

Middlesbrough Citizens Advice Bureau
Financial Statements
For the Year Ending
31 March 2023

JANE ASCROFT ACCOUNTANCY LIMITED
Chartered accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

Middlesbrough Citizens Advice Bureau

Financial Statements

Year Ended 31 March 2023

	Page
Trustees' Annual Report (Incorporating the Director's Report)	1
Independent Examiner's Report to the Trustees	5
Statement of Financial Activities (Including Income and Expenditure Account)	6
Statement of Financial Position	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
The Following Pages Do Not Form Part of the Financial Statements	
Detailed Statement of Financial Activities	25

Middlesbrough Citizens Advice Bureau

Trustees' Annual Report (Incorporating the Director's Report)

Year Ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Objectives and Activities

The charity's objects as set out in its Memorandum and Articles of Association are to 'promote any charitable purpose for the benefit of the community in Middlesbrough and surrounding areas by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.' In common with all Citizens Advice Bureaux the charity aims to:

a) Ensure that individuals do not suffer through ignorance of their rights and responsibilities or of the service available or through an inability to express their needs effectively. b) Exercise a responsible influence on the development of social policies and the service both locally and nationally. c) Provide a service which is independent and which provides free, confidential, impartial advice to everybody regardless of race, gender, sexuality or disability.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year to ensure that our activities have met our objectives and that any planned activities will continue to do so. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The focus of our work

The charity seeks funding from a wide variety of sources and uses this funding to meet any identified advice need within the town. All our activities are focused on providing free advice to the local population and are undertaken to further our charitable objects for the public benefit.

Who used and benefited from our services?

The charity provided its advice services from its main office in Middlesbrough Town Centre and from 5 community venues throughout Middlesbrough. Many projects are aimed at specific groups such as people with mental health problems, people with community care needs and people with cancer. However most of our services are open to all.

Achievements and Performance

In 2022-23 we consolidated our service delivery model, which reflects both a shift of emphasis towards remote advice provision and a reduction in resources, both financial and personnel. The main office is open to personal callers without appointments on Monday, Tuesday, Wednesday and Friday mornings. In the year we saw the number of face to face clients increase to 20% from the 8% of the year before. It is our ambition to open as well on Thursday mornings, but resources prevent this for this for the time being.

In 2022-23 we assisted 8505 clients compared to 5794 in the previous 12 months. These clients generated. Benefits advice remains our main area of work, accounting for 35% of all enquiries, followed by debt at 22%.

Middlesbrough Citizens Advice Bureau

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

Financial Review

The results for the year are shown in the Statement of Financial Activities on page 10. We have been particularly fortunate in recent years in obtaining funding which has contributed towards the charity's core costs and this has allowed the charity to build up a level of free reserves of £287,580. This is after making provision for a pension liability (see note 19 for more details).

Principal Funding Sources

The principal funding sources are shown in note 6 to the accounts on page 17. The charity relies on grants from Central and Local Government as well as from other charitable organisations.

The charity's funds have to be available at short notice and so all funds are currently held either in the bank current or reserve account. The Memorandum and Articles of Association permit the trustees to make any investment as they see fit.

Reserves Policy

It is the policy of the organisation to use reserves to further its charitable aims and objectives, to maintain its building and to provide for any contingencies which may arise. The trustees have reviewed the reserves policy and consider that the following represents a fair and safe policy for the coming period:

A designated reserve to be held at a value of £50,000. This is to cover the redundancy costs of employed staff, should it become necessary to make redundancies, and to cover any repairs required to the building. To build unrestricted free reserves to a value equivalent to 3 months operating costs (excluding grant payments to partners). At the end of 2022/23 financial year £240,212 of free reserves are available. The reserves are available for use in the short term where revenue funding may be insufficient to cover costs. However, it is the policy of the organisation not to use free reserves to maintain a service in the long term. Rather the organisation will aim to produce a realistic budget at the beginning of each financial year which is based on the predicted revenue funding.

At the end of each year the Trustees will review the free reserves built up during the year, if any, and based on this take any decisions about transfers to designated reserves and future capital expenditure.

