	-	-
General Fund	-	202,874	202,874
<b>Totals</b>	<b>-</b>	<b>216,573</b>	<b>216,573</b>

## Citizens Advice Reading (Limited by Guarantee)

### Notes to the Financial Statements Year to 31 March 2022

#### 17 PENSION FUND

The company operates a defined contribution scheme for the benefit of paid employees. The assets of the scheme are administered in a fund independent from those of the company.

The pension cost charge for the year payable by the company was £13,408 (2020/21: £15,486)

#### 18 OPERATING LEASE COMMITMENTS

At the year end the charity had annual commitments under non-cancellable Operating lease agreements as follows:-

	Total 2022 £	Total 2021 £
Operating leases which expire		
Within one year	1,195	-
Within two to five years	-	4,063

#### 19 BENEFIT IN KIND

The premises used by Reading Citizens Advice Bureau (with an revised assessed Rental Value of £55,000 p.a.) are, and have been, provided to the Charity as a "Benefit in Kind" by Reading Borough Council and is shown as "Voluntary Income" within the SOFA.

In turn this total cost is re-apportioned to each of our various Projects – using an allocation formula based upon a corresponding estimate of relevant floor usage during the Financial Year. The total Premises cost shown within the SOFA (2021/22: £ 100,476) incorporates this £55,000 cost.

#### 20 RELATED PARTY TRANSACTIONS

There were no related party transactions during 2021/22; nor were there any in the previous year.

#### 21 TRUSTEE DONATIONS

Trustees have made small Donations to the Charity in both 2021/22 and the previous year. These donations are already included within the "Other Donations - Unrestricted" figures totalling £13,003 (2020/21 £4,240) detailed in Note 2.

Of these, identifiable donations from Trustees in 2021/22 amounted to £410 (2020/21: £600)