

# Directors' and Trustees' report and accounts

For the year ended 31 March 2022





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# Reference and administrative information

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**Charity Registration Number 1085220**

**Company limited by guarantee, Registered Number 4099352**

**Regulated by the Financial Conduct Authority FRN 617564**

**Registered Office:** Citizens Advice Shropshire, Fletcher House, 15 College Hill, Shrewsbury, SY1 1LY.

**Directors and Trustees** Chris Boote (Chair – current from 26/11/20)  
Penny Cooper, Bethan Cross, Joanne Harrison,  
Tony Hinkley, Andy Howitt, Paul Langton  
Frances Beck (Elected 25/11/21)  
Andy Brennan (Elected 25/11/21)  
Julie Bertolini (Co-opted 27/01/22)  
Andrew Philpott (Co-opted 23/03/22)

Claire Cartlidge (Resigned 25/11/21)

**Honorary advisers** Keir Hirst (Honorary Solicitor)  
Steve Dargan (Honorary Adviser) (Resigned 19/07/22)

**Company Secretary** Paul Langton

**Chief Executive Officer (CEO)** Jackie Jeffrey

**Senior Management Team (SMT)** CEO, Iona Aylen, Alison Alexander,  
Tereza Hayek (Resigned 18/03/22)

**Finance Manager** Katharine Haines (Also part of SMT)

**Registered Office** Fletcher House, 15 College Hill, Shrewsbury SY1 1LY

**Bankers** National Westminster Bank Plc.  
Shrewsbury Mardol Head, 8 Mardol Head, Shrewsbury  
SY1 1HE

**Auditors**

James, Holyoak & Parker Limited  
 1 Knights Court, Archers Way, Battlefield Enterprise Park,  
 Shrewsbury SY1 3GA

**Investment Advisers**

Redmayne Bentley  
 4 Tettenhall Road, Wolverhampton WV1 4SA  
 (To 10/02/22)  
 Rathbones Investment Management Limited  
 Port of Liverpool Building, Pier Head, Liverpool L3 1NW  
 (From 10/02/22)

**Deposit Providers**

Flagstone  
 1<sup>st</sup> Floor, Clareville House, 26-27 Oxendon Street, London  
 SW1Y 4EL



\* of known values

# Introduction from the Chair

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During 2021-22 Citizens Advice Shropshire continued to adapt its services to best serve the people of Shropshire, strengthening and enhancing the telephone advice service which has proved to be an effective and accessible way of providing free independent advice to people living in all parts of the county. As we adjusted to a post lockdown 'way of life' it's also pleasing to report that we were able to reintroduce face to face appointments to people who need to access our service in person. We know that not everyone finds it easy, or possible, to use the telephone or other digital services and we have tried hard to open up our services in a way that has kept our staff, volunteers, and clients safe.

The economic impact of the Covid-19 pandemic started to make itself felt in 2021-22 as government furlough support ended. Many individuals and families have struggled to pay bills and cover essentials. We will have all seen newspaper headlines reporting growing demands for the help offered by food banks throughout the UK. Shropshire has been affected in this way like many other areas, and food poverty and insecurity is a growing area of concern.

I was therefore pleased that during the year Citizens Advice Shropshire was able to agree to take on the hosting role for the Shropshire Food Poverty Alliance to ensure that practical solutions to help people affected by food poverty can be developed and research can be used to campaign for change in a positive way.

I wish I could offer an optimistic forecast for the coming 12 months but there is little doubt that thousands of people in Shropshire are going to continue to need the support of Citizens Advice Shropshire and the partners we work with. The cost of living crisis is getting worse. Inflation forecasts are increasing prices for all of us – and already causing hardship for families and individuals with limited income. As we approach the autumn and winter months, fuel poverty is likely to become an acute problem in our county as it will elsewhere.

I cannot promise Citizens Advice Shropshire will be able to help everyone in the future, but what I can promise is that our incredibly hard working, creative and resilient team of volunteers and staff will continue to strive hard to help those who need our help most and to use our evidence and data to campaign for change in policies that we see have an unfair impact on those who do not have a voice. As Chair, I'd like to record my thanks to all our staff, our volunteers, our partners, and our funders who have helped us over the past year. The impacts and outcomes reported elsewhere in this report show just how much we've achieved in challenging circumstances.

It's also important to note that we are fortunate to be a financially secure and stable charity and I'd like to thank my fellow Trustees who (like myself) are also volunteers, for their time, insights, and expertise.

Although we are facing a difficult and challenging period, I'm confident the qualities of our people and the strength in our partnerships put us in the best possible place to successfully help the most vulnerable in our community.

**Chris Boote**  
**Chair**

# Who we are



Citizens Advice Shropshire (CAS) is a charity, constituted as a Company limited by guarantee and, therefore, governed by its Articles of Association. The trustees confirm they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of CAS, and in planning activities and setting policies and priorities for the year ahead.

The Charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of the community in Shropshire and surrounding areas.

In carrying out its objects and in all aspects of its work, CAS is committed to promoting equality and diversity, preventing prejudice and discrimination, ensuring equal access and promoting good relations between all sections of the community.

The main activities undertaken to further our charitable purposes for public benefit are to provide the advice people need for the problems that they face and to improve the policies and practices that affect people's lives.

We are an organisation that is committed to its values, where the client is central to all we do and we are respectful of each other, providing a supportive and inclusive culture. We value integrity and stand up for fairness in all we do.

We cover many different subject areas including debt, welfare benefits, housing, employment, consumer, family and personal, utilities, tax, health and social care, education and legal.

The Charity is organised so that the trustees meet regularly to manage its affairs, with full board meetings held every two months. There are also two sub-committees which oversee

the more detailed aspects of governance, and, in turn, report to the main board.

<b>Sub-committee</b>	<b>Responsibilities</b>
Finance sub-committee	To lead, develop and oversee the organisation's policies and strategies in respect of financial management and planning, ensuring effective governance.
Operations sub-committee	To lead, develop and oversee the organisation's policies and strategies in respect of operational matters and service delivery, ensuring effective governance.

The sub-committees have terms of reference covering their scope and delegated powers. Their membership and terms of reference are reviewed and updated annually.

We recruit trustees using local PR, social media, CAS website and our contacts to find people who have the skills and perspectives we need to provide good leadership and make sound decisions. Trustees are recruited against a job description and person specification which also list the behavioural competencies expected of a trustee of CAS. All new trustees are initially co-opted on to the board and are then elected to the board by the membership at the Annual General Meeting.

Trustees shall retire from office at the third annual general meeting following the annual general meeting at which they were elected but may be re-elected.

A trustee who holds office as Chair or Vice Chair may not hold office in that capacity for more than 6 consecutive years. After the end of this period a Vice Chair may be appointed as Chair, but two further years must pass before any former Chair or Vice Chair shall be eligible for re-election to any of those offices.

CAS is one of 265 separate and independent local Citizens Advice offices that make up the Citizens Advice Service across England and Wales. This is a membership organisation and we have to comply with strict membership standards and audit requirements to retain our membership. Through 2021/22 we retained a green rating (excellence) as part of our Performance and Quality Standards. We also hold the AQS Quality Mark (General Help) and we are Charity Commission endorsed as an Effective Charity (Charity Commission Membership Standard).

The day to day running of the organisation is delegated to the Chief Executive Officer (CEO), Jackie Jeffrey, who reports regularly to the board. The operations of CAS are managed through a Senior Management Team (SMT), comprising the CEO, Generalist Services Manager, Specialist Services Manager, Partnership and Development Manager, and Finance Manager.

