

Company Number
3835274

CITIZENS ADVICE LANCASHIRE WEST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

Registered Charity Number: 1078558

CITIZENS ADVICE LANCASHIRE WEST

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REPORT OF THE TRUSTEES OF
CITIZENS ADVICE LANCASHIRE WEST
YEAR ENDED 31 MARCH 2023

The Trustees, who act as Directors for the purposes of company law, present their report, which also incorporates the Directors' report as required by company law, and the financial statements for the year ending 31 March 2023.

Reference and administrative details

Citizens Advice Lancashire West's principal office and its registered office for company law purposes is at 35-39 Market Street, Chorley, PR7 2SW. It is a registered charity (no. 1078558) and a company limited by guarantee (no. 3835274), registered in England & Wales. It is governed by its Articles of Association, dated 4 December 2018. The Trustees, who act as Directors for the purposes of company law, present their report, which also incorporates the directors' report as required by company law, and the financial statements for the year ending 31 March 2023.

Trustees and Directors

The Trustees who served during the year and on the date of the approval of this report are:

John Crompton	Chair
Anthony Harrison	Vice-Chair (died 14/5/23)
Robert Sage	Treasurer
Pat Darling	Elected Member
Jeannie Stirling	Elected Member
Jane Whittington	Elected Member (resigned 7/8/2023)
Kevin Hodges	Elected Member (resigned 29/11/2022)
Patrick Egan	Elected Member
Cllr Gordon France	Chorley Borough Council
Cllr Paul Ellison	Wyre Borough Council
Cllr James Flannery	South Ribble Borough Council (resigned 21/7/2023)
Cllr Yvonne Gagen	West Lancashire Borough Council (appointed 18/7/2022)
Cllr Jacqueline Alty	South Ribble Borough Council (appointed 20/9/2023)
Paul Williams	Elected Member (appointed 20/9/2023)
Graham Robinson	Elected Member (appointed 20/9/2023)

Company Secretary

Diane Gradwell

Structure, governance and management

The Trustees meet at least four times per year plus the Annual General Meeting. There is a Finance Sub-Committee and Personnel Sub-Committee who both have their own terms of reference and report to the main Trustee Board.

Trustees, who are also Directors of the company, are appointed in accordance with the Articles of Association of the Charity. In the financial year 2022-23, one Trustee was nominated from each of Chorley, South Ribble, Wyre and West Lancashire Borough Councils.

The Trustees Board plays a crucial role in giving the strategic direction and vision for the charity. The Trustee Board oversees the finances, sets recruitment and fundraising priorities and is responsible for ensuring the viability of the charity. They have responsibility for managing risk and ensuring internal controls operate effectively. The trustees receive no payment for their services.

Trustees are recruited through an open and transparent selection and interview process. Recruitment to the trustee board aims to reflect the diversity of the community within which the charity is located, vacancies being promoted both internally and externally, and via the charity's website. We seek individuals with the skills and vision needed to provide sound leadership. New trustees are invited to initial discussions with the Chair about the nature and purpose of the charity and are then invited to attend and observe trustee meetings. After their appointment new trustees are provided with an induction pack, access to on-line information and trustee training.

REPORT OF THE TRUSTEES OF
CITIZENS ADVICE LANCASHIRE WEST
YEAR ENDED 31 MARCH 2023

Structure, governance and management (contd)

The day-to-day management of the charity is delegated to the Chief Executive, Diane Gradwell, who is assisted by key personnel covering finance, project management and quality assurance. The charity's services are carried out by paid members of staff assisted by a large number of volunteers who give generously of their time.

Appraisal of the Chief Executive is the responsibility of the trustee board. This ensures the Chief Executive has all the resources and support necessary to perform successfully and to provide the opportunity to discuss how the organisation is performing against key contracts. The Chief Executive's remuneration is set by evaluation against set criteria to ensure fairness and equality, and taking into account a number of factors such as job evaluation score, external benchmarking, internal benchmarking and the particular role undertaken.

The charity also employs or uses the following: -

Bankers - Barclays Bank, 38 Fishergate, Preston, Lancashire PR1 2AD & CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Accountants – Smith & Goulding Limited, 2-4 Southport Road, Chorley, Lancashire PR7 1LD.

