

REGISTERED COMPANY NUMBER: 02914384 (England and Wales)
REGISTERED CHARITY NUMBER: 1046018

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
CITIZENS ADVICE MERTON AND LAMBETH
LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2023**

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**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**CHAIR'S WELCOME
FOR THE YEAR ENDED 31 MARCH 2023**

I am very pleased to present our 2022-2023 Trustees Report and Accounts. Against the background of the continuing economic uncertainties we all face,

CAML is making a significant impact on behalf of our commissioners, funders, staff, volunteers and, most importantly, our clients:

- CAML supported over 27,600 clients in the year, an increase of over 38% since March 2021 (and a rise of over 17% from last year's 23,500 clients)
- CAML's support and advice generated £3.2 million in financial benefits (2022: £2.7 million) and over £10.3 million in value to the people we supported (2022: £10 million)
- The wider economic and social benefit of improving our clients' well-being is estimated at nearly £26.5 million (2022: £13 million)

After the big jump in client demand CAML saw last year, our services needed to increase again sharply this year to levels we have not seen before. We work to meet as much of this demand as we can, and I am very pleased to say this is very well-recognised by our funders and service commissioners: despite so many competing demands for their funds, they see the benefits we deliver and grew our income to £1.3 million (2022: £1.2 million). Even though our expenditure in the year rose as service delivery grew, we carefully managed all project costs to fund them all through our income over the year.

Of course such a great response to these challenges has seen the very best work from the highly-committed CAML staff and volunteers led by our Chief Executive, Suzanne Hudson. Thank you all for your dedication and effort. CAML sees very clearly the dedication and commitment you bring our clients.

Once again the demand for services from everyone who needs us is of course vastly more than CAML could ever support, but we continue to use our resources as thoughtfully as we can to best support the communities of Lambeth and Merton.

The Board continues to strengthen its good existing mix of experience and skills as it works to ensure the CAML strategic priorities are acted on. Many thanks to my Board colleagues for their valuable contributions over the past year.

CAML continues to work very hard for its clients.



Jatinder Gosal
Chair of the Board of Trustees
11 October 2023

**CITIZENS ADVICE MERTON AND LAMBETH
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Principles, Aims and Strategic priorities

Citizens Advice Merton and Lambeth (CAML) is one of London's leading and busiest advice charities. We support individuals and families who live, work or study primarily in the London Boroughs of Merton and Lambeth, but also elsewhere. We also work to raise awareness and understanding of the challenging issues affecting individuals and our communities.

The charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress for the benefit of the communities we serve.

We were one of the first Citizens Advice services to open our doors in 1939. With over 80 years' experience, our services and support are as important today as they were when our work began.

"I have just had my first appointment with an adviser at Citizens Advice Merton and Lambeth. I just want to say a big thanks for all their help and everything they did. I really appreciate it alot.They welcomed me with such a nice attitude and solved my problems so quickly." - Client

Strategy 2021-2026

In 2021 we developed and implemented a new five-year strategy in consultation with staff, volunteers, funders, commissioners, clients and other stakeholders.

Our Purpose

Supporting people to resolve their advice problems and change their lives for the better. We do this on a **free, confidential and impartial basis** by:

- Providing **advice and information services** to support people in resolving the problems they face; and
- Supporting the **improvement of policies and practices** that affect people's lives both locally and nationally.

Our Values

Clients and Beneficiaries first

- We work for the public and place the interests of our clients and communities at the heart of our high quality advice, information and support.
- We collaborate with other organisations and partners for the benefit of our clients.

Professionalism

- Working together as a team we take pride in doing things properly, in making a real difference.
- Our staff, volunteers and trustees act with integrity.
- We support our team with on-going training and mentoring to achieve the best for clients and beneficiaries.

Compassion

- We believe everyone should have access to social justice.
- We value diversity, challenge discrimination and create a culture where all can flourish.

**CITIZENS ADVICE MERTON AND LAMBETH
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic Priorities 2021-2026

1. To **deliver the highest quality advice and support** across the range of our services.
2. To **use technology to enable multi-channel access** and to support as many clients as we can in the way that best meets their needs.
3. To **ensure our services are accessible** by:
 - a) Prioritising face-to-face support for those who most need it.
 - b) Finding other means to help vulnerable clients where that would be more effective.
4. To invest in **quality training and supervision** to make the most of our **exceptional staff and volunteers**.
5. To build the long-term success of the charity by **prioritising financial sustainability** and by **attracting more investment from our communities**.

Public benefit

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. The company's objects are to promote any charitable purpose for the public and preservation of health and the relief of poverty, sickness and distress but without limitation, for the benefit of the community in London Boroughs of Merton and Lambeth and surrounding areas; specifically, to provide free, independent, confidential, impartial advice, advocacy and information to the public on civil, financial, legal and other matters.

The Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the company and in planning its future activities. The Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Charity believes its strategy should be a living document, engaging with all our stakeholders and being actively reviewed and enhanced in response to the rapidly changing social, political and economic external environment. To ensure that we remain relevant and effective in responding to the needs of our local communities, we are committed to building on what we know works, involving our partners, commissioners, funders, staff, and volunteers.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Our services

CAML provides a range of services and specialist projects primarily for the residents of the two London boroughs of Merton and Lambeth, but also wider London/elsewhere. The demographics of the two London boroughs differ, and our funding and hence services and projects in the respective boroughs also vary. However, our focus is on each and every client and their particular situation.

Often working in partnership or collaboration with other organisations, we know that together we can often achieve better outcomes for individuals and families in need. Our information, support and advice services are provided via telephone, online, video conference and face-to-face. In addition to our main public advice services we offer a range of specialist services and projects.

Unfortunately, despite some new funding in 2022-23, we do not have the resources to support everyone who contacts us. The high number of clients we have supported has only been possible through the enormous commitment of our staff team, our amazing volunteers, our partners and our fantastic funders/supporters.

"I would like to thank you all for your continuous support. The last 3 years have been very traumatic and difficult for me, but you all have guided me along the way and I appreciate this very much." - Client

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**REPORT OF THE TRUSTEES
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ACHIEVEMENT AND PERFORMANCE

Charitable activities

A year of unprecedented demand and challenges

During 2022-23 the cost-of-living crisis, following two years of pandemic, meant that demand for CAML's advice and support rose to unprecedented levels, far exceeding the charity's capacity and placing huge pressures on our services and team of staff and volunteers.

As local people found it increasingly difficult to pay their rent, Council Tax and energy bills and generally make ends meet, they turned to us for help. We saw a 7% increase in complex debt issues, an increase in housing disrepair and maintenance issues and rises in cases of clients presenting with private sector rents and social housing service charges problems. Housing issues overall presented by our clients rose by 23%. We also saw an increase in the complexity of issues that people came to us for help with. Clients rarely come to us with one issue but in 2022-23 we saw the multiplicity of problems escalate. As a result of these pressures, increasing numbers of clients presented with safeguarding issues and with challenging behaviour. We supported people to the best of our ability and capacity and we continued to focus on the support for, and wellbeing of our team.

In the first quarter of 2022-23, our ability to assist people was impacted by the Omicron Covid-19 variant, which led to many team members being absent through sickness and also led to clients cancelling appointments. Following this period we returned to full services provision. We were able to open new services during the year including a new Lambeth venue providing in-person services and support in Kennington. We also commenced two new cost-of-living crisis advice projects. The first started in autumn 2022 and is funded by the Greater London Authority. The focus of this project is crisis prevention including partnership working with community and faith organisations in Merton, Lambeth and Wandsworth to reach parts of the community experiencing cost-of-living difficulties. Merton Council also funded a specialist cost-of-living advice and information service from January 2023, enabling us to respond to growing demand. For more on these two special projects, see below.

"I am so pleased there is a local citizens advice. All staff I think recognise my need for help. I have been stressed with rising costs and I live frugally. I don't have family any more. They [CAML] help every time."
- Client

"I find the service very helpful and guaranteed peace of mind. The [CAML] team really listen and support. I've been supported by their advisers and also solicitor [CAML's pro bono legal support]." - Client

"Kind, generous helpful people. They are life savers." - Client

Rising numbers helped and value generated

During the year **we supported over 27,600 clients with almost 41,000 advice issues** through our range of services. The number of people helped represents an increase of 16% on the previous year. The figure does not include people who accessed the self-help resources on the CAML website, which we estimate to be in excess of 30,000 in the year.