In 2019 trustees adopted the process of assessing CAS job roles using an industry job evaluation scheme and are allocating roles to grades with the aim of providing a more structured, transparent and fair pay scheme. NJC scales are used as a guide for salaries. All



CAS staff are paid in excess of the living wage.

We have a detailed three year Strategic Plan which sets out organisational priorities and objectives which the SMT use to prioritise work. Risk and operational reports, KPIs and performance are reported to the board to allow trustees to monitor risk and performance.

## Our services

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Our different service delivery options are supported by a number of funding sources and we would like to take the opportunity to thank everyone who has supported our service over the last year.



The **Generalist service** for adults is where clients can contact us. In 2021/2022 this has been via our free telephone advice line, with provision for face to face appointments for those who need it (Subject to Government restrictions in force at that time). Details of service hours and how to contact us can be found on our website [www.cabshropshire.org.uk](http://www.cabshropshire.org.uk). This service is funded by Shropshire Council, Ludlow Town Council, local Parish Councils and client donations.



**IASS service** provides Information, Advice and Support Service to children and young people aged 0 to 25 who have, or may have, special educational needs or disabilities (SEND), as well as their parents and carers. This service is funded by Shropshire Council and National Children's Bureau.



**Specialist provision** includes specific subject areas such as debt advice (funded by the Money Advice Service), Pension Wise and Universal Credit: Help to Claim (main funder Department for Work and Pensions), welfare benefits (funded by Shropshire Council - Enable), Syrian Families and Marches Energy Agency with the Healthy Homes Project.



**Outreach services** have previously been face to face, for 2021/2022 we have had to support these clients by phone and have made special arrangement to ensure our most vulnerable clients have been helped. As Covid restrictions have changed we have begun to re-open some of our outreaches for face-to-face services.

We continue to use our free phone Adviceline (0808 278 7894) as the first point of contact for our clients. We can then assess the next best step for the client depending on enquiry and advice required.

Over the last year our Single Point of Referral (SPOR) on 01743 280019 has become more important as a means for health professionals /social workers and support workers/ local organisations to refer in their vulnerable clients. This local number is also used for IASS and debt clients.

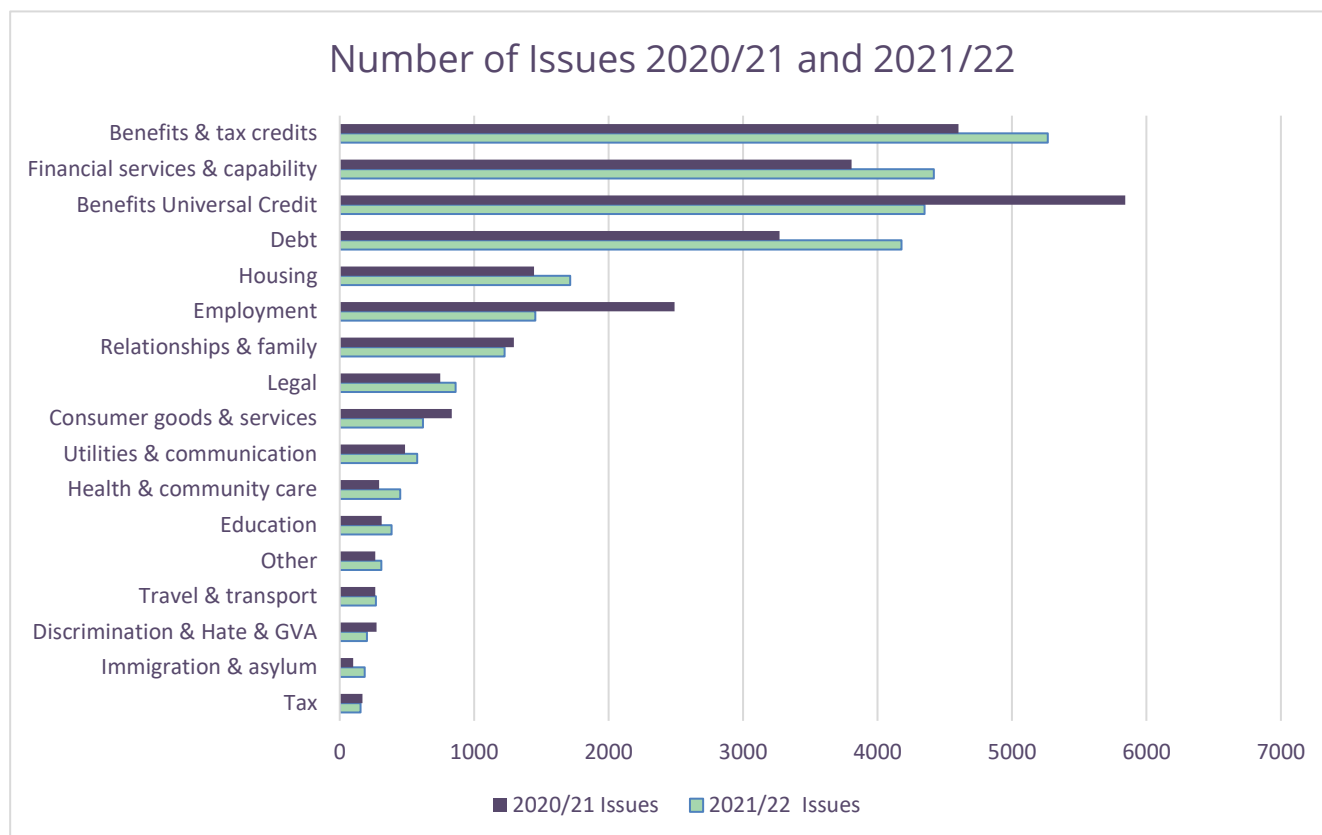
Early in the year our staff continued to work mainly from home and we would like to thank all our staff for their flexibility and support in ensuring that CAS continued to provide essential support to our clients. We are now working with staff and volunteers to plan their return to the office.

