

CITIZENS ADVICE LINDSEY
REGISTERED IN ENGLAND AND WALES UNDER COMPANY NUMBER 04740511
REGISTERED CHARITY NUMBER 1099145

FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021

TINGLE ASHMORE LTD
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
SHEFFIELD

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CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021

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CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
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TRUSTEES' ANNUAL REPORT

The trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements for the charity for the year ended 31st March 2021.

Objectives and aims

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 East Lindsey and West Lindsey and surrounding areas.

Public benefit

When reviewing the charity's objectives and aims, and in planning future activities, the trustees have considered the Charity Commission's general guidance on public benefit

Achievements and performance

During the year, through generalist advice services and projects including both restricted and unrestricted projects, around 4,700 local clients in East and West Lindsey were helped with more than 20,400 issues. A further 2,900 quick client contacts were made. Of those clients who responded to surveys, 97% found the service easy to access, 88% found a way forward, 100% had a positive experience.

For restricted funded projects please see 'Note 18' on the accounts.

Research and Campaigns

During the financial year the charity submitted a range of research and campaign issues to national Citizens Advice. Citizens Advice collects evidence of clients' problems and uses this to campaign for change in national and local policies and services. Citizens Advice has a key role in speaking up for clients, raising issues brought into the service, contributing to public debate and informing legislation.

Equality and Diversity

The charity is committed to providing a supportive and inclusive culture for:

- All those who need their services
- Staff and volunteers
- Stakeholders

The charity recognises the positive value of diversity, promoting equality and fairness, and challenging discrimination. Client, staff and trustee profiles are monitored to ensure that services reflect the community and the charity aims to ensure services are accessible to all.

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TRUSTEES' ANNUAL REPORT

Financial review

The results for the year and the financial position of the charitable company are as shown in the annexed financial statements.

Citizens Advice Lindsey has benefited from financial support from County, District, Town and Parish Councils during the year and has been successful in opening up other avenues of funding from new sources. Thanks go to all funders for their continued support.

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to make and hold investments using general funds of the company.

Reserves policy

The trustees have considered the level of reserves that the charity should have. The trustees feel it is prudent to hold between six and twelve months operating costs in reserves. We calculate our reserves based on total Unrestricted Funds less Unrestricted Fixed Assets. Based on the 2021/22 projected budget expenditure the reserves required to meet the policy would equate to between £515,725 and £1,031,451. Our actual reserves at 31st March 2021 were £751,689 (note 17). The trustees are satisfied with the position.

Fundraising standards information

The charity had no significant fundraising activities this year.

Priorities and plans for future periods

To ensure the charity is fully informed about strategic priorities, consultation is held with internal and external stakeholders and performance reviewed. Consultation is held with the National Citizens Advice to ensure plans are aligned to the wider Citizens Advice Service Strategy.

An analysis of client and community profiles, advice needs analysis as well as an assessment of client satisfaction is carried out to ensure services are client centred. For example, the advice needs analysis shows that clients across both districts have difficulties in accessing face-to-face services due to the sparse and rural nature of the districts and the associated transport difficulties.

This informs our future priorities:

1. **Increase access and meet the needs of rurally isolated and vulnerable groups in our communities.**
2. **To become a more effective, efficient and sustainable organisation.**

In addition, the situation with Covid19 will require the charity to consider related challenges and key risks, both in the immediate term and also in the longer term.

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TRUSTEES' ANNUAL REPORT

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Citizens Advice Lindsey is a company limited by guarantee governed by its Memorandum and Articles of Association dated 22nd April 2003, as amended 21st March 2018. It is registered as a charity with the Charity Commission. The members of the company have agreed to contribute £1 each in the event of the charity winding up.

The company was previously named East Lindsey Citizens Advice Bureau and changed name on 20 December 2018.

The trustees are responsible for ensuring risks are managed effectively. Major risks are reviewed and systems and/or procedures established to manage those risks with a lessons learnt approach. The risk management arrangements include but are not limited to a risk management strategy, a comprehensive business continuity plan and robust performance and quality management, financial management, information risk management, ICT management, health & safety and premises management.

The trustees set the pay policy which sets out pay and conditions for key management and employees. The trustees are committed to ensuring the pay system operates as effectively, efficiently and as equitably as possible.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles and may be co-opted during the year and/or elected at the Annual General Meeting.