Middlesbrough Citizens Advice Bureau

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

Structure, Governance and Management

Middlesbrough Citizens Advice Bureau is a company limited by guarantee. It was incorporated on 25th October 2002 and registered as a charity on 19th February 2003. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of trustees

The board consists of not less than four and not more than 18 trustees. Trustees are either:

- Elected by membership at the Annual General Meeting, in which case they will hold office from the conclusion of that meeting. No more than two may be voluntary staff. Or
- Nominated by member organisations. The maximum number of such trustees is five of which a maximum of two will be from Middlesbrough Council. Or
- Co-opted by the trustee board. Trustees so appointed cannot exceed two-fifths of the total number of trustees.

All elected trustees retire from office at the third Annual General Meeting following the Annual General Meeting at which they were elected but they may be re-elected. All nominated or co-opted trustees retire from office at the third Annual General Meeting following the ordinary meeting of the trustee board at which they were appointed, but they too may seek re-election.

Organisational structure

The charity is an autonomous body. The trustees make strategic decisions about the charity and the day to day running of the Bureau is delegated to the Chief Executive and his team. The Chief Executive is responsible for ensuring that the aims and objectives of the charity are met. The board meets every three months to consider reports from the Chief Executive and other staff members and trustees are involved at other times in the administration of the Bureau.

Trustee Induction and Training

The Bureau has developed an induction program using its own material and material from Citizens Advice and the Charity Commission. The Bureau also aims to provide 2 or 3 training sessions per annum for trustees covering matters such as employment rights, key funders and trustee responsibilities.

Risk Management

During the year the trustees have undertaken a formal risk assessment process which has enabled them to identify the risks to which the charity is exposed and put in place measures to mitigate those risks.

Related parties

None of the trustees receives remuneration or any other benefit relating to their work for the charity. The charity is affiliated to the National Association of Citizens Advice Bureaux. Middlesbrough Council provides the charity with some core funding and is able to nominate a maximum of two trustees.

Middlesbrough Citizens Advice Bureau

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2023

Reference and Administrative Details

Registered charity name	Middlesbrough Citizens Advice Bureau
Charity registration number	1096071
Company registration number	04573848
Principal office and registered office	3 Bolckow Street Middlesbrough TS1 1TH

The Trustees

Mr J Broadbent	
Mr E D Kirkham (Chair)	
Ms K Leonard (Treasurer)	
Mr J Pulman	(Resigned 22 November 2022)
Mr K Salton (Vice Chair)	
Ms R Surrey	
Mr C Wilson	
Mr E Ndhovlu	

Appointed as Advisors by MBC Cllr J Thompson Cllr B Cooper

Staff Representatives Ms K Rose Mr C McCrossan

Company Secretary Mr J M Daniels

Independent Examiner Jane Ascroft FCA MA (Cantab)
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 8.8.23 and signed on behalf of the board of trustees by:

Mr K Salton (Vice Chair)
Trustee



Middlesbrough Citizens Advice Bureau

Independent Examiner's Report to the Trustees of Middlesbrough Citizens Advice Bureau

Year Ended 31 March 2023

I report to the trustees on my examination of the financial statements of Middlesbrough Citizens Advice Bureau ('the charity') for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
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Middlesbrough Citizens Advice Bureau

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	115	—	115	170
Charitable activities	6	278,090	502,507	780,597	1,011,997
Investment income	7	404	—	404	—
Total income		<u>278,609</u>	<u>502,507</u>	<u>781,116</u>	<u>1,012,167</u>
Expenditure					
Expenditure on charitable activities	8,9	291,097	580,959	872,056	997,810
Total expenditure		<u>291,097</u>	<u>580,959</u>	<u>872,056</u>	<u>997,810</u>
Net (expenditure)/income		<u>(12,488)</u>	<u>(78,452)</u>	<u>(90,940)</u>	<u>14,357</u>
Transfers between funds		(28,005)	28,005	—	—
Net movement in funds		<u>(40,493)</u>	<u>(50,447)</u>	<u>(90,940)</u>	<u>14,357</u>
Reconciliation of funds					
Total funds brought forward		416,177	112,159	528,336	513,979
Total funds carried forward		<u>375,684</u>	<u>61,712</u>	<u>437,396</u>	<u>528,336</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 23 form part of these financial statements.