## Client problems

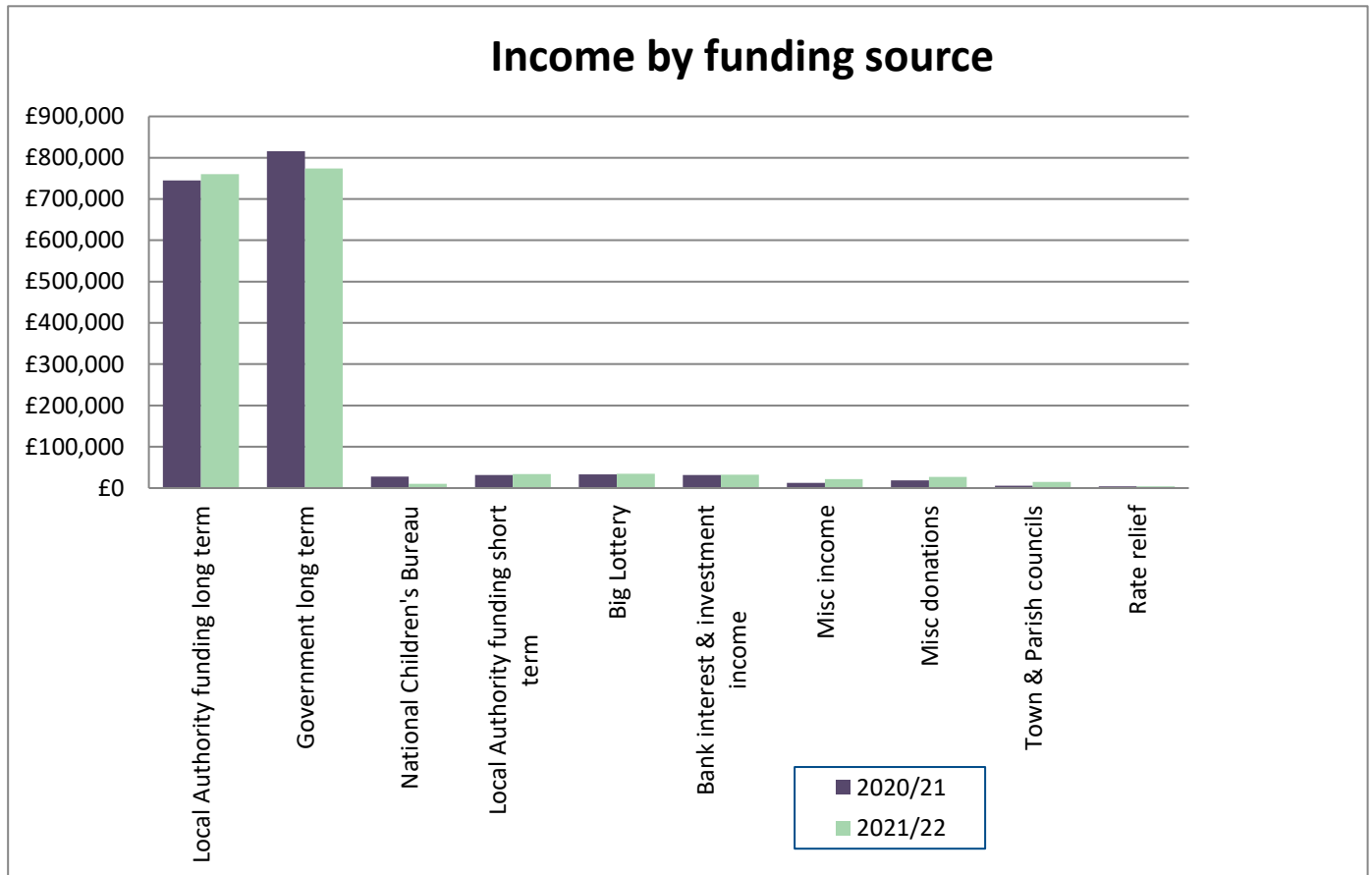
Despite continuing challenges of working within a pandemic and homeworking there has been a 6% increase in numbers helped, up by 420 from the previous year to 7,109. Since the beginning of the pandemic we have seen a number of changes to enquiries coming to CAS reflecting the challenges being faced by our clients. For example, employment issues have dropped 42% as we come out of furlough schemes and debt has risen 28% compared to 2020/21 as creditor action, including repossessions and evictions, began again after the closure of the courts. However, debt figures still remain lower than in 2019/20.

There were decreases in the number of issues about Benefits Universal Credit (26%) but an increase in Benefits and tax credits issues (14%) as people began to receive notification of reviews.

### Issues Change



## Income by funding source



## Thanks

The CEO and Board of Trustees thank all the staff, volunteers and partners who have worked so hard this year to achieve these successes. Our people continue to be our biggest asset. In writing last year's report, we never expected that we would still be in a pandemic a year later. Everyone has given more than 100 %, continuing with changed roles whilst working remotely. For those who joined in the last year, most haven't even met their colleagues in person, but the team work and support given to each other has never changed. They are all outstanding.

We would like to thank all funders who have continued to support us:

- Albrighton Parish Council
- Bridgnorth Food Bank
- Citizens Advice
  - Best Practice Lead and Help to Claim
  - Pension Wise
  - Money and Pensions Service (MaPS) debt funding

- Money Advice Service Sub project: MaPS DAP - Increased capacity
- Craven Arms Town Council
- Culmington Parish Council
- Hope Bagot Parish Meeting
- Jane Higginson Trust
- Kinnerley Parish Council
- Ludlow Town Council
- Ludlow Walkers Group
- Market Drayton Action for Health
- Market Drayton Town Council
- Marches Energy Agency – Healthy Homes welfare benefits checks
- My Money Matters – Oswestry Community Action
- National Children’s Bureau - Information Advice and Support Program
- Shropshire Council
  - Advice, Advocacy and Welfare Benefits
  - DARG
  - Enable – Better Off In Work
  - Information Advice and Support Service
  - Syrian families support
- St Andrews Church
- Stanton Lacy Parish Council
- Stockton Parish Council

## A focus on Pension Wise

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Citizens Advice Shropshire is one of 38 local Citizens Advice who have been delivering the government’s Pension Wise service for the last six years. Launched in April 2015, Pension Wise was a new guidance service set up to help people understand their options under the pension freedoms.

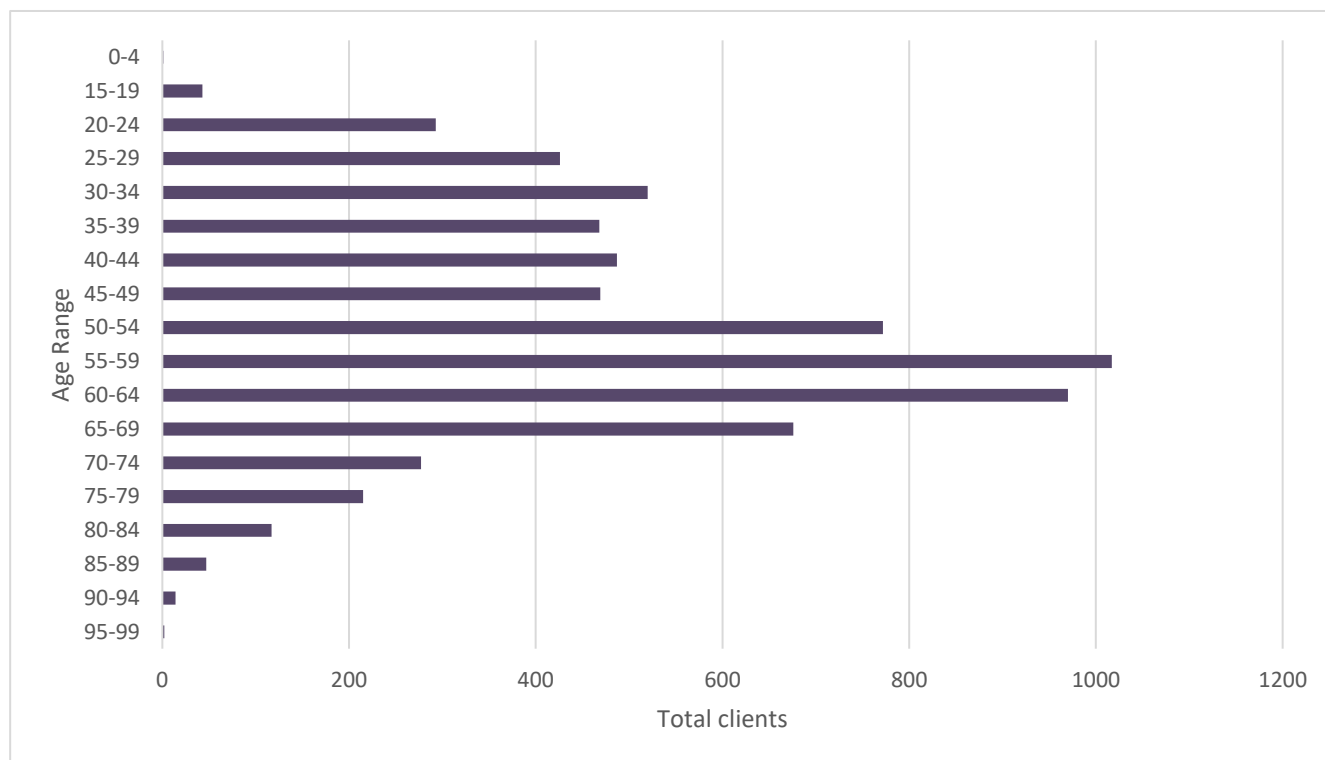
In partnership with Coventry Citizens Advice, Citizens Advice Dudley and Wolverhampton and Citizens Advice Worcester, Citizens Advice Shropshire delivers Pension Wise appointments to people aged 50 and over with a defined contribution pension.

