

# **Directors' and Trustees' report and accounts**

For the year ended 31 March 2023

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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)  
 Andy Howitt (Vice-Chair – current from 24/01/23)  
 Penny Cooper  
 Joanne Harrison  
 Tony Hinkley  
 Judith Lancaster (Co-opted 23/05/23)  
 Paul Langton  
 Elaine Williams (Co-opted 25/07/23)

Frances Beck (Resigned 28/10/22)  
 Julie Bertolini (Resigned 22/05/23)  
 Andy Brenan (Resigned 01/09/23)  
 Bethan Cross (Resigned 26/11/22)  
 Andrew Philpott (Resigned 03/07/23)

**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, Nick Willis (from 01/12/22)

**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**

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

In 2022/23 we helped **10,243** clients with **37,640** unique queries



**77%** were of working age

Through our advice, we helped individuals  
 increase their income by over **£7 million**

**58%** were female

**54%** needed Benefits  
 advice

**51%** were managing a  
 disability or long term health condition \*

**8%** needed help with  
 Debt issues

We are made up of **33 volunteers** and **41 paid  
 staff**

We provide free and independent support by  
 phone and in person in **8 locations**

\*of known values

# Introduction from the Chair

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There is little doubt that 2022-23 was one of the most challenging years in Citizens Advice Shropshire's history.

We have all seen the effects of the cost of living crisis over the past year, with significant rises in the day to day essentials of food, fuel, and housing costs and heating. In Shropshire, as elsewhere in the country, these price increases have hit the poorest and most vulnerable the hardest. Demand for our services has grown and in 2022-23 we helped over 10,000 clients. We have always worked in partnership with other service providers in the voluntary sector and I am pleased we were able to take on the role as host for the Shropshire Food Poverty Alliance, working closely with food banks to help people affected by food insecurity.

Many people don't always realise that our policy work is an important strand to our work. By gathering data and evidence, we strive to influence policy makers, both locally and nationally. Although the government stepped in to support people, we know from research we started to undertake in late 2022 that not everyone was able to get the help they needed and sometimes the most vulnerable in our communities 'fell through the gaps'. The rurality of Shropshire and digital exclusion create challenges that are difficult to overcome. Our research is helping us to make the case for improving how vulnerable people can access support.

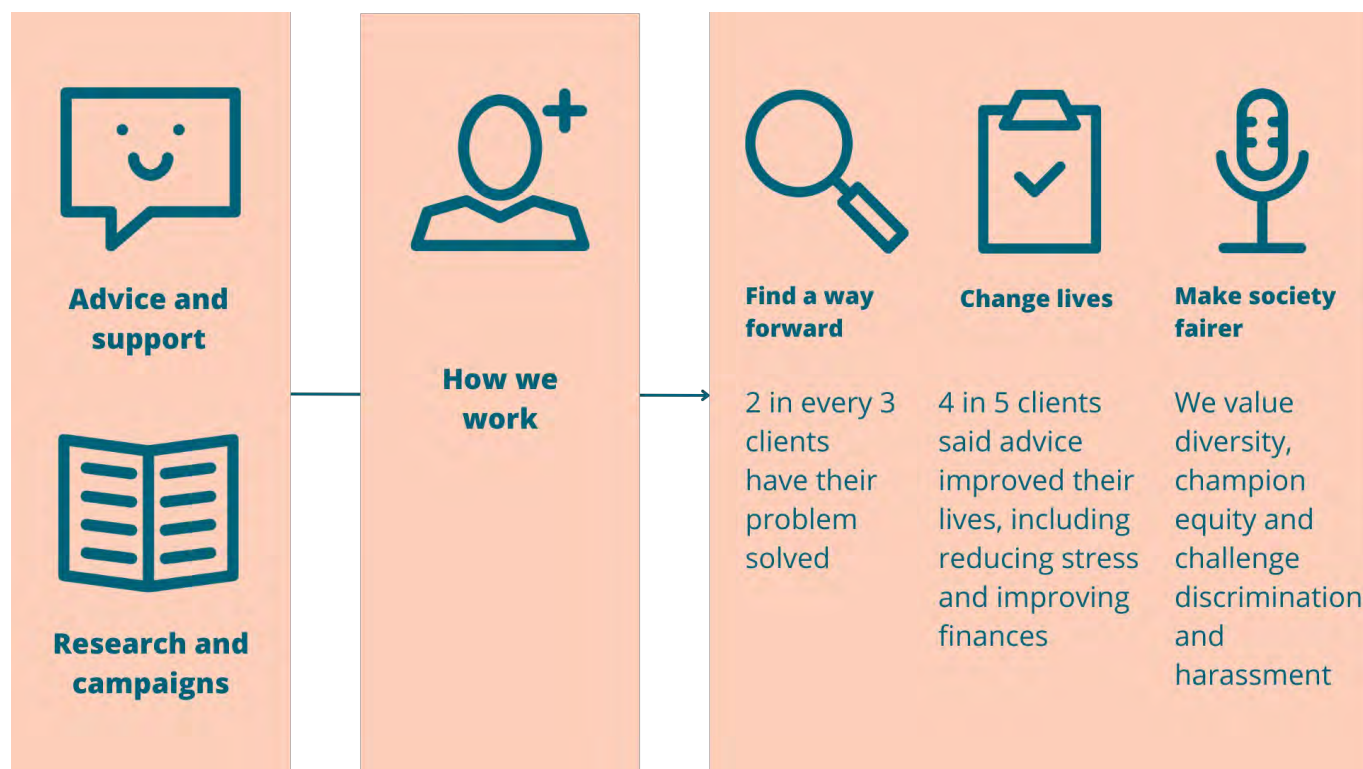
None of what we do would be possible without the commitment of our fantastic team of volunteers and paid staff, who show amazing resilience and creativity, day in and day out. We are led by a Board of Trustees – all volunteers - who provide strategic oversight and support to ensure we maintain our reputation as a well-run charity.