For every £1 invested in our services in 2022-2023, we generated*:

£2.46 in savings to government and public services (fiscal benefits)

By helping stop problems occurring or escalating, we reduce the need for public services (health, housing, out of work benefits).

£25.91 in wider economic and social benefits (public value)

Supporting and helping to solve residents' problems improves lives - and this means better wellbeing, participation and productivity for residents, communities and the boroughs we serve.

£8.10 in financial value to the people we help

Through our services and support we can increase people's income, help write off debt, we take up benefits and resolve consumer issues.

CAML's support and advice generated £3.2 million in fiscal benefits and over £10.3 million in value to the people we supported. The wider economic and social benefit of improving clients' well-being is estimated at £26.5 million.

*Data calculated using Treasury impact model available to Citizens Advice network.

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Main public advice services

CAML delivered general advice and information services for Merton and Lambeth residents by telephone (Adviceline), email, in-person drop-in sessions at charity offices in Mitcham, Morden and Kennington, and through our website (caml.org.uk). Our general advice support encompasses information support, advice needs assessments, advice appointments and referral to specialist advice services provided by CAML's special projects, pro bono law partners or other organisations. For more about special projects and pro bono see below.

The main topics we received enquiries about across all our services were as follows. Benefit enquiries, including tax credits and Universal Credit, account for 30% of issues we helped with. Enquiries about Personal Independence Payment were by far the largest matter that we dealt with. Housing and debt issues accounted for another third of our work. The top debt issues that people came to us for help with were council tax arrears, housing association rent arrears and fuel debts.

| | | | |
|---------------------------------|-----|---------------------------------|----|
| Housing | 22% | Utilities & communications | 2% |
| Benefits and tax credits | 22% | Consumer goods & services | 2% |
| Debt | 12% | Health & community care | 2% |
| Universal Credit | 8% | Financial services & capability | 2% |
| Immigration and asylum | 7% | Tax | 1% |
| Legal | 6% | Travel & Transport | 1% |
| Employment | 4% | | |
| Relationship & family | 3% | | |
| Charitable Support & Food Banks | 3% | | |
| Other | 3% | | |

During the year we saw priority demands change owing to the ongoing impact of the cost-of-living crisis and demand for debt support in particular rose sharply as individuals and families struggled with managing finances, budgeting and for many, day-to-day living.

Adviceline services

Our Adviceline telephone and email service provides information, assessments and support through two Advicelines - one for Merton and one for Lambeth.

The cost-of-living crisis has meant the demand for Adviceline across both local authorities continues at high levels. During the year we supported over 17,634 calls and online queries, but demand continued to outpace our resources with the outcome that individuals can face long wait times to speak with a team member. Moreover, owing to the rising complexity of individuals' circumstances, the average call time is lengthening, creating additional pressures on our ability to meet rising demand.

"Thank you for being there when I rang. The lady I spoke with was very helpful. She listened to my queries, explained process for food bank vouchers and completed for me. She also mentioned warm spaces and a local community shop which I didn't know beforehand. She followed up by email." - Client

Case study:

The client initially contacted us through Lambeth Adviceline to request support for a fuel voucher. We booked an advice assessment with the client for later that day to explore their advice issues fully. This revealed that the client faced numerous issues including income and benefits, water arrears and cost-of-living concerns. Ensuring the client fully met eligibility criteria, we made a Fuel Bank Foundation referral and the client received a fuel voucher. We discussed benefits with the client and offered a link to an online benefits calculator or an adviser appointment. The client said they were more than happy to use the online benefits calculator and if they had any queries, they would ring us back to double check. We also raised the possibility of child maintenance as the client was separated and their ex-partner was not consistently contributing financially. We provided links to reputable websites including Gingerbread, a charity that advises single parents about obtaining more support. We provided the client with information on the Thames Water Trust, which can provide financial support for water arrears, and details of Lambeth Larder and the West Norwood Community Shop as sources of cheaper or free food. We invited the client to contact us again if they needed any further help or advice and sent a follow-up email containing all the information.

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In-person services

Our Mitcham and Morden offices were fully re-opened in early 2021 following the pandemic and we opened the new Kennington venue in June 2022.

The sharp rise in the cost of living produced rising on the demand at our three offices. During the year we supported 5,248 people with on-the-day information and advice assessment support and 2,450 clients with generalist advice appointments.

Merton and Lambeth residents faced complex challenges, and sometimes engaged with us late in the day with impossible demands, rising frustration and inappropriate behaviour. We've also seen and supported a significant rise in safeguarding issues. Demand for emergency food, fuel and debt support and form filling significantly exceeded our capacity as the year wore on. We endeavour to prioritise face-to-face support for clients who need it, including those with complicated situations, who are vulnerable, or needing complex casework. In supporting clients often in crisis, we have further enhanced the support for our team.

"It has been the most stressful 6 months of my life but thanks to you amazing people I survived this horrible situation. I simply do not have enough words to express my gratitude. Please kindly relay my thanks to everyone who helped deal with my case." - Client

"I attended your drop-in session at Kennington yesterday. [The Adviser] was extremely helpful, understanding and sympathetic to my issues. They provided me with practical and effective information and to be honest some emotional support. I just thought you should know that you have an empathetic and efficient employee. I don't normally write reviews or leave comments like this but I was pleasantly surprised by the service I received yesterday." - Client

Key Demographics

Client demographics across CAML's advice services:

| Gender | | Age | | Ethnicity | |
|----------------------------|-----|-----------|-----|-----------|-----|
| Female | 62% | <25 years | 3% | White | 33% |
| Male | 38% | 25-29 | 7% | Asian | 13% |
| Other/refer not to say | 0% | 30-39 | 22% | Black | 39% |
| | | 40-49 | 14% | Mixed | 7% |
| Disability | | 50-59 | 33% | Other | 8% |
| | | 60-69 | 16% | | |
| Disabled | 8% | >70 | 5% | | |
| Long term health condition | 45% | | | | |
| No/perfer not to say | 48% | | | | |

Many clients, for understandable reasons, may choose not to disclose health conditions. However, we saw another rise in the number of clients disclosing disabilities or long-term health conditions - from 41% in 2021-22 to 53% in 2022-23. We also continue to see rising numbers of clients mentioning mental health concerns but not disclosing a specific condition. Unfortunately, as mentioned earlier in this report, we are also experiencing and supporting a rising number of safeguarding concerns. We have comprehensive safeguarding policies and procedures and work closely with statutory teams as appropriate to support our clients.

Case study:

The client was a single man, renting a room in a house. He had a dependent eight-year-old child who was living with his parents in Portugal. He had lived in the UK for three years and had EU pre-settled status. He was employed as a chef but, following an accident in which he suffered a fractured spine, had been signed off sick for at least six months. He was still employed but had come to the end of his sick pay and was not sure whether he would be able to return to his job. We advised client to Universal Credit and Personal Independence Payment and drafted a letter for him to write to his employer about missing sick pay and to establish when it will be paid. We advised client to return to CAML for a further appointment if he was refused benefits or had further sick pay problems.

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Specialist Services Review

CAML's projects provide specialist advice and casework support or focus on specific issues, groups and/or localities.

Lambeth Children's Centre service

This is an outreach service with dedicated advisers based in Better Start Children's Centres across Lambeth supporting families in need with children under 5 years of age. During the year we supported 281 families with over 2670 issues - primarily benefits, debt and housing.

Merton Disability Welfare Service

Our Specialist Disability Caseworker delivers expert advice to disabled people living in Merton. The service is part-funded by London Borough of Merton, with the charity supporting the balance following the decision of Trustees to invest in this much-needed programme focusing on supporting some of the most vulnerable people in Merton to access/receive the disability benefits to which they are entitled.

170 individuals were supported through the service with a mix of advice and casework, addressing 511 issues. Due to clients' needs and circumstances nearly all appointments are face-to-face. We saw a rise in complexity of challenges for clients requiring more extensive and on-going support during 2022-23. This specialist service helps relieve tremendous financial hardship and challenges for individuals/families most in need.

Wimbledon Guild

For a number of years we have worked in close partnership with Wimbledon Guild with a dedicated CAML adviser based in their central Wimbledon venue supporting clients one day a week. During the year, we supported 107 clients with 406 issues.