### Key statistics

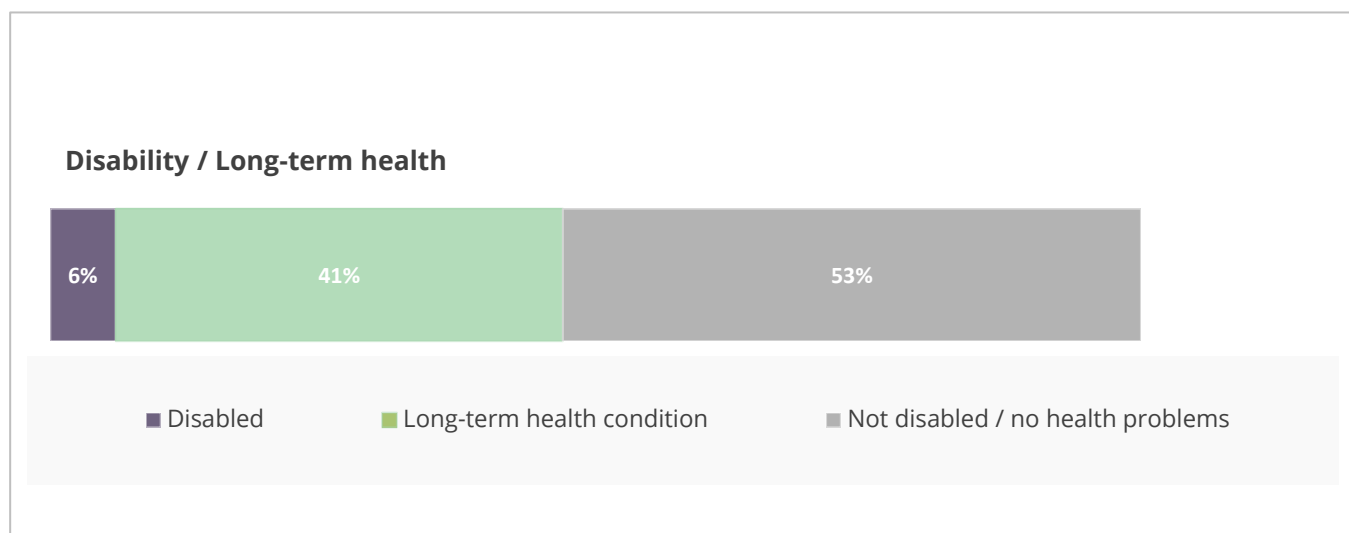
For 2021/22, Pension Wise has delivered 106,487 appointments across the service in England, Wales and Northern Ireland.

People visiting Pension Wise have remained highly satisfied with the guidance they are receiving, with satisfaction ratings remaining consistently high. For 2021/22, Citizens Advice achieved a satisfaction score of 96%.

## Who our clients are



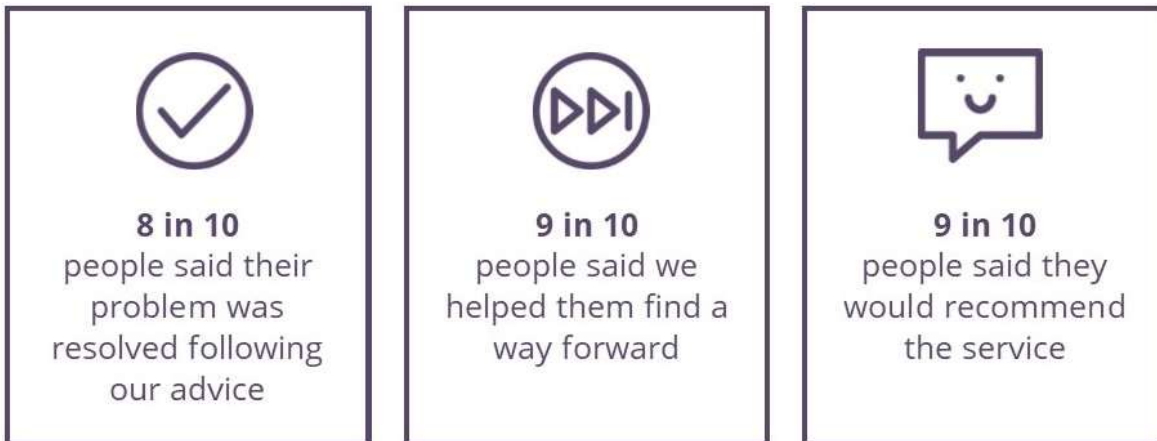
Following a year of remote working and concentrating our resources onto the phone, there has been a change in the demographics of our clients.



We have seen a 7% increase in people with long term health conditions, year on year; an increase in people who identify as female, and a decrease in people 65+.

## The difference we make

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Source: Client satisfaction survey 2021/22

## The wider impact of the work we do

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We can put a financial value on our role in:

- keeping people in employment or helping them back to work
- preventing housing evictions and statutory homelessness
- reducing the demand for mental health and GP services
- improving client mental wellbeing and family relationships

(Source: Modelling the value of the Citizens Advice service in 2017)

Some of the financial outcomes accrue directly to individuals – this income is likely to be spent locally, benefiting local communities.

# Our value to society

**£** For every £1 invested in our service in 2021/22, we generated:



(Source: Financial modelling our value to society 2019/20  
Greater Manchester Combined Authority's - GMCA (formerly New Economy) cost benefit model)

## Research and campaigns

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With advice we help people solve a particular problem, whereas with research and campaigns work we tackle the cause of the problem and stop it from happening to others.

We use our clients' experience and stories to campaign for positive change, speaking up about the policies and services that cause people problems. As a local Citizens Advice we can spot emerging issues early, and use our evidence to tackle the root cause of problems and improve services for us all.

The Board of CAS has recognised the importance of good research by agreeing to underwrite the funding of a research post that enables us to enhance our understanding of who needs our help, how we can best support them and what services make the most difference to them. We will continue to fill any gaps in our evidence base and give a voice to people's concerns.

Increasing our understanding of people's needs means we will be well placed to act with our partners as an 'intelligent provider' for commissioners, not just delivering services but also well-equipped to advise on and influence the shape of provision.

This year there were lots of different activities that happened as part of research and campaigns.

We continued campaigning on the existing Council Tax Support scheme. Additional Covid-19 support from government has meant that many of those on low incomes have not had to contribute their usual 20% charge for 2 years and now the Council have also agreed to review the Council Tax Reduction scheme for 2022/23.

We have also been a part of the "Keep the lifeline" campaign on the loss of the £20 Universal Credit uplift government introduced at the beginning of the pandemic. This effort had an impact on the targeted support package introduced in May 2022.