Our funders are just as important and they provide us with the financial stability to deliver services and respond to the changing needs of the people we serve.

As Chair I'd like to place on record my thanks to everyone who has helped us in the past year. Every contribution, big or small, makes a difference.

**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, the 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 2 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 over 250 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 2022/23 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, Advice Services Manager - Generalist Service, Advice Services Manager - Specialist Service, Advice Services Manager - Partnerships, 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. 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 2022/2023 this has been via our free telephone advice line, with provision for face to face appointments for those who need it. 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 donations.



**IASS service** provides information, advice and support services 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.



**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** for 2022/2023 have been by phone and / or face-to-face as Covid restrictions changed and we were able to re-open some of our outreaches for face-to-face services. We have made special arrangement to ensure our most vulnerable clients have been helped and have referral protocols in place for organisations to refer vulnerable clients in to CAS via our Single Point of Referral (SPOR).

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 best next step for the client, depending on the enquiry and advice required.

During 2022/23 we have been able to increase our capacity for our Policy Work through Shaping Places Healthy Lives funding (Local Government Association & Health Foundation) and hosting the Shropshire Food Poverty Alliance. Both these projects focus on influencing policy decisions locally that impact on food insecurity and have been pivotal in the County's response to the cost of living crisis and support for vulnerable people.

During 2022/23 the CEO has chaired the Hardship & Poverty Group, part of the Shropshire Social Task Force which was set up to work in partnership across all sectors, to identify those most impacted by the cost of living crisis and to target support for those most in need.

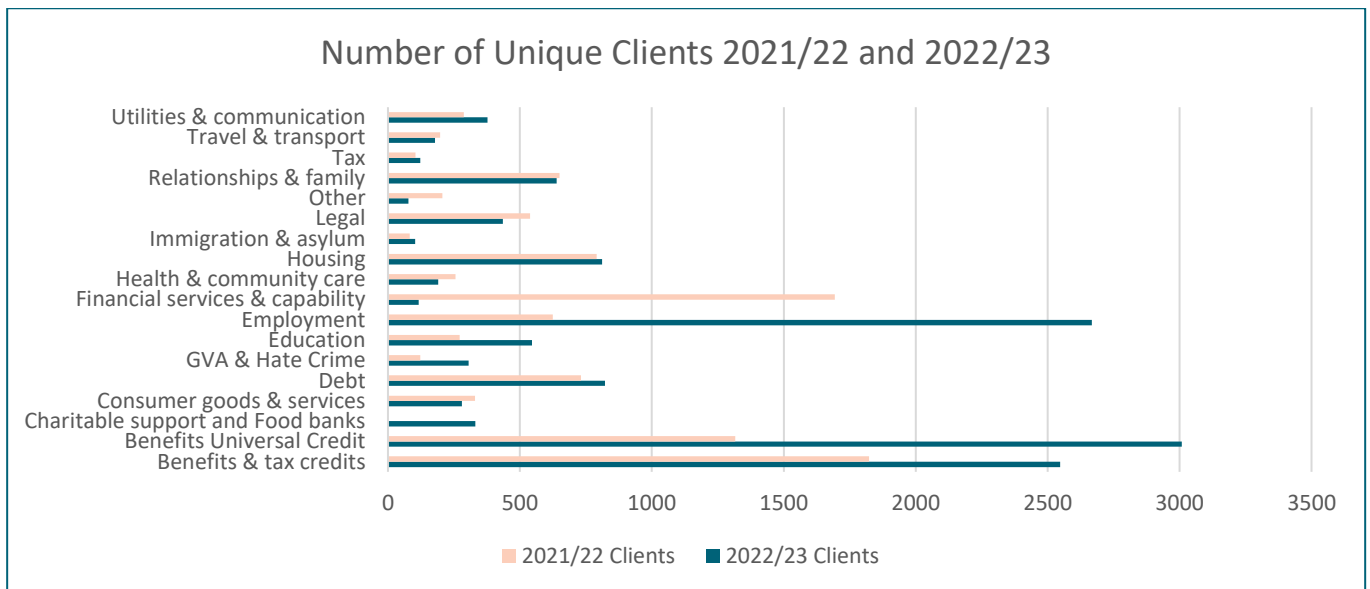
Our Single Point of Referral (SPOR) on 01743 280019 continues to be a vital means for health professionals /social workers and support workers/ local organisations to refer in their vulnerable clients. This local number is also used for IASS and debt clients.

As we have come out of Covid restrictions, many staff have now come back in to the office to work. However, we continue to support a flexible approach to hybrid working where we can, depending on business need.

