

Charity Registration No. 1075040  
Company Registration No. 03038147

# **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

**A company limited by guarantee**

**Financial statements**

**For the year ended 31 March 2023**

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

<b>Contents</b>	<b>Page</b>
Reference and Administrative Information	2
Report of the Trustees (incorporating the Directors' Report)	3 - 21
Independent Auditor's report	22 - 24
Statement of Financial Activities	25
Balance Sheet	26
Statement of Cash flows	27
Notes to the Financial Statements	28 - 39

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

**(A Company Limited by Guarantee)**

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023**

Lewisham Citizens Advice is the operating name of Lewisham Citizens Advice Bureaux Services limited, a registered charity (number 1075040) and is constituted as a company limited by guarantee (number 03038147). Its objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association. These financial statements comply with current statutory Memorandum and Articles of Association and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Trustees/Directors**

Steve Baynes  
Dominic Graham Gilchrist  
Jacqueline Tregear (formally recorded as Jackie Graveney)  
Susan Hutton (Treasurer)  
Christine Katharina Mosedale  
Sophie Park  
Edward Guy Pikett  
Senthoooran Ramachandran  
Cosette Marie Reczek (Chair of Trustees)  
Aida Shoush

**Chief Executive/Company Secretary:** Fiona Derbyshire (Appointed 01 March 2022)

#### **Registered Office and Business Address**

Leemore Community Hub  
Bonfield Road  
London  
SE13 5EU

#### **Auditor**

David Sloggett (FCCA)  
Chartered Certified Accountant & Registered Statutory Auditor  
Hill Crest, Castle Cary Road,  
West Lydford, Somerset  
TA11 6DS.

#### **Bankers**

Co-operative Bank Plc  
151 Lewisham High Street  
London  
SE13 6AA

CAF Bank

25 Kings Hill Avenue  
Kings Hill  
West Malling  
ME19 4JQ

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

Lewisham Citizens Advice Bureaux Ltd. is a registered charity and a company limited by guarantee. Lewisham Citizens Advice Bureaux Ltd. is known and referred to as Citizens Advice Lewisham (CAL). The maximum liability of each member is limited to £1. As of 31<sup>st</sup> March 2022, the company had 7 members. Citizens Advice Lewisham is governed by its Memorandum and Articles of Association as amended on 7<sup>th</sup> November 2013 and 1<sup>st</sup> June 2022 (Citizens Advice mass adoption).

CAL was incorporated as a company limited by guarantee on 27<sup>th</sup> March 1985. The charity commenced operations on 27<sup>th</sup> March 1985 at which date the assets and liabilities of the unincorporated CAL were acquired.

#### **Recruitment, Appointment of Trustees**

Our Trustees, who are also directors of the charity, are elected at our Annual General Meeting. Trustees may co-opt up to six people onto the Trustee Board to ensure the Board is broadly representative of the community, and to fill any specific vacancy and skills needed to carry out our responsibilities effectively (e.g. Treasurer). Co-opted members must stand down at the Annual General Meeting following their co-option, but they are eligible to stand for election. One third of the elected Trustees (the longest serving since the previous election) stands down at each AGM, and is eligible to stand for re-election. We invite nominations for Trustees through our annual mailing to stakeholders and local community organisations. Co-opted Trustees are recruited through a variety of methods, including direct advertising in the relevant media (e.g. the internet, local newspapers.)

The Board regularly reviews its membership to ensure there is a broad range of relevant skills and experiences sufficient to carry out its duties.

A separate process agreed by the Trustee Board is followed for the election of the Chair. The reference and administrative details above identify the constituencies that elected each of the current Trustees, where applicable. No other persons or bodies external to the charity were entitled to appoint persons to the Trustee Board.

#### **New Trustees**

Three new trustees were elected at the last AGM (Steve Baynes, Edward Guy Pikett and Senthooran Ramachandran) and they have been active in the board since.

#### **Training of Trustees**

##### **Onboarding of Trustees**

All new Trustees are invited to attend an induction training session at Citizens Advice London office, to learn more about the Citizens Advice service nationally and the role of Trustees. They participate in a planned induction which includes:

- Access to key governance documents such as the governance manual, financial procedures and annual report.
- Good governance guidance – relevant Charity Commission guides and references to high performing boards, including Harvard and ICSA reports.
- Service tour introducing the different aspects of the service and identifying key team members.
- Introduction to stakeholders and client profile with the CEO.
- Bi-annual review with the Chair to establish objectives and progress.
- Workshop with Citizens Advice nationally to understand the member relationship.

All new Trustees receive a Citizens Advice Lewisham email address, access to the Citizens Advice intranet and training system (Skillbook) and complete their confidentiality and Declaration of Interests forms. DBS checks are carried out according to Citizens Advice guidance.



## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### Ongoing Trustee Development and Engagement

All Trustees, new and existing, are invited to visit our office to meet our team, to observe our work and service delivery first-hand to more deeply understand the nature of the enquiries presented by clients. Our annual away day brings together trustees, paid staff and volunteers to collectively discuss and feedback on the charity's strategic goals.

Trustees are included in the Training and Development Plan for CAL which includes mandatory training in GDPR, Senior Managers and Certification Regime (SMCR) for the FCA, Equity and Diversity and Health and Safety obligations.

### Organisational Structure

CAL is governed by its Trustee Board which is responsible for setting the strategic direction and policy of the charity. The Trustees carry the ultimate responsibility for the conduct of CAL and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management. A register of members' interests is maintained at the registered office, and is available to the public.

The Trustees review the pay and remuneration of the Charity usually during its budget planning cycle. They set the pay and remuneration of the charity's CEO. Staff pay is reviewed annually and an increase is awarded where affordable after a benchmarking exercise is undertaken against other similar organisations.

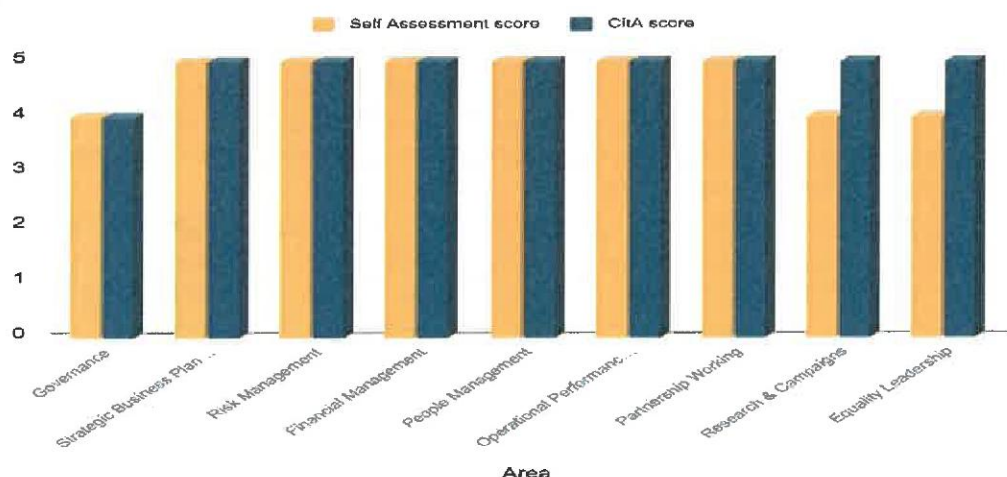
### Related Parties/ PQF

CAL is a member of Citizens Advice (CitA), the operating name of the National Association of Citizens Advice Bureaux, which provides a framework for standards of advice and casework management. CitA set and monitor performance through the Performance Quality Framework (PQF) assessed through periodic surveys, regular file checking and annual inspection with a three-year full inspection.

In February 2023, a full inspection took place with the CitA Assessor rating CAL's Leadership Self-Assessment against the core areas. The assessment concurred with CAL's own assessment and awarded Excellent/Good ratings across the service.

The results are linked [here](#) and summarised below with the blue indicating CAL ratings and the yellow the CitA validation.

LSA assessment outcome-2023



## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

### **Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued**

Operating policies are determined by the Trustee Board of CAL in order to fulfil its charitable objectives and comply with the national membership requirements. The Charity also co-operates and liaises with a number of other advisory services, local charities and local authority departments on behalf of clients. Where one of the Trustees holds the position of trustee/director of another charity or is a decision maker within the local authority, they may be involved in discussions regarding that other charity or department but not in the ultimate decision-making process. Currently, none of our Trustees work for Lewisham Council or hold decision making roles in partner organisations.

### **Major risks**

The Trustees recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end CAL is regularly monitoring and managing its risk, reviewing the corporate risk register and ensuring action plans are in place to mitigate its key risks.

Trustees also review risks relating to our financial strength, to ensure that there are reliable revenue streams and a live pipeline for the delivery of new income. The top four risks for the organisation, and our current risk management plans for each, are discussed below.

#### **Finance**

- Dependency on key funders and reduction to funding levels are key risk factors for CAL. We mitigate this by seeking and securing a wide range of funding on other projects. We also build relationships with funders and demonstrate our impact and value to ensure we are a partner of choice has resulted in us receiving additional funding from key partners and multi-year funding for other projects from a range of funders.

#### **People Management**

- Trained Advisors working to the quality standards required by funders are hard to recruit and retain. CAL has responded by establishing a training programme so that those who wish to then can progress through the organisation. To improve retention, emphasis on continuous learning and development has been enhanced and progression pathways within the CAL reinforced. Volunteer recruitment is improving and will run alongside other training and development opportunities including internship programmes through the local FE organisations.
- A hybrid working system where staff attend the office for 2 days a week pro rata which allows all staff/volunteers to work from home part of the time and helps CAL attract and retain good people. We continue to see clients by appointment and through our reception service. We are also increasing our outreach offers and working with Advice Lewisham partners in venues across the borough. In addition, in February CAL started to trial a condensed 4 day week. Exceptions were made for those who needed it but the majority of the team have taken part and initial reports on both staff perception and performance are very positive.

#### **Funders**

- Funders routinely do not include cost of living increases in multi-year funding. In addition, increased compliance puts great pressure on our advice teams straining our ability to maintain the high standards required by accreditation. This can also place pressure on meeting client needs. CAL was able to withstand this by maintaining quality standards by focusing on supporting teams. Client feed- back was also mostly positive with 80% stating that they found a way forward.
- With a continuation of the MAPS debt project CAL remains a strong delivery partner for the current contractor Toynbee Hall which covers the London area and an exceptional performer on our Help to Claim Project funded by the DWP through CitA. We also receive funding from the GLA and additional funding from LBL to help us meet more advice demand as we moved into the Cost of Living Crisis. We are grateful for this additional funding at a time of exceptional demand for our services.
- However, it is vital CAL takes a sustainable approach to funding and that alternate sources are prioritised to ensure we are not dependent on any one funder. Our fundraising strategy should set objectives for donations and funding bid priorities in each year. CAL has also performed exceptionally well on the HTC project for South London meeting and exceeding targets for most of the year.