In spring 2022, Wimbledon Guild approached us about extending our partnership work to include a specialist debt adviser one day a week owing to the cost-of-living crisis. CAML's debt advice support started in June 2022 and our adviser supported 39 clients with 193 debt issues in the part year to end March 2023.

Lambeth Council Tax Support

Our dedicated advisers worked closely with Capita and Lambeth Council teams to help people with Lambeth Council Tax arrears. As financial difficulties for Lambeth residents mounted during the year, so did demand for this service. Unfortunately, funding for the service was reduced from December 2022 and our service was cut from three to two days per week. However, we supported 222 residents with 899 issues.

Lambeth Living Well Service

CAML provides generalist information and advice at community venues and the Lambeth Living Well Bus. We supported 381 Lambeth residents with 1412 issues, working closely with health and other organisations.

Immigration Service

The Trust for London funds us to provide a specialist immigration advice service, working in partnership with three other London Citizens Advice charities. Our dedicated Immigration Adviser supports residents across five London boroughs. The service supported 514 clients in 2022-23 with 1482 issues. The demand for this specialist support continued to exceed our forecasts.

Cost-of-Living Crisis Prevention Advice Project (GLA)

This much-needed new pan-London service commenced in September 2022. It is funded by the Greater London Authority (GLA) and CAML is one of the service delivery partners. In the project CAML has a Crisis Prevention Adviser providing general advice and support for Londoners struggling with the cost-of-living crisis. CAML works with community groups and organisations including Merton Carers Support and Mushkil Aasaan. CAML is also funded to employ a specialist welfare benefits adviser who takes referrals from CAML and other Citizens Advice charities in south and west London. To the end of March 2023, CAML supported 259 Londoners and also engaged with 353 people at community events.

Merton Cost-of-Living

In late 2022, Merton Council awarded CAML new funding to help support individuals and families in Merton manage their immense challenges arising from the cost-of-living crisis. The two-year grant supports a dedicated team of generalist and debt advisers to provide a mix of drop-in sessions and pre-booked appointments in outreach venues including Merton libraries and Wide Way Medical Centre. In the first three months we supported 79 Merton residents.

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Pound Advice L&Q Housing

With rising costs for the charity and the Pound Advice project management company imposing a reduction in funding to advice charity partners, CAML's Board of Trustees reluctantly took the decision that CAML had no option but to withdraw from this project at end-December 2022 following many years as a successful lead partner. In the first nine months we supported 361 tenants.

Pro Bono Advice

CAML partnered with two law firms in 2022-23 to provide clients with free initial legal advice on housing matters. Duncan Lewis Solicitors accepted referrals for telephone advice and Abbotts Martin saw clients referred by us in Kennington. We are grateful for their continued support.

Communications, Research & Campaigns

We gather evidence about the impact of national and local policies and practices on and for our clients and use this evidence to encourage change. For example, to ensure that national Citizens Advice's policy work is informed by the experiences of the people of Merton and Lambeth, our advisers, assessors and the Adviceline team sent national Citizens Advice 489 evidence forms, covering 983 problem issues faced by our clients. As ever, problems with the benefits system lay behind almost a third of these issues, but housing concerns, in both the private and social rented sectors, gave rise to even more. The case studies below show how the same problem - a large, unexpected rent increase - affects people in different situations in different ways.

As well as informing national Citizens Advice about the impact of government policies on local people, we speak directly to local and national policy makers. For example, our chief executive gave a keynote speech at the Merton Cost of Living Summit, had frequent meetings with council officials at both Merton and Lambeth, and met with several of Merton and Lambeth's MPs and Greater London Assembly Members. We also engage with the wider community through regular posts on our website and social media networks including Twitter, Facebook and LinkedIn.

Case Study - Jonny faces a rent increase

Jonny (not his real name) and his flatmate live in a two bedroom flat conversion in South Wimbledon. His landlord's agent contacted him demanding a rent increase of 25%.

He spoke with other tenants who rent flats in the building from the same landlord - a limited company. They had all received similar rent increase notifications. Their tenancy agreements provided that the landlord can review rents annually and change them in line with inflation. Inflation is indeed high - but not as high as 25%.

Jonny came to us because he and other tenants worried that, if they objected to this increase, which was in breach of their tenancy agreement, the landlord would evict them. Their worries were made worse because one of the landlord's directors had recently been prosecuted for illegally renting properties in another London borough. They wanted to know how to stop their landlord either breaking their tenancy agreements or evicting them by issuing Section 21 notices.

We explained that landlords can only increase the rent on a fixed term tenancy if there is a rent review clause in the agreement. If the tenancy has become a periodic (rolling) tenancy, they can legally issue a Section 13 notice, which tenants can challenge at a tribunal. Otherwise, landlords have the right to issue a Section 21 notice to start the legal process of ending the tenancy, only if there is a break clause or if it is a rolling tenancy. Landlords do not need any reason to issue a Section 21. We showed Jonny how to check whether a Section 13 or 21 notice had been issued properly and, if so, what steps he could take to challenge it and remain in his flat paying a sensible rent.

Case study - Eileen stays put

Eileen (not her real name) loves her south London flat. A widow in her late 70s, the one bedroom, ground floor flat is near her daughter and family, the shops and everything she needs. Fiercely independent, she refused to apply for bereavement benefit when her husband died. Her medical conditions sometimes stop her from carrying out everyday tasks.

Helped by Housing Benefit and Pension Credit, she was able to pay the rent and make ends meet and has no outstanding debts. In late 2022, the managing agent contacted her wanting to increase the rent by £200 per month. Eileen could not afford this increase.

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Desperate to stay in her much loved flat, Eileen came to us. We helped her check her eligibility for Attendance Allowance and recommended we complete the application form and submit to the Department of Work and Pensions (DWP). Initially Eileen was reluctant to do this, saying that the process appeared very intrusive and would increase her stress levels unbearably, but with our support the application was completed and sent. We also explained how to apply to Merton Council for Discretionary Housing Payment and supported her to complete the form. We also supported the client to negotiate a lower and more affordable rent increase.

Volunteers

Volunteers are a vital part of CAML's services and the organisation's contribution to our local communities. All volunteers receive a comprehensive induction and ongoing training with daily support and supervision from dedicated staff members. National CA calculates that CAML volunteers gave an estimated £259,290 worth of time during this financial year.

There were 45 volunteers throughout the year, contributing to various teams across CAML. Roles included Information, Research and Campaigns, Assessor and Adviser volunteers. CAML's Trustees are also volunteers and their work provides the governance oversight for the charity to operate. During the year we welcomed a new trustee to the Board and in the current financial year we have appointed a further three Trustees, all of whom bring valued skills and experiences.

We continued to observe ongoing demographic shifts amongst prospective volunteers and impacts from cost-of-living demands/caring responsibilities. Rising living costs and the legacy of the pandemic have meant that fewer people can afford or have the time to volunteer. However, we were able to successfully retain our clients, many of whom have complex problems but are dealing with them with grace. I often feel that I haven't done much to help, but the clients are incredibly grateful. It is such an eye-opening and rewarding role." - CAML Volunteer

"I started volunteering as an Information Volunteer with CAML in 2019. I had always been interested in Citizens' Advice and when I took early retirement from teaching I saw an opportunity to get involved. I could not have asked for a more rewarding volunteering position. All the regular staff and the other volunteers at CAML have been so kind, supportive, patient and friendly. CAML never forgets that we are volunteers and genuinely values our contribution. It is a real privilege to meet our clients, many of whom have complex problems but are dealing with them with grace. I often feel that I haven't done much to help, but the clients are incredibly grateful. It is such an eye-opening and rewarding role." - CAML Volunteer

"[the best thing about volunteering with CAML is...] Being able to support a charity that performs a vital role. I am very happy volunteering for Citizens Advice Merton and Lambeth! My colleagues here are very supportive and I feel valued, even though my time here is quite limited." - CAML Volunteer

Staff

As of 31st March 2023, CAML employed 39 members of staff (full time and part time).

Our aim is to employ the best and highest quality staff members that we can. Although this can be a challenge, especially in London, where the cost of travel and housing makes it very difficult to attract the right people for the available remuneration, we are delighted to report that we have maintained full or near full staffing levels throughout the year to ensure the charity continues to provide the best service provision possible and deliver on agreed targets.