In 2021/22 we also worked with Shropshire Food Poverty Alliance, Public Health and Health Watch Shropshire on research into food insecurity in South West Shropshire. This has been an important piece of research which has led to a number of recommendations to help reduce the impact of food insecurity in Shropshire and the barriers that people face.

Our policy work during 2021/22 also included working with partners and Shropshire Council on the Social Task Force to minimise the impact of the pandemic on the most vulnerable. Jackie Jeffrey, CEO, also chairs the Hardship & Poverty Subcommittee that feeds into the Social Task Force, this work has continued with the rising cost of living crisis, and support for households during the winter of 2021/22 and beyond.

## Volunteering with us

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The contribution of our volunteers brings real added value to the organisation worth over £186,141 if we had to pay them. But volunteering benefits our volunteers – they improve their skills, resilience, health and wellbeing, while strengthening community engagement.

Our volunteers continued to remote work during the pandemic although some were unable to continue with their volunteering whilst our offices have been closed. We would like to take this opportunity to thank these volunteers who left during the year for their hard work and commitment to the service and our clients and wish them all the best for the future.

Those working remotely have settled into the new ways of working and we now have a core of 20 volunteers active on the rota. Developing our digital skills has meant we have been able to create a supportive and effective volunteer team who have made such a difference to clients and by putting our resources on to the free Adviceline phone number – we have improved access to advice for those in remote areas or not able to get out of the home due to the pandemic. Again, a big thank you to these volunteers for their commitment and resilience during this time.

We have been working hard during the year to put all the training on line and develop recruitment, and training for new and existing volunteers and have had recruitment session for new volunteer assessors and specialist form fillers.



# How did we do?

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We had set a number of key objectives to achieve during 2021/22.

1. Introduce Work Force Development Plans to include:
  - Looking after the **well-being** of our staff
  - Plans for bringing staff back in to the office and establishing a flexible working policy.
  - Review the staffing structure so that staff roles are aligned to new ways of working.
  - Review our volunteer 'offer' and **redesign volunteer roles** to best suit our future needs
2. Understanding what **resource and support** is needed to maintain Adviceline and the Single Point Of Referral
3. Review **information technology and communication requirements** to enable mobile and remote flexible working and resilience and invest in solutions that will future proof the organisation.
4. Consider options for **business recovery** taking account of government advice.
5. Develop a Comms Strategy keeping all **stakeholders** updated on what is happening including staff and volunteers, funders and clients and the general public.
6. Understanding the **advice needs** of the clients in the current crisis

Despite the continuing challenging work environment and the pandemic, we have achieved many of our key objectives. Feedback from regular well-being questionnaires and our annual people management survey demonstrated that we have supported the well-being of our staff, offering development opportunities and have now begun bringing many of our roles back in to the office. In developing a flexible work force, we have invested in new soft phone technology and cloud based working to make the most of flexible working and have now adopted a Flexible Working Policy to support this. We have created paid telephone assessor roles to support access to our service via the free telephone Adviceline, whilst developing community adviser roles for face to face services and moved our volunteer recruitment online to widen our volunteer offer. We have continued to work with all our stakeholders and had excellent results from our stakeholder survey. Training for staff included reviewing welfare benefits and employment to ensure we were all up to date and developed a Money Advice Strategy for the county with our stakeholders.

We have achieved so much during the year, but it has not been without its challenges for everyone both professionally and personally. We have not achieved all we set out to do, but throughout the year we have maintained high quality accessible services to the residents of Shropshire and the rest of England through our funded programmes. As Chief Officer, I cannot begin to thank everyone enough for your dedication and commitment and everyone has given more than 100%.

You all continue to be marvellous and outstanding.

## Key objectives for 2022/23

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Whilst this annual report reflects back on 2021/22 and what we have achieved through the pandemic we cannot help but look to 2022/23 without recognising the even bigger challenges that face our clients and our service. The cost of living crisis will dominate the work we do moving forwards and our strategic plans. As our resources become even more strained, we have to ensure that they are targeted at those who need us most. We will therefore focus on:

- ***Our clients*** Improving the service for vulnerable adults and support disadvantaged and hard to reach communities
- ***Our people*** Creating structures and systems which support and enable efficient, flexible working
- ***Our stakeholders*** Ensuring we work together and develop our relationship with health colleagues across the Integrated Care System
- ***Our resources*** To maintain financial security and growth

# Financial review

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## **Transactions and financial position**

The Statement of Financial Activities on page 28 shows an operating deficit for the year of £16,792, with total funds of £1,051,393 at 31 March 2022. The operating surplus in 2020/21 was £30,470 and total funds were £1,036,810 at 31 March 2021.

We continue to maintain good levels of working capital which allow us to manage short term volatility. We have a deposit account with the Nationwide, via Flagstone Deposits, to spread counterparty risk, ensuring that our cash deposits are covered as far as possible by the Financial Services Compensation Scheme.

Throughout 2021/22, our funders have continued with their financial support to us, and this enabled us to maintain our levels of service to clients.

## **Tangible fixed assets for use by the Charity**

The details of movements in fixed assets are set out in note 10 to the accounts.

## **Reserves**

The trustees reviewed the reserves policy during 2021/22, and determined to retain 6 months of operating costs in reserves in order to meet unexpected events (such as a significant loss of funding). The rationale for retaining 6 months of operating costs is that the charity has a number of partner contracts that have a 6 month break clause. As a result retaining 6 months of operating costs ensures that the charity can undertake an orderly wind up of the partner contracts as well as allowing time to secure alternative funding.

The policy is monitored and reviewed by the trustees annually. The amount of reserves is calculated from the annual budget and amounts to £500,000. Further details are disclosed in note 16 to the accounts.

The majority of the charity's funds are represented by investment assets. Consequently the charity's reserves are expected to generate an investment return which is used to support the continuing activities of the charity. In addition the trustees have decided that any additional funds in excess of the reserves policy shall also be invested for the long term and used to support infrastructure and other projects that the charity identifies in its 3 year strategic plan.

## **Investment policy and returns**

The trustees reviewed and amended the investment policy during 2021/22.

### **Policy**

The investment policy is dependent on the charity's strategic plan as this outlines the plans and ambitions of the charity for the next 3 years in terms of both its operational activity and its plans for investment in projects and infrastructure investment. Consequently, the

policy needs to be reviewed annually in line with both the 3 year strategic plan and the annual budget.

The general investments are managed on a discretionary basis by an investment manager in such a way as to provide supplemental income for the charity. Where possible, trustees would like the value of the assets invested to be enhanced so that as a minimum they keep pace with inflation in the long term. The trustees are willing to take a long-term view with regard to the investment term, i.e. up to five years. It should, however, be noted that access to the invested funds should be available at short notice.

Income from the investments is paid into the charity's bank account as and when the income falls due on a monthly basis and this is monitored by the charity.

#### Risk appetite

An approximate balance is to be maintained between the enhancement of capital and the generation of income and the trustees are willing to take a "medium risk" approach to the management of the assets.

Investments that fall within this category will include those investments that will carry a degree of volatility and will include UK and foreign blue chip equities and fixed interest securities. Such holdings are generally designed to be long-term investments and investors should be aware that there is a risk that the value of their investment may fall, and while access is granted to the investment itself, there is no guarantee upon encashment the value of the holding will not have fallen. These investments are suitable for those who are familiar with the risk and volatility usually associated with stock market-based investments.

The trustees are required to review the Rathbones investment risk questionnaire on an annual basis.