The Trustee Board has regard to the requirement for any specialist skills when considering new trustees. In an effort to maintain a broad skill mix, members of the Trustee Board are requested to provide a list of their skills and in the event of particular skills being lost due to retirement or resignation a recruitment process is launched and individuals with the required skills are invited to apply for the position of trustee.

Induction and training of new trustees

New trustees are invited and encouraged to attend a short training programme to familiarise themselves with the charity and the context within which it operates. These cover:

- Induction, ethos and history of Citizens Advice.
- The obligations of trustees.
- The main documents which set out the operational framework for the charity, including the Memorandum and Articles of Association and the Membership Standards operated by Citizens Advice including those for quality assurance.
- Financial resources and the current financial position as set out in the latest published accounts and the latest management accounts.
- Future plans and objectives of the charity

Organisational structure

The charity trustees meet a minimum of four times a year and are responsible for determining the strategic direction of the charity and that the charity is compliant with company law, charity legislation and Citizens Advice Membership Standards.

The Trustee Board delegate the day-to-day responsibility for the operational aspects of the charity to the Chief Officer who ensures that the charity delivers the services specified and that key performance indicators are met.

CITIZENS ADVICE LINDSEY
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TRUSTEES' ANNUAL REPORT

Structure, governance and management (continued)

Board review

The Trustee Board appraises and reviews its own performance and that of individual trustees, including the chair. Such evaluation typically considers the Board's balance of:

- Skills, knowledge and experience including lived experience
- Attendance at and participation in meetings
- Its diversity in the widest sense
- How the board works together
- Influencing on behalf of the charity
- Other factors relevant to its effectiveness

The trustee board appraises and reviews its performance quarterly and annually.

Statement of internal control

The Trustee Board oversees the information security of all personal information of clients, staff, funders and strategic partners that is processed. The charity holds joint responsibility for client data that is held in the 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 General Data Protection Regulation and Data Protection Act 2018.

Reference and administrative details

| | | |
|----------------------------|--|---|
| Name and registered office | Citizens Advice Lindsey Guildhall, Marshall's Yard, Gainsborough, DN21 2NA | |
| Charity number | 1099145 | |
| Company number | 04740511 | |
| Our advisors: Auditors | Tingle Ashmore Ltd Chartered Accountants and Statutory Auditors Enterprise House, Broadfield Court, Sheffield, S8 0XF | |
| Bankers | Lloyds Bank Lumley Road, Skegness, PE25 3LP Nationwide Building Society Kings Park Road, Moulton Park, Northampton, NN3 6NW | |
| Trustees and directors | Joy Hamilton Clews (Chair) Derek Isles (Vice Chair) Catherine Connell (Treasurer) Lynda Jean Crosby Kathryn Laverack Heather Ann Brown - co-opted 10/2/21 Stephanie Mary Challinor - co-opted 18/8/21 Stephen John Beard - resigned 31/3/21 | |
| Principal Staff | Jenny Barnett Paul Burrows Thomas Hutchesson | - Chief Officer - Operations Manager - Service Delivery Manager |

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
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TRUSTEES' ANNUAL REPORT

Trustees' Responsibilities

The trustees (who are also directors of Citizens Advice Lindsey 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 2019 (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 audit 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 audit information and to establish that the auditor is aware of that information.

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Signed on behalf of the Trustees



Joy Hamilton Clews, Chair of Trustees

Dated : 15/12/21

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CITIZENS ADVICE LINDSEY

Opinion

We have audited the financial statements of Citizens Advice Lindsey (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities and Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period 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 Trustees Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CITIZENS ADVICE LINDSEY

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (incorporating the Directors' Report) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CITIZENS ADVICE LINDSEY

Based on our understanding of the charity and the environment in which it operates we identified that the principal risks of non-compliance with laws and regulations related to employment law and regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements being the Companies Act 2006, Charities Act 2011, Charity SORP and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of overriding internal controls, and determined that the principal risks related to the incorrect classification and recognition of income and posting inappropriate journal entries. Audit procedures performed included the following:

- Discussion with management regarding their knowledge or suspicion of instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing correspondence from funders for significant income;
- Identifying and testing journals, in particular those for large amounts, unusual descriptions or those for year end adjustments;
- Reviewing the minutes of Trustee meetings;

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.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

B.P. Ashmore

Dated : *16/12/21*

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Brendan Ashmore ACA
Senior Statutory Auditor
for and on behalf of Tingle Ashmore Ltd
Chartered Accountants and Statutory Auditors
Enterprise House
Broadfield Court
Sheffield
S8 0XF