CAML's support

We believe that investing in and listening to our team makes us a better organisation. We involve staff and volunteers in the design and delivery of services and how we work. We regularly survey and seek feedback and also have a strong commitment to professional development and continuous training. We are proud of our team and are delighted when individuals wish to progress their career and choose to do so with the charity, including volunteers successfully applying for staff roles and staff progressing to supervision and management roles with our support.

We would like to thank every member of the CAML family. Their professionalism, commitment and dedication ensure tens of thousands of individuals and families throughout Merton and Lambeth receives the right support when they need it most.

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The Principles and Aims of CAML's Work and Services

We provide advice services responding to clients needs via the telephone, online and face-to-face.

Our aim is to empower clients to better help themselves. But we are always here for further support and advice as and when needed.

Our approach embraces the following principles:

Build and foster trust - With our clients, our partners, and those we work closely with

Embrace joint working and collaboration - To meet individual needs, tackle wider strategic issues and maximise resources we need to work together, drawing on the diverse skills, knowledge and experience of the CAML team, our partners and those we work closely with. Collaborative working ensures the best outcomes for our clients.

Work flexibly - We know the needs of individuals, families and communities change over time - in terms of changing demographics, challenges individuals and families face, and how they prefer to receive support. To ensure we continue to meet clients needs and demands, CAML's professional, high quality advice services need to evolve over time.

Supportive - The challenges clients face are increasingly complex which can be immensely stressful for them, their families and those who support them (including the CAML team). At CAML we are here for our clients and our team. We recognise that to best support clients we need to ensure those who work and volunteer with us are comprehensively supported. In the past year we have developed and implemented enhancements for our team including improved support and supervision, implementation of recommendations from volunteer review and team training.

Evidence based - The design, delivery and evaluation of services must be evidence based. Although we're not a large charity, we need to ensure that evaluating and demonstrating impact and delivering value for money is embedded within what we do.

Quality Assurance - As a member of the national Citizens Advice network, all our advice work is subject to professional quality assurance standards so we can ensure the best standard of support is being consistently delivered. In addition, monitoring and recording of client satisfaction is an integral part of our services. This information includes client profiles which enable us to monitor that our services are meeting the needs of the community including hard-to-reach groups such as those with additional communication needs or enhanced support through a range of delivery models to maximise access (phone, email, online, face-to-face, drop-in and appointments at multiple venues).

We record, monitor and measure customer satisfaction in a variety of ways. We have detailed information (with consent) on how we have supported clients and the number of issues resolved. We can also value economic and financial gains, for example benefits appeals successes and money protected (following unjust claims against clients) through a Treasury-recognised econometric model available to the Citizens Advice network. In other cases, satisfaction is measured by the determining factors of the issues, i.e. home retained, debt managed, employment issue resolved.

With national Citizens Advice, clients are invited to participate in feedback. Where the client agrees, a third party organisation contacts them to complete a survey (telephone or online) as to their experience with CAML.

" I have always found my local CA office [CAML] to be extremely helpful!!! They helped with my long standing case to reach a successful outcome. Cannot recommend highly enough." - Client

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW

Financial position

In the past year CAML continued to build on the income growth seen over the past few years with overall income rising to £1,281,000 in FY2022-23, a £51,000 net increase during the year.

With the cost of living crisis, demand for our support continues to significantly outpace our ability to support everyone trying to contact us. Continued sustained charity development and expansion remains our priority aim for the next three years.

Expenditure rose to £1,263,000 from £1,176,000 the previous year reflecting both the expansion in the charity and services. We closed the year with a very small surplus - £18,000.

Following two unprecedented years supporting clients through the challenges of Covid pandemic, we're now in the midst of a cost-of-living crisis not seen in the UK for 50 years. As highlighted throughout this report, overall service demand again accelerated significantly in the year (and unfortunately continues in the current financial year). Despite securing additional funding, the acceleration to date has outpaced our capacity to support all who need us. Furthermore, our analysis and forecasts suggest we are nowhere near the end of the tidal wave of advice demand across Merton and Lambeth.

We continue to work very closely with commissioners, partners and funders to professionally support the communities we serve in what are truly unprecedented times.

Investment policy

Similar to many charities of our size, CAML currently has no investment funds. Surplus funds when not immediately required are placed in deposit accounts with CAF Bank and Metro Bank.

Reserves policy

In setting the reserves policy, the Board of Trustees considers the need to provide against any future income shortfall, fulfil working capital requirements and allow funds to be available to support service developments. Throughout 2022-23 we continued to meet the reserves policy of three months operational expenditure in unrestricted funds. With higher restricted balance of funds, in March 2023 the Board of Trustees approved a new reserves policy providing that unrestricted funds meet three months unrestricted expenditure.

PLANS FOR 2023 - 2024 AND FUTURE PERIODS

Governance and Management

We continue to strengthen the Board through identifying gaps in skills/knowledge/experience and successfully recruiting to these roles. During the year Alan Webster, a valued trustee for the past 6 years, resigned. We would like to thank Alan for his support for and unwavering commitment to the charity. During the year we recruited for new Trustees and welcomed Lisa Whiting in November 2022 and a further three new Trustees - Simon Graham, Chris Southorn and Anthony Ma - in the current financial year.

Strengthening Access

A key aspect of meeting rising demand for our services and support in an environment of lower resourcing (financial and otherwise) is to ensure we have the correct balance of service provision between telephone, online, face-to-face and outreach, and between information, assessments (triage), generalist advice and specialist advice.

This is an ongoing process as patterns of demand can change and a successful service must be flexible in order to respond appropriately.

We continue to have important conversations with our core advice funders, the London Boroughs of Merton and Lambeth. Both to ensure that our respective directions of travel are closely aligned and also to influence their future priorities through our expertise.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

PLANS FOR 2023 - 2024 AND FUTURE PERIODS

Sustainability, financial viability and risks

In the current unpredictable political and financial environment, it is important to ensure the charity is properly resourced with a strong business plan and highly professional operational leadership and team. This is even more important as Local Authorities and other funders are under increasing and unavoidable pressure to cut their budgets.

We are therefore working to secure appropriate funding for existing service contracts and our Chief Executive is tasked with securing new funding opportunities within the approved three-year budget. Within this, being able to demonstrate the impact of our work and communicate this effectively to key stakeholders is of primary importance.

We recognise that funding is tight and competition for available funds is extremely high. The three-year business plan and budget provides a framework for the charity to sustainably grow and develop. Although the past year and recent months have been highly positive in this regard, we are very aware of risks of key funding support changing and the Board of Trustees may well need to make major strategic decisions if core local authority funding does not meet full cost recovery going forward.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and organisational structure

The charity is constituted as a company limited by guarantee.

Recruitment and Appointment of New Trustees

The Directors of the company are also Charity Trustees for the purposes of charity law and under the company's articles are known as the Board of Trustees. The Board of Trustees seeks to ensure that the needs of the users of the charity's services are appropriately reflected through the diversity of the members of the Trustee body.

As part of our succession planning, we advertised and recruited two new Trustees during the financial year. Prospective trustees apply and are interviewed by trustee recruitment panel. Successful applicants are then invited to meet the Chief Executive and observe a Board meeting. References are obtained with relevant checks and paperwork completed before the Board approves appointment.

Organisational Structure and decision making

The Board of Trustees meets quarterly and is responsible for the strategic direction and policies of the charity. There are also two sub-committees of the Board covering Finance and People. These have delegated powers, terms of reference and meet quarterly and as required.

The Chief Executive, assisted by three senior managers, is responsible for charity operations including services, contracts and projects within the strategy and policies set by the Board.

Induction and Training of Trustees

New Trustees have a welcome induction including information, time spent with services, team meetings and opportunities to familiarise themselves with the charity's activities and policies. All Trustees are also encouraged to join team meetings and team training. Trustees also attend relevant training sessions from national Citizens Advice and other organisations.

Key Management Remuneration

Remuneration levels for key management personnel are reviewed annually by the board. Trustees consider benchmarks against comparable roles for other similar charities when determining salary and other employment benefits.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related Organisations

The Charity is a member of Citizens Advice, a national network of over 240 local charities that deliver advice across the country, overseen by a national framework provided by Citizens Advice.

We have excellent relationships with the London Borough of Lambeth and the London Borough of Merton who provide us with core funding for the open public advice services through commissions and/or grants to support our vital work with their communities.