Solicitors – Kevills, 5 Park Road, Chorley, PR7 1QS

Objects and Activities

The charity was first established for the promotion of any charitable purpose by the advancement of education, the protection of health and the relief of poverty, sickness and distress, for the benefit of the communities it serves.

To achieve its legal purpose, the charity remains committed to providing free, confidential advice to everybody regardless of race, gender, disability, sexual orientation, age or nationality across all its areas of benefit. Advice and information are provided on a wide range of subjects including debt, welfare benefits, housing, employment, consumer issues, relationships, family matters, health, education, discrimination, immigration and the law, together with casework specifically in debt and welfare benefits. The charity also supports individuals and families experiencing domestic abuse. The service is provided face to face, by telephone, by email, webchat, through digital help centres and via its website at www.citizensadvice Lancashirewest.org.uk

The charity is fully committed to compliance with the requirements of the General Data Protection Regulation (GDPR), Data Protection Act 2018 and any successor legislation (together, the 'data protection legislation'). Citizens Advice is committed to a policy of protecting the rights and freedoms of individuals with respect to the processing of their personal data and special category personal data.

The Charity is also authorised and regulated by The Financial Conduct Authority- FRN: 617644.

The Trustee Board continually assesses its strategic plan based on evidence gained through consultation with stakeholders and needs assessments. The Business and Development Plan is refreshed annually and is monitored throughout the year.

These ongoing long-term goals also remain the charity's aims and objectives in the short term during each accounting period and its annual activities are intended to achieve these ends.

Public benefit statement

The Trustees confirm that they have complied with their duties in delivering public benefit in accordance with the charity's aims and have had due regard to the guidance on public benefit published by the Charities Commission in exercising their duties.

**REPORT OF THE TRUSTEES OF
CITIZENS ADVICE LANCASHIRE WEST
YEAR ENDED 31 MARCH 2023**

Development, activities and achievements this year

To enable the achievement of its aims and objectives, the charity provides advice in conjunction with a number of partners and through a variety of projects. We continued the phased return to office locations for all staff and volunteers, whilst the ability to access systems remotely was maintained. Services were available face to face, on the telephone and via digital channels. Development of web content and social media was again constantly updated to give the latest news for both our service delivery and other local services.

Our volunteers and paid staff once again ensured services were available throughout all our areas of benefit, which ensured Citizens Advice service users were able to access a whole range of advice and support projects to meet their needs.

Once again, throughout 2022-23 the Charity has met all its contractual obligations and achieved all performance related outcomes, in terms of cases dealt with during the year. This has enabled the Charity to continue meeting both its short and long-term objectives by providing the advice and support required to improve the circumstances of its service users.

Our membership of Citizens Advice was confirmed and once again the charity was graded 5 across all areas in the Leadership Self-Assessment, 5 being the highest achievable score.

Outcomes and Benefits

All the charity's work ensures the public are able to benefit from access to information, advice and casework to support them to resolve their individual and family problems. This in turn has improved economic well-being, ensured retention of accommodation, improved health and well-being and given local people the confidence to manage future challenges. Guidance provided by the Charity Commission on public benefit has informed the work of the Trustees in reviewing the aims and objects of the charity.

The main sources of funding are shown in the notes to the accounts. The fulfilment of the various funders' requirements during the year has enabled the charity to meet its own key objectives as has the expenditure this year, particularly on staffing costs. The results for the year including the impact of changes in funding streams are as set out in the Statement of Financial Activities and associated notes to the accounts. The income figures demonstrate the continuing trend of greater levels of restricted funding compared to previous years and the expenditure reflects the rise in the costs required to manage this type of funding. The charity's financial position at the year-end remains strong as set out in the Balance Sheet and is considered further as part of the Reserves Policy review below.

Future Developments

Throughout 2022-23 we have increased available services especially in the areas of specialist debt advice, energy advice and services to support vulnerable clients. Once again, therefore, recruitment of both volunteer and paid staff remains a major priority for the Charity

The Charity remains alert for the need to ensure all those who volunteer feel well supported and valued.