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### **Demand**

- The needs of people with different vulnerabilities emerged during lockdown and demand increased dramatically with the advent of the Cost of Living Crisis. CAL intensified its knowledge of client needs through our partnerships and forums with community based organizations. Information shared including, client stories and stakeholder intelligence to produce a picture of the growing deprivation particularly amongst the vulnerable in the borough. This identified areas where more advisors should be located, with support on benefits and housing as a specific need. CAL has responded by highlighting this to stakeholders who responded positively with increased short-term funding to meet this group's needs across the borough working in particular with the NHS' and Council's Cost of Living project through Warm Spaces and outreach drop ins.
- CAL delivers the bulk of its services through the Advice Lewisham Partnership but is increasingly providing full advice on a face to face basis through various funders including the Council and GLA. In the coming year new project funding through Citizens Advice National or the Pan London CEO consortia will be explored to create additional advice capacity. Larger funding pots such as the lottery and large trust funders should be prioritised to ensure time spent on bids is justified

## **OBJECTIVES AND ACTIVITIES**

### **Objectives**

Citizens Advice Lewisham provides free, independent, confidential and impartial advice and information to those who live and work in Lewisham. We will work in partnership with other advice providers in Lewisham and use data collected through our work to highlight social injustice. We do this by giving our people the skills and knowledge to build holistic responses with our partners and stakeholders and effect change where it is most needed. Citizens Advice network exists to provide free, impartial advice to those who need it. and the advice, information and support to achieve this relevant support to highlight and champion issues and

As a member of Citizens Advice, we actively promote the principles underlying the network:

- We are independent, impartial and non-judgmental.
- Our services are free and confidential.
- We value diversity, promote equality and challenge discrimination in our service, our workforce and our partnerships.
- We are a learning organisation, using evidence to improve our effectiveness and efficiency.

### **Public Benefit**

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by CAL during the year. The Trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### Contribution of Volunteers

The charity receives help and support in the form of voluntary assistance in advising the public and administering the charity. A number of volunteers who were recruited and trained in 2020-'23 have been retained in key roles of Volunteer Telephone Assessors, Information Assistants and Volunteer Advisers and research and campaigns support.

Generalist Casework, provided by highly experienced and expert Volunteer Advisors is supervised by paid staff. Caseworkers secure additional or new benefits in around 90% of the appeals they conduct.

Last year they generated close to £1M (2022: £1M) in benefits for clients.

Over the last year we reinstated the recruitment of volunteers to support research and campaigns, another key strand of work which focuses on identifying issues and trends our clients are facing and ensures key local and national decision makers are aware of these and that they drive our forward strategy.

CAL's Benefits Casework Accreditation attests to the standards achieved and plans are in place for paid Advisors to be trained to work alongside volunteers to provide a more supportive and learning environment.

Volunteer recruitment is improving and will run alongside other training and development opportunities including internship programmes through the local FE organisations.

Our work with Lewisham and Southwark Law Centre will continue providing essential legal support in housing and employment. This is a service many local Citizens Advice offices do not have and it is invaluable to our clients.

The above are some of the ways in which volunteers enrich our organisation and substantially contribute to our service offer and we are grateful for their dedication and exceptional contribution.

## ACHIEVEMENTS AND PERFORMANCE

### Charitable Activities

CAL has continued to grow in response to demand while building up its financial resilience. We maintained and expanded all our contracts and partnerships.

### CAL's PROJECTS

CAL delivers a range of projects including **Debt Free London** which is funded by the Money and Pension Service through Toynbee Hall. CAL has one of the largest contracts in London, with the aim of serving 1,900 clients annually.

For many years CAL has delivered **Pound Advice** for the London and Quadrant (L&Q) Housing Association. We have always been the most productive of the delivery partners and generated the highest outcomes for clients. The team continue to do complex casework for nearly 400 residents addressing rent arrears, making benefit claims and helping people take back control of their lives.

At the Green Man in Bellingham, CAL offers outreach services to the tenants of **Phoenix Housing Association**. In a friendly and familiar environment, tenants can seek help about their housing, managing their money and looking for ways to optimise their income. Last year CAL served 393 clients which meets our target of 393 annually. This is exceptional given a large number of more complex cases requiring multiple sessions – this is a common trend in money advice as too many clients don't seek help until their situation becomes desperate. The team also delivers training workshops for the Phoenix communities on budgeting.

**Help to Claim** is funded through Citizens Advice. Nationally, take-up was initially slow but CAL's HTC team and manager worked hard to build local referral routes and consistently achieved demanding targets. CAL supported 7,707 (2022: 600) clients in helping to make Universal Credit claims, exceeding our target of 7,430.

The **GLA Cost of Living Crisis Prevention Project** is a new strategic partnership between the GLA, London Citizens Advice network, and the London Legal Support Trust (LLST), developed in response to the cost of living crisis. Our GLA adviser supports Lewisham residents who are facing hardship and crisis. Between August 2022 - March 2023, our GLA adviser provided 177 full advice appointments and a further 88 triage appointments with a recorded client income gain of £47,793 (new project, no data available for 2022).



## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

The **Advice Lewisham Partnership** includes Lewisham Multi-Lingual Advice Service (LMLAS), 170 Community (now Community Action Works), Age UK Lewisham and Southwark and Lewisham Refugee and Migrant Network (LRMN) and Lewisham Law Centre (LLC).

Working in partnership with the Southwark Law Centre (SLC), CAL helped establish **Lewisham Law Centre service** (registered with the Law Centre Network July 2020). This follows a gap of over 10 years when access to justice for local residents, was limited. Work is focused through the **Housing Unit**. With support from the Legal Aid Agency, SLC appointed a Solicitor and Caseworker. A generous grant from the Trust for London funds a Para-Legal for the service. The Housing Unit dealt with 112 (2022: 113) cases, mostly possessions orders, challenging evictions and preventing homelessness. Three quarters of the clients who received advice and representation had a positive outcome by retaining the roof over their head. SLC also won a contract from Lewisham Council to support families with No Recourse to Public Funds. Pro bono support from Hogan Lovells and additional funding from the AB Charitable Trust, Indigo, the Legal Education Foundation and the Allen & Overy Foundation has helped to secure service.

CAL leads the Partnership to deliver EnquiryLine, a multi-channel front door to quality information and advice. It provides access to appointments to help complete on-line forms, home visits and drop-ins for the most vulnerable along with casework on welfare benefits, immigration and housing. Where necessary, referral is arranged with a variety of local agencies to provide wrap-around support for those that need it, especially those with poor mental health, disabilities and other health/social care needs.

The Partnership responded to the full year equivalent of 25,000 (2022: 30,992) contacts. CAL was directly responsible for responding to almost 75% of the total target contacts. Most clients came through the Freephone Advice Line which received 16,270 (2022: 22,455) calls (far exceeding our target of 17,000 for the full year). Of these 80% of callers were assessed to determine the most appropriate next steps. The remainder of complex cases were referred on to our specialist teams, partners and other agencies.

Advice Lewisham Partnership Outputs	CAL	Partners	TOTAL
90% calls answered	100%	100%	100%
Total telephone contacts	14,296	1,974	16,270
Referrals to Adviceline	390	N/A	390
Number of appointments offered	2,807	674	3,481
Number of home visits	N/A	192	192
Number of complex casework	2,193	172	2,365
Number of resident queries responded to by email	1,477	N/A	1,477
Number of residents accessing services via drop in	104*	605	709
Number of self-help through website	5,882	N/A	5,882

\* Data for only a trial period, as CAL does not usually offer this drop in service.

First the pandemic and then the Cost of Living Crisis changed the way we provide support moving to mostly digital channels. The Cost of Living Crisis has generated demand from more vulnerable clients and more broadly with clients with more complex problems. Research shows that 5.1% of our clients are digitally vulnerable and it has become necessary to focus on developing other channels to deliver full support. This year we've worked collaboratively with our partners to develop and deliver support that works for people being impacted by the crisis. More self-reliant clients can self help, freeing up Adviceline and full advice resource to support those who most needed more targeted support.

The **CAL website** is designed to provide a Self-help portal to provide online information, tools and signposting to users 24/7.

## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

### Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

This year we have had over **8,000** (2022: 14,000) users but we are developing webchat and more targeted information and advice to increase our online offer. Most who visit our website stay on to access some form of information and **nearly 20% of all people visiting the website make use of the Self-help portal**. The work we did to our portal in 2021 and ongoing has been upgraded it continues to be a valuable resource to residents each year. to ensure it is relevant and user friendly.

Working with our partners and stakeholders has enabled us to identify our clients and their needs but we will work annually to update this information to inform our strategy and business planning so that we know our service is guided by client need.

Currently we do know that:

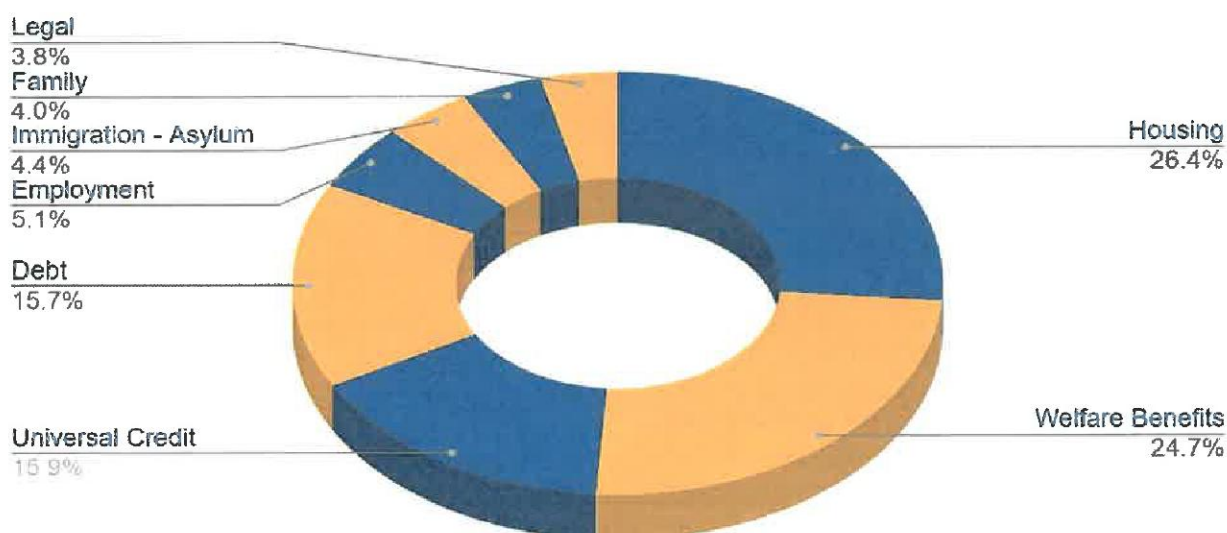
- Other than English -Spanish, Chinese, Italian and Polish speakers are the most active demographic on the site.
- And the top clicked links for self-help information are related to Housing, Benefits, Immigration, Employment, and Debt Advice.