We continue to work in service partnership with other organisations including Wimbledon Guild, Citizens Advice Hounslow, Wandsworth and Hammersmith & Fulham and collaboratively work with other charities and organisations relevant to our clients' needs.

On behalf of our clients and everyone involved with Citizens Advice Merton and Lambeth, we would like to extend our gratitude for the support and co-operation we receive from all our funders, partners and other organisations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02914384 (England and Wales)

Registered Charity number

1046018

Registered office

7 Crown Parade
Morden
London
SM4 5DA

Principal address

326 London Road
Mitcham
London
CR4 3ND

Trustees

Mr J S Gosal Chair
Ms E Coulter
Mr S Graham (appointed 12/4/23)
Ms K Gray
Mr P McFarlane (resigned 2/9/22)
Ms C Mercer (appointed 5/4/22)
Mr R Patel Treasurer
Mr C Southorn (appointed 12/4/23)
Ms C M Taylor
Mr A S Webster (resigned 7/11/22)
Ms L Whiting (appointed 7/11/22)
Mr A Ma (appointed 30/6/23)

Chief Executive and Company Secretary

Suzanne Hudson

Senior Management

Suzanne is supported by Karen Brunger (Head of Advice Services), Bill Petty (Head of Adviceline, Information & Facilities) and Denitsa Ivanova (Head of Projects & Quality who was appointed in July 2023).

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

Legal Advisors

Muckles LLP
Time Central
32 Gallowgate
Newcastle upon Tyne NE1 4BF

Bankers

Metro Bank Plc
75 Piccadilly
Mayfair
London W1J 8HU

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling ME19 4JQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Citizens Advice Merton and Lambeth Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hartley Fowler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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

Approved by order of the board of trustees on 11 October 2023 and signed on its behalf by:



Mr J S Gosal - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE MERTON AND LAMBETH LIMITED

Opinion

We have audited the financial statements of Citizens Advice Merton and Lambeth Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE MERTON AND LAMBETH LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the 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 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.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and the charities activities;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CITIZENS ADVICE MERTON AND LAMBETH LIMITED

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in. The key laws and regulations we considered in this context included the Charities Act 2011, UK Companies Act and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above, we did not identify any key matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:


- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provision of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal reports, and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.


Jonathan Askew FCA (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
4th Floor Tuition House
27-37 St George's Road
Wimbledon
London
SW19 4EU

3 November 2023

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|---|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME FROM | | | | | |
| Donations and gifts in kind | 3 | 46,126 | 35,000 | 81,126 | 78,671 |
| Charitable activities | 5 | | | | |
| Merton Advice, Adviceline & Information Services | | 394,000 | 75,000 | 469,000 | 458,200 |
| Lambeth Advice, Adviceline & Information Services | | 285,000 | 25,000 | 310,000 | 239,200 |
| Lambeth Children's Centre | | 80,000 | - | 80,000 | 78,007 |
| Greater London Authority - Cost of Living Advice | | - | 54,000 | 54,000 | - |
| Merton Cost of Living Advice | | - | 50,000 | 50,000 | - |
| Lambeth Living Well | | - | 49,900 | 49,900 | 50,000 |
| Immigration | | - | 42,000 | 42,000 | 20,000 |
| London & Quadrant Housing | | 34,359 | - | 34,359 | 56,083 |
| Lambeth Council Tax Summons Service | | 30,176 | - | 30,176 | 30,000 |
| Merton Disability Benefit | | 25,000 | - | 25,000 | 20,000 |
| Help to Claim | | - | - | - | 121,107 |
| Other Services and Projects | | 45,768 | - | 45,768 | 77,895 |
| Investment income | 4 | 1,857 | - | 1,857 | 43 |
| Other income | | 7,757 | - | 7,757 | 773 |
| Total | | <u>950,043</u> | <u>330,900</u> | <u>1,280,943</u> | <u>1,229,979</u> |
| EXPENDITURE ON | | | | | |
| Raising funds | 6 | 3,914 | - | 3,914 | 3,672 |
| Charitable activities | 7 | | | | |
| Merton Advice, Adviceline & Information Services | | 383,268 | 104,429 | 487,697 | 456,483 |
| Lambeth Advice, Adviceline & Information Services | | 354,366 | 49,680 | 404,046 | 341,353 |
| Lambeth Children's Centre | | 71,633 | - | 71,633 | 70,851 |
| Greater London Authority - Cost of Living Advice | | - | 54,960 | 54,960 | - |
| Merton Cost of Living Advice | | - | 24,057 | 24,057 | - |
| Lambeth Living Well | | - | 47,371 | 47,371 | 15,504 |
| Immigration | | - | 41,879 | 41,879 | 17,185 |
| London & Quadrant Housing | | 45,943 | - | 45,943 | 64,145 |
| Lambeth Council Tax Summons Service | | 28,223 | - | 28,223 | 31,364 |
| Merton Disability Benefit | | 23,317 | - | 23,317 | 34,737 |
| Help to Claim | | - | 287 | 287 | 120,820 |
| Other Services and Projects | | 29,603 | 22 | 29,625 | 74,375 |
| Other | 9 | - | - | - | (53,985) |
| Total | | <u>940,267</u> | <u>322,685</u> | <u>1,262,952</u> | <u>1,176,504</u> |
| NET INCOME | | 9,776 | 8,215 | 17,991 | 53,475 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | 353,601 | 79,562 | 433,163 | 379,688 |
| TOTAL FUNDS CARRIED FORWARD | | <u>363,377</u> | <u>87,777</u> | <u>451,154</u> | <u>433,163</u> |

The notes form part of these financial statements

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED (REGISTERED NUMBER: 02914384)**

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2023**

| | | 2023 £ | 2022 £ |
|--|-------|----------------|----------------|
| | Notes | | |
| CURRENT ASSETS | | | |
| Debtors | 15 | 43,022 | 42,433 |
| Cash at bank | | 452,080 | 467,776 |
| | | <u>495,102</u> | <u>510,209</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 16 | (42,246) | (74,376) |
| | | <u>452,856</u> | <u>435,833</u> |
| NET CURRENT ASSETS | | | |
| | | 452,856 | 435,833 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | |
| | | 452,856 | 435,833 |
| PENSION LIABILITY | 19 | (1,702) | (2,670) |
| | | <u>451,154</u> | <u>433,163</u> |
| NET ASSETS | | | |
| | | 451,154 | 433,163 |
| FUNDS | 18 | | |
| Unrestricted funds | | 363,377 | 353,601 |
| Restricted funds | | 87,777 | 79,562 |
| TOTAL FUNDS | | <u>451,154</u> | <u>433,163</u> |

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

The financial statements were approved by the Board of Trustees and authorised for issue on 11 October 2023 and were signed on its behalf by:



Mr J S Gosal - Trustee

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

| | Notes | 2023 £ | 2022 £ |
|---|-------|-----------|-----------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | (17,553) | 117,393 |
| Net cash (used in)/provided by operating activities | | (17,553) | 117,393 |
| Cash flows from investing activities | | | |
| Interest received | | 1,857 | 43 |
| Net cash provided by investing activities | | 1,857 | 43 |
| Change in cash and cash equivalents in the reporting period | | (15,696) | 117,436 |
| Cash and cash equivalents at the beginning of the reporting period | | 467,776 | 350,340 |
| Cash and cash equivalents at the end of the reporting period | | 452,080 | 467,776 |

The notes form part of these financial statements

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 £ | 2022 £ |
|---|-----------------|----------------|
| Net income for the reporting period (as per the Statement of Financial Activities) | 17,991 | 53,475 |
| Adjustments for: | | |
| Interest received | (1,857) | (43) |
| (Increase)/decrease in debtors | (589) | 47,864 |
| (Decrease)/increase in creditors | (32,130) | 23,968 |
| Difference between pension charge and cash contributions | (968) | (7,871) |
| Net cash (used in)/provided by operations | <u>(17,553)</u> | <u>117,393</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1/4/22 £ | Cash flow £ | At 31/3/23 £ |
|--------------------------|----------------|-----------------|-----------------|
| Net cash | | | |
| Cash at bank and in hand | 467,776 | (15,696) | 452,080 |
| | <u>467,776</u> | <u>(15,696)</u> | <u>452,080</u> |
| Total | <u>467,776</u> | <u>(15,696)</u> | <u>452,080</u> |

3. MAJOR NON-CASH TRANSACTIONS

Donated facilities

In accordance with the Charities SORP FRS 102 the charitable company has included in income the notional rent of £41,540 (2022 £41,540) for occupying serviced accommodation in Morden and Mitcham.