REPORT OF THE TRUSTEES OF
CITIZENS ADVICE LANCASHIRE WEST
YEAR ENDED 31 MARCH 2023

Reserves and Investment Policy

In the course of the year the Trustees have undertaken a review of the reserves policy. The policy is to maintain a General Reserve and a Maintenance and Development Reserve. The purpose of the General Reserve is to cover periods of financial difficulty and to provide sufficient funds for a smooth wind-up of the company should this ever become necessary in the event of a major funder withdrawing support, which would involve considerable redundancy costs due to the long-term employment of core staff. The Trustees feel that this Reserve should not fall below 3 months' expenditure and, in the event that the Company General Reserve falls below this level, the Trustees would be concerned that the Company would be failing financially in which case an exit strategy would have to be considered.

At 31 March 2023, without any amendment, the General Reserve stands at £1,331,606. This figure includes restricted funds of £106,842. The Trustees recommend that the balance of the General Reserve be reviewed on an annual basis based on guidelines from Citizens Advice and current activity levels and is set at £975,000 (i.e. approximately 7 months' expenditure). This has been maintained due to staffing levels and the knock-on effect of Covid 19.

The purpose of the Maintenance and Development Reserve is to ensure that the current level of provision of services is maintained should there be a shortfall in the level of funding received. In addition, the reserve funds make provision for any future development of services, extra staffing given the wide geographical spread we now cover, and additionally to provide funds for any future asset purchase. Our funding for the forthcoming twelve months however could be reduced as the various funders struggle to meet budget cuts. As a result of the possible reduction in income due to possible loss of contracts and with the expansion of the areas in which we now operate with the additional costs that this involves, and in view of the increasing delay in the settlement of debtors, we are utilising funds from the Maintenance and Development Reserves and the balance has been increased in anticipation of this. Based on information currently available the Trustees are recommending that the balance of the Maintenance and Development Reserve be held at a level of £356,606. This figure includes the restricted funds totalling £106,842.

The funds are currently invested in easily accessible cash deposits to balance the possible requirement for liquid funds against the requirement to generate as high a return on the investments as possible, while keeping the funds secure from all possible risk. Currently the Charity does not constrain the investment policy with social, environmental or ethical matters. The Trustees have accepted that the prevailing market rates are currently lower than they would wish and the return for the year on the investments is the best available in these circumstances.

Risk Management

The charity has an annual budget approved by the Trustees. There is a regular consideration of the financial results by the Trustees, including the review of variance from budget and comparison with benchmarks. The appropriate segregation of duties and delegation of authority has been put in place and there is a regular consideration of new risks facing the charity and the steps needed to deal with these.

The Trustees assess the major risks to which the Charity is exposed with systems in place to ensure their mitigation. Financial risk is a major priority and this is mitigated by ensuring a broad funding portfolio across a range of services, which meet the needs of the areas of benefit, whilst maintaining a sound reserves position.

This assessment is reviewed and agreed by the charity's membership organisation Citizens Advice as part of its audit process and covers finance, governance, management, service delivery, research and campaigns work, stakeholder relationships, engagement with the wider service, systems/IT, equality and diversity and fitness for the future. The audit reported that the organisation was able to evidence all of these indicators. The wide geographical area served has brought with it particular and local elements of risk which are recorded, monitored and managed. Information assurance training has been prioritised. Comprehensive, ongoing reporting available to the board mitigates many of those risks. The Trustees have assessed the charity's overall risk as low.

**REPORT OF THE TRUSTEES OF
CITIZENS ADVICE LANCASHIRE WEST
YEAR ENDED 31 MARCH 2023**

Custodian Trustee Funds

After the local Council for Voluntary Service ceased to operate in 2012, its residual funds were passed over to the Bureaux to be administered on the Council's behalf. The organisation had charitable aims in line with the charity's own objectives as set out in its governing document.

During the year the charity has also continued to work with our local authority partners to administer the Household Support Fund. We also administered fuel vouchers.

The assets of the Council are included within the charity's own funds held within its bank accounts, which are subject to ongoing control reviews by the Trustees. The funds are segregated within the charity's accounting system and are reported to and reviewed by the Trustees on a regular basis throughout the year.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the Directors of the company for the purposes of company law) are responsible for preparing the Trustees' Annual Report, which also incorporates the Directors' Report for company law purposes, and the financial statements in accordance with 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).

Company law requires the Trustees to prepare financial statements for each financial year which they must not approve unless they are satisfied that the financial statements give a true and fair view of the state of affairs of the charitable company and of the profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

**REPORT OF THE TRUSTEES OF
CITIZENS ADVICE LANCASHIRE WEST
YEAR ENDED 31 MARCH 2023**

Auditors

The auditors Smith & Goulding Limited will be proposed for reappointment in accordance with Section 144(2) of the Charities Act 2011.