CAL and the Advice Lewisham Partners also run the **Advice Lewisham website**. Between April 2022 and March 2023, the site had 14,133 visits.

## ISSUES

Our aim is to help people deal with difficult situations, identify and tackle the underlying cause of their problems and, going forward, empower them with the tools and information they need to deal with these they face. We are able to provide a holistic service through our work with stakeholders and partners and community organisations that share our objectives. From our digital and phone contacts, 3,481 (2022: 3,607) were assessed for support through appointments. The nature of the calls are illustrated below.

### Type of enquiries 2022-2023



The table on the following page gives a detailed breakdown of the number of calls dealt with under each category during the year.



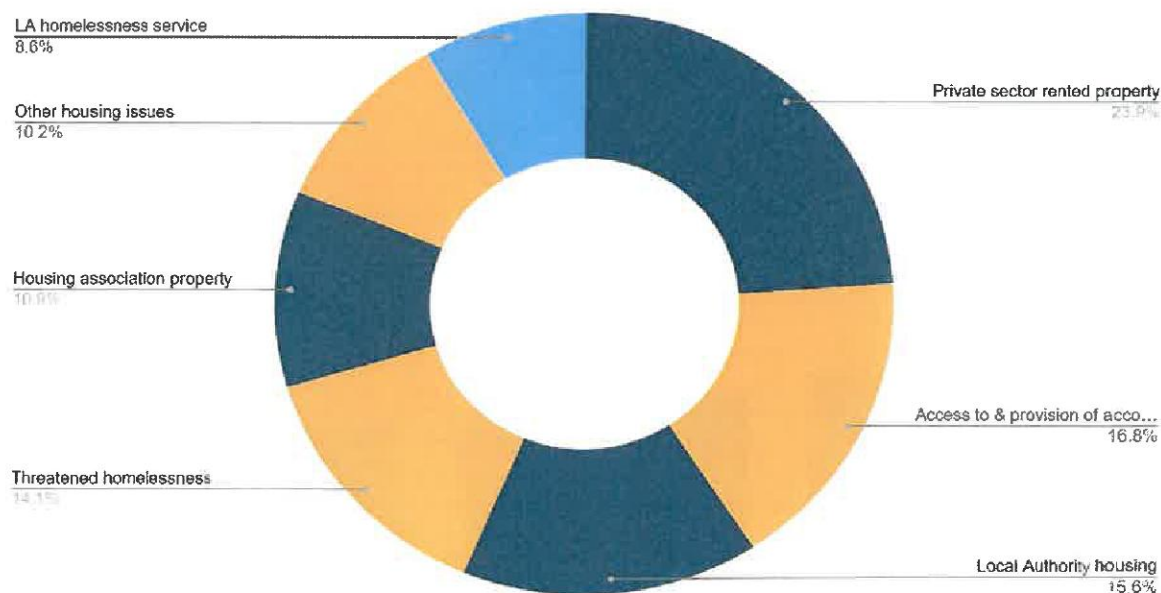
## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

Case Details Matter Category	Total
Housing	2,145
Welfare Benefits	2,011
Universal Credit	1,293
Debt	1,281
Employment	412
Immigration - Asylum	357
Family	326
Legal	310
Utilities and Communications	155
Consumer/General Contract	152
Travel, Transport and Holidays	123
Health and Community	117
Financial Products and Services	74
Tax	50

A breakdown of sub-matter categories reveals the range of calls.

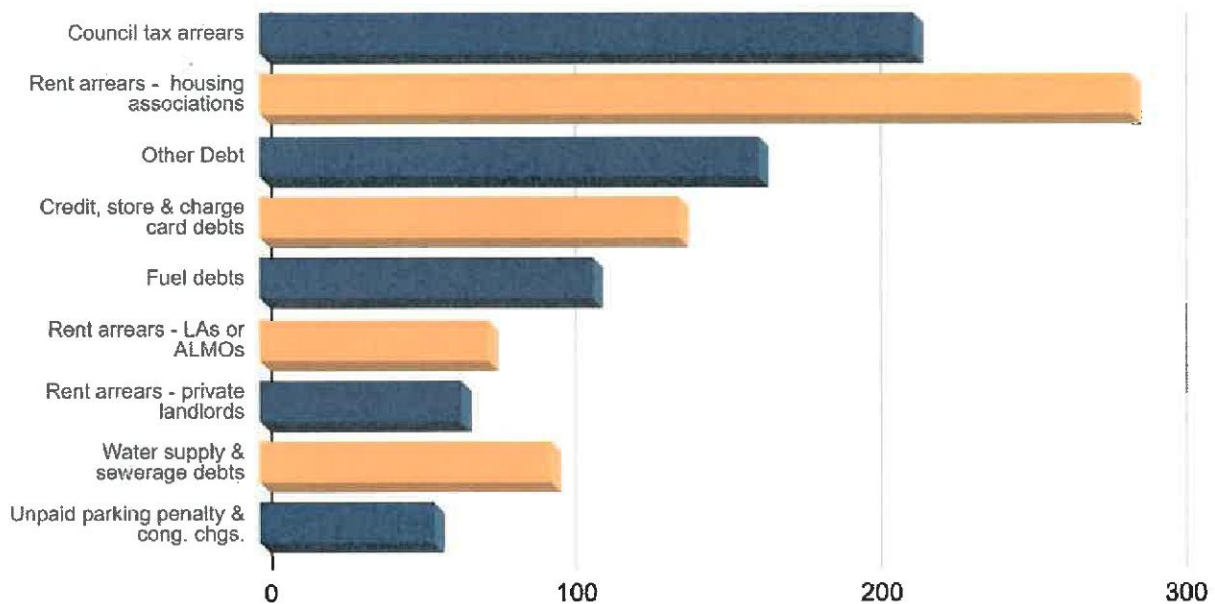
### Top housing sub-matters 2022-'23



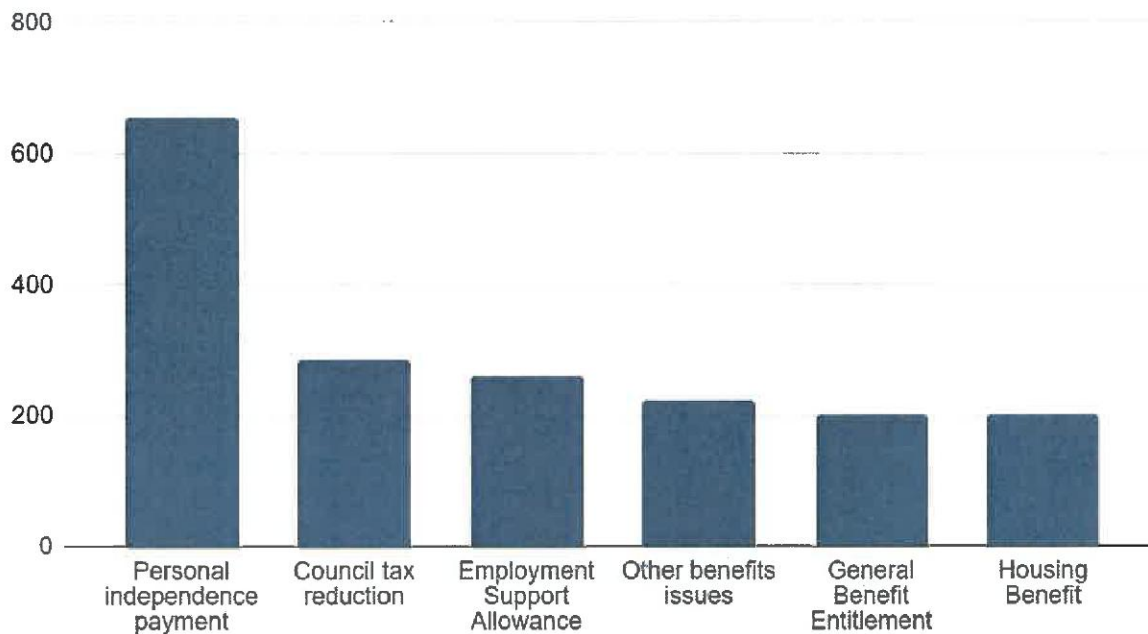
## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### Top debt sub-matters 2022-'23



### Top benefit sub-matters 2022-2023





## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### OUTCOMES

Last year, the Advisors across all our services helped generate over **£13,512,874** (2022: £13,334,960) in benefits and discharged debts for clients.

ACTIVITY	Target Number of Contacts	Total Clients	Financial Outcome
Advice Lewisham	13,500	10,688	£89,555
Debt Free London	1,092	1,136	£5,753,581
Pound Advice (L&Q)	356	393	£1,710,869
Phoenix	88 sessions/ 264 residents	85 sessions/ 162 residents	£209,629
Help to Claim	10,370	7,707	£5,634,679
GLA Crisis Prevention	440 (over 2 quarters)	179	£47,793
LBL Additional Capacity	160	109	£66,768
LLC	N/A	112	N/A
One off legal	50	220	N/A

***The following case study illustrates the work of our telephone assessors.***

Karima\* first approached us for housing advice following a marriage breakdown. Karima lives in a Housing Association property but her estranged spouse is named as the sole tenant. Karima's spouse had left the property following Karima's successful application for a non molestation order. Karima had received support from a domestic abuse organisation and legal advice about getting the property assigned to her but she told us that she had received threats from her ex-partner. Karima worried that their partner could return to the property once the non-molestation order expires. Karima told us she is interested in moving to a new property where she will feel safer.

Our telephone assessor emailed Karima the contact information for Lewisham Housing Options and information about her housing rights, how to extend an existing non molestation order and how to apply for a divorce including information on applying for help with covering court and tribunal fees. Karima was also signposted to seek legal advice from Rights of Women and Support through Court.

Karima said she was happy to receive more information about her rights and options and she was also empowered to seek further support from other organisations who may be able to provide specialist support.

***The following case study provided by Lewisham Law Centre (LLC) illustrates how working in partnership and building strong referral pathways is key to achieve the best possible outcomes for our clients.***

Hermione\* was referred to LLC by the CAL debt team in April 2022. Hermione was a housing association tenant and she was facing rent possession action for arrears. Hermione had a disability from a young age and her mobility and daily life was severely affected. She had experienced a number of problems with her HB over many years including issues with Non-Dependent Deductions ("NDD") during times when adult relatives had lived there.