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021
STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT

| | | Unrestricted funds | Restricted funds | Total funds | Total funds |
|--|-------|-----------------------|---------------------|-------------------|-----------------|
| | Notes | | | 2021 | 2020 |
| | | £ | £ | £ | £ |
| Income from: | | | | | |
| Donations and legacies | 4 | 3,569 | - | 3,569 | 51,267 |
| Charitable activities | 5 | 202,082 | 857,040 | 1,059,122 | 730,530 |
| Investment income | 6 | 8,432 | - | 8,432 | 8,704 |
| Total income | | <u>214,083</u> | <u>857,040</u> | <u>1,071,123</u> | <u>790,501</u> |
| Expenditure on: | | | | | |
| Raising funds: | | | | | |
| Investment management costs | 7 | 216 | - | 216 | 216 |
| Charitable activities | 8,9 | <u>127,214</u> | <u>806,030</u> | <u>933,244</u> | <u>723,537</u> |
| Total expenditure | | <u>127,430</u> | <u>806,030</u> | <u>933,460</u> | <u>723,753</u> |
| Net loss on revaluation of investment property | 14 | <u>(5,000)</u> | <u>-</u> | <u>(5,000)</u> | <u>-</u> |
| Net income for the year | 10 | 81,653 | 51,010 | 132,663 | 66,748 |
| Transfers between funds | 18 | <u>13,537</u> | <u>(13,537)</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 95,190 | 37,473 | 132,663 | 66,748 |
| Funds brought forward at 1st April 2020 | | <u>735,247</u> | <u>154,014</u> | <u>889,261</u> | <u>822,513</u> |
| Funds carried forward at 31st March 2021 | | <u>£830,437</u> | <u>£191,487</u> | <u>£1,021,924</u> | <u>£889,261</u> |

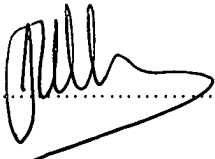
The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021
BALANCE SHEET

| | Notes | 2021 | 2020 |
|---|-------|--------------------------|------------------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 13 | 137,044 | 144,001 |
| Investment property | 14 | 75,000 | 80,000 |
| | | <u>212,044</u> | <u>224,001</u> |
| Current assets | | | |
| Debtors | 15 | 42,102 | 32,443 |
| Cash at bank and on hand | | 827,012 | 653,642 |
| | | <u>869,114</u> | <u>686,085</u> |
| Creditors - amounts falling due within one year | 16 | <u>59,234</u> | <u>20,825</u> |
| Net current assets | | <u>809,880</u> | <u>665,260</u> |
| Net assets | | <u><u>£1,021,924</u></u> | <u><u>£889,261</u></u> |
| The funds of the charity: | | | |
| Restricted funds | 18 | 191,487 | 154,014 |
| Unrestricted funds | 18 | <u>830,437</u> | <u>735,247</u> |
| Total funds | 17 | <u><u>£1,021,924</u></u> | <u><u>£889,261</u></u> |

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

These financial statements were approved and authorised for issue by the Board on 15/12/21 and are signed on their behalf by

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Joy Hamilton Clews, Chair of Trustees

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021
STATEMENT OF CASH FLOWS

| | Total funds | Total funds |
|---|------------------------|------------------------|
| | 2021 | 2020 |
| | £ | £ |
| Cash flows from operating activities: | | |
| Net cash provided by operating activities | <u>164,938</u> | <u>8,006</u> |
| Cash flows from investing activities: | | |
| Dividends, interest and rent from investments | 8,263 | 8,000 |
| Other interest received and similar income | 169 | 704 |
| Purchase of tangible fixed assets | <u>-</u> | <u>(7,464)</u> |
| Net cash provided by investing activities | <u>8,432</u> | <u>1,240</u> |
| Change in cash and cash equivalents in the year | 173,370 | 9,246 |
| Cash and cash equivalents at the beginning of the year | <u>653,642</u> | <u>644,396</u> |
| Cash and cash equivalents at the end of the year | <u><u>£827,012</u></u> | <u><u>£653,642</u></u> |
| Cash and cash equivalents consists of: | | |
| Cash at bank and on hand | <u><u>£827,012</u></u> | <u><u>£653,642</u></u> |
| Reconciliation of net income to net cash flow from operating activities: | | |
| Net income for the year | 132,663 | 66,748 |
| Adjustments for: | | |
| Depreciation charges | 6,957 | 6,473 |
| Dividends, interest and rent from investments | (8,263) | (8,000) |
| Other interest receivable and similar income | (169) | (704) |
| Increase in debtors | (9,659) | (26,355) |
| Increase/(decrease) in creditors | 38,409 | (30,156) |
| Net loss on revaluation of investment property | <u>5,000</u> | <u>-</u> |
| Net cash provided by operating activities | <u><u>£164,938</u></u> | <u><u>£8,006</u></u> |