Small company rules

These accounts have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with the Governing Instrument.

This report has been approved by the Board of Trustees and is signed on its behalf.

Signed on behalf of the Board of Trustees



Dated: 6th December 2023

Mr. R. Sage, Director and Trustee

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF CITIZENS ADVICE LANCASHIRE WEST

Opinion

We have audited the financial statements of Citizens Advice Lancashire West (the "Charity") for the year ended 31 March 2023 on pages 10 to 21 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's trustees those matters that 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 Charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity'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;
- 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 Charity in accordance with ethical requirements that are relevant to our audit of the financial statements in the UK, including 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.

Conclusion 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 charity'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 annual report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS

TO THE TRUSTEES OF CITIZENS ADVICE LANCASHIRE WEST

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view, and for such internal control as they 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 Charity'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 Charity 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. As part of an audit in accordance with the ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit.

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, employment, environmental and health and safety legislation;

REPORT OF THE INDEPENDENT AUDITORS

TO THE TRUSTEES OF CITIZENS ADVICE LANCASHIRE WEST

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Smith & Goulding Limited

SMITH & GOULDING LIMITED
Chartered Accountants
& Statutory Auditor
2-4 Southport Road
Chorley
Lancashire PR7 1LD

Dated: 12 December 2023

CITIZENS ADVICE LANCASHIRE WEST

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrest- ricted Funds	Rest- ricted Funds	Total Funds 2023	Total Funds 2022
		£	£	£	£
Income and endowments from:					
Donations and legacies	2	86,362	-	86,362	92,879
Other trading activities	3	5,539	-	5,539	10,166
Income from Investments	4	17,252	-	17,252	3,842
Income from Charitable activities	5				
Provision of advice		237,454	1,040,905	1,278,359	1,133,630
Total income		<u>346,607</u>	<u>1,040,905</u>	<u>1,387,512</u>	<u>1,240,517</u>
Expenditure on:					
Expenditure on Raising funds		3,001	3,049	6,050	4,290
Expenditure on Charitable activities					
Provision of advice		239,469	940,455	1,179,924	1,128,218
Total expenditure	7	<u>242,470</u>	<u>943,504</u>	<u>1,185,974</u>	<u>1,132,508</u>
Net income/(expenditure) and net movement in funds before transfers		104,137	97,401	201,538	108,009
Transfers between funds	17	<u>95,373</u>	<u>(95,373)</u>	<u>-</u>	<u>-</u>
Net movement in funds for the year		199,510	2,028	201,538	108,009
Reconciliation of funds:					
Total funds brought forward		<u>1,025,254</u>	<u>104,814</u>	<u>1,130,068</u>	<u>1,022,059</u>
Total funds carried forward		<u>1,224,764</u>	<u>106,842</u>	<u>1,331,606</u>	<u>1,130,068</u>

All of the above results are derived from continuing operations. There were no incoming resources attributable to geographical markets outside the United Kingdom (2022 none). All gains and losses recognised in the year are included above. The profit for the year for Companies Act purposes comprises the net income/expenditure for the year and was £201,538 (2022 £108,009).

The notes on pages 13 to 21 form part of these financial statements.

An analysis of the comparative figures for 2022 is set out in note 6 of the accounts.

CITIZENS ADVICE LANCASHIRE WEST

BALANCE SHEET AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	11		2,299		1,768
Investments	12		<u>83,212</u>		<u>-</u>
			85,511		1,768
Current assets:					
Debtors	13	135,602		8,839	
Cash at bank and in hand	14	<u>1,329,332</u>		<u>1,239,329</u>	
Total current assets		1,464,934		1,248,168	
Liabilities:					
Creditors: Amounts falling due within one year	15	<u>172,339</u>		<u>119,868</u>	
Net current assets			<u>1,292,595</u>		<u>1,128,300</u>
			1,378,106		1,130,068
Creditors: Amounts falling due after more than one year			<u>46,500</u>		<u>-</u>
Total net assets			<u>1,331,606</u>		<u>1,130,068</u>
The funds of the charity:					
Unrestricted funds	17		1,224,764		1,025,254
Restricted income funds	17		<u>106,842</u>		<u>104,814</u>
Total charity funds	17		<u>1,331,606</u>		<u>1,130,068</u>

The notes on pages 13 to 21 form part of these financial statements.