The valuation of the notional rent was provided by the London Borough of Merton. The notional rent expenditure charge is included within support costs.

Donated advertising

During the year the charity received £78,000 (2022 £76,400) Google Ad Grant in in-kind Google Ads advertising. The charity recognised the corresponding expense on the statement of financial activities within communication and research support costs.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

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

1. GENERAL INFORMATION AND LEGAL STATUS

The charitable company is a private company incorporated and domiciled in England and Wales. The address of its registered office is 7 Crown Parade, Crown Lane, Morden, Surrey SM4 5DA. The registered number of the company is 02914384. The registered number of the charity is 1046018.

The financial information presented is for the year ended 31 March 2023 and 31 March 2022. The financial information is presented in sterling which is also the charitable company's functional currency. Monetary amounts are rounded to the nearest pound.

The charitable company has no share capital. Every member of the charitable company undertakes to contribute to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member, for payments of the debts and liabilities contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of the accounts on a going concern basis

The financial statements have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves, the financial position, future plans and the expected level of income and expenditure for 12 months from authorising these financial statements. There are no material uncertainties about the charity's ability to continue as a going concern.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Defined benefit pension scheme. Actuarial assumptions used in the calculation of the defined benefit pension liability.

Income

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

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the charity is contracts for services and grants with the London Borough of Merton and the London Borough of Lambeth.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to the consideration by its performance. Grant income relating to a later period is therefore deferred to that period and treated as deferred income in the balance sheet.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

These are the costs associated with the governance arrangements of the charity. These include audit costs, the cost of legal advice for trustees and costs associated with trustee meetings and preparing statutory accounts. Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These support costs have been allocated to the activities undertaken by the charity on the basis of the usage of those costs by the activities.

Tangible fixed assets

Tangible fixed assets are depreciated at the following rates:

| | |
|-------------------|-------------------|
| Computer servers | 20% straight line |
| Desktop computers | 25% straight line |
| Laptop computers | 33% straight line |

Where project funding has been used for the purchase of tangible fixed assets they are depreciated over the lifetime of the project or as above, whichever is the shorter.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Donated facilities

In accordance with the Charities SORP FRS 102 the charitable company has included in income the notional rent for occupying serviced accommodation in Morden and Mitcham. The valuation of the notional rents was provided by the London Borough of Merton.

Donated advertising

In accordance with the Charities SORP FRS 102 the charitable company has included in income the in-kind estimate of Google Ads advertising. The corresponding expense is recognised in the statement of financial activities within communication and research support costs.

Cash at bank and in hand

Cash at bank and 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.

Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the invoice amount prepaid.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Creditors

Creditors 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 are recognised at their settlement value.

Financial instruments

The charitable company 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.

Leasing commitments

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the lifetime of the lease.

Voluntary help

A certain amount of time is expended on the charitable company's activities which is donated free of charge. In accordance with Charities SORP (FRS 102), volunteer time is not recognised. Details of volunteer support and services are provided in the trustees' annual report and the notes to the accounts.

3. DONATIONS AND GIFTS IN KIND

| | 2023 | 2022 |
|---------------|---------------|---------------|
| | £ | £ |
| Gifts in kind | 41,540 | 41,540 |
| Donations | 39,586 | 37,131 |
| | <u>81,126</u> | <u>78,671</u> |

4. INVESTMENT INCOME

| | 2023 | 2022 |
|--------------------------|--------------|-----------|
| | £ | £ |
| Deposit account interest | <u>1,857</u> | <u>43</u> |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

5. INCOME FROM CHARITABLE ACTIVITIES

Income from grants and contracts:

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Income from Generalist advice: | | |
| Unrestricted | | |
| London Borough of Merton - Generalist advice services | 355,000 | 385,000 |
| London Borough of Lambeth - Generalist advice services | 241,000 | 201,000 |
| Google Ads (benefit in kind) | 78,000 | 76,400 |
| | <u>674,000</u> | <u>662,400</u> |

Income from other projects:

| | | |
|---|----------------|----------------|
| Unrestricted | | |
| London Borough of Lambeth - Children's Centre | 80,000 | 78,007 |
| London Borough of Merton - Disability Benefit | 25,000 | 20,000 |
| London & Quadrant Pound Advice | 34,359 | 56,083 |
| Clarion Housing | - | 7,500 |
| Wimbledon Guild | 18,000 | 9,500 |
| Merton EU Settlement Scheme | - | 21,750 |
| Lambeth Council Tax Summons Service | 30,176 | 30,000 |
| Lambeth EU Settlement Scheme | - | 25,000 |
| Other services and projects | 32,768 | 14,145 |
| | <u>220,303</u> | <u>261,985</u> |

Restricted

| | | |
|---|----------------|----------------|
| Greater London Authority - Cost of Living Advice | 54,000 | - |
| London Borough of Merton - Cost of Living Advice | 50,000 | - |
| London Borough of Merton - Merton Debt Advisor | 45,000 | - |
| London Borough of Merton - Citizens Advice Adviceline Service | 30,000 | - |
| UC Help to Claim | - | 121,107 |
| London Borough of Lambeth - Living Well | 49,900 | 50,000 |
| Trust for London - Immigration | 42,000 | 20,000 |
| The Walcot Foundation | 25,000 | 25,000 |
| Merton Neighbourhood Fund | - | 10,000 |
| | <u>295,900</u> | <u>226,107</u> |

Total income from other projects and benefit in kind

| | |
|---------|---------|
| 594,203 | 564,492 |
|---------|---------|

Summary of total income:

| | | |
|--|------------------|------------------|
| Unrestricted Income - Generalist advice | 674,000 | 662,400 |
| Unrestricted Income - other projects | 220,303 | 261,985 |
| Unrestricted Income - donations | 46,126 | 43,586 |
| Unrestricted Income - investment and other | 9,614 | 901 |
| Total unrestricted income | <u>950,043</u> | <u>968,872</u> |
| Restricted income - donations | 35,000 | 35,000 |
| Restricted income - other projects | 295,900 | 226,107 |
| Total restricted income | <u>330,900</u> | <u>261,107</u> |
| Total Income - Statement of Financial Activities | <u>1,280,943</u> | <u>1,229,979</u> |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

6. RAISING FUNDS

Raising donations and legacies

| | 2023 | 2022 |
|-------------------------|-------|-------|
| | £ | £ |
| Fundraising expenditure | 3,914 | 3,672 |

7. CHARITABLE ACTIVITIES COSTS

| | Direct Costs £ | Support costs (see note 8) £ | Totals £ |
|---|----------------------|---------------------------------------|------------------|
| Merton Advice, Adviceline & Information Services | 335,637 | 152,060 | 487,697 |
| Lambeth Advice, Adviceline & Information Services | 310,473 | 93,573 | 404,046 |
| Lambeth Children's Centre | 59,711 | 11,922 | 71,633 |
| Greater London Authority - Cost of Living Advice | 49,767 | 5,193 | 54,960 |
| Merton Cost of Living Advice | 21,246 | 2,811 | 24,057 |
| Lambeth Living Well | 41,727 | 5,644 | 47,371 |
| Immigration | 41,879 | - | 41,879 |
| London & Quadrant Housing | 37,797 | 8,146 | 45,943 |
| Lambeth Council Tax Summons Service | 23,258 | 4,965 | 28,223 |
| Merton Disability Benefit | 19,231 | 4,086 | 23,317 |
| Help to Claim | 287 | - | 287 |
| Other Services and Projects | 24,350 | 5,275 | 29,625 |
| | <u>965,363</u> | <u>293,675</u> | <u>1,259,038</u> |

Summary of total expenditure

| | 2023 | 2022 |
|---|------------------|------------------|
| | £ | £ |
| Charitable activities costs (above) | 1,259,038 | 1,226,817 |
| Fundraising expenditure (note 6) | 3,914 | 3,672 |
| Other costs - exceptional item (note 9) | - | (53,985) |
| Total Expenditure - Statement of Financial Activities | <u>1,262,952</u> | <u>1,176,504</u> |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