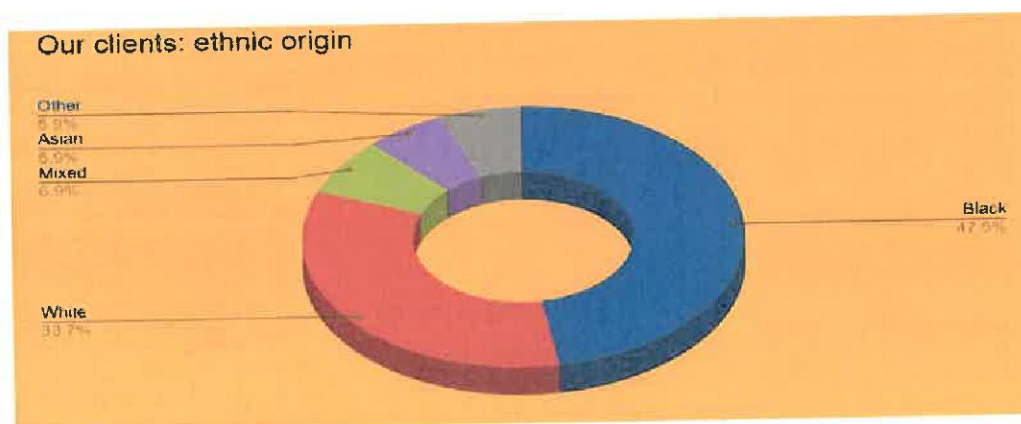
## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

### Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

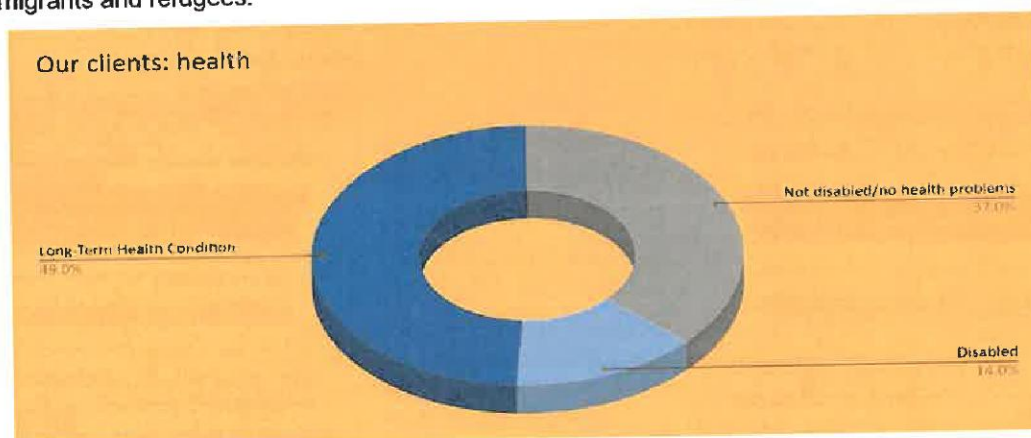
The claim had been issued in 2014 and there had been several hearings adjourned on terms. The hearing had now been restored due to the arrears increasing again, and had reached at the time £2,300. Leading up to the hearing the landlord had made no reasonable attempts to contact or support Hermione, who by this time was near housebound, has very limited reading and writing ability and often had no working telephone due to lack of income. The debt worker granted Hermione a Moratorium on the eve of the restored possession hearing meaning that the first hearing was vacated and she had time to get help. The property suffered from a large number of repair issues including broken windows causing the property to be dangerously cold in the winter, and other issues. LLC brought a counterclaim in the proceedings due to the property conditions, and a defence and counterclaim due to breaches of the Equality Act 2010. To conduct the case a number of home visits were conducted due to Hermione's health (including two supported by the CAL paralegal) and the Law Centre purchased her a mobile phone out of LLC's hardship fund. An expert inspection was carried out of the property recommending a large number of repairs and a deep cleaning and redecorating of the property. The works went ahead and during this time JP has had other support from CAL including help to attempt to reclaim PIP, help with council tax, issuing multiple foodbank vouchers, and other income maximisation advice and help. Several aspects of this advice are not yet concluded due to Hermione being uncontactable for long periods of time due to lack of phone credit. The case is presently continuing however the landlord's claim for possession has already been struck out due to their solicitor's failure to comply with the court directions. Hermione is a highly vulnerable adult and her case is legally and factually complex.

## EQUALITY MONITORING

There continues to be over- representation of clients from black, Asian and minority ethnic communities (at least 55.5%), as illustrated in the pie chart.



The partnership with LMLAS and LRMN and AFRIL continues to be important to ensure a relevant and accessible service to migrants and refugees.



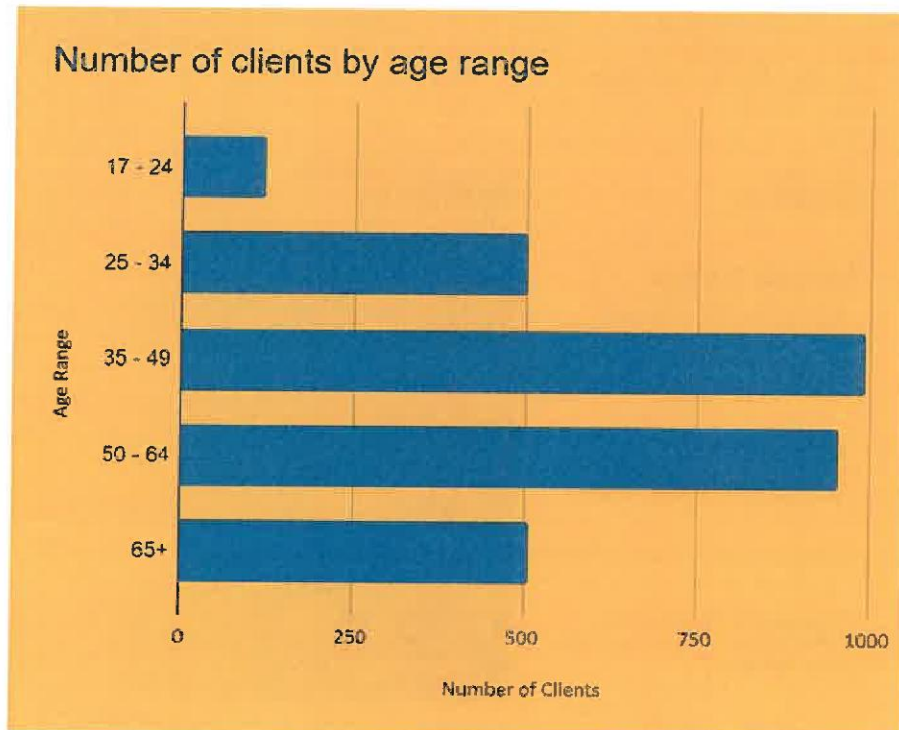


## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

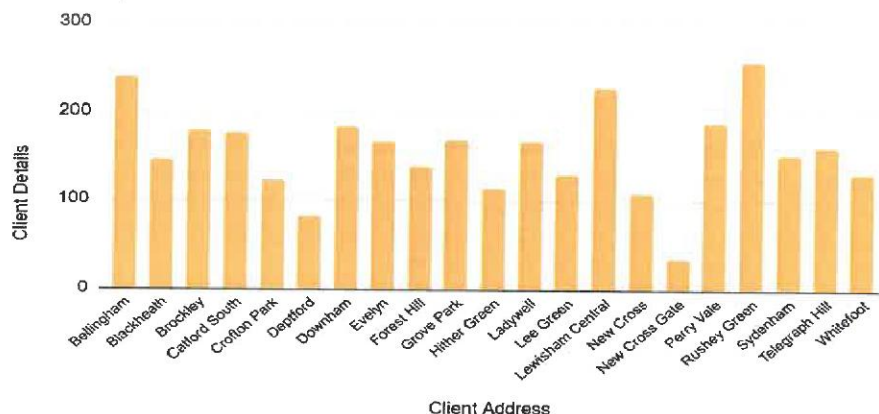
People with disclosed disabilities and/or long-term health issues constitute 63% of the client base. Increasing numbers of clients present with low level mental health issues which can make it hard for them to communicate their enquiry and it often involves complexity that demands more intensive support.

Currently the largest single group of our clients fall into the 35-45 year-old demographic (35%). Around 30% are between 50- 64 and 10% above 65. We continue to see an increase in the number of younger people reaching out for support and information. Around 22% were 25-34 years old and some under 16.



Geographically, the clients are well dispersed across the borough. The most deprived wards which include neighbourhoods in Whitefoot, Downham, Rushey Green, Telegraph Hill, Grove Park and Evelyn are well represented in the pie chart below

**Clients per electoral ward**



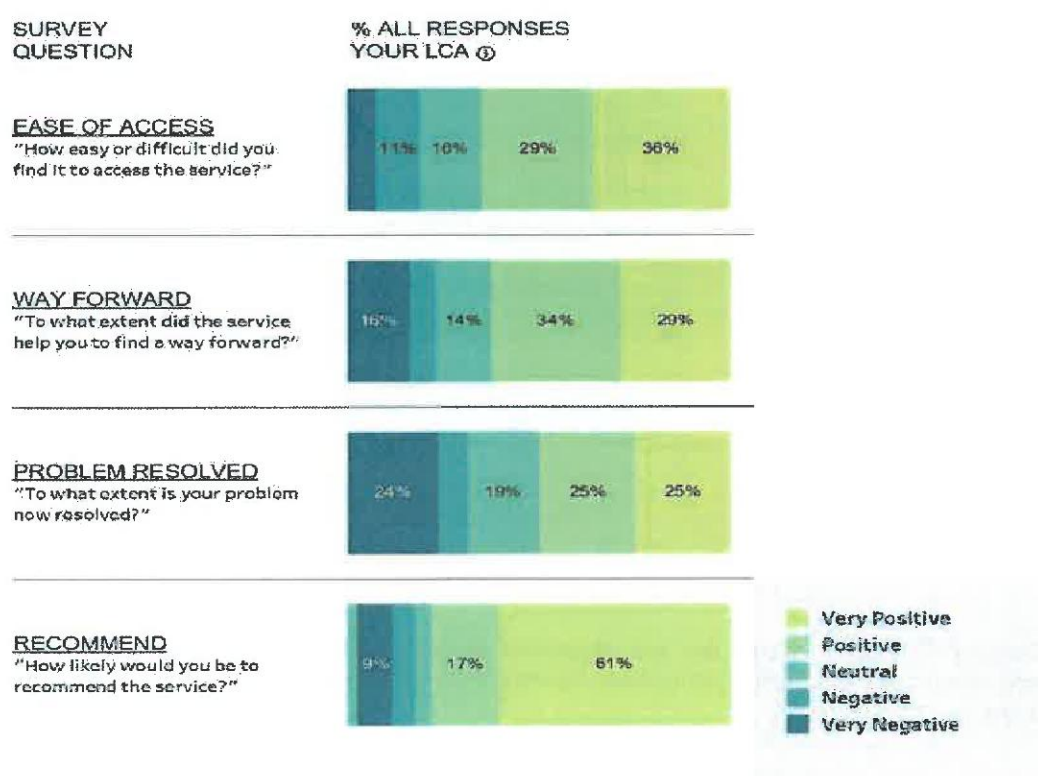
## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### Client Satisfaction

Among our clients, over half were new callers and around half called because of the Cost of Living crisis.