#### Target investment return

The charity aims to achieve the following target returns:

**Investment income:** The income generated from the investments contributes to the operational running costs of the charity and that continues to be an important aspect of the investment performance. Historically we have achieved a return of up to 4% annually on the investment portfolio. Given the nature of investment markets we will look to achieve income return in the range of 2% to 4%.

**Capital growth:** The investment funds have 2 primary purposes from a capital perspective. Firstly, the capital is there to support the charity's reserve requirements as set out in the charity's reserves policy. Secondly, any capital value above this can be used to support activities.

### Investment Parameters and Exclusions

The trustees have appointed Rathbones Investment Management on a discretionary mandate and so the investment portfolio can consist of both “collective” investments and individual holdings. In this way it is anticipated that the portfolio will be spread over a much wider number of holdings and therefore the overall investment risk will be spread as widely as possible.

If any alteration to the above is to be made then the trustees’ permission will be required.

### Investment Performance

The charity will monitor the performance of the investment manager as follows.

Investment income: This measure will be based on the target investment return of 2% to 4% as outlined in section 5 above on an annual basis.

Capital growth: this will be measured quarterly against the performance of the MSCI PIMFA Balanced index.

### Ethical Investment Statement

The Trustees have taken into account the guidance from the Charity Commission with respect to portfolio restrictions and exclusions and have sought to balance these against the Trustees’ fiduciary duty to preserve and grow the assets of the charity. The Trustees have decided that certain investment areas do not align with the objectives of the charities and as such will not invest directly in companies whose primary activity is in the following areas:

- Manufacturing Tobacco related products
- Manufacture or distribution of Armaments
- Gambling
- Usury
- Pornography
- Alcohol

In a wider sense, the Trustees recognise the concept of ‘Responsible Investment’ (taking into account Environmental, Social and Governance – ESG – issues) and that this could reduce the risk associated with the investment portfolio and/or offer potential for enhanced returns. CAS requires its Investment Manager to incorporate these factors into their investment process and engage with companies on ESG matters, with the objective of enhancing returns, reducing risk or promoting best practice.

The trustees note that this will be an actively evolving element of the policy as stakeholder engagement increases and the investment industry develops its approach, achieves greater transparency and provides better tools to analyse exposures.

### **Going concern**

The financial position and performance have been outlined in the financial review. The trustees have assessed our position and concluded that Citizens Advice Shropshire is well-placed to meet our liabilities as they fall due and to manage the business risks we face.

This position is supported by a strong cash flow, sufficient reserves and good relationships with our funders. Our planning and reporting processes, including financial projections, take into consideration the current economic climate (including the effects of the Covid-19 pandemic) and its potential impact on our various sources of income and planned expenditure.

We have therefore adopted the going concern basis of preparation of these financial statements on the basis that we have concluded there is a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements

### **Directors and trustees**

All directors of the Company are also trustees of the Charity, and there are no other trustees. The trustees are listed on page 2. The board has the power to appoint additional trustees as it considers fit within the terms of the Articles of Association.

### **Statement of internal control and risk management**

The CEO and Chair of Trustees have a joint responsibility for maintaining a sound system of internal control that supports the achievement of CAS policies, aims and objectives.

This system of internal control is designed to manage risk to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives: it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of CAS policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in CAS for the year ended 2021/22 and up to the date of approval of the annual report and accounts.

The trustee board conducted a review of the major risks to which the Charity is exposed and has also adopted a specific Covid-19 Risk Assessment for the pandemic, which was kept under regular review until April 2022 when all restrictions were lifted. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. The CEO also reports to the trustees regular updates on key risks and milestones.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the organisation. The continuing implementation of Quality Mark Standards and of the Citizens Advice Membership Scheme ensures a consistent quality of delivery for all operational aspects of the Charity. These

procedures are periodically reviewed to ensure they continue to meet the needs of the Charity.

During 2021/22 the Risk Register showed that of the 45 major risks identified (% in brackets shows 2020/21 risk):

- 17% (12%) were 'very high' and required active management including continued funding uncertainty, changes to Government policy and increases in client demand due to loss of other services and the longer term impacts of the pandemic on funding
- 44% (56%) were 'high' and required contingency plans
- 31% (32%) were medium risk and required good housekeeping with regular review

We no longer require any specific Covid 19 risk assessments

The current Risk Register is now undergoing a major review to include:

- a statement up front which sets out the Board's overall risk strategy and an appetite statement for each risk type (Operational, Compliance etc) not just for Information Assurance and Investments
- ensuring the risk strategy links to the overall strategy for CAS - i.e. what are we looking to achieve over the next 5 years, what new risks will that present and how will these be managed and to include the top/emerging external risks that the Board identified in their current PESTE over the next 2-3 years

Whilst public policy is an external risk to our funding there is little we can actually do to mitigate this risk other than continue to demonstrate the public and social value of a free, confidential and impartial advice service and look for other sustainable sources of funding (if there are any). We continue to work with our partners and the Shropshire Voluntary & Community Sector Assembly (VCSA) in demonstrating our impact as preventive services.

Information technology is embedded in all the work we do including all our national Citizens Advice operating platforms for advice, case recording, management guidance and telephony so it is vital that we continually invest in our IT infrastructure and IT support. The move to home based service delivery led to swift changes in the technology used – increasing our use of Microsoft 365 to include Teams for video meetings, change to Outlook for emails, sharing information resources and for soft phones. We have secured cyber insurance for CAS through our existing provider and made it mandatory for all staff, volunteers and trustees to undertake remote working training so they are aware of the risks. Work is now being carried out on securing a new backup system for data to protect against potential hacking.

The local Citizens Advice trustee board oversees the information security of all personal information of our clients, staff, funders and strategic partners that is processed. CAS holds joint responsibility for client data that is held in our case management system, with the national Citizens Advice service. An information assurance management team exists to ensure the confidentiality, integrity and availability of all personal and sensitive data is

maintained to a level which is compliant with the requirements of the UK GDPR and Data Protection Act 2018.

The current cost of living crisis is a new threat and challenge, not just to our clients but to our service delivery and staff. We continue to review the impact of inflation on our budget and operational costs.

The organisation has a written business continuity plan which is reviewed regularly.

### **Statement of trustees' responsibilities**

The trustees (who are also directors of Citizens Advice Shropshire 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 accounting information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the auditor is aware of that information.

### **Auditors**

A resolution proposing the board re-appoint James, Holyoak & Parker Limited (JHP), as current Auditors for the Charity, will be put to the Annual General Meeting.



This report was approved by the board of directors and trustees on 22 September 2022 and signed on their behalf.

A handwritten signature in black ink, appearing to read 'Langton', written over a dotted line.

**Paul Langton**  
**Company Secretary**

CITIZENS ADVICE SHROPSHIRE  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS/TRUSTEES OF  
CITIZENS ADVICE SHROPSHIRE

**Opinion**

We have audited the financial statements of Citizens Advice Shropshire (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Cash Flows, 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).

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 2022, 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 trustees are responsible for the other information. The other information comprises the information included in the Directors' and Trustees' report and accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

CITIZENS ADVICE SHROPSHIRE  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS/TRUSTEES OF  
CITIZENS ADVICE SHROPSHIRE (Continued)

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

We have nothing to report in this regard.

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

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

- the information given in the trustees' report (incorporating the 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 our 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 22, 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.