## Client problems

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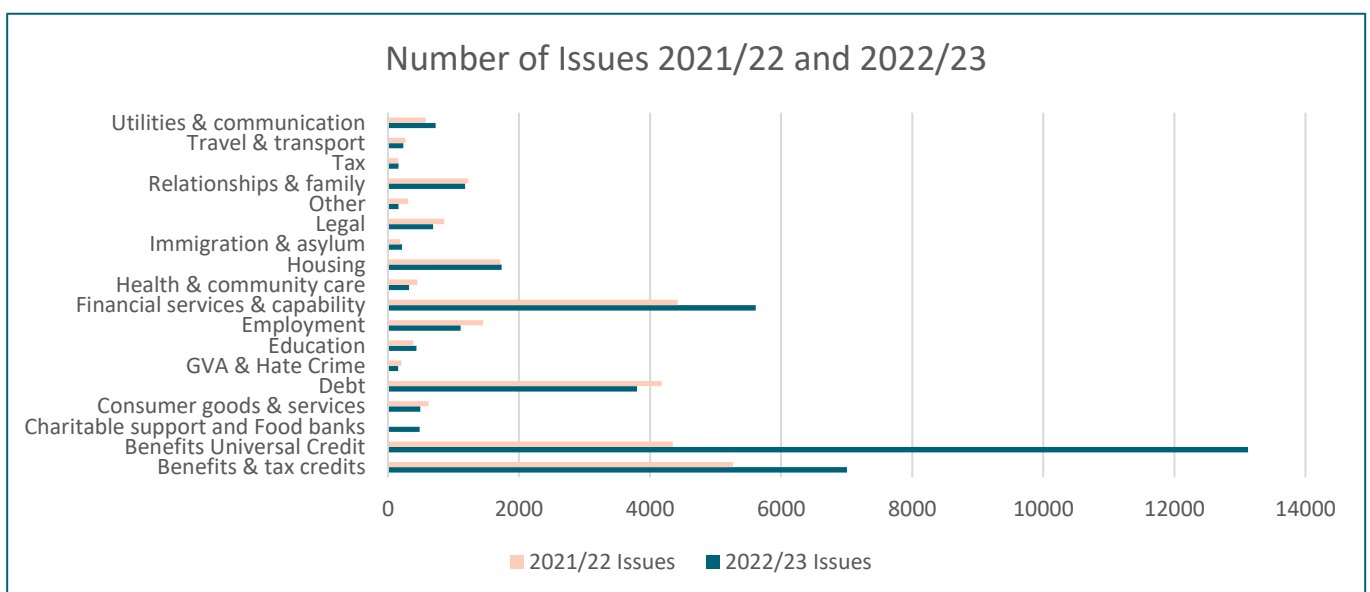
The most significant change is in the number of unique clients seen this year, with a rise of 3,134 from 7,109 in 2021/22 to 10,243. This is mainly due to our increased capacity for Universal Credit: Help to Claim and Pension Wise projects. As these are national call centres, we have seen a sharp rise in the number of clients helped outside the county of Shropshire which, in turn, has also had some impact on our client demographics.