Client satisfaction was affected by the increase in demand. Although the clients who received help from us rated CAL's service quite highly our client satisfaction rate was affected by complaints accessing the service: an independent survey of CAL clients conducted by CA found positive responses in all the key areas including: 77% (2022: 76%) on the service helping them find a way forward; 69% (2022: 65%) had their problem resolved and 81% (2022: 82%) would recommend the service. Access to services remained an issue for clients with 35% saying access was difficult. We hope our success in securing new funding to enable us to provide more face to face services will go some way towards resolving this complaint.



During the year 2022-'23, only two formal complaints were received. One formal complaint was from an individual that stated that CAL had discriminated against them as the client was a non-Lewisham resident and could not be provided with a generalist appointment. The complaint was not upheld and no fault was found. The second formal complaint was from a client that has claimed alleged financial loss as a result of advice provided by Help to Claim. The matter is currently being investigated by ADS insurance.

The energy crisis and the post-pandemic financial crisis are expected to drive a much greater volume of clients to our service. We are committed to continue expanding the service and to seek to identify innovative ways to reach and support our clients as much as we are able.

## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

To this effect we intend to:

- Continue to strengthen the Advice Lewisham Partnership through our connections with local support organisations so we can reach clients sooner, work together effectively and better meet demand.
- Continue Advice First Aid training to local organisations to enable/ empower them to provide more informed basic support and more effective signposting and referrals.
- Offer our Leamore hub space to local organisations who have capacity to increase their services but lack a space to see clients.
- Increase our Research and Campaigns output to advocate for the need for more solutions/ options for our clients.
- Work with existing client focus groups within the borough to gain client insight, trends and issues to provide to help inform our decision making process about the service.

## Fundraising Activities

CAL was successful in securing all major current contracts in year. In addition to the contracts already described, the table below sets out only the successful bids.

Funder	Purpose	Amount
LBL	Cost of Living Crisis funding-full advice and outreach	£198,000
GLA	Cost of Living Crisis funding-full advice and building referrals with community partners	£40,000
LBL/NHS	Additional funding -to help alleviate winter demand on health services	£30,000
Phoenix	Debt advice	£30,000
National CitA	Grant in relation to the supporting financial advice which was used to support our Debt projects with admin support to generate appointments	£15,000
National CitA	Help to Claim Project -The grant agreement is for 12 months, starting from April 2022, with an option to extend for 12 months.	£477,495
Toynbee Hall	Debt Advice/ Debt Free London. The contract is for 10 months with possibility of extension.	£ 216,694
HLA's	4 Honorary Legal Advisors continue to volunteer in the service adding up to provide 50 free legal appointments every month.	Pro bono.

In addition to securing the above grants, this year we sought to increase our unrestricted funds by participating in community fundraisers, signing up on the EasyFundraising platform and updating our fundraising webpage.

## Equality

Equality, diversity and inclusion is at the heart of our work. Almost 50% (2022: 50%) of our staff, volunteers and Trustees identify themselves as Black, Asian or one of the other minority ethnic backgrounds or have some other protected characteristic. We provide comprehensive and ongoing (on a monthly basis) EDI training and over the last year we enrolled on the Disability Confident scheme and signed the Mindful Employer charter.

Lewisham itself is the 15th most ethnically diverse local authority in England, and two out of every five residents are from a black and minority ethnic background. The largest BME groups are Black African and Black Caribbean: Black ethnic groups are estimated to comprise over 30% of the total population of Lewisham.

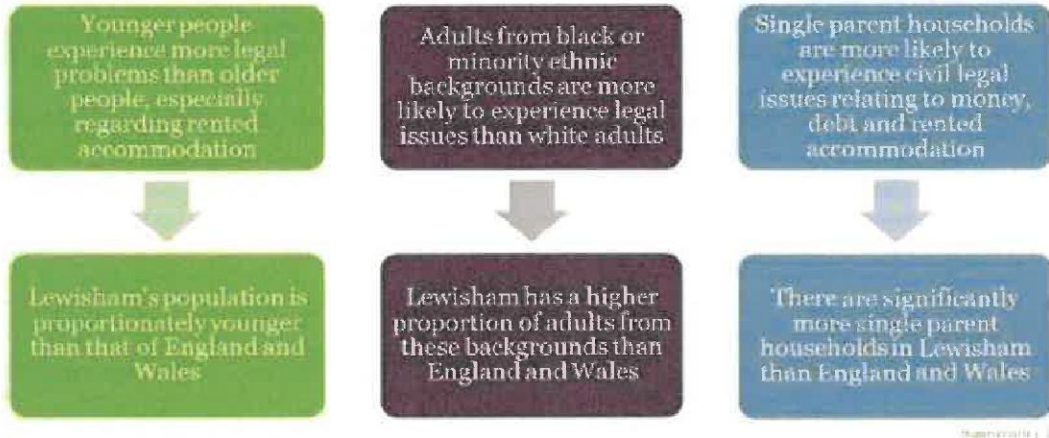


## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### Socio-economic data

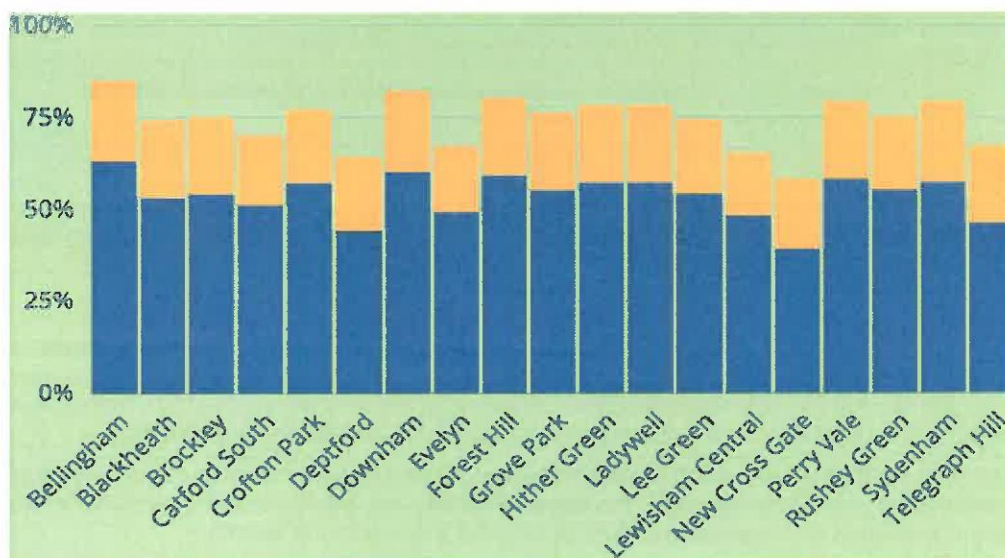
#### Other key findings – further factors



CAL works to establish stronger links with community support groups that minority residents often rely on through our Advice Forum through our Advice Forum and Advice Lewisham Partnership. Over the last year Citizens Advice Lewisham, in partnership with the Citizens Advice Pan-London group and funded by the Greater London Authority was able to introduce Advice First Aid sessions for frontline workers. The Advice First Aid (AFA) sessions helped us reach deeper into the community and foster collaboration with smaller community groups.

Our face to face services are prioritized for the most vulnerable. Among our clients, we recognize that the need for the support is greatest amongst those with mental health conditions, disabilities and where they are at risk of homelessness. Comparing our client demographic information with the information published at Census 2021 we know that our service sees a very high proportion of people with disabilities and Long-Term Health Conditions across all Lewisham wards.

\*In the following graph yellow represents percentage of Lewisham residents according to Census 2021 and blue represents the percentage of Citizens Advice Lewisham clients



## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### RESEARCH AND CAMPAIGNS

Research and campaigns are core objectives for CAL. Internally, we deliver Research & Campaigns training for all of our staff and volunteers, we circulate regular R&C updates by the R&C lead and access to an interactive jamboard for all team members to contribute ideas around new R&C issues. This year we also advertised for R&C volunteers and we were able to recruit a volunteer who brought valuable research experience to support our efforts. Externally, we used our Advice Lewisham Forums and our social media to raise awareness of systemic issues. Our SMT participates in local action groups such as the Homelessness Forum and our CEO is a member of the Local Care Partnership board, a VCS rep to the Integrated Care System panel and the Chair of Pan London Citizens Advice Steering Group.

We used our social media to raise awareness of Pension Credit entitlement and to encourage people to check their eligibility and apply.

We joined the Citizens Advice Gambling Harm Awareness program as early adopters and we allocated time for all staff and volunteers to complete this training. We used our twitter account to participate in Citizens Advice social media campaign about Gambling Harm Awareness and we delivered presentations about Gambling Harm at our Forums.

Last, we sought to strengthen our relationships with local and national decision makers so we can better advocate for our clients. Our CEO circulated the Cost of Living MP briefing packs to all Lewisham MPs and local government. During the 2022-2023 period, Citizens Advice Lewisham was visited by the MP for Lewisham West and Penge and our CEO arranged a visit at the office of the MP for Deptford and several Lewisham MPs regularly attend our Advice Lewisham Partnership Forums.

### FINANCIAL REVIEW

#### Financial Position

Citizens Advice Lewisham has had another good year, continuing to stabilise its finances and maintain its free reserves.

Following the change in accounting treatment in 2016/17 the charity's share of the liabilities associated with a National CAB Pension Plan is reflected in the CAL accounts. It is worth noting, though, that any crystallisation of this liability would be managed at a national level. Please see note 19 for more information.

Incoming resources in the year were £1,603,522 (2022: £1,548,592). Of this £1,491,832 (2022: £1,412,568) related to restricted activities i.e. purpose and application of funding was expressly defined by the funder and £111,690 (2022: £136,024) relate to unrestricted activities. Outgoing expenses were £1,614,824 (2022: £1,547,533 restated) of which £1507,591 (2022: £1,444,378) were restricted and ££107,233 (2022: £103,155 restated).

A deficit of £11,302 was made in the year (surplus in 2022: £1,059 restated). As at 31 March 2023 reserves were £356,146, of which £345,442 represent unrestricted funds (2022: £347,037) and £10,704 represent restricted funds (2022: Nil).

#### Reserves Policy

At their Away Day on 24<sup>th</sup> April 2019, Trustees agreed that CAL would aim to build up three months of reserves by 2022. The recommendation from Citizens Advice nationally, is to maintain 3 months operating costs in unrestricted reserves.

In the meantime, CAL would operate with 2 months cover. Trustees were comfortable with the level of stability provided by the three-year grant and new multi year funding through HTC Other than salaries, there are no major liabilities as the premises are on licence and equipment and servicing, is paid monthly.