CITIZENS ADVICE SHROPSHIRE  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS/TRUSTEES OF  
CITIZENS ADVICE SHROPSHIRE (Continued)

**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.

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant are those that relate to the reporting framework (The Charities SoRP, FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the charitable company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

CITIZENS ADVICE SHROPSHIRE  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS/TRUSTEES OF  
CITIZENS ADVICE SHROPSHIRE (Continued)

- To draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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.



**Robert Humphreys BEng FCA (Senior Statutory Auditor)**  
**for and on behalf of James, Holyoak & Parker Limited**  
**Chartered Accountants and Statutory Auditors**

10 OCTOBER 2022

1 Knights Court  
Archers Way  
Battlefield Enterprise Park  
Shrewsbury  
Shropshire  
SY1 3GA

CITIZENS ADVICE SHROPSHIRE  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022

**Summary Income and Expenditure Account**

	Notes	Restricted £	Unrestricted £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations & legacies	2	-	42,021	42,021	24,729
Income from charitable activities	3	849,225	789,627	1,638,852	1,669,927
Investment income	4	-	32,213	32,213	31,428
<b>Total incoming resources</b>		849,225	863,861	1,713,086	1,726,084
<b>Expenditure on:</b>					
Charitable activities	5	841,776	876,595	1,718,371	1,690,488
Raising funds	6	-	11,507	11,507	5,126
Transfers between funds	7	(15,474)	15,474	-	-
<b>Net income/(expenditure)</b>		<b>(8,025)</b>	<b>(8,767)</b>	<b>(16,792)</b>	<b>30,470</b>
<b>Other recognised gains/(losses):</b>					
Realised gain/(loss) on fixed asset investments	12	-	120,133	120,133	-
Unrealised gain/(loss) on fixed asset investments	12	-	(88,758)	(88,758)	144,564
<b>Net movement in funds</b>		<b>(8,025)</b>	<b>22,608</b>	<b>14,583</b>	<b>175,034</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	16	9,192	1,027,618	1,036,810	861,776
Total funds carried forward	16	<u>1,167</u>	<u>1,050,226</u>	<u>1,051,393</u>	<u>1,036,810</u>

CITIZENS ADVICE SHROPSHIRE  
STATEMENT OF CASH FLOWS  
AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash generated by/(used in) operating activities	18	8,866	(23,370)
<b>Investing activities</b>			
Purchase of tangible fixed assets	11	(4,254)	(458)
Purchase of fixed asset investments	12	(107,110)	-
Income from UK listed fixed asset investments	4	32,111	31,355
Interest received	4	102	73
Disposal of fixed asset investments		<u>346,449</u>	<u>40,183</u>
<b>Net cash used in investing activities</b>		<u>267,298</u>	<u>71,153</u>
<b>Net increase in cash and cash equivalents</b>		276,164	47,783
Cash and cash equivalents at beginning of year		<u>173,399</u>	<u>125,616</u>
<b>Cash and cash equivalents at end of year</b>		<u><u>449,563</u></u>	<u><u>173,399</u></u>

CITIZENS ADVICE SHROPSHIRE  
BALANCE SHEET  
AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	11,394	15,104
Investments	12	<u>704,831</u>	<u>912,795</u>
		716,225	927,899
<b>Current assets</b>			
Debtors	13	377,585	378,460
Cash at bank and in hand		<u>449,563</u>	<u>173,399</u>
		827,148	551,859
<b>Creditors: amounts falling due within one year</b>	14	<u>(491,980)</u>	<u>(442,948)</u>
<b>Net current assets</b>		<u>335,168</u>	<u>108,911</u>
<b>Net assets</b>		<u><u>1,051,393</u></u>	<u><u>1,036,810</u></u>
<b>Charity funds</b>			
Unrestricted funds	16	881,397	770,031
Restricted funds	16	1,167	9,192
Revaluation surplus	16	<u>168,829</u>	<u>257,587</u>
		<u><u>1,051,393</u></u>	<u><u>1,036,810</u></u>

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

The financial statements were approved and authorised for issue by the Board of Trustees on 22 September 2022 and signed on its behalf by:



Chris Boote  
Director and Trustee



Paul Langton  
Director and Trustee

The notes on pages 31 to 41 form part of these financial statements.  
Company Registration Number: 04099352 (England & Wales)



CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

## **1 Summary of significant accounting policies**

### **1.1 General information and basis of preparation**

Citizens Advice Shropshire is a private company limited by guarantee, and a registered charity in England / Wales. The company number is 04099352 (England & Wales), and the registered charity number is 1085220. 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 Fletcher House, 15 College Hill, Shrewsbury, Shropshire, SY1 1LY. The nature of the charity's operations and principal activities are that of support and advisory services for the benefit of the general public.

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) effective 1 January 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 presented 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.

### **1.2 Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Unrestricted funds include a revaluation reserve representing the restatement of listed investments at market value.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

### **1.3 Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income is received by way of grants, donations and gifts, and is included in full in the Statement of Financial Affairs when receivable. Grants, where entitlement is not

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant#

Where entitlement is dependent on the fulfilment of one or more specified conditions, grants received by the charity are recognised and taken into revenue unless the conditions are within the charity's control and uncertainty exists as to whether the conditions will be fulfilled.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers is not included in the financial statements.

Investment income is included as it becomes receivable.

#### **1.4 Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### **1.5 Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer equipment	Over 3 years on a straight line basis
Office equipment	Over 10 years on a straight line basis
Furniture	Over 10 years on a straight line basis

#### **1.6 Fixed asset investments**

Investments are recognised initially at fair value which is normally the transaction price excluding

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

### **1.7 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 the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand and debtors excluding prepayments.

Financial liabilities held at amortised cost comprise creditors excluding deferred income and taxation payable. Financial liabilities that are provisions are held at fair value. No discounting has been applied on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

### **1.8 Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

### **1.9 Pensions**

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### **1.10 Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### **1.11 Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### **1.12 Comparative Figures**

The Charities SORP states that financial statements must include comparatives for all amounts presented in the accounts and notes. However comparative figures included in these financial statements have been presented as total funds and have not been split into separate funds. The trustees consider that to do so would make the financial statements potentially confusing. If required, a full breakdown of comparative figures can be found on the register at Companies House.

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

**2 Income from donations and legacies**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Town Council grants	-	13,000	13,000	5,800
Parish Council grants	-	2,025	2,025	230
Donations	-	26,996	26,996	18,699
	-	42,021	42,021	24,729

**3 Income from charitable activities**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Government and local authority funding	814,273	770,167	1,584,440	1,620,245
Big Lottery	34,643	-	34,643	33,352
Grants for services and project income	-	14,706	14,706	5,200
Other income related to projects	309	4,754	5,063	11,130
	849,225	789,627	1,638,852	1,669,927

**4 Income from investments**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Income from UK listed fixed asset investments	-	32,111	32,111	31,355
Interest received on bank deposits	-	102	102	73
	-	32,213	32,213	31,428

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

**5 Analysis of expenditure on charitable activities**

	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
<b>Costs directly allocated to activities</b>				
Salaries & wages (note 10)	367,370	488,596	855,966	801,061
Travel & training	370	2,498	2,868	1,367
Reference books & software	1,684	4,472	6,156	2,349
Publicity	-	420	420	806
Telephone	1,137	2,104	3,241	8,348
Printing, postage & stationery	2,215	3,578	5,793	13,067
Recruitment	250	375	625	698
Room hire	250	26	276	-
Meeting expenses	-	-	-	-
Project partner payments	429,463	277,406	706,869	736,073
<b>Support costs</b>				
Repairs & renewals	330	726	1,056	1,016
Cleaning	1,263	1,971	3,234	2,425
Audit	-	2,556	2,556	2,556
Legal & professional fees	7,770	2,748	10,518	3,030
Insurance	40	4,949	4,989	4,736
Depreciation and loss on disposals	-	7,963	7,963	11,599
Profit on disposals of investments (see note 12)	-	-	-	(7,872)
Rent, rates, service charges & utilities	14,805	30,571	45,376	43,623
IT support	13,067	37,427	50,494	19,623
Sundries	1,762	8,209	9,971	45,983
	<u>841,776</u>	<u>876,595</u>	<u>1,718,371</u>	<u>1,690,488</u>