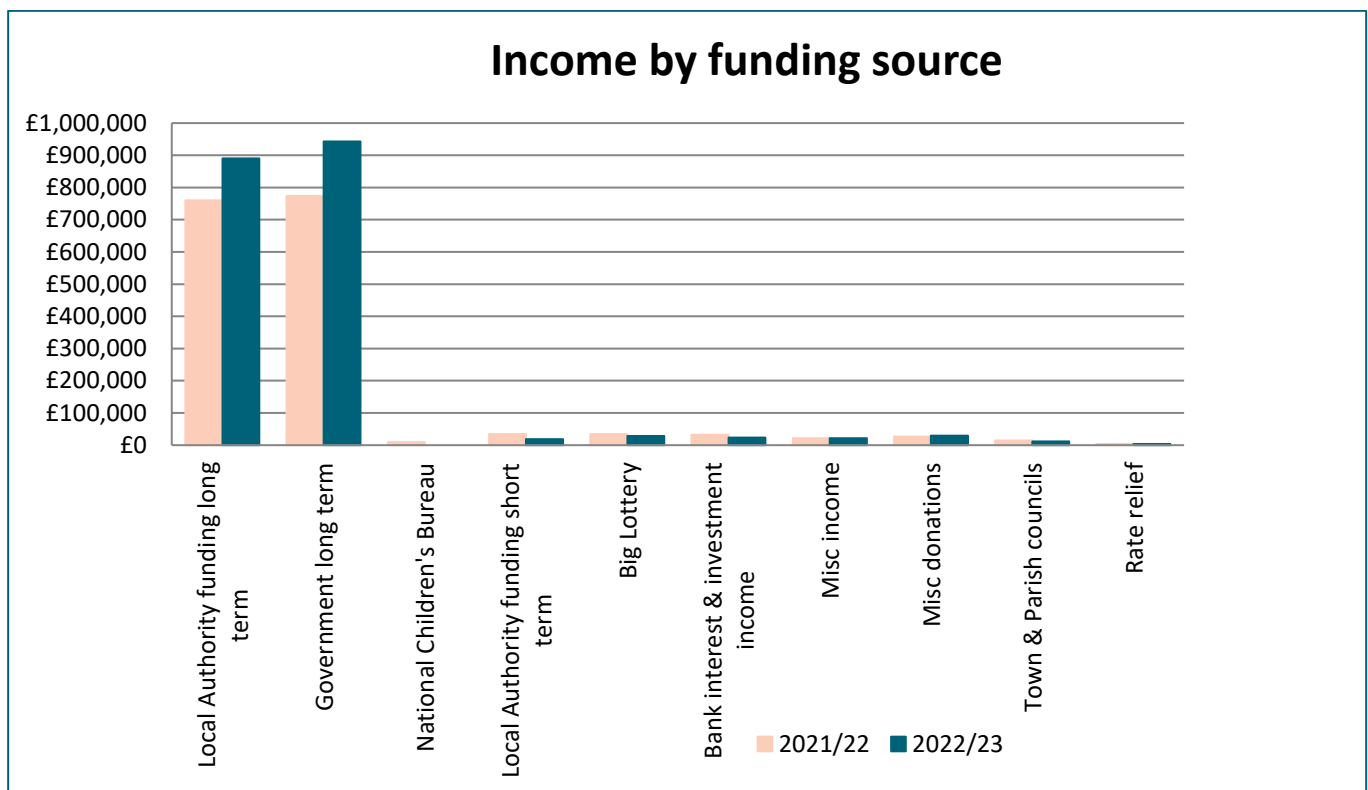
### Issues Change

Again, we can see the impact of our national funded projects, showing rising numbers for Universal Credit and Financial Services. Excluding Help to Claim and Pension Wise, the biggest change is in Employment (reducing numbers on discrimination, terms and conditions and dispute resolution). See chart below.

The impact of the cost of living crisis is demonstrated in the statistics below. The reduction in non-priority debt reflects the trend that we only have capacity to deal with clients' priority debt and the reduction in fuel debts may reflect the support people have had in the last 12 months. January 2023 saw the highest number of calls to Shropshire's telephone Advice Line, reflecting the growing cost of living crisis.



## Income by funding source



## Thanks

It has been a challenging year, as clients' cases become more complex and advisers reflect that people's problems are becoming too big to resolve, with growing rent and mortgage arrears, higher energy bills and more referrals for crisis support, including Foodbanks. The CEO and Board of Trustees thank all the staff, volunteers and partners who have worked so hard this year to support our clients. Our people continue to be our biggest asset and, whatever their role, have shown true commitment, care and compassion through the year.

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
- Culmington Parish Council
- Donington with Boscobel 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
- Quatt Malvern Parish Council
- RAF Cosford
- Shaping Places Healthy Lives Programme
- Shropshire Council
  - Advice, Advocacy and Welfare Benefits
  - Discretionary Additional Restrictions Grants - DARG
  - Enable – Better Off In Work
  - Information Advice and Support Service - IASS
  - Syrian families support
- Shropshire Food Poverty Alliance
- 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 8 years. Launched in April 2015, Pension Wise was a new guidance service set up to help people understand their options under the pension freedoms.

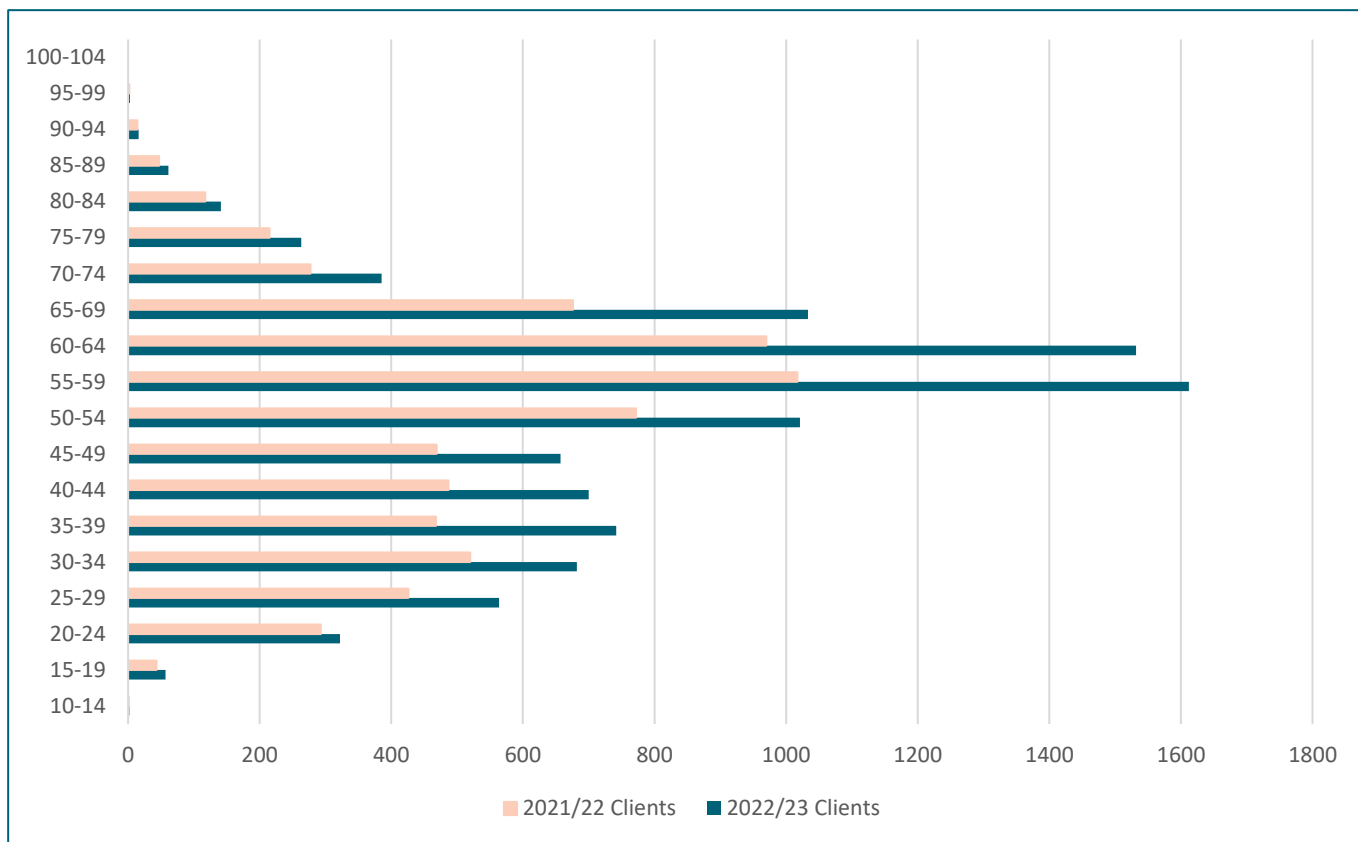
In partnership with Coventry Citizens Advice, Citizens Advice Dudley and Wolverhampton and Citizens Advice Worcester, Citizens Advice Shropshire delivers Pension Wise appointments to people aged 50 and over with a defined contribution pension.