In assessing the drivers for the appropriate reserve level, Trustees wanted sufficient resource to cover any unplanned events but also wanted to ensure they were maximising the resource for the benefit of clients and the community. They felt that the new grant and high demands, required a strong level of investment to deliver the increase in volume. The need and capability to react to the impact of COVID- 19 on service delivery and client access is a good example of the value of this prudent approach.

With unrestricted reserves currently £345,442, CAL is close to reaching its reserves target of £403,706.

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### **Restricted Reserves**

Restricted funds are those restricted by the donor or funder and cannot be used for the general purposes of the bureau. Their existence, and the sums of money therein, do not imply that there has been an underspend but may result from a variety of circumstances including timing differences between the bureau's financial year and the funding year of the project concerned.

This reserves policy is monitored and reviewed by Trustees annually.

### **Principal Funding Sources**

The Trustees extend their gratitude to Lewisham Council who continued to support the charity in the face of their substantial funding constraints as a result of unprecedented losses due to COVID. It is a mark of their trust and confidence in CAL that they were able to prioritise the continuation of our core operating capacity. When many charities faced their own financial crises, CAL was able to remain solvent and viable through this and, additionally, other project-specific funding from:

- London & Quadrant and Phoenix Community Housing for specialist money advice and generalist advice to their tenants.
- DWP for Help to Claim through Citizens Advice.
- Debt Free London subcontracted through Toynbee Hall for the Money and Pension Service.
- Trust for London for the Lewisham Law Service.
- GLA

The charity did not have any borrowings from either providers of funding or other sources at the balance sheet date.

### **Funds in Deficit**

No funds were in deficit at the balance sheet date.

### **Investment Policy**

As required in its Memorandum, in furtherance of its objects, and for no other purposes, the charity has the power to invest the monies of the charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law.

## **STRATEGIC OBJECTIVES AND GOALS**

CAL reviewed its business planning by looking at client demand and issues, local and national issues and challenges and set out the following:

**Our strategic objectives fall into 4 categories:**

- **Advice**
  - **Our advice will be accessible across different channels and locations**
  - **Our advice will support the most vulnerable**
  - **We will cement our position as the lead for Advice Lewisham**
  - **Our advice will be of high quality and a trusted source of help and information**
- **Advocacy**
  - **We will campaign on issues to inform social policies and to improve people's' lives**



## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

- **We will speak out against discrimination and unfairness in our society**
- **We will demonstrate our impact so that we are providers of choice for funders, partners and stakeholders**
- **Sustainability**
  - **We seek responsible funding that supports our objectives and provides sustainable advice services**
  - **Our work will be valued internally and externally and this reputation will help us to secure funding and**
  - **partnerships and attract staff and volunteers**
  - **We will control our finances to ensure we work within our means and get the best value for our clients through considered use of resources**
- **People**
  - **Our culture will support our people to give of their best where their voices are heard and**
  - **communication is open, honest and respectful of differing views**
  - **We will provide our people with the right support, training, and skills to help clients effectively with high quality advice**
  - **We will look out for each other and support our wellbeing at work**

Overall, CAL will operate a model of delivery that is financially sustainable and embedded in and driven by community needs. We will explore all cost saving and partnering opportunities to work more effectively and efficiently. Our work with Pan London and through the network Peer Support group is engaged in discussions about the sharing of back-office functions with partners and cross borough initiatives with other LCA's. Fundraising has proven effective enabling us to increase much needed full advice and much of that face to face. Our forum and partnership work will continue to gather information and represent the advice sector and clients including through our campaigns and research.

### GOING CONCERN

In line with the SORP, Trustees assessed the going concern of the charity at its Finance Committee Meeting on 19th July 2023. For the next period, they considered:

- Profit & loss budgets
- Rolling cashflows
- Predictability of future income streams

***Trustees concluded that the Charity was a going concern.***

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

Trustees Report (incorporating the Directors Report) for the year ended 31 March 2023 – continued

### **Statement of Trustees' Responsibilities**

The trustees (who are also directors of Lewisham Citizens Advice Bureaux Service Limited for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 year. In preparing these Financial Statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP 2019 (FRS 102).
- 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 operation.

The Trustees are responsible for keeping adequate 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.

### **Statement as to Disclosure of Information to Auditors**

So far as the trustees are aware, there is no relevant audit information of which the company's auditor is unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

The previous Auditor, Myrus Smith, Chartered Accountants had indicated that they were willing to be reappointed. However, as a result of a review the trustees appointed David Sloggett as their auditors for this year.

### **Small Company Provision**

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

### **Approval**

Approved and signed on behalf of the Board.



Susan Hutton  
Treasurer

Date: 26 October, 2023

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

Independent Auditor's Report to the members of Lewisham Citizens Advice Bureaux Service Limited

### **Opinion**

We have audited the financial statements of Lewisham Citizens Advice Bureaux Service Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 Auditor's 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 other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. 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. 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 course of 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.

## **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

Independent Auditor's Report to the members of Lewisham Citizens Advice Bureaux Service Limited - continued

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **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 directors' report.

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

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 25, 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.

### **Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

Independent Auditor's Report to the members of Lewisham Citizens Advice Bureaux Service Limited - continued

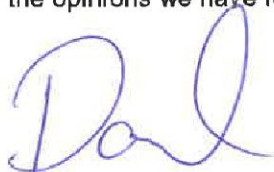
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Sloggett (FCCA)  
Chartered Certified Accountant & Registered Statutory Auditor  
Hill Crest, Castle Cary Road,  
West Lydford, Somerset  
TA11 6DS.

Date:

11/12/2023



# LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

## Statement of financial activities for the year ended 31 March 2023 Incorporating the Income and Expenditure Account

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	2	343	-	343	100
Charitable activities	3	108,365	1,491,832	1,600,197	1,538,474
Investment income	4	2,428	-	2,428	18
Other income	5	554	-	554	10,000
<b>Total</b>		<b>111,690</b>	<b>1,491,832</b>	<b>1,603,522</b>	<b>1,548,592</b>
<b>Expenditure on:</b>					
Charitable activities	6	(107,233)	(1,507,591)	(1,614,824)	(1,547,533)
<b>Total Expenditure</b>		<b>(107,233)</b>	<b>(1,507,591)</b>	<b>(1,614,824)</b>	<b>(1,547,533)</b>
<b>Net income/(expenditure) before transfers</b>	10	<b>4,457</b>	<b>(15,759)</b>	<b>(11,302)</b>	<b>1,059</b>
Transfers between funds	16	(26,463)	26,463	-	-
	16	(22,006)	10,704	(11,302)	1,059
<b>Other recognised gains</b>					
Actuarial gain on Pension fund		20,411	-	20,411	13,671
<b>Net movement in funds</b>		<b>(1,595)</b>	<b>10,704</b>	<b>9,109</b>	<b>14,730</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	16	<b>347,037</b>	<b>-</b>	<b>347,037</b>	<b>332,307</b>
<b>Total funds carried forward</b>	16	<b>345,442</b>	<b>10,704</b>	<b>356,146</b>	<b>347,037</b>

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

All income and expenditure have arisen from continuing activities.

The notes on pages 28 to 39 form part of these financial statements.

**LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**  
**Balance Sheet as at 31 March 2023**

	Note	2023		2022	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible fixed assets	12	-	-	-	-
<b>Current Assets</b>					
Debtors	13	174,187		83,719	
Cash at bank and in hand		630,855		558,172	
		<u>805,042</u>		<u>641,891</u>	
Creditors: amounts due within one year	14	<u>(338,565)</u>		<u>(164,112)</u>	
<b>Net Current Assets</b>			466,477		477,779
<b>Total assets less current liabilities</b>			466,477		477,779
Creditors – amounts due after more than one year					
Defined benefit pension liability	20		(110,331)		(130,742)
<b>Net Assets</b>	15		<u>356,146</u>		<u>£347,037</u>
<b>Funds of the Charity</b>					
Unrestricted funds	16				
General funds			455,773		477,779
Pension Liability			(110,331)		(130,742)
Restricted Funds	16		<u>10,704</u>		<u>-</u>
	16		<u>356,146</u>		<u>£347,037</u>

The notes on pages 28 to 39 form part of these financial statements.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26 October 2023, and signed on their behalf by:



.....  
Susan Hutton  
Treasurer

**Company number: 03038147**

**LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**  
**Statement of Cash Flows For The Year Ended 31st March 2023**

**Reconciliation of net income to net cash flow from operating activities:**

		<b>2023</b>	<b>2022</b>
		£	£
Net income for the reporting period (as per the Statement of Financial Activities)	16	9,109	14,730
Adjusting for:			
Depreciation charges		-	-
Dividends, interest and rent from investments		(2,428)	(18)
(Increase)/Decrease in debtors		(90,468)	(7,507)
Increase/(Decrease) in creditors		174,453	42,143
Movement in pension scheme liability		(20,411)	(13,671)
<b>Net cash provided by operating activities:</b>		<b>70,255</b>	<b>35,677</b>
<b>Cash and cash equivalents carried forward</b>			
<b>Cash flows from investing activities:</b>			
Dividends, interests and rents from investments		2,428	18
Purchases of fixed assets		-	-
<b>Net cash surplus after investing activities:</b>		<b>2,428</b>	<b>18</b>
Change in cash and cash equivalents in the reporting period		72,683	35,695
Cash and cash equivalents at the beginning of the reporting period		558,172	522,477
<b>Cash and cash equivalents at the end of the reporting period:</b>		<b>630,855</b>	<b>558,172</b>

**Analysis of Net debt**

	At 01 April 2022 £	Cash Flows £	At 31 March 2023 £
Cash in hand	558,172	72,683	630,855
	<u>558,172</u>	<u>72,683</u>	<u>630,855</u>

**Analysis of Net debt – prior year**

	At 01 April 2021 £	Cash Flows £	At 31 March 2022 £
Cash in hand	522,477	35,695	558,172
	<u>522,477</u>	<u>35,695</u>	<u>558,172</u>

The notes to the accounts are given on pages 28 to 39 and form part of these financial statements.



# **LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**

## **Notes to the financial statements for the year ended 31 March 2023**

### **1. Accounting policies**

#### **a) Basis of preparation**

Lewisham Citizens Advice Bureaux Service Limited is a public benefit charitable company, limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the Reference and Administrative Information on page 2.

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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

#### **b) Tangible fixed assets and depreciation**

The costs of minor additions costing below £1,000 are not capitalised. This policy is reviewed periodically by the trustees.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer and office equipment - 33% straight line or over whole term of the lease

Fixtures and fittings - 33% straight line or over whole term of the lease

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

Contract and grant income are accounted for in the Statement of Financial Activities (SOFA) when the charity has entitlement to the income, receipt is probable and amounts can be measured with reasonable certainty. Income received which relates to a future accounting period is recognised in creditors as deferred income. Bank interest is recognised on a receivable basis. Donations are recognised upon receipt.