**6 Analysis of expenditure on raising funds**

	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
Legal & professional fees	-	11,507	11,507	5,126

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

**7 Contributions to general overheads**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Overhead costs apportioned to restricted funds from general funds	46,017	45,195
Adjustments on restricted project fund balances	(30,543)	(1,922)
	<u>15,474</u>	<u>43,273</u>

**8 Net income for the year**

	<b>2022 £</b>	<b>2021 £</b>
Net income is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	7,963	11,599
(Gain)/loss on disposal of fixed asset investments	(120,133)	(7,872)
Fees payable to the charity's auditor for the audit of the charity's annual accounts	2,556	2,556
Fees payable to the charity's auditor for other services	1,150	1,050
	<u>1,150</u>	<u>1,050</u>

**9 Trustees' and key management personnel remuneration and expenses**

No remuneration was paid to trustees during the year.

Remuneration paid to key management personnel was as follows:

<b>2022 Number</b>	<b>2021 Number</b>	<b>2022 £</b>	<b>2021 £</b>
<u>5</u>	<u>5</u>	<u>166,214</u>	<u>164,600</u>

The reimbursement of trustees' expenses was as follows:

	<b>2022 Number</b>	<b>2021 Number</b>	<b>2022 £</b>	<b>2021 £</b>
Travel and subsistence	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**10 Staff costs and employee benefits**

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	<b>2022 Number</b>	<b>2022 FTE</b>	<b>2021 Number</b>	<b>2021 FTE</b>
Charitable activities	35	26	35	25
Governance	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>37</u>	<u>28</u>	<u>37</u>	<u>11</u>

The total staff costs and employees benefits were as follows:

	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	746,595	707,969
Redundancy costs	9,306	-
Social security costs	57,633	54,109
Defined contribution pension costs	<u>42,432</u>	<u>38,983</u>
	<u>855,966</u>	<u>801,061</u>

No employee received total employee benefits of more than £60,000.

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## 11 Tangible fixed assets

	Computer & office eq't £	Furniture £	Total £
<b>Cost or valuation:</b>			
At 1 April 2021	41,144	84,963	126,107
Additions	4,254	-	4,254
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2022	45,398	84,963	130,361
	<hr/>	<hr/>	<hr/>
<b>Depreciation:</b>			
At 1 April 2021	29,221	81,782	111,003
Charge for year	6,637	1,327	7,964
Eliminated on disposal	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2022	35,858	83,109	118,967
	<hr/>	<hr/>	<hr/>
<b>Net book value:</b>			
At 1 April 2021	11,923	3,181	15,104
	<hr/>	<hr/>	<hr/>
At 31 March 2022	9,540	1,854	11,394
	<hr/>	<hr/>	<hr/>

## 12 Fixed asset investments

	2022 £	2021 £
<b>UK listed investments</b>		
Market value at 1 April 2021	912,795	800,542
Additions	107,110	-
Disposals	(226,316)	(32,311)
Changes in market value	(88,758)	144,564
	<hr/>	<hr/>
Market value at 31 March 2022	704,831	912,795
	<hr/>	<hr/>
Realised profits/(losses) on disposal of fixed asset investments	120,133	-
	<hr/>	<hr/>



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During the year, the charity changed its investment portfolio manager. This has resulted in a disposal of some long term historic investments on the transfer of funds to the new investment broker. The resultant profit on disposal of £120,133 distorts the routine "trading" picture of the SOFA, and consequently the realised profit on disposal has been shown as a separate item on the face of the SOFA. This treatment makes the financial statements provide a clearer picture of the actual core activities of the charity.

Historically, the charity has rarely sold investments, and the profit on the disposal of one investment in the prior period is immaterial. Therefore no prior period adjustment has been made to re-allocate this amount (see note 5.)

### 13 Debtors

	2022	2021
	£	£
Other debtors	323,370	326,147
Prepayments	54,215	52,313
	<u>377,585</u>	<u>378,460</u>

### 14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Social security and other taxes	14,364	14,423
Accruals and other creditors	120,301	98,275
Deferred income	357,315	330,250
	<u>491,980</u>	<u>442,948</u>

Deferred income relates to amounts receivable in respect of charitable income at the balance sheet date that relates to charitable activities undertaken after the balance sheet date.

### 15 Analysis of net assets between the funds

	Unrestricted funds	Designated funds	Revaluation fund	Restricted funds	Total
	£	£	£	£	£
Fixed assets	47,396	500,000	168,829	-	716,225
Net current assets	334,001	-	-	1,167	335,168
	<u>381,397</u>	<u>500,000</u>	<u>168,829</u>	<u>1,167</u>	<u>1,051,393</u>

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## 16 Fund reconciliation

	As at 1 April 2021 £	Income £	Expenditure & gains/ (losses) £	Transfers £	As at 31 March 2022 £
<b>Unrestricted:</b>					
General reserve	270,031	863,861	(767,969)	15,474	381,397
<b>Designated funds:</b>					
Business continuity reserve	500,000	-	-		500,000
Total unrestricted funds	770,031	863,861	(767,969)	15,474	881,397
<b>Revaluation funds:</b>					
In respect of fixed asset investments	257,587	-	(88,758)	-	168,829
<b>Restricted funds:</b>					
Pension Wise	1,712	551,641	(540,008)	(13,345)	-
Money Advice					
Service - Debt Advice	-	113,234	(132,279)	19,045	-
MAS - Debt Advice					
Inc Capacity	-	20,775	(25,691)	4,916	-
DARG	-	31,323	(26,774)	(4,549)	-
Best Practice Lead	214	32,730	(29,089)	(3,855)	-
Help to Claim UC					
Support	584	62,152	(66,254)	(5,788)	(9,306)
My Money Matters	6,682	34,643	(21,681)	(9,171)	10,473
SC Covid Support					
Grant	-	2,727	-	(2,727)	-
Total restricted funds	9,192	849,225	(841,776)	(15,474)	1,167
<b>Total funds</b>	<b>1,036,810</b>	<b>1,713,086</b>	<b>(1,698,503)</b>	<b>-</b>	<b>1,051,393</b>

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**17 Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Not later than one year	<u>20,640</u>	<u>20,640</u>

**18 Cash generated from operations**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per SoFA)	(16,792)	30,470
<b>Adjustments for:</b>		
Depreciation	7,964	11,599
Loss on disposal of tangible fixed assets	-	-
Loss on disposal of UK listed fixed asset investments	-	(7,872)
Income from UK listed fixed asset investments	(32,111)	(31,355)
Interest receivable	(102)	(73)
<b>Movement in working capital:</b>		
(Increase)/Decrease in debtors	875	10,438
Increase/(Decrease) in creditors	49,032	(36,577)
	<u>8,866</u>	<u>(23,370)</u>
<b>Net cash (used in) operating activities</b>		

**19 Related party transactions**

No material transactions with related parties occurred during the year.

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