Middlesbrough Citizens Advice Bureau

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible fixed assets	16	91,110	108,017
Current Assets			
Debtors	17	84,925	73,604
Cash at bank and in hand		355,172	430,299
		440,097	503,903
Creditors: amounts falling due within one year	18	91,837	76,841
Net Current Assets		348,260	427,062
Total Assets Less Current Liabilities		439,370	535,079
Provisions	19	1,974	6,743
Net Assets		437,396	528,336
Funds of the Charity			
Restricted funds		61,712	112,159
Unrestricted funds		375,684	416,177
Total charity funds	21	437,396	528,336


For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:



Ms K Leonard (Treasurer)
Trustee

The notes on pages 9 to 23 form part of these financial statements.

Middlesbrough Citizens Advice Bureau

Statement of Cash Flows

Year Ended 31 March 2023

	2023	2022
	£	£
Cash Flows from Operating Activities		
Net (expenditure)/income	(90,940)	14,357
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	16,907	18,359
Other interest receivable and similar income	(404)	—
Accrued (income)/expenses	(332)	7,662
<i>Changes in:</i>		
Trade and other debtors	(12,616)	(17,809)
Trade and other creditors	16,623	2,849
Provisions and employee benefits	(4,769)	(23,283)
Cash generated from operations	(75,531)	2,135
Interest received	404	—
Net cash (used in)/from operating activities	(75,127)	2,135
Net (Decrease)/Increase in Cash and Cash Equivalents	(75,127)	2,135
Cash and Cash Equivalents at Beginning of Year	<u>430,299</u>	<u>428,164</u>
Cash and Cash Equivalents at End of Year	<u>355,172</u>	<u>430,299</u>

The notes on pages 9 to 23 form part of these financial statements.

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements

Year Ended 31 March 2023

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 3 Bolckow Street, Middlesbrough, TS1 1TH.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

3. Accounting Policies *(continued)*

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. 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.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Expenditure

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

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

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.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA 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, as set out in the notes to the accounts.

Operating Leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

3. Accounting Policies *(continued)*

Tangible Assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Buildings	-	4% straight line
Office Equipment	-	10% straight line
Computer Equipment	-	33% straight line

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Defined Contribution Plans

The company participates in a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme. The company must recognise a liability measured as the present value of contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account is the unwinding of the discount rate as a finance cost in the period in which it arises. See note 19 to the accounts for further information.

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

Debtors

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

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

Creditors

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

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

4. Limited by Guarantee

The company is limited by guarantee. At 31st March 2023 there were 7 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

5. Donations and Legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations and gifts	115	115	170	170

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Middlesbrough Council - Core funding	87,314	—	87,314
Advocacy Service	186,153	—	186,153
MASDAP	—	152,550	152,550
Middlesbrough Council - Hubs	—	200,000	200,000
Energy Redress Scheme	—	3,758	3,758
Macmillan Cancer Support	—	30,000	30,000
Mental Health	—	28,000	28,000
Step Forward Tees Valley - BBO	—	13,223	13,223
Community Justice Fund	—	14,672	14,672
Warm Up North	—	37,322	37,322
Barclays	—	4,500	4,500
LSLiP	—	18,406	18,406
Warm Homes Fund	—	76	76
Other income from charitable activities	4,623	—	4,623
	<u>278,090</u>	<u>502,507</u>	<u>780,597</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Middlesbrough Council - Core funding	87,314	—	87,314
Advocacy Service	213,274	—	213,274
MASDAP	—	201,098	201,098
Middlesbrough Council - Hubs	—	200,000	200,000
Energy Redress Scheme	—	17,496	17,496
Macmillan Cancer Support	—	30,000	30,000
Help To Claim	—	154,696	154,696
Mental Health	—	28,000	28,000
Step Forward Tees Valley - BBO	—	17,129	17,129
North Ormesby OR	—	9,000	9,000
LSLiP	—	41,736	41,736
Warm Homes Fund	—	12,152	12,152
Other income from charitable activities	102	—	102
	<u>300,690</u>	<u>711,307</u>	<u>1,011,997</u>

7. Investment Income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	<u>404</u>	<u>404</u>	<u>—</u>	<u>—</u>

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Costs of charitable activities	193,257	414,941	608,198
Support costs	97,840	166,018	263,858
	<u>291,097</u>	<u>580,959</u>	<u>872,056</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Costs of charitable activities	196,617	575,061	771,678
Support costs	72,697	153,435	226,132
	<u>269,314</u>	<u>728,496</u>	<u>997,810</u>