#### **d) Expenditure recognition**

Expenditure is recognised on an accruals basis as a liability when incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises services supplied and activities undertaken which are identifiable as wholly or mainly in support of the charity's objectives.

Support costs are those costs which enable the charitable activities to be undertaken and include overheads and general property maintenance. Where activities incurred relate to more than one cost category, they are apportioned on the most appropriate basis, and predominantly with reference to staff time, on a reasonable and consistent basis.

Governance costs are those costs associated with the governance arrangements of the charity, and these include audit, legal advice for trustees, costs associated with trustee meetings and the cost of the preparation of the statutory financial statements.

## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

### Notes to the financial statements for the year ended 31 March 2023 – continued

#### 1. Accounting policies/cont'd...

##### a) Fund accounting

The unrestricted general funds are those funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are those funds which are to be used in accordance with specific restrictions imposed by the donors. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### a. Debtors and creditors

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

##### b. Operating leases

Rentals under operating leases are charged to the SOFA on a straight – line basis over the lease term.

##### c. Pension costs

CAL participates in 2 pension schemes;

Contributions payable under the schemes are charged to the SOFA in the year to which they refer:

- i. The Pension Trust Growth Plan has four different series within the one pension scheme. CAL participates in two of these series. It previously entered staff into a defined benefit series and it now enrolls new staff into the defined contribution one.

The defined benefit series had been classified as a defined contribution money purchase scheme, but has now been redesignated as a defined benefit scheme because of the guarantee within the scheme that the value attributed to each member will not be less than the accumulated contributions. Consequently, this places a potential contingent liability on employers, see also note 19, although CAL has no deficit contributions payable under the scheme. The pension contributions charged in these accounts represent the amounts payable by the company for this scheme in respect of the year 2021-22.

- ii. National Association of Citizens Advice Bureaux Pension and Assurance Plan (1991) is a defined benefit arrangement. However, this scheme is a multi-employer scheme and is also accounted for as a defined contribution scheme because the charity is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis in accordance with Section 28 of FRS 102. As the charity has an agreed deficit contribution scheme in place, a liability has been included for the value of these future payments, discounted to their present value. This scheme was closed to future accrual with effect from 31 March 2008. Further details are provided in note 19.

#### 2. Donations and legacies

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
<b>Voluntary income</b>				
Donations	343	-	343	100
<b>Totals 2022</b>	100	-	100	

# LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

## Notes to the financial statements for the year ended 31 March 2023 – continued

### 3. Income from Charitable Activities – current year

	Unrestricted 2023 £	Restricted Total 2023 £	2023 £	Total 2022 £
London Borough of Lewisham	-	650,000	650,000	868,272
LBL Crisis Funding	-	30,000	30,000	-
DFL (formerly Capitalise)	-	247,393	247,393	272,975
National CA - Help to Claim	-	474,158	474,158	112,297
TFL - Legal Team	-	40,417	40,417	42,500
Social Prescribing	-	-	-	50,000
SELCE	-	-	-	23,265
Downham Project Food Bank	-	7,500	7,500	7,500
Test and Trace	-	-	-	12,000
KickStart	-	2,096	2,096	12,217
ZIAPT (formerly IAPT) National CA	-	8,268	8,268	11,542
RCJ – Crisis Prevention	-	16,000	16,000	-
Lewisham Council – Additional Capacity	-	16,000	16,000	-
Pound Advice	80,365	-	80,365	89,905
Phoenix Housing Association	27,500	-	27,500	30,000
Other small grants	500	-	500	6,001
	<u>108,365</u>	<u>1,491,832</u>	<u>1,600,197</u>	<u>1,538,474</u>

### Income from Charitable Activities – prior year

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
London Borough of Lewisham	-	868,272	868,272
Capitalise	-	272,975	272,975
National CA - Help to Claim	-	112,297	112,297
TFL - Legal Team	-	42,500	42,500
Social Prescribing	-	50,000	50,000
SELCE	-	23,265	23,265
Downham Project Food Bank	-	7,500	7,500
Test and Trace	-	12,000	12,000
KickStart	-	12,217	12,217
IAPT	-	11,542	11,542
Pound Advice	89,905	-	89,905
Phoenix Housing Association	30,000	-	30,000
Other small grants	6,001	-	6,001
	<u>125,906</u>	<u>1,412,568</u>	<u>1,538,474</u>

# LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

## Notes to the financial statements for the year ended 31 March 2023 – continued

### 4. Investment Income

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Bank Interest received	2,428	-	2,428	18
	<u>2,428</u>	<u>-</u>	<u>2,428</u>	<u>18</u>
<i>Totals 2022</i>	<u>18</u>	<u>-</u>	<u>18</u>	

### 5. Other Income

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Sundry Income	554	-	554	10,000
	<u>554</u>	<u>-</u>	<u>554</u>	<u>10,000</u>
<i>Totals 2022</i>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	

### 6. Expenditure on Charitable Activities

	Direct Costs (note 7)	Support Costs (note 8)	Total 2023	Total 2022
	£	£	£	£
Information and advice	1,389,692	225,132	1,614,824	1,547,533
	<u>1,389,692</u>	<u>225,132</u>	<u>1,614,824</u>	<u>1,547,533</u>
<i>Totals 2022</i>	<u>1,320,450</u>	<u>227,083</u>	<u>1,547,533</u>	

Of the above costs £107,233 (2022: £103,155 (restated)) were charged to unrestricted funds and £1,507,591 (2022: £1,444,378) were charged to restricted funds.

### 7. Analysis of Direct Costs

	2023	2022
Staff and volunteer costs	1,160,163	968,092
Partner payments	106,124	248,753
Office costs	91,345	71,884
Premises costs	31,574	31,325
Other costs	486	396
	<u>1,389,692</u>	<u>1,320,450</u>

**LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED****Notes to the financial statements for the year ended 31 March 2023 – continued****8. Analysis of Support Costs**

	2023	2022
Staff and volunteer costs	147,343	136,515
Office costs	68,610	77,445
Premises costs	499	924
Other costs	1,667	1,970
Governance costs (Note 9)	7,013	10,229
	<u>225,132</u>	<u>227,083</u>

**9. Governance Costs**

	2023	2022
Legal, Professional and finance	1,113	4,890
Audit	5,360	5,280
Trustee Board	437	59
Other	103	-
	<u>7,013</u>	<u>10,229</u>

**10. Net income for the year**

This is stated after charging:	2023	2022
Auditor's remuneration	<u>5,360</u>	<u>5,280</u>

**11. Information regarding Trustees, Directors and Employees**

	2023 £	2022 £
Wages, salaries and agency staff	1,108,985	947,108
Social security costs	100,199	71,769
Pension costs	39,615	31,493
Redundancy costs	13,009	-
	<u>1,261,808</u>	<u>1,050,370</u>

The number of redundancy and termination payments in the period

1

-

The average number of employees during the year was 46 (2022 : 38).

The average number of staff employed by the charity (full time equivalent) was:

	2023	2022
Chief officer	1	1
Charitable work	40	30
Administrative	2	2
	<u>43</u>	<u>33</u>

One employee received total employee benefits (including employer pension costs) in excess of £60,000 per annum.

**LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED****Notes to the financial statements for the year ended 31 March 2023 – continued****Trustees and key management personnel remuneration and expenses**

No trustee received any remuneration in respect of services as a trustee during the year (2022: £Nil). No expenses were claimed by nor reimbursed to any trustees during this or the previous year.

The total amount of employee benefits received by key management personnel was £70,951 (2022: £43,404). Under FRS 102, employee benefits include gross salary, employer's national insurance, employer's pension contributions and benefits in kind.

**12. Tangible Fixed assets**

	Computer Equipment £
<b>Cost</b>	
Balance brought forward and carried forward	4,878
<b>Depreciation</b>	
Balance brought forward and carried forward	4,878
<b>Net book value</b>	
As at 31 March 2023	-
As at 31 March 2022	-

**13. Debtors**

	2023 £	2022 £
Trade debtors	79,995	21,218
Prepayments	14,444	12,546
Accrued income	79,748	45,178
Other debtors	-	4,777
	<u>174,187</u>	<u>83,719</u>

**14. Creditors - amounts falling due within one year**

	2023 £	2022 £
Trade creditors	1,822	253
Tax and social security	39,664	18,877
Accruals and Deferred income	252,349	139,181
Other creditors	44,730	5,801
	<u>338,565</u>	<u>164,112</u>

# LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

## Notes to the financial statements for the year ended 31 March 2023 – continued

Deferred income	2023 £	2022 £
As at 1 April	7,500	216,683
Additions during the year	65,875	7,500
Amounts released to income	(7,500)	(216,683)
As at 31 March	<u>65,875</u>	<u>7,500</u>

Deferred income as at 31st March 2023 relates to income received in 2022/23, which was time bound for 2023/24.

### 15. (a) Analysis of net assets between funds

	Unrestricted Funds £	2023 Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Debtors	1,444	172,743	174,187
Cash at bank and in hand	485,450	145,405	630,855
Creditors	(31,121)	(307,444)	(338,565)
Pension Liability	(110,331)	-	(110,331)
Total net assets	<u>345,442</u>	<u>10,704</u>	<u>356,146</u>

### 15 (b) Analysis of net assets between funds – prior year

	Unrestricted Funds £	2022 Restricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Debtors	83,719	-	83,719
Cash at bank and in hand	558,172	-	558,172
Creditors	(164,112)	-	(164,112)
Pension Liability	(130,742)	-	(130,742)
Total net assets	<u>347,037</u>	<u>-</u>	<u>347,037</u>

**LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED**  
**Notes to the financial statements for the year ended 31 March 2023 – continued**