For the financial year in question, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006;

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

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the Board of Trustees and authorised for issue on 6th December 2023 and are signed on its behalf by:

Robert K. Sage

Mr. R. Sage, Director & Trustee

Company Registration Number: 3835274

CITIZENS ADVICE LANCASHIRE WEST

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

		2023	2022
	Notes	£	£
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	21	<u>158,085</u>	<u>170,967</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		17,252	3,842
Purchase of property, plant and equipment		(2,122)	(2,652)
Proceeds from sale of investments		-	287,138
Purchase of investments		<u>(83,212)</u>	<u>-</u>
Net cash provided by (used in) investing activities		<u>(68,082)</u>	<u>288,328</u>
Cash flows from financing activities:			
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		90,003	459,295
Cash and cash equivalents at the beginning of the reporting period		<u>1,239,329</u>	<u>780,034</u>
Cash and cash equivalents at the end of the reporting period	22	<u>1,329,332</u>	<u>1,239,329</u>

The notes on pages 13 to 21 form part of these financial statements.

CITIZENS ADVICE LANCASHIRE WEST

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

1. General information

Citizens Advice Lancashire West's principal office and its registered office for company law purposes is at 35-39 Market Street, Chorley, PR7 2SW. It is a registered charity (no. 1078558) and a company limited by guarantee (no. 3835274), registered in England & Wales.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

(a) Basis of preparation

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act.

The charity meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The preparation of the financial statements may require the trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The judgements that have had the most significant effect on the amounts recognised in the financial statements relates to the estimate of the useful economic lives of the various fixed assets in the accounts for the purpose of the depreciation charge and the allocation methods used for the apportionment of expenditure between the various restricted and unrestricted projects. The carrying value of the fixed assets after depreciation is disclosed in the notes to the accounts.

(b) Fund accounting

Unrestricted income funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and that have not been designated for other purposes. Restricted income funds are funds subject to special conditions imposed by the donor and are not available for purposes other than those specified by the donor.

(c) Income recognition

Turnover is the amount derived from ordinary activities and is stated net of VAT. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations and grants are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods or donors' conditions have not been fulfilled, when the income is deferred. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Other income is recognised when the service has been performed.

CITIZENS ADVICE LANCASHIRE WEST

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

(d) **Expenditure recognition**

Expenditure is included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. All expenditure has been classified under headings that aggregate all costs related to that category. Where costs cannot be attributed to particular funds, they have been allocated to activities on the basis of the level of staff allocated to the funding received.

Fundraising costs and direct charitable costs, which comprise all costs identified as wholly or mainly attributable to achieving the objects of the charity, include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads. Support costs include all expenditure not directly related to fundraising or charitable activities. Where applicable, such costs are apportioned to charitable activities on the basis of staff costs. Governance costs represent the audit fees and the cost of the charity's annual general meeting.

(e) **Pension costs**

The charity has a defined contribution scheme and the pension charge represents the amount payable by the charity to the fund for the year. The costs of the defined contribution scheme are charged against the funds of the charity using the methodology set out above.

(f) **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the term of the lease.

(g) **Tangible fixed assets**

Fixed assets are stated in the accounts at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised in the accounts. The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. The cost less estimated residual value of IT and telephone equipment is depreciated over three years on a straight-line basis as a result of the short expected useful economic life.

(h) **Investments**

Investments are a form of basic financial instrument and are recognised at their transaction value. The charity does not acquire equity investments, put options, derivatives or other complex financial instruments.

(i) **Debtors**

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

(j) **Cash at bank and in hand**

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

(k) **Creditors**

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

(l) **Financial instruments**

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.