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly	Support costs	Total funds 2023 £	Total fund 2022 £
Costs of charitable activities	608,198	263,858	872,056	997,810

10. Analysis of Grants

	2023 £	2022 £
Grants to Institutions		
Actes	18,300	30,188
Age UK	13,125	17,500
CHAC	62,500	62,364
Middlesbrough Council	22,500	22,500
	<u>116,425</u>	<u>132,552</u>
Grants to Individuals		
Stockton Citizens Advice	–	7,543
Hartlepool Citizens Advice	–	235
	<u>–</u>	<u>7,778</u>
Total grants	<u>116,425</u>	<u>140,330</u>

Monies paid to Actes, CHAC, Middlesbrough Council and Age UK Teesside are for delivery of the Hub Advice/Benefits Take Up Campaign, for which Middlesbrough CAB is the lead partner.

Monies paid to Stockton CAB and Hartlepool CAB is for delivery of the advocacy service, for which Middlesbrough CAB is the lead partner.

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

11. Net (Expenditure)/Income

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

	2023	2022
	£	£
Depreciation of tangible fixed assets	16,907	18,359

12. Independent Examination Fees

	2023	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	1,200	—

13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	549,040	681,686
Social security costs	40,605	47,009
Employer contributions to pension plans	18,460	17,075
Movement in pension provision	(4,769)	(15,703)
	603,336	730,067

The average head count of employees during the year was 32 (2022: 38).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £43,237 (2022:£46,387).

14. Trustee Remuneration and Expenses

No trustees were paid either remuneration or expenses in the current or previous year.

15. Transfers Between Funds

During the year match funding of £28,005 was transferred from unrestricted to restricted funds.

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

16. Tangible Fixed Assets

	Freehold Buildings £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 April 2022 and 31 March 2023	393,967	45,566	6,292	445,825
Depreciation				
At 1 April 2022	292,736	38,780	6,292	337,808
Charge for the year	15,759	1,148	—	16,907
At 31 March 2023	308,495	39,928	6,292	354,715
Carrying amount				
At 31 March 2023	85,472	5,638	—	91,110
At 31 March 2022	101,231	6,786	—	108,017

17. Debtors

	2023 £	2022 £
Trade debtors	39,932	35,420
Prepayments and accrued income	44,993	28,791
Other debtors	—	9,393
	84,925	73,604

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	16,800	7,306
Accruals and deferred income	40,103	41,730
Social security and other taxes	19,080	23,153
Deferred income	12,600	
Pension creditor	3,354	4,652
	91,837	76,841

19. Provisions

	Pensions and similar obligations £
At 1 April 2022	6,743
Other movements	(4,769)
At 31 March 2023	1,974

20. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £13,691 (2022: £1,372).

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

20. Pensions and Other Post Retirement Benefits (continued)

Scheme: TPT Retirement Solutions - The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025: £3,312,000 per annum (payable monthly)

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

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

Deficit Contributions

From 1 April 2019 to 30 September 2028: ££11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

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

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

Present Value of Provision

	2023	2022	2021
	£	£	£
Present value of provision	6,743	30,026	35,576

Reconciliation of opening and closing provisions

	2023	2022
	£	£
Provision at start of period	30,026	35,576
Unwinding of the discount factor (interest expense)	173	800

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

20. Pensions and Other Post Retirement Benefits (continued)

Deficit contribution paid	(7,598)	(7,377)
Remeasurements - Impact of any changes in assumptions	(155)	1,027
Remeasurements - Changes to the contribution schedule	(15,703)	Nil
Provision at end of period	13,486	60,052

Income and Expenditure Impact

	2023	2022
	£	£
Interest expense	173	800
Remeasurements - Impact of any change in assumptions	(155)	1,027
Remeasurements - Amendments to the contribution schedule	(15,703)	Nil
Costs recognised in income and expenditure accounts	17,057	16,968

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

Assumptions

	2023	2022	2021
	£	£	£
Rate of discount	2	1	3

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

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

	2023	2022	2021
	£	£	£
Year 1	2,457	7,598	7,377
Year 2	2,457	7,826	7,598
Year 3	2,457	8,061	7,826
Year 4	Nil	6,919	8,061
Year 5	Nil	Nil	6,919