### Key statistics

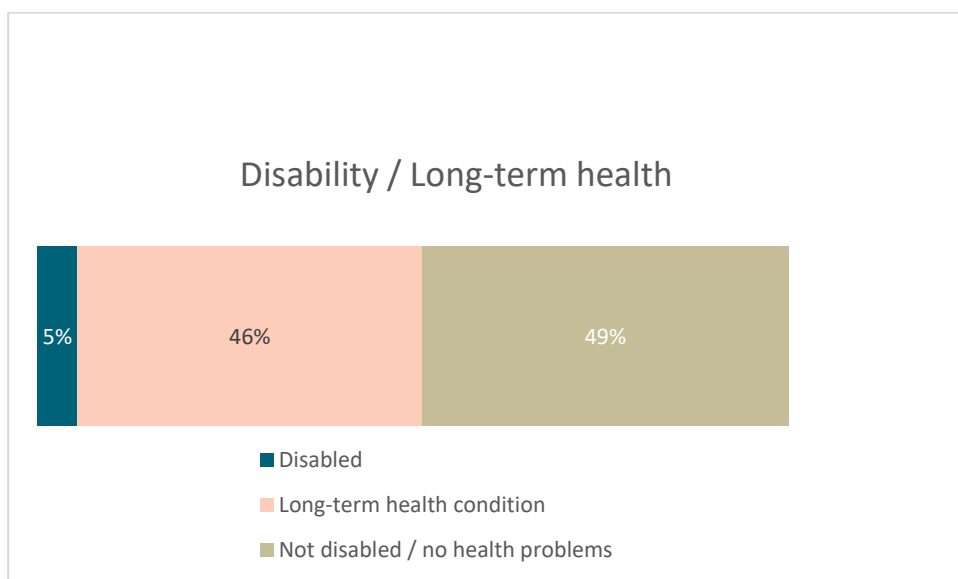
For 2022/23, Pension Wise has delivered 113,023 client transactions across the service in England, Wales and Northern Ireland.

People visiting Pension Wise have remained highly satisfied with the guidance they are receiving, with satisfaction ratings remaining consistently high. For 2022/23, Citizens Advice achieved a satisfaction score of 96%.

## Who our clients are



The number of clients seen in all age ranges has increased, but the percentage in each group has been consistent year on year.



We have seen a 5% increase in people with long term health conditions, year on year.

## The difference we make



Source: Client satisfaction survey 2022/23

## The wider impact of the work we do



(Source: Data from Citizens Advice financial modelling tool 2022-23)

## Research and campaigns

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No one else sees so many people with so many different kinds of problems. That gives us a unique insight into the challenges people are facing today. We use our clients' experiences and stories to campaign for positive change. We speak up about the policies and services that cause people problems.

The Board of CAS has recognised the importance of good research by investing in a research post that will enable 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 our research and campaign work focused on the ongoing cost-of-living crisis. As an active member of the Social Taskforce, we took part in the consultation on the allocation of the Household Support Fund. We helped to target the fund to those who needed it the most.

We helped establish a communications group and develop key messages that would be shared universally by stakeholders to reassure people about support available. We took part in creating a [cost-of-living website](#), key social media posts and leaflets to spread the word about the support available in Shropshire.

In collaboration with the Shropshire Food Poverty Alliance, we surveyed and interviewed people in Shropshire about access to support around the cost of living. This fed into a report that was released in June 2023.

## Citizens Advice Shropshire is proud to support the LGBTQ+ community

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When we say we are here for everyone, whoever they are and whatever their problem, we mean it - and we recognise that not everyone is the same. Equality, diversity and inclusion are at the heart of our work. This is why we were the first organisation to sign up for [The Covenant - a project created by Safe Ageing No Discrimination \(SAND\)](#). We are actively taking practical actions to ensure our service is welcoming and inclusive.

## 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 too – they improve their skills, resilience, health and wellbeing, while strengthening community engagement.

Our volunteers continued to remote work during the pandemic, though some were unable to continue with their volunteering whilst our offices were closed. We would like to take this opportunity thank those 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 25 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. We have held a 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 2022/23.