CITIZENS ADVICE LANCASHIRE WEST

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

2. Donations and legacies	2023	2022
	£	£
Donations	362	379
Core funding grants	<u>86,000</u>	<u>92,500</u>
	<u>86,362</u>	<u>92,879</u>
<p>The charity has also benefited from the services of unpaid general volunteers each year, the value of which is not recognised in the accounts. Further information, regarding the contribution made by volunteers to the charity's activities, is set out in the Trustees' Report.</p>		
3. Other trading activities		
	£	£
Contributions to running costs	5,539	10,166
Other income	<u>-</u>	<u>-</u>
	<u>5,539</u>	<u>10,166</u>
4. Income from investments		
	£	£
Bank interest received on UK deposits	<u>17,252</u>	<u>3,842</u>
5. Income from charitable activities		
	£	£
Services rendered to other charities	27,305	37,667
Grants for provision of advice	<u>1,251,054</u>	<u>1,095,963</u>
	<u>1,278,359</u>	<u>1,133,630</u>

Grants represent income received from various service level agreements. Grant income under unrestricted funds includes amounts released to incoming resources from deferred income of £9,467 (2022 £0). Income is deferred in line with funders' requirements for the service to be provided and resources spent over a specific period. The balance of deferred income at the year-end was £122,467 (2022 £9,467). Grant income from restricted funds is shown in note 17 of the accounts.

CITIZENS ADVICE LANCASHIRE WEST

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

6. Statement of Financial Activities analysis of comparative figures

	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2022 £
Income and endowments from:			
Donations and legacies	92,879	-	92,879
Other trading activities	10,166	-	10,166
Income from investments	3,842	-	3,842
Income from charitable activities			
Provision of advice	132,218	1,001,412	1,133,630
Total income and endowments	239,105	1,001,412	1,240,517
Expenditure on:			
Expenditure on Raising funds	1,207	3,083	4,290
Expenditure on Charitable activities:			
Provision of advice	100,084	1,028,134	1,128,218
Total expenditure	101,291	1,031,217	1,132,508
Net income/(expenditure) and net movement in funds before transfers	137,814	(29,805)	108,009
Transfers between funds	-	-	-
Net movement in funds for the year	137,814	(29,805)	108,009
Reconciliation of funds			
Total funds brought forward	887,440	134,619	1,022,059
Total funds carried forward	1,025,254	104,814	1,130,068

7. Total expenditure

	Direct Costs £	Support Costs £	Total 2023 £	Direct Costs £	Support Costs £	Total 2022 £
Expenditure on charitable activities:						
Unrestricted funds						
Salaries	145,328	31,548	176,876	46,278	23,525	69,803
Staff costs	5,237	250	5,487	1,132	168	1,300
Office	19,418	2,734	22,152	759	2,041	2,800
Premises	31,767	1,672	33,439	24,703	1,300	26,003
Governance costs	-	1,515	1,515	-	178	178
	201,750	37,719	239,469	72,872	27,212	100,084

CITIZENS ADVICE LANCASHIRE WEST

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

7. Total expenditure (continued)

	Direct Costs	Support Costs	Total 2023	Direct Costs	Support Costs	Total 2022
	£	£	£	£	£	£
Expenditure on charitable activities:						
Restricted funds						
Salaries	665,482	126,386	791,868	667,352	133,949	801,301
Staff costs	20,897	1,694	22,591	24,035	2,405	26,440
Office	68,239	19,632	87,871	76,816	50,198	127,014
Premises	32,678	1,719	34,397	49,206	2,590	51,796
Governance costs	-	3,728	3,728	-	4,151	4,151
Other	-	-	-	17,432	-	17,432
	<u>787,296</u>	<u>153,159</u>	<u>940,455</u>	<u>834,841</u>	<u>193,293</u>	<u>1,028,134</u>

The figures for other expenditure relate to specific costs for the provision of services by other partners within the Help Through Crisis project.

8. Net income/expenditure	2023	2022
	£	£
is stated after charging:		
Depreciation	1,591	1,919
Auditor's/examiner's remuneration -Audit fees	3,433	3,150
-Other financial services	3,433	3,150

9. Staff costs and numbers

	£	£
Wages and salaries	785,368	719,780
Social Security costs	54,311	43,150
Pension costs	<u>132,646</u>	<u>111,595</u>
	<u>972,325</u>	<u>874,525</u>

There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000. The total employee benefits of the Trust's key management personnel were £56,575 (2022 £55,205). The average number of employees during the year was 41 (2022 41) and the average monthly number of full-time equivalent employees including part time staff during the year analysed by function was as follows: -

Advisors	27	27
Administration	5	5

10. Trustees remuneration and expenses

The Trustees received no remuneration or benefits from the charity during the year (2022 none). No expenses were paid to the trustees during the year (2022 none). Apart from this there were no other related party transactions during the year that require disclosure (2022 none).