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

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

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

21. Analysis of Charitable Funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	264,946	92,456	(41,817)	(75,373)	240,212
Advocacy Service	–	186,153	(233,521)	47,368	–
Designated Fund - Contingency	50,000	–	–	–	50,000
Fixed Asset funds	101,231	–	(15,759)	–	85,472
	<u>416,177</u>	<u>278,609</u>	<u>(291,097)</u>	<u>(28,005)</u>	<u>375,684</u>

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	242,182	87,586	(2,443)	(62,379)	264,946
Advocacy Service	–	213,274	(251,112)	37,838	–
Designated Fund - Contingency	50,000	–	–	–	50,000
Fixed Asset funds	116,990	–	(15,759)	–	101,231
	<u>409,172</u>	<u>300,860</u>	<u>(269,314)</u>	<u>(24,541)</u>	<u>416,177</u>

Restricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
MASDAP	–	152,550	(175,316)	–	(22,766)
Middlesbrough Council Hubs	55,875	200,000	(195,200)	–	60,675
Macmillan Cancer Support	38,112	30,000	(26,234)	–	41,878
Mental Health	–	28,000	(41,955)	–	(13,955)
Step Forward Tees Valley (BBO)	–	13,223	(22,570)	9,347	–

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

21. Analysis of Charitable Funds (continued)

North Ormesby OR	18,172	–	(18,172)	–	–
LSLiP	–	18,406	(29,403)	10,997	–
Energy Redress Scheme	–	3,758	(10,086)	6,328	–
Barclays	–	4,500	(5,065)	–	(565)
Warm Homes Fund	–	76	–	(76)	–
Community Justice Fund	–	14,672	(16,081)	1,409	–
Warm Up North	–	37,322	(40,877)	–	(3,555)
	<u>112,159</u>	<u>502,507</u>	<u>(580,959)</u>	<u>28,005</u>	<u>61,712</u>

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
MASDAP	–	201,098	(184,883)	(16,215)	–
Middlesbrough Council Hubs	51,639	200,000	(195,764)	–	55,875
Benefits for Migrants	3,251	–	–	(3,251)	–
Macmillan Cancer Support	28,561	30,000	(20,449)	–	38,112
Mental Health	–	28,000	(34,026)	6,026	–
Step Forward Tees Valley (BBO)	–	17,129	(20,247)	3,118	–
North Ormesby OR	4,632	9,000	(2,924)	7,464	18,172
Access to Justice LP	8,894	–	(20,174)	11,280	–
Warmer Homes	–	12,152	(16,861)	4,709	–
Help to Claim	366	154,696	(155,731)	669	–
North Ormesby MM	7,464	–	–	(7,464)	–
LSLiP	–	41,736	(57,461)	15,725	–
Energy Redress Scheme	–	17,496	(19,976)	2,480	–
	<u>104,807</u>	<u>711,307</u>	<u>(728,496)</u>	<u>24,541</u>	<u>112,159</u>

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

21. Analysis of Charitable Funds *(continued)*

Money Advice Service Debt Advice Project (MASDAP) monies are used to deliver a specialist debt casework service.

The Advocacy Service is funded by Middlesbrough Council, Stockton Borough Council and Redcar and Cleveland Borough Council. The monies are used to deliver a service providing support to people wishing to access or better understand the health and social care services they receive, or need support because of lack of capacity,

Middlesbrough Council monies are used to provide our generalist service. It is also used to deliver, with partners, benefits advice in community settings

Macmillan Cancer Support funding comes from Middlesbrough Council, Redcar and Cleveland Borough Council and South Tees Clinical Commissioning Group and the monies are used to deliver a service providing benefits advice to people with cancer.

Community Connect is funding for a service which puts people facing social isolation in contact with their community and helping them overcome barriers to engagement.

Mental Health Advice is a service providing welfare benefits advice to people with mental health problems.

Step Forward Tees Valley - BBQ is a debt and financial capability service for people facing significant barriers to joining the labour market.

The Warmer Homes service provides income maximisation and energy advice to people at risk of fuel poverty.

North Ormesby Money Matters provides financial capability services in North Ormesby through funding provided by North Ormesby Big Local.

The Access to Justice Fund provides resources to offer a benefits advice service to migrants.

UCSS is now known as the Help To Claim Service, which assists people to make claims for Universal Credit.

Benefits for Migrants is a service funded for part of the year by the Access to Justice fund and the remainder by the People's Postcode Lottery. It provides advice and support to people abroad who need to claim benefits or challenge a decision about their benefits entitlement.