- ***Our clients:*** *Improving the service for vulnerable adults and supporting disadvantaged and hard to reach communities.* Having reviewed feedback from users and non-users of the service and our own data, we revised our operating model to provide more face to face support in places where people are in crisis such as foodbanks. We were successful in securing funding during 2022/23 to expand our outreach services.
- ***Our people:*** *Creating structures and systems which support and enable efficient, flexible working.* We have developed a Flexible Working Policy and Procedure that allows paid staff to formally make a flexible working request. Where our operating model allows, we have also worked with staff to agree a more flexible approach to remote working, without permanent changes to their contracts. Our annual people management scores continue to show high levels of satisfaction of working with CAS.



- **Our Stakeholders:** *Ensuring we work together and develop our relationship with health colleagues across the Integrated Care System (ICS).* We continue to develop our partnership working across the system. The CEO represents the voluntary and community sector (VCS) on the Midlands Partnership Foundation Trust Transformation Steering Group, Shropshire Health & Wellbeing Board, Integrated Care Board and sits on the VCS Assembly Board. Other members of the Senior Team also attend other Partnership Boards within the Council and ICS.

## Key objectives for 2023/24

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The cost of living crisis will dominate the work we do moving forwards and, as most of our funding is due for recommissioning, our priorities will be directed to preparing for this. Other strategic aims include:

**Strategic aim A: Improve service for vulnerable adults and support disadvantaged and hard to reach communities.** This will include developing our community adviser team in the north and south of the county and Advice First Aid training, getting ready for commissioning and proving impact.

**Strategic aim B: Support and develop our paid staff and volunteers** including introducing an Employee Assistance Programme, succession planning and review of volunteer roles and policies.

**Strategic aim C: To maintain financial security and growth.** The majority of our funding is due for recommissioning during 2023/24.

# 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**

In previous years the trustees have 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. As at 31 March 2022 this reserve was calculated to be £500,000.

The policy is monitored and reviewed by the trustees annually. As part of the budget approval for 2023/24 in March 2023, the Trustee Board agreed to allocate additional reserves over and above 6 months of operating costs. As a result, as at 31 March 2023, the following designated reserves have been determined.

1. 6 months of operating costs - the amount calculated for 31 March 2023 is £600,000 based on the 2023/24 budget.
2. IT Reserve – as at 31 March 2023 £30,000 has been set aside for expenditure expected to be incurred in upgrading the IT infrastructure of the company.
3. Support for future contract negotiations – during the next 2 years there are a number of contract re-negotiations to be undertaken. This reserve has been provided to ensure that there is sufficient capacity within the senior management team to complete the re-tendering processes. A reserve of £20,000 has been provided for this.

4. Succession planning – a number of single points of weakness exist within the organisational structure, which need to be reviewed and determined how best to provide adequate cover. A reserve of £50,000 has been provided for this.

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.

The charity's investments are outlined in its investment policy which states that the primary objective is to generate an income stream to support the charity's day to day operational activities, whilst maintaining the capital value of the investments.

This reserves policy is reviewed annually alongside its 3-year Strategic Plan, annual budget and investment policy.

### **Investment policy and returns**

The trustees reviewed and amended the investment policy during 2022/23.

#### **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. 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 appropriate 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 4.0% annually on the investment portfolio. Given the nature of investment markets we will look to achieve an investment 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 the operational 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 organisation is in the process of reviewing its Environmental policy, including Ethical Investments, and once this review has been completed the impact, if any, on Investment policy will be assessed

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

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 2022/23 and up to the date of approval of the annual report and accounts.

In January 2023, the trustee board conducted a review of the major risks to which the Charity is exposed which are kept under regular review. 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 at Operations and Finance sub committees and full board meetings.

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 2022/23 the Risk Register showed that of the 30 major risks identified:

- 8 were 'very high' and required active management, including continued funding uncertainty, changes to Government policy and regulation, increased workloads for staff, increases in client demand due to loss of other services and the longer term impacts of the cost of living on funding
- 7 were 'high' and required contingency plans
- 15 were medium risk and required good housekeeping with regular review

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 including 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 is it 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 individual cyber insurance 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 for applying for Cyber Essentials accreditation.

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 the inflation on the budget and operational costs. One area of concern is the lack of COL rise in most of our grants and contracts, leading to more stress on our reserves.

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.

This report was approved by the board of directors and trustees on 26 September 2023 and signed on their behalf.

  
.....

**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 2023 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 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other

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

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

We have nothing to report in this regard.

**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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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
- 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.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

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

**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

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

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 company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

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

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.

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

- 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 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 section 391 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**

DATE: 10 October 2023

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 2023

**Summary Income and Expenditure Account**

	Notes	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations & legacies	2	-	41,254	41,254	42,021
Income from charitable activities	3	1,075,742	830,541	1,906,283	1,638,852
Investment income	4	-	23,691	23,691	32,213
<b>Total incoming resources</b>		1,075,742	895,486	1,971,228	1,713,086
<b>Expenditure on:</b>					
Charitable activities	5	1,012,399	974,820	1,987,219	1,718,371
Raising funds	6	-	12,040	12,040	11,507
Transfers between funds	7	(44,480)	44,480	-	-
<b>Net income/(expenditure)</b>		<b>18,863</b>	<b>(46,894)</b>	<b>(28,031)</b>	<b>(16,792)</b>
<b>Other recognised gains/(losses):</b>					
Realised gain/(loss) on fixed asset investments	12	-	132,584	132,584	120,133
Unrealised gain/(loss) on fixed asset investments	12	-	(173,485)	(173,485)	(88,758)
<b>Net movement in funds</b>	16	18,863	(87,795)	(68,932)	14,583
<b>Reconciliation of funds:</b>					
Total funds brought forward	16	1,167	1,050,226	1,051,393	1,036,810
Total funds carried forward	16	20,030	962,431	982,461	1,051,393