CITIZENS ADVICE LANCASHIRE WEST

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

11. Tangible fixed assets

	Equipment	Total
	£	£
(a) Cost		
At 1 April 2022	99,244	99,244
Additions	2,122	2,122
Disposals	<u>-</u>	<u>-</u>
At 31 March 2023	<u>101,366</u>	<u>101,366</u>
(b) Depreciation		
At 1 April 2022	97,476	97,476
Charge for year	1,591	1,591
Disposals	<u>-</u>	<u>-</u>
At 31 March 2023	<u>99,067</u>	<u>99,067</u>
(c) Written down values		
At 31 March 2023	<u>2,299</u>	<u>2,299</u>
At 31 March 2022	<u>1,768</u>	<u>1,768</u>

12. Fixed asset investments

	2023	2022
	£	£
Cash deposits:		
At 1 April 2022	-	287,138
Additions in year	83,212	-
Disposals in year	<u>-</u>	<u>(287,138)</u>
At 31 March 2023	<u>83,212</u>	<u>-</u>

13. Debtors

	£	£
Trade debtors	113,092	2,598
Prepayments and accrued income	17,478	6,241
Other debtors	<u>5,032</u>	<u>-</u>
	<u>135,602</u>	<u>8,839</u>

14. Cash at Bank

	£	£
Short term UK deposits	972,553	737,631
Cash at bank and in hand	<u>499,995</u>	<u>542,104</u>
	1,472,548	1,279,735
Less amounts held as banker	<u>(143,216)</u>	<u>(40,406)</u>
	<u>1,329,332</u>	<u>1,239,329</u>

CITIZENS ADVICE LANCASHIRE WEST

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

14. Cash at Bank (continued)

Amounts held as banker: -

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Chorley & South Ribble CVS	2,447	-	-	2,447
DEFRA Emergency Assistance	301	-	(301)	-
Cost of Living payments -Chorley BC	-	21,000	-	21,000
Household Support Fund - Wyre BC	1,787	-	(1,787)	-
Household Support Fund - Chorley BC	21,655	195,555	(189,362)	27,848
Household Support Fund - South Ribble BC	9,216	265,610	(185,974)	88,852
Household Support Fund - West Lancs BC	5,000	5,000	(6,931)	3,069
	<u>40,406</u>	<u>487,165</u>	<u>(384,355)</u>	<u>143,216</u>

After the local Council for Voluntary Service ceased to operate in 2012, its residual funds were passed over to the charity to be administered on the Council's behalf. The organisation had charitable aims in line with the charity's own objectives as set out in its governing document. In 2021 the charity was also requested to administer the payment of DEFRA Emergency Assistance grants on behalf of West Lancs CVS and West Lancs BC, which are organisations with similar charitable aims and this scheme has now completed.

In addition, in 2022 four local authorities with similar aims also requested the assistance of the charity in the distribution of vouchers under their schemes for individuals experiencing fuel poverty and other financial hardship which has expanded further in 2022-23. One of the authorities Chorley BC has also started a new scheme for cost of living assistance and the scheme funds are to be distributed on their behalf as well by the charity.

The assets are included within the charity's own funds held in its bank accounts, which are subject to ongoing control reviews by the Trustees. The funds are segregated within the charity's accounting system and are reported to and reviewed by the Trustees on a regular basis throughout the year.

	2023	2022
15. Creditors: Amounts falling due within one year	£	£
Trade creditors	20,834	67,169
Accruals and deferred income	<u>151,505</u>	<u>52,699</u>
	<u>172,339</u>	<u>119,868</u>
15. Creditors: Amounts falling after more than one year	£	£
Accruals and deferred income	<u>46,500</u>	<u>-</u>

Deferred income within and after more than one year represents income received in advance for multi-year projects deferred in line with funders' requirements for the service to be provided and resources spent over a specific period.