Energy Advice Project is funded via our national association, this service provides advice to people in fuel poverty about income maximisation, switching energy providers and reducing energy expenditure.

Help to Claim is funded via our national association, this service provides assistance to people wishing to claim Universal Credit. The advice is provided face to face, over the phone and via webchats.

Energy Redress Scheme - The Energy Redress Fund scheme provides energy advice and income maximisation services to people in or at risk of fuel poverty.

LSLiP - The Legal Support for Litigants in Person provides advice to people with welfare benefits or employment issues who are involved in litigation eg appealing to a First Tier Benefits Tribunal or to an Employment Tribunal.

Warm Up North is an energy advice service delivered in partnership with Stockton, Newcastle

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

21. Analysis of Charitable Funds (continued)

and South Tyneside CABx. The project aims to help local people mitigate the effects of fuel poverty through a range of measures, including advice about tariffs, grants available, reducing energy usage, and income maximisation.

Community Justice Fund was short term funding, provided through the Access to Justice Foundation, to enable legal advice organisations to maintain their services in the face of the cost of living crisis. Middlesbrough CAB used the money to support the salaries of key supervisors within its generalist service.

The designated fund has been set aside to ensure that the charity will have funds available should any unforeseen, major repairs be required to the building and any costs relating to future redundancies, should these be required.

22. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	91,110	–	91,110
Current assets	378,385	61,712	440,097
Creditors less than 1 year	(91,837)	–	(91,837)
Provisions	(1,974)	–	(1,974)
Net assets	375,684	61,712	437,396

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	108,017	–	108,017
Current assets	382,351	112,159	494,510
Creditors less than 1 year	(67,448)	–	(67,448)
Provisions	(6,743)	–	(6,743)
Net assets	416,177	112,159	528,336

23. Analysis of Changes in Net Debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	430,299	(75,127)	355,172

24. Operating Lease Commitments

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

	2023 £	2022 £
Not later than 1 year	323	482
Later than 1 year and not later than 5 years	323	–
	646	482

Middlesbrough Citizens Advice Bureau

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

25. Related Parties

There were no transactions with related parties during the current or previous year.

Middlesbrough Citizens Advice Bureau

Management Information

Year Ended 31 March 2023

The Following Pages Do Not Form Part of the Financial Statements.

Middlesbrough Citizens Advice Bureau

Detailed Statement of Financial Activities

Year Ended 31 March 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations and gifts	115	170
Charitable activities		
Middlesbrough Council - Core funding	87,314	87,314
Advocacy Service	186,153	213,274
MASDAP	152,550	201,098
Middlesbrough Council - Hubs	200,000	200,000
Energy Redress Scheme	3,758	17,496
Macmillan Cancer Support	30,000	30,000
Help To Claim	—	154,696
Mental Health	28,000	28,000
Step Forward Tees Valley - BBO	13,223	17,129
Community Justice Fund	14,672	—
Warm Up North	37,322	—
North Ormesby OR	—	9,000
Barclays	4,500	—
LSLIP	18,406	41,736
Warm Homes Fund	76	12,152
Other income from charitable activities	4,623	102
	<u>780,597</u>	<u>1,011,997</u>
Investment income		
Bank interest receivable	404	—
	<u>781,116</u>	<u>1,012,167</u>
Total income		
Expenditure		
Activities undertaken directly		
Wages	413,544	551,970
Employer's NIC	40,605	47,009
Pension costs	13,691	1,372
Premises costs	407	399
Office costs	6,764	7,927
Staff and volunteer costs	15,485	14,334
Payments to partners and other costs	117,702	148,667
	<u>608,198</u>	<u>771,678</u>
Support costs		
Wages	135,496	129,716
Premises costs	70,981	37,848
Office costs	31,629	35,788
Depreciation	16,907	18,359
Staff and volunteer costs	1,754	1,198
Payments to partners and other costs	6,691	439
Governance costs	400	2,784
	<u>263,858</u>	<u>226,132</u>
Expenditure on charitable activities	<u>872,056</u>	<u>997,810</u>

Middlesbrough Citizens Advice Bureau

Detailed Statement of Financial Activities *(continued)*

Year Ended 31 March 2023

	2023	2022
	£	£
Net (expenditure)/income	(90,940)	14,357