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

1 General information

The charity constitutes a public benefit entity, as defined by FRS 102, a private company limited by guarantee, registered in England and Wales, and a registered charity in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The address of the registered office is given in the charity information on page 4 of these financial statements.

2 Statement of compliance

These 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 application in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3 Accounting policies

Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investment properties measured at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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.

Income recognition

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

CITIZENS ADVICE LINDSEY
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

3 Accounting policies (continued)

Expenditure recognition

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot fully be recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds include the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- 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 to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Defined benefit pension contributions

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Accrued Holiday Pay

Provision is made at the balance sheet date for holidays accrued but not taken, at the salary of the relevant employee at that date. The expected cost of compensated short-term absence (i.e. holidays) is charged to the SOFA on an accruals basis.

Taxation

The charity is a registered charity and as such is not liable to corporation tax on its income to the extent that its income is used for charitable purposes.

Tangible fixed assets and depreciation

Tangible assets costing over £2,000 are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset. The depreciation rates used are as follows:

| | |
|-----------------------|---------------------|
| Freehold property | - 2% straight line |
| Plant and machinery | - 33% straight line |
| Property improvements | - 2% straight line |

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in the statement of financial activities.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered.

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3 Accounting policies (continued)

Creditors

Creditors are recognised when 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.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity, unless they have been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

| | Unrestricted funds | Restricted funds | Total funds 2021 | Total funds 2020 |
|------------------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| 4 Donations and legacies | | | | |
| Donations | 3,569 | - | 3,569 | 27,335 |
| Legacies | - | - | - | 23,932 |
| | <u>£3,569</u> | <u>£-</u> | <u>£3,569</u> | <u>£51,267</u> |
| 5 Charitable activities | | | | |
| LCC | 80,282 | - | 80,282 | 80,282 |
| ELDC | 55,600 | - | 55,600 | 56,691 |
| WLDC | 60,200 | - | 60,200 | 60,200 |
| Citizens Advice: | | | | |
| Consumer Services Funding | - | 343,759 | 343,759 | 220,286 |
| Help to Claim | - | 68,294 | 68,294 | 74,907 |
| Help to Claim National Call Centre | - | 91,703 | 91,703 | 83,927 |
| BEIS | 6,000 | 45,102 | 51,102 | - |
| Trussell Trust | - | 62,323 | 62,323 | - |
| EMMA | - | 117,357 | 117,357 | 100,762 |
| ELDC Homelessness Prevention | - | 20,000 | 20,000 | 20,000 |
| Coastal Advice | - | 14,285 | 14,285 | 5,038 |
| T.E.D. Project | - | 27,217 | 27,217 | 27,959 |
| HMRC | - | 57,000 | 57,000 | - |
| Lincolnshire Community Foundation | - | 10,000 | 10,000 | - |
| Miscellaneous | - | - | - | 478 |
| | <u>£202,082</u> | <u>£857,040</u> | <u>£1,059,122</u> | <u>£730,530</u> |