16. Commitments under operating leases

At 31 March 2023, the charity had commitments under non-cancellable operating leases as set out below: -

	2023	2022
	£	£
Total operating lease payments due:		
Not later than one year	5,400	-
Later than one year and not later than five years	-	16,200
Later than five years	-	-

CITIZENS ADVICE LANCASHIRE WEST

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

17. Movement in funds

	B/fwd at 1 April 2022 £	Income £	Expenditure £	Transfers £	C/fwd at 31 March 2023 £
Unrestricted funds					
General funds	1,025,254	346,607	(242,470)	95,373	1,224,764
Restricted income funds					
MaPS	-	558,558	(463,185)	(95,373)	-
PensionWise	-	342,269	(342,269)	-	-
West Lancs BC	15,816	50,000	(65,816)	-	-
Adviceline service	-	10,000	(10,000)	-	-
Big Lottery EPIC	-	66,320	(48,304)	-	18,016
Domestic abuse services	51,426	-	-	-	51,426
Citizens Advice B'burn with Darwen	37,400	-	-	-	37,400
Energy projects	172	13,758	(13,930)	-	-
	<u>104,814</u>	<u>1,040,905</u>	<u>(943,504)</u>	<u>(95,373)</u>	<u>106,842</u>

The nature and purpose for each restricted fund is determined by the funding bodies providing the grants for the particular projects. All grant income received and expenditure incurred is directly related to the particular project for which funds have been approved by the particular body concerned.

The funding received through the national body Citizens Advice includes the government Money Advice and Pensions Service (MaPS) for the provision of debt advice sessions to members of the public. Additional funding was also received for increased capacity for the service this year. It has been agreed with Citizens Advice that the residual funds for the year can be transferred to unrestricted funds at the year end.

Funding has also continued from this source for the PensionWise project as part of a national initiative to provide guidance for people as a result of the pension freedoms introduced in 2014. In addition, funding has also been released this year to help with efficiency matters for the Adviceline service by the provision of an assessor and training mentor.

Funding was also received this year from the Big Lottery Enabling People in Crisis project (EPIC) which with matched funding from Chorley BC and South Ribble BC is for the support of vulnerable people with complex issues and those experiencing hardship.

The grant received from West Lancs BC for the general provision of Information/Advice/Money/Debt services within the Borough changed in 2020 to restricted funding over the period of this multi-year service agreement.

Funds received from organisations for the running of domestic abuse services brought forward from earlier years are to be used in due course for the purpose of developing both the capability and new ways of working to improve early intervention and prevention of violence against women and girls. Funds transferred from Citizens Advice Blackburn with Darwen, when its operations ceased in 2018, are being held towards the running costs of a digital advice service to support disadvantaged people in the Blackburn with Darwen areas.

There has also been funding received from the Energy Advice Programme and similar projects to assist in the running of various programmes providing advice and support to members of the public who are at risk of fuel poverty and for raising carbon monoxide awareness.

CITIZENS ADVICE LANCASHIRE WEST

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

18. Share capital

The company is limited by guarantee and does not have a share capital.

19. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
Fund balances at 31 March 2023 are represented by:	£	£	£
Tangible fixed assets	2,299	-	2,299
Investments	83,212	-	83,212
Current assets	1,230,322	234,612	1,464,934
Creditors: amounts falling due within one year	(91,069)	(81,270)	(172,339)
Creditors: amounts falling due after more than one year	-	(46,500)	(46,500)
Total funds	<u>1,224,764</u>	<u>106,842</u>	<u>1,331,606</u>

The Trustees consider that the resources of each fund are held in the appropriate form to meet the requirements of the fund.

20. Pension commitments

The charity operates a defined contribution pension scheme, Citizens Advice Lancashire Pension Scheme, for all employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund in respect of 50 members of staff (2022 47) and amounted to £132,646 (2022 £111,595). At the Balance Sheet date, there were no unpaid contributions due to the fund (2022 none). The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	201,538	108,009
Adjustments for:		
Depreciation charges	1,591	1,919
Dividends, interest and rents from investments	(17,252)	(3,842)
(Increase)/decrease in debtors	(126,763)	35,719
Increase/(decrease) in creditors	<u>98,971</u>	<u>29,162</u>
Net cash provided by (used in) operating activities	<u>158,085</u>	<u>170,967</u>

22. Analysis of cash and cash equivalents

	£	£
Cash in hand	283	194
Notice deposits (less than 3 months)	<u>1,329,049</u>	<u>1,239,135</u>
Total cash and cash equivalents	<u>1,329,332</u>	<u>1,239,329</u>