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CITIZENS ADVICE SHROPSHIRE  
STATEMENT OF CASH FLOWS  
AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash generated by/(used in) operating activities	18	(51,963)	8,866
<b>Investing activities</b>			
Purchase of tangible fixed assets	11	(1,006)	(4,254)
Purchase of fixed asset investments	12	(789,305)	(107,110)
Income from UK listed fixed asset investments	4	21,799	32,111
Interest received	4	1,892	102
Disposal of fixed asset investments		<u>589,797</u>	<u>346,449</u>
<b>Net cash used in investing activities</b>		(176,823)	267,298
<b>Net increase in cash and cash equivalents</b>		(228,786)	276,164
Cash and cash equivalents at beginning of year		<u>449,563</u>	<u>173,399</u>
<b>Cash and cash equivalents at end of year</b>		<u>220,777</u>	<u>449,563</u>
		-	

CITIZENS ADVICE SHROPSHIRE  
BALANCE SHEET  
AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	7,936	11,394
Investments	12	<u>863,438</u>	<u>704,831</u>
		871,374	716,225
<b>Current assets</b>			
Debtors	13	399,043	377,585
Cash at bank and in hand		<u>220,777</u>	<u>449,563</u>
		619,820	827,148
<b>Creditors: amounts falling due within one year</b>			
	14	<u>(508,733)</u>	<u>(491,980)</u>
<b>Net current assets</b>		<u>111,087</u>	<u>335,168</u>
<b>Net assets</b>		<u>982,461</u>	<u>1,051,393</u>
<b>Charity funds</b>			
Unrestricted funds	16	967,087	881,397
Restricted funds	16	20,030	1,167
Revaluation surplus	16	<u>(4,656)</u>	<u>168,829</u>
		<u>982,461</u>	<u>1,051,393</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 26 September 2023 and signed on its behalf by:

Chris Boote  
Director and Trustee



Paul Langton  
Director and Trustee



The notes on pages 31 to 45 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 2023

## **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.



CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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 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 dependant 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, 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.

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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 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.

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

### 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.

## 2 Income from donations and legacies

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Town Council grants	-	7,297	7,297	13,000
Parish Council grants	-	4,158	4,158	2,025
Donations	-	29,799	29,799	26,996
	-	41,254	41,254	42,021

## 3 Income from charitable activities

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Government and local authority funding	1,046,996	805,022	1,852,018	1,584,440
Big Lottery	28,746	-	28,746	34,643
Grants for services and project income	-	20,837	20,837	14,706
Other income related to projects	-	4,682	4,682	5,063
	1,075,742	830,541	1,906,283	1,638,852

## 4 Income from investments

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Income from UK listed fixed asset investments	-	21,799	21,799	32,111
Interest received on bank deposits	-	1,892	1,892	102
	-	23,691	23,691	32,213

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

**5 Analysis of expenditure on charitable activities**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>Costs directly allocated to activities</b>				
Salaries & wages (note 10)	431,239	572,879	1,004,118	855,966
Travel & training	1,451	6,216	7,667	2,868
Reference books & software	207	151	358	6,156
Publicity	-	925	925	420
Telephone	166	665	831	3,241
Printing, postage & stationery	2,783	6,300	9,083	5,793
Recruitment	2,031	1,263	3,294	625
Room Hire	1,087	930	2,017	276
Meeting expenses	21	1,596	1,617	-
Project partner payments	544,787	280,735	825,522	706,869
<b>Support costs</b>				
Repairs & renewals	345	2,950	3,295	1,056
Cleaning	1,223	2,011	3,234	3,234
Audit	-	2,556	2,556	2,556
Legal & professional fees	3,214	7,766	10,980	10,518
Insurance	37	7,441	7,478	4,989
Depreciation and loss on disposals	-	3,169	3,169	7,963
Profit on disposals of investments (see note 12)	-	-	-	-
Rent, rates, service charges & utilities	13,854	28,239	42,093	45,376
IT support	7,700	37,928	45,628	50,494
Sundries	2,254	11,100	13,354	9,971
	<u>1,012,399</u>	<u>974,820</u>	<u>1,987,219</u>	<u>1,718,371</u>

**6 Analysis of expenditure on raising funds**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Legal & professional fees	<u>-</u>	<u>12,040</u>	<u>12,040</u>	<u>11,507</u>

CITIZENS ADVICE SHROPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

## 7 Contributions to general overheads

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Overhead costs apportioned to restricted funds from general funds	71,936	46,017
Adjustments on restricted project fund balances	(27,456)	(30,543)
	<u>44,480</u>	<u>15,474</u>

## 8 Net income for the year

	<b>2023 £</b>	<b>2022 £</b>
Net income is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	3,169	7,963
Loss on disposal of fixed asset investments	(132,584)	(120,133)
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	1,720	1,150

## 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>2023 Number</b>	<b>2022 Number</b>	<b>2023 £</b>	<b>2022 £</b>
<u>5</u>	<u>5</u>	<u>174,118</u>	<u>166,214</u>