8. SUPPORT COSTS

| | Service support costs £ | Finance £ | Human resources £ |
|---|--|--------------------------|-------------------------|
| Merton Advice, Adviceline & Information Services | 88,473 | 8,549 | 7,670 |
| Lambeth Advice, Adviceline & Information Services | 39,568 | 7,060 | 6,334 |
| Lambeth Children's Centre | 8,206 | 1,464 | 1,314 |
| Greater London Authority - Cost of Living Advice | 3,574 | 638 | 572 |
| Merton Cost of Living Advice | 1,935 | 345 | 310 |
| Lambeth Living Well | 3,885 | 693 | 622 |
| London & Quadrant Housing | 5,606 | 1,000 | 898 |
| Lambeth Council Tax Summons Service | 3,418 | 610 | 547 |
| Merton Disability Benefit | 2,812 | 502 | 450 |
| Other Services and Projects | 3,616 | 645 | 579 |
| | <u>161,093</u> | <u>21,506</u> | <u>19,296</u> |
| | Communications and research £ | Governance costs £ | Totals £ |
| Merton Advice, Adviceline & Information Services | 42,963 | 4,405 | 152,060 |
| Lambeth Advice, Adviceline & Information Services | 36,966 | 3,645 | 93,573 |
| Lambeth Children's Centre | 181 | 757 | 11,922 |
| Greater London Authority - Cost of Living Advice | 79 | 330 | 5,193 |
| Merton Cost of Living Advice | 43 | 178 | 2,811 |
| Lambeth Living Well | 86 | 358 | 5,644 |
| London & Quadrant Housing | 124 | 518 | 8,146 |
| Lambeth Council Tax Summons Service | 75 | 315 | 4,965 |
| Merton Disability Benefit | 62 | 260 | 4,086 |
| Other Services and Projects | 80 | 355 | 5,275 |
| | <u>80,659</u> | <u>11,121</u> | <u>293,675</u> |

9. OTHER

Exceptional item

In July 2020 at the request of the employment tribunal the charity made an interim payment on account to the claimant, the amount was refunded in July 2021. See the contingent liabilities note for details.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2023 | 2022 |
|--------------------------|--------------|--------------|
| | £ | £ |
| Audit fees | 5,000 | 5,051 |
| Other non-audit services | 1,750 | 1,011 |
| | <u>6,750</u> | <u>6,062</u> |

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year no trustees were reimbursed expenses (2022 £nil).

12. STAFF COSTS

| | 2023 | 2022 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Salaries and wages | 852,118 | 831,375 |
| Social security costs | 76,688 | 70,499 |
| Pension costs | 19,762 | 19,538 |
| | <u>948,568</u> | <u>921,412</u> |

The average monthly number of employees during the year was as follows:

| | 2023 | 2022 |
|------------------------|-----------|-----------|
| Senior Management Team | 3 | 3 |
| Service/Team Managers | 5 | 5 |
| Service Teams | 28 | 30 |
| | <u>36</u> | <u>38</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2023 | 2022 |
|-------------------|----------|----------|
| £60,001 - £70,000 | 1 | - |
| | <u>1</u> | <u>-</u> |

The key management personnel of the charitable company are the senior management team, which includes:

- (i) Chief Executive Officer
- (ii) Head of Advice Services
- (iii) Head of Adviceline, Information and Facilities

The key management personnel received benefits during the year of £156,372 (2022: £136,524).

Volunteers

The CAML service volunteer team was 45 at 31 March 2023 (2022: 60).

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|----------------------------|--------------------------|---------------------|
| INCOME FROM | | | |
| Donations and gifts in kind | 43,671 | 35,000 | 78,671 |
| Charitable activities | | | |
| Merton Advice, Adviceline & Information Services | 423,200 | 35,000 | 458,200 |
| Lambeth Advice, Adviceline & Information Services | 239,200 | - | 239,200 |
| Lambeth Children's Centre | 78,007 | - | 78,007 |
| Lambeth Living Well | - | 50,000 | 50,000 |
| Immigration | - | 20,000 | 20,000 |
| London & Quadrant Housing | 56,083 | - | 56,083 |
| Lambeth Council Tax Summons Service | 30,000 | - | 30,000 |
| Merton Disability Benefit | 20,000 | - | 20,000 |
| Help to Claim | - | 121,107 | 121,107 |
| Other Services and Projects | 77,895 | - | 77,895 |
| Investment income | 43 | - | 43 |
| Other income | 773 | - | 773 |
| Total | 968,872 | 261,107 | 1,229,979 |
| EXPENDITURE ON | | | |
| Raising funds | 3,672 | - | 3,672 |
| Charitable activities | | | |
| Merton Advice, Adviceline & Information Services | 364,381 | 92,102 | 456,483 |
| Lambeth Advice, Adviceline & Information Services | 341,353 | - | 341,353 |
| Lambeth Children's Centre | 70,851 | - | 70,851 |
| Lambeth Living Well | - | 15,504 | 15,504 |
| Immigration | - | 17,185 | 17,185 |
| London & Quadrant Housing | 64,145 | - | 64,145 |
| Lambeth Council Tax Summons Service | 31,364 | - | 31,364 |
| Merton Disability Benefit | 34,737 | - | 34,737 |
| Help to Claim | - | 120,820 | 120,820 |
| Other Services and Projects | 74,375 | - | 74,375 |
| Other | (53,985) | - | (53,985) |
| Total | 930,893 | 245,611 | 1,176,504 |
| NET INCOME | 37,979 | 15,496 | 53,475 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 315,622 | 64,066 | 379,688 |
| TOTAL FUNDS CARRIED FORWARD | 353,601 | 79,562 | 433,163 |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

14. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ |
|-----------------------------------|----------------------------------|
| COST | |
| At 1 April 2022 and 31 March 2023 | 103,631 |
| DEPRECIATION | |
| At 1 April 2022 and 31 March 2023 | 103,631 |
| NET BOOK VALUE | |
| At 31 March 2023 | - |
| At 31 March 2022 | - |

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|----------------|---------------|---------------|
| Trade debtors | 15,501 | 24,485 |
| Other debtors | 350 | 1,778 |
| Accrued income | 19,500 | 8,461 |
| Prepayments | 7,671 | 7,709 |
| | <u>43,022</u> | <u>42,433</u> |

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|--|---------------|---------------|
| Trade creditors | 11,117 | 15,481 |
| Social security and other taxes | 17,145 | 16,213 |
| VAT | 1,146 | 2,216 |
| Other creditors | 6,538 | 4,736 |
| Deferred income | - | 30,000 |
| Accrued expenses | 6,300 | 5,730 |
| | <u>42,246</u> | <u>74,376</u> |
| | £ | £ |
| <u>Deferred Income</u> | | |
| Balance at 1 April 2022 | 30,000 | 8,100 |
| Amounts released to incoming resources | (30,000) | (8,100) |
| Amounts deferred in the year | - | 30,000 |
| | <u>-</u> | <u>30,000</u> |
| Balance at 31 March 2023 | <u>-</u> | <u>30,000</u> |

Deferred income comprises income received during the year which relates to the next financial year.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|---------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Current assets | 407,325 | 87,777 | 495,102 | 510,209 |
| Current liabilities | (42,246) | - | (42,246) | (74,376) |
| Pension liability | (1,702) | - | (1,702) | (2,670) |
| | <u>363,377</u> | <u>87,777</u> | <u>451,154</u> | <u>433,163</u> |

| Comparatives for net assets between funds | Unrestricted funds £ | Restricted funds £ | 2022 Total funds £ |
|---|----------------------------|--------------------------|--------------------------|
| Current assets | 430,647 | 79,562 | 510,209 |
| Current liabilities | (74,376) | - | (74,376) |
| Pension liability | (2,670) | - | (2,670) |
| | <u>353,601</u> | <u>79,562</u> | <u>433,163</u> |