**16. Movement in funds for the 24 months from 01/04/2021 to 31/03/2023**

Restricted funds	<u>Balance</u>		<u>Movement in Resources</u>		<u>Balance</u>		<u>Movement in Resources</u>		<u>Balance</u>	
	£	31/03/2021	Income	Expenditure	Transfers, Gains & Losses	£	31/03/2022	Income	Expenditure	Transfers, Gains & Losses
London Borough of Lewisham	25,615	868,272	(894,582)	695	-	650,000	(639,296)	10,704	-	-
LBL – Crisis Funding	-	-	-	-	-	30,000	(30,879)	879	-	-
DFL (formerly Capitalise)	-	272,975	(273,584)	609	-	247,393	(246,315)	(1,078)	-	-
National CA - Help to Claim	-	112,297	(114,125)	1,828	-	474,158	(499,160)	25,002	-	-
TFL - Legal	-	42,500	(42,956)	456	-	40,417	(41,233)	816	-	-
RCJ & Islington Crisis Prevention	-	-	-	-	-	16,000	(16,428)	428	-	-
Additional Capacity	-	-	-	-	-	16,000	(16,303)	303	-	-
Social Prescribing	-	50,000	(51,204)	1,204	-	-	-	-	-	-
SELCE	-	23,265	(23,335)	70	-	-	-	-	-	-
Downham Project Food Bank	-	7,500	(7,857)	357	-	7,500	(7,507)	7	-	-
Test and Trace	-	12,000	(12,065)	65	-	-	-	-	-	-
Kick Start	-	12,217	(12,718)	501	-	2,096	(2,200)	104	-	-
ZIAPT (formerly IAPT)	-	11,542	(11,952)	410	-	8,268	(8,270)	2	-	-
<b>Total Restricted funds</b>	<b>25,615</b>	<b>1,412,568</b>	<b>(1,444,378)</b>	<b>6,195</b>	<b>-</b>	<b>1,491,832</b>	<b>(1,507,591)</b>	<b>26,463</b>	<b>10,704</b>	<b>-</b>
Unrestricted funds	451,105	136,024	(103,155)	(6,195)	-	111,690	(107,233)	455,773	-	-
<b>Total funds before pension fund movement</b>	<b>476,720</b>	<b>1,548,592</b>	<b>(1,547,533)</b>	<b>-</b>	<b>-</b>	<b>1,603,522</b>	<b>(1,614,824)</b>	<b>466,477</b>	<b>-</b>	<b>-</b>
Contingent liability from pension fund	(144,413)	-	13,671	-	(130,742)	-	20,411	-	(110,331)	-
<b>Total funds after pension fund</b>	<b>332,307</b>	<b>1,548,592</b>	<b>(1,533,862)</b>	<b>-</b>	<b>-</b>	<b>347,037</b>	<b>(1,594,413)</b>	<b>356,146</b>	<b>-</b>	<b>-</b>



## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

### Notes to the financial statements for the year ended 31 March 2023 – continued

#### Restricted funds:

**London Borough of Lewisham** - our core activity funded by the Lewisham Local Authority.

**LBL crisis prevention** - funded by London Borough of Lewisham for a fixed period to provide additional crisis based advice to maximise income generation for Lewisham residents.

**DFL (formerly Capitalise)** - pan-London partnership project which receives funding from the government's Financial Inclusion Fund. This project enables an increased level of face to face debt advice.

**National CA Help to Claim** - This project offers end-to-end support to help people make a new Universal Credit claim

**TFL - Legal Team** - Trust for London project supporting individuals with legal issues and providing, access to specialist advice for disadvantaged residents.

**RCJ Islington Crisis management project**- This project is between the RCJ and Islington Citizens Advice Bureaux and CAL for the delivery of crisis prevention and specialist casework work for vulnerable Londoners and engaging in the delivery of training for community groups.

**Additional Capacity**- funded by NHS to support health and care services through the winter. In Lewisham Winter Plan funding will be allocated to voluntary and community organisations that support the wider health and care system. Welfare, debt and housing advice services have been identified as a priority area.

**Downham Project Food Bank** - funded by Lewisham Local to provided outreach advice on Food banks

**KickStart** – funding towards providing jobs for young people aged 16 - 24.

**ZIAPT – (formerly IAPT)** funded by Citizens Advice Sub-Grant in relation to the delivery element of a collaborative research project to test money advice as part of mental health interventions in an IAPT (Improving Access to Psychological Therapies) service.

#### Unrestricted funds

Phoenix and Pound Housing Associations fund full advice for their residents on a case by case basis with funding per case.

Citizens Advice Lewisham treats all funds received specifically for a project as restricted during the period to which the funding relates. Unrestricted reserves are used to support charitable activities. Where the cost of running a project exceeds its income resulting in a deficit, unless otherwise agreed with the funder these deficits will be funded from unrestricted reserves.

### 17. Financial commitments

#### Operating lease commitments

Total minimum lease payments due under non-cancellable operating leases for equipment are as follows:

	2023	2022
	£	£
Due within one year	3,082	3,720
Due within one to five years	12,329	14,880
	<u>15,411</u>	<u>18,600</u>

### 18. Contingent liabilities and assets

**Contingent liabilities** – CAL has potential obligations in respect of pension entitlements for past and present staff arising under the Pensions Trust defined benefit pension scheme, details of which are provided in these financial statements. In the case of the Pensions Trust Growth Plan scheme it has been confirmed that on the basis of the actuarial assessment of the buy-out funding position at 30 March 2023, the employer debt on withdrawal, liability for CAL is £110,331.

## LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

### Notes to the financial statements for the year ended 31 March 2023 – continued

Contingent assets – Total grant funding awarded as at 31 March 2023 but not yet received, and recognised as income due, to the recognition criteria not being met amounts to Nil (2022: £21,250).

#### 19. NACAB pension scheme

This note refers to the entirety of the NACAB scheme, of which CAL is a member. The CAL potential obligations are included in note 20.

Citizens Advice ('the Principal Employer') operates a defined benefit scheme ('the Plan') in the UK which provides both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salaries at retirement and their length of service at the date they retired or left pensionable service. The Plan closed to future accrual on 31 March 2008. The Plan also contains some money purchase AVCs and protected rights funds, which are not included in these disclosures.

In accordance with the schedule of contributions in force over the 2023/24 accounting year, the contributions to the Plan for the year ending 31 March 2024 are expected to be £2,579,000, which includes £2,279,000 towards the deficit and £300,000 as an allowance for administration expenses and all scheme levies. The 31 March 2022 valuation is currently underway and a new schedule of contributions will be put in place at its completion.

The Plan is a registered scheme under UK legislation. The Plan is subject to the scheme funding requirements outlined in UK legislation. The Plan is governed by the Plan's Trust Deed and Rules dated 4 April 2011. The Trustee is responsible for the operation and the governance of the Plan, including making decisions regarding the Plan's funding investment strategy (although they are required to consult the Principal Employer).

A full actuarial valuation of the Plan was carried out as at 31 March 2023 by a qualified independent actuary, based upon membership data as at 31 March 2022, allowing for assumed membership movements over the period from this date, and any material membership movements significantly different from those assumed (e.g. transfers out).

The most recent formal actuarial valuation of the Plan was as at 31 March 2019 and revealed a funding deficit of £68,501,000. In the recovery plan agreed following the valuation, the Principal Employer and other participating employers agreed to pay deficit reduction contributions of £2,279,000 per annum with the view to eliminating the deficit by 31 March 2037. The 31 March 2022 valuation is currently underway.

The liabilities of the Plan are based on the current value of expected benefit payment cashflows to members of the Plan over the next 60 or more years. The average duration of the liabilities is approximately 12 years.

The Plan is exposed to actuarial risks such as market (investment) risk, interest rate risk, inflation risk, currency risk and longevity risk.

**The major assumptions used by the actuary were (in nominal terms) as follows:**

	As at 31/03/2023	As at 31/03/2022
Discount rate	4.80%	2.80%
Inflation (RPI)	3.30%	3.70%
Inflation (CPI)	2.85%	3.25%
Revaluation of deferred pensions in excess of GMP	2.85%	3.25%

# LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

## Notes to the financial statements for the year ended 31 March 2023 – continued

Pension in payment increases of:

- CPI or 5% p.a. if less	2.85%	3.25%
- CPI inflation since retirement or 5% p.a. compound if less	2.85%	3.25%
- CPI or 3% p.a. if less	2.50%	2.70%
Commutation of pension for cash at retirement	75% of HMRC maximum	75% of HMRC maximum

	As at 31/03/2023	As at 31/03/2022
<b>Assumed life expectancies on retirement at age 65 are:</b>		
Retiring today - Males	20.8	21.3
Retiring today - Females	23.6	24.2
Retiring in 20 years time - Males	22.0	22.6
Retiring in 20 years time - Females	24.7	25.7

	Value at 31/03/2023 £000s	Value at 31/03/2022 £000s
<b>The assets in the Plan were:</b>		
Multi asset funds	24,903	68,955
Structured Equity	35,116	27,488
Cash	726	5,771
<b>Fair value of Plan assets</b>	<b>60,745</b>	<b>102,214</b>

<b>The actual return on assets over the period was:</b>	<b>(37,084)</b>	<b>5,301</b>
Present value of funded obligations	111,169	148,768
Fair value of Plan assets	60,745	102,214
<b>Surplus/(deficit) in funded scheme</b>	<b>(50,424)</b>	<b>(46,554)</b>
Present value of unfunded obligations		
Unrecognised actuarial gains (losses)	-	-
Adjustment in respect of asset ceiling	-	-
<b>Net liability in balance sheet (of National Citizens Advice)</b>	<b>50,424</b>	<b>46,544</b>

	31/03/2023 £000s	31/03/2022 £000s
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>		
Benefit obligation at beginning of year	148,768	161,415
Current service cost	832	771
Interest cost	4,074	3,346
Contributions by Plan participants	-	-
Actuarial (gains)/losses	(35,041)	(11,745)
Benefits paid and expenses	(7,464)	(5,019)
Past service cost	-	-
Settlements	-	-
Business combinations	-	-
Exchange rate	-	-
<b>Benefit obligation at end of year</b>	<b>111,169</b>	<b>148,768</b>

# LEWISHAM CITIZENS ADVICE BUREAUX SERVICE LIMITED

## Notes to the financial statements for the year ended 31 March 2023 – continued

Reconciliation of opening and closing balances of the fair value of Plan assets	31/03/2023 £000s	31/03/2022 £000s
Fair value of Plan assets at beginning of year	102,214	99,353
Interest income on Plan assets	2,801	2,061
Return on assets, excluding interest income	(39,885)	3,240
Contributions by employers	3,079	2,579
Contributions by Plan participants	-	-
Benefits paid and expenses	(7,464)	(5,019)
Business combinations	-	-
Settlements	-	-
Exchange rate	-	-
<b>Fair value of Plan assets at end of year</b>	<b>60,745</b>	<b>102,214</b>

The amounts recognised in profit or loss:	31/03/2023 £000s	31/03/2022 £000s
Service cost - including current and past service costs, and settlements	-	-
Service cost - administrative cost	832	771
Net interest on the net defined benefit liability	1,273	1,285
<b>Total expense</b>	<b>2,105</b>	<b>2,056</b>

Remeasurements of the net defined benefit liability (asset) to be shown in OCI:	31/03/2023 £000s	31/03/2022 £000s
Actuarial (gains)/losses on the liabilities	(35,041)	(11,745)
Return on assets, excluding interest income	39,885	(3,240)
Changes in the effect of the asset ceiling excluding interest income	-	-
<b>Total remeasurement of the net defined benefit liability (asset) to be shown in OCI</b>	<b>4,844</b>	<b>(14,985)</b>

## 20. Related Party

The charity operates with related parties, other charities and organisations on many levels. This could involve dealing with local charities and organisations in which the directors of CAL may also have an involvement. Where directors hold the positions of trustees/directors of another charity/organisation, they will be involved in the discussions relating to transactions that affect both CAL and the other entity, but they will not be part of the ultimate decision making.

The charity pays a premium for professional indemnity insurance for its trustees which is included within the total insurance premium payable each year. There were no related party transactions during 2023 (2022: Nil).