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| | Unrestricted funds | Restricted funds | Total funds 2021 | Total funds 2020 |
|---|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| 6 Investment income | | | | |
| Income from investment properties | 8,263 | - | 8,263 | 8,000 |
| Deposit account interest | 169 | - | 169 | 704 |
| | <u>£8,432</u> | <u>£-</u> | <u>£8,432</u> | <u>£8,704</u> |
| 7 Investment management costs | | | | |
| Property repairs and maintenance charges | <u>£216</u> | <u>£-</u> | <u>£216</u> | <u>£216</u> |
| 8 Costs of charitable activities by fund type | | | | |
| Advice and information services | 124,070 | 804,310 | 928,380 | 714,826 |
| Governance costs | <u>3,144</u> | <u>1,720</u> | <u>4,864</u> | <u>8,711</u> |
| | <u>£127,214</u> | <u>£806,030</u> | <u>£933,244</u> | <u>£723,537</u> |
| 9 Classification of resources expended | | | | |
| Wages and salaries | | | 693,859 | 545,537 |
| Other staff and volunteer costs | | | 18,669 | 21,735 |
| Premises costs | | | 67,331 | 67,780 |
| Office costs | | | 42,782 | 26,694 |
| Communications | | | 29,627 | 20,985 |
| IT | | | 36,094 | 11,626 |
| Partner payments | | | 12,700 | 12,700 |
| Consultancy | | | 17,709 | - |
| Publicity and promotion | | | 67 | 245 |
| Trustee expenses | | | 232 | 844 |
| General expenses | | | 13 | 840 |
| Legal and professional fees | | | 6,921 | 7,867 |
| Bank charges | | | 283 | 211 |
| Depreciation | | | <u>6,957</u> | <u>6,473</u> |
| | | | <u>£933,244</u> | <u>£723,537</u> |
| 10 Net income for the year | | | | |
| This is stated after charging:- | | | | |
| Depreciation | | | 6,957 | 6,473 |
| Auditor's remuneration (Tingle Ashmore Ltd) | - audit | | 3,030 | - |
| | - accountancy | | 1,350 | - |
| Independent examiner's remuneration (Darbys) | | | <u>-</u> | <u>1,800</u> |

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| | 2021 | 2020 |
|---|-----------------|-----------------|
| | £ | £ |
| 11 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel | | |
| Wages and salaries | 648,423 | 509,460 |
| Employer's national insurance | 35,821 | 28,135 |
| Pension costs | 9,615 | 7,942 |
| | <u>£693,859</u> | <u>£545,537</u> |

The average number of employees during the year was 42 (2020 - 33).
No employees had employee benefits in excess of £60,000 in either year.

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, Operations Manager and Head of Service Delivery. The total employee benefits of the key management personnel were £101,356 (2020 - £77,766).

The trustees were not paid or received any other benefits from employment with the charity in either year.

During the year, travel expenses of £232 (2020 - £844) were paid to 2 (2020 - 4) trustees.

- 12 Related party transactions
There were no related party transactions requiring disclosure in either year.

13 Tangible assets

| | Freehold property | Property improvements | Plant and machinery | Total |
|---|----------------------|--------------------------|------------------------|-----------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| As at 1st April 2020 and at 31st March 2021 | <u>198,949</u> | <u>24,482</u> | <u>67,903</u> | <u>291,334</u> |
| Depreciation | | | | |
| As at 1st April 2020 | 61,674 | 23,216 | 62,443 | 147,333 |
| Charge for the year | <u>3,979</u> | <u>490</u> | <u>2,488</u> | <u>6,957</u> |
| As at 31st March 2021 | <u>65,653</u> | <u>23,706</u> | <u>64,931</u> | <u>154,290</u> |
| Net book value | | | | |
| As at 31st March 2021 | <u>£133,296</u> | <u>£776</u> | <u>£2,972</u> | <u>£137,044</u> |
| As at 31st March 2020 | <u>£137,275</u> | <u>£1,266</u> | <u>£5,460</u> | <u>£144,001</u> |

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14 Investment property

| | £ |
|-------------------------------|-----------------------|
| Fair value at 1st April 2020 | 80,000 |
| Revaluation | <u>(5,000)</u> |
| Fair value at 31st March 2021 | <u><u>£75,000</u></u> |

The investment property was valued at £75,000 in October 2021 by an independent and professional valuer. In the opinion of the trustees, the property's fair value at 31st March 2021 was £75,000.

| | 2021 | 2020 |
|--|-----------------------|-----------------------|
| | £ | £ |
| 15 Debtors | | |
| Trade debtors | 34,038 | 27,167 |
| Other debtors and prepayments | <u>8,064</u> | <u>5,276</u> |
| | <u><u>£42,102</u></u> | <u><u>£32,443</u></u> |
| 16 Creditors - amounts falling due within one year | | |
| Trade creditors | 7,666 | 6,015 |
| Taxation and social security | 12,610 | 7,211 |
| Accruals and deferred income | 14,098 | 7,599 |
| Other creditors | <u>24,860</u> | <u>-</u> |
| | <u><u>£59,234</u></u> | <u><u>£20,825</u></u> |