18. MOVEMENT IN FUNDS

| | At 1/4/22 £ | Net movement in funds £ | At 31/3/23 £ |
|---|----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General Fund | 356,271 | 8,808 | 365,079 |
| Pension reserve | (2,670) | 968 | (1,702) |
| | <u>353,601</u> | <u>9,776</u> | <u>363,377</u> |
| Restricted funds | | | |
| The Walcot Foundation | 18,675 | - | 18,675 |
| UC Help to Claim | 287 | (287) | - |
| Merton Neighbourhood Fund | 7,893 | (7,893) | - |
| Restricted Donation | 15,396 | (14,359) | 1,037 |
| Trust for London | 2,815 | 121 | 2,936 |
| Lambeth Living Well | 34,496 | 2,529 | 37,025 |
| London Borough of Merton (Revenues and Benefits/ Merton Debt Adviser) | - | 3,121 | 3,121 |
| Greater London Authority - Cost of Living Advice | - | (960) | (960) |
| London Borough of Merton - Cost of Living | - | 25,943 | 25,943 |
| | <u>79,562</u> | <u>8,215</u> | <u>87,777</u> |
| TOTAL FUNDS | <u>433,163</u> | <u>17,991</u> | <u>451,154</u> |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|--|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General Fund | 950,043 | (941,235) | 8,808 |
| Pension reserve | - | 968 | 968 |
| | <u>950,043</u> | <u>(940,267)</u> | <u>9,776</u> |
| Restricted funds | | | |
| The Walcot Foundation | 25,000 | (25,000) | - |
| UC Help to Claim | - | (287) | (287) |
| Merton Neighbourhood Fund | - | (7,893) | (7,893) |
| Restricted Donation | 35,000 | (49,359) | (14,359) |
| Trust for London | 42,000 | (41,879) | 121 |
| Lambeth Living Well | 49,900 | (47,371) | 2,529 |
| London Borough of Merton (Revenues and Benefits/ Merton Debt Adviser) | 45,000 | (41,879) | 3,121 |
| London Borough of Merton - Citizens Advice Adviceline Service | 30,000 | (30,000) | - |
| Greater London Authority - Cost of Living Advice | 54,000 | (54,960) | (960) |
| London Borough of Merton - Cost of Living | 50,000 | (24,057) | 25,943 |
| | <u>330,900</u> | <u>(322,685)</u> | <u>8,215</u> |
| TOTAL FUNDS | <u>1,280,943</u> | <u>(1,262,952)</u> | <u>17,991</u> |

Comparatives for movement in funds

| | At 1/4/21 £ | Net movement in funds £ | At 31/3/22 £ |
|---------------------------|----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General Fund | 326,163 | 30,108 | 356,271 |
| Pension reserve | (10,541) | 7,871 | (2,670) |
| | <u>315,622</u> | <u>37,979</u> | <u>353,601</u> |
| Restricted funds | | | |
| The Walcot Foundation | 18,675 | - | 18,675 |
| UC Help to Claim | - | 287 | 287 |
| Merton Coronavirus Fund | 934 | (934) | - |
| Merton Neighbourhood Fund | 29,106 | (21,213) | 7,893 |
| Restricted Donation | 15,351 | 45 | 15,396 |
| Trust for London | - | 2,815 | 2,815 |
| Lambeth Living Well | - | 34,496 | 34,496 |
| | <u>64,066</u> | <u>15,496</u> | <u>79,562</u> |
| TOTAL FUNDS | <u>379,688</u> | <u>53,475</u> | <u>433,163</u> |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General Fund | 968,872 | (938,764) | 30,108 |
| Pension reserve | - | 7,871 | 7,871 |
| | <u>968,872</u> | <u>(930,893)</u> | <u>37,979</u> |
| Restricted funds | | | |
| The Walcot Foundation | 25,000 | (25,000) | - |
| UC Help to Claim | 121,107 | (120,820) | 287 |
| Merton Coronavirus Fund | - | (934) | (934) |
| Merton Neighbourhood Fund | 10,000 | (31,213) | (21,213) |
| Restricted Donation | 35,000 | (34,955) | 45 |
| Trust for London | 20,000 | (17,185) | 2,815 |
| Lambeth Living Well | 50,000 | (15,504) | 34,496 |
| | <u>261,107</u> | <u>(245,611)</u> | <u>15,496</u> |
| TOTAL FUNDS | <u><u>1,229,979</u></u> | <u><u>(1,176,504)</u></u> | <u><u>53,475</u></u> |

Unrestricted Funds

The Pension reserve is a designated reserve set aside to cover the liability for the obligation on the defined benefit scheme.

Restricted Funds

1) The Walcot Foundation

This three-year grant supports the full employment costs of our Lambeth Advice Supervisor.

2) Major Donation

We are extremely grateful to a major donor who is supporting the costs of a service manager role (Head of Quality and Projects) a priority for the charity to support our team and clients.

3) Trust For London

This two-year grant supports the full employment costs of our Immigration Adviser.

4) Lambeth Living Well

CAML advisers working in local community outreach venues across Lambeth - including Lambeth Living Well Bus and West Norwood Community Shop - focusing on priority areas of advice need.

5) London Borough of Merton - Merton Debt Adviser

Supports a dedicated debt adviser to support Merton residents.

6) London Borough of Merton - Citizens Advice Adviceline Service

For the delivery of information and support, advice assessments and discrete advice.

7) Greater London Authority - Cost of Living Advice

For the delivery of cost of living crisis prevention advice and specialist casework.

8) London Borough of Merton - Cost of Living Advice

For the delivery of advice to Merton residents affected by the cost of living. crisis

9) UC Help to Claim

The national advice service supporting clients from application through to first payment.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. MOVEMENT IN FUNDS - continued

10) Merton Neighbourhood Fund

Supports a dedicated adviser to support Merton residents, including those with debt challenges as a result of the Covid Pandemic.

11) Merton Covid Support

Supported the charity's transfer to remote working and additional resourcing to help manage acceleration in service demand.

19. EMPLOYEE BENEFIT OBLIGATIONS

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present value of provision

| | 31.3.2023 | 31.3.2022 | 31.3.2021 |
|----------------------------|---------------|---------------|----------------|
| Present value of provision | <u>£1,702</u> | <u>£2,670</u> | <u>£10,541</u> |

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

19. EMPLOYEE BENEFIT OBLIGATIONS - continued

Reconciliation of opening and closing provisions

| | 31.3.2023 | 31.3.2022 |
|--|--------------|--------------|
| | £ | £ |
| Provision at start of period | 2,670 | 10,541 |
| Unwinding of the discount factor (interest expense) | 50 | 61 |
| Deficit contribution paid | (973) | (2,668) |
| Remeasurements - impact of any change in assumptions | (45) | (61) |
| Remeasurements - amendments to the contribution schedule | - | (5,203) |
| Provision at end of period | <u>1,702</u> | <u>2,670</u> |

Income and expenditure impact

| | 31.3.2023 | 31.3.2022 |
|--|-----------|-----------|
| | £ | £ |
| Interest expense | 50 | 61 |
| Remeasurements - impact of any change in assumptions | (45) | (61) |
| Remeasurements - amendments to the contribution schedule | - | (5,203) |

Assumptions

| | 31.3.2023 | 31.3.2022 | 31.3.2021 |
|------------------|--------------|--------------|--------------|
| Rate of discount | <u>5.52%</u> | <u>2.35%</u> | <u>0.66%</u> |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

| Year ending | 31.3.2023 | 31.3.2022 | 31.3.2021 |
|-------------|-----------|-----------|-----------|
| | £ | £ | £ |
| Year 1 | 973 | 973 | 2,668 |
| Year 2 | 811 | 973 | 2,748 |
| Year 3 | - | 811 | 2,830 |
| Year 4 | - | - | 2,429 |

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

**CITIZENS ADVICE MERTON AND LAMBETH
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

20. CONTINGENT LIABILITIES

(i) Debt on withdrawal from the multi-employer defined benefit pension scheme

As of 30 September 2022, the estimated cost of withdrawal from the multi-employer defined pension scheme has been calculated to be £20,517. The estimated debt is calculated on the solvency - or 'buy-out' - basis. This is the Scheme Actuary's estimate of the pricing basis used to secure pension liabilities with an insurance company in full at 30 September 2022.

(ii) Employment Tribunal

Following an historical employment tribunal claim (from 2012), a further Employment Tribunal (ET) hearing was held in April 2022 after an Employment Appeal Tribunal (EAT) judgement regarding the historical claim was delivered in January 2022. Following the ET's judgement in the most recent ET hearing, the claimant is seeking leave to appeal to the EAT. The charity considers that no amount should be provided for since it is not practical at this stage to estimate the financial effects of this claim.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

THANK YOU

As a charity we are entirely dependent on commissioned income, grants and donations to fund our services.

We thank our commissioners, service partners and funders with whom we ensure access and support to social justice is available for all in the communities we serve.

Furthermore, we simply would not be able to do what we do without our amazing staff and volunteer team. Thank You.