The reimbursement of trustees' expenses was as follows:

	<b>2023 Number</b>	<b>2022 Number</b>	<b>2023 £</b>	<b>2022 £</b>
Travel and subsistence	<u>2</u>	<u>-</u>	<u>852</u>	<u>-</u>

## 10 Staff costs and employee benefits

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

	<b>2023 Number</b>	<b>2023 FTE</b>	<b>2022 Number</b>	<b>2022 FTE</b>
Charitable activities	39	30	35	26
Governance	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>41</u>	<u>32</u>	<u>37</u>	<u>28</u>

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The total staff costs and employees benefits were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	884,387	746,595
Redundancy costs	-	9,306
Social security costs	72,325	57,633
Defined contribution pension costs	47,406	42,432
	<u>1,004,118</u>	<u>855,966</u>

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

## 11 Tangible fixed assets

	<b>Computer &amp; office eq't</b>	<b>Furniture</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation:</b>			
At 1 April 2022	45,398	84,963	130,361
Additions	1,006	-	1,006
Disposals	-	-	-
	<u>46,404</u>	<u>84,963</u>	<u>131,367</u>
At 31 March 2023			
<b>Depreciation:</b>			
At 1 April 2022	35,858	83,109	118,967
Charge for year	4,068	396	4,464
Eliminated on disposal	-	-	-
	<u>39,926</u>	<u>83,505</u>	<u>123,431</u>
At 31 March 2023			
<b>Net book value:</b>			
At 1 April 2022	<u>9,540</u>	<u>1,854</u>	<u>11,394</u>
At 31 March 2023	<u>6,478</u>	<u>1,458</u>	<u>7,936</u>

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**12 Fixed asset investments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>UK listed investments</b>		
Market value at 1 April 2022	704,831	912,795
Additions	789,305	107,110
Disposals	(457,213)	(226,316)
Changes in market value	<u>(173,485)</u>	<u>(88,758)</u>
Market value at 31 March 2023	<u>863,438</u>	<u>704,831</u>
Realised profits/(losses) on disposal of fixed asset investments	<u>132,584</u>	<u>120,133</u>

**13 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other debtors	340,883	323,370
Prepayments	<u>58,160</u>	<u>54,215</u>
	<u>399,043</u>	<u>377,585</u>

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Social security and other taxes	17,121	14,364
Accruals and other creditors	100,881	120,301
Deferred income	<u>390,731</u>	<u>357,315</u>
	<u>508,733</u>	<u>491,980</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**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Revaluation</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>fund</b>	<b>funds</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	151,935	724,095	(4,656)	-	871,374
Net current assets	<u>91,057</u>	<u>-</u>	<u>-</u>	<u>20,030</u>	<u>111,087</u>
	<u>242,992</u>	<u>724,095</u>	<u>(4,656)</u>	<u>20,030</u>	<u>982,461</u>

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**16 Fund reconciliation**

	As at 1 April 2022 £	Income £	Expenditure & gains/ (losses) £	Transfers £	As at 31 March 2023 £
<b>Unrestricted:</b>					
General reserve	381,397	895,486	(854,276)	(179,615)	242,992
<b>Designated funds:</b>					
Business continuity reserve	500,000	-	-	100,000	600,000
My Money Matters residual funds	-	-	-	24,095	24,095
Cyber security reserve	-	-	-	30,000	30,000
Support for future contract tendering	-	-	-	20,000	20,000
Workforce development reserve	-	-	-	50,000	50,000
Total unrestricted funds	881,397	895,486	(854,276)	44,480	967,087
<b>Revaluation funds:</b>					
In respect of fixed asset investments	168,829	-	(173,485)	-	(4,656)
<b>Restricted funds:</b>					
Pension Wise	-	681,856	(664,044)	(17,561)	251
Money Advice Service - Debt Advice	-	105,956	(123,995)	18,039	-
DARG	-	18,677	(18,639)	(38)	-
Help to Claim UC Support	(9,306)	155,357	(137,317)	(14,681)	(5,947)
My Money Matters	10,473	28,746	(17,715)	(21,504)	-
Shropshire Food Poverty Alliance	-	45,150	(33,506)	(5,300)	6,344
Shaping Places	-	40,000	(17,183)	(3,435)	19,382
Total restricted funds	1,167	1,075,742	(1,012,399)	(44,480)	20,030
<b>Total funds</b>	<b>1,051,393</b>	<b>1,971,228</b>	<b>(2,040,160)</b>	<b>-</b>	<b>982,461</b>



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**17 Operating lease commitments**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Not later than one year	<u>18,825</u>	<u>20,640</u>

**18 Cash generated from operations**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per SoFA)	(28,031)	(16,792)
<b>Adjustments for:</b>		
Depreciation	4,464	7,964
Loss on disposal of tangible fixed assets	-	-
Loss on disposal of UK listed fixed asset investments	-	-
Income from UK listed fixed asset investments	(21,799)	(32,111)
Interest receivable	(1,892)	(102)
<b>Movement in working capital:</b>		
(Increase)/Decrease in debtors	(21,458)	875
Increase/(Decrease) in creditors	16,753	49,032
	<u>                    </u>	<u>                    </u>
<b>Net cash (used in) operating activities</b>	<u>(51,963)</u>	<u>8,866</u>

**19 Related party transactions**

No material transactions with related parties occurred during the year.

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