17 Total funds

Fund balances at 31st March 2021 are represented by:-

| | Unrestricted funds | Restricted funds | Total funds |
|--|------------------------|------------------------|--------------------------|
| | £ | £ | £ |
| Fixed assets | 78,748 | 133,296 | 212,044 |
| Net current assets | <u>751,689</u> | <u>58,191</u> | <u>809,880</u> |
| Net assets | <u><u>£830,437</u></u> | <u><u>£191,487</u></u> | <u><u>£1,021,924</u></u> |
| Prior year comparison | | | |
| Fund balances at 31st March 2020 were represented by:- | | | |
| Fixed assets | 86,726 | 137,275 | 224,001 |
| Net current assets | <u>648,521</u> | <u>16,739</u> | <u>665,260</u> |
| Net assets | <u><u>£735,247</u></u> | <u><u>£154,014</u></u> | <u><u>£889,261</u></u> |

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| 18 Income funds | Balance at 1st Apr 2020 | Movement in resources | | Transfers between funds | Balance at 31st Mar 2021 |
|-----------------------------|-------------------------------|-----------------------|-------------------|-------------------------------|--------------------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds | | | | | |
| Freehold property | 137,275 | - | (3,979) | - | 133,296 |
| Citizens Advice: | | | | | |
| Consumer Services | | | | | |
| Funding | 16,739 | 343,759 | (311,118) | - | 49,380 |
| Help to Claim | - | 68,294 | (67,131) | (1,163) | - |
| Help to Claim National Call | | | | | |
| Centre | - | 91,703 | (91,703) | - | - |
| BEIS | - | 45,102 | (45,102) | - | - |
| Trussell Trust | - | 62,323 | (49,949) | (12,374) | - |
| EMMA | - | 117,357 | (117,357) | - | - |
| ELDC Homelessness | | | | | |
| Prevention | - | 20,000 | (20,000) | - | - |
| Coastal Advice | - | 14,285 | (14,285) | - | - |
| T.E.D. Project | - | 27,217 | (27,217) | - | - |
| HMRC | - | 57,000 | (48,189) | - | 8,811 |
| Lincolnshire Community | | | | | |
| Foundation | - | 10,000 | (10,000) | - | - |
| Total restricted funds | <u>154,014</u> | <u>857,040</u> | <u>(806,030)</u> | <u>(13,537)</u> | <u>191,487</u> |
| Unrestricted funds | | | | | |
| General funds | <u>735,247</u> | <u>214,083</u> | <u>(132,430)</u> | <u>13,537</u> | <u>830,437</u> |
| Total funds | <u>£889,261</u> | <u>£1,071,123</u> | <u>£(938,460)</u> | <u>£-</u> | <u>£1,021,924</u> |

| Prior year comparison | Balance at 1st Apr 2019 | Movement in resources | | Balance at 31st Mar 2020 |
|--|-------------------------------|-----------------------|-------------------|--------------------------------|
| | £ | £ | £ | £ |
| Restricted funds | | | | |
| Freehold property | 141,254 | - | (3,979) | 137,275 |
| Consumer Services Funding | 11,591 | 220,384 | (215,236) | 16,739 |
| EMMA | - | 100,762 | (100,762) | - |
| ELDC Homelessness Prevention | - | 20,000 | (20,000) | - |
| T.E.D. Project | - | 27,959 | (27,959) | - |
| Help to Claim Webchat and Face to Face | - | 74,907 | (74,907) | - |
| Help to Claim National Call Centre | - | 83,927 | (83,927) | - |
| Coastal Advice | - | 5,038 | (5,038) | - |
| Total restricted funds | <u>152,845</u> | <u>532,977</u> | <u>(531,808)</u> | <u>154,014</u> |
| Unrestricted funds | | | | |
| General funds | <u>669,668</u> | <u>257,524</u> | <u>(191,945)</u> | <u>735,247</u> |
| Total funds | <u>£822,513</u> | <u>£790,501</u> | <u>£(723,753)</u> | <u>£889,261</u> |

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18 Income funds (continued)

Purpose of restricted funds

Freehold property - Restricted funds provided for the acquisition of the freehold property.

Consumer Service - Provide advice and information on contracts for goods and services before, during or after purchase, including legislation or industry regulations and practical guidance. Offer advice about On line scams.

Money Advice Service - To provide advice and casework to clients who have significant debt issues, including help with priority and non priority debts.

East Lindsey District Council Homelessness Prevention - To provide support to local residents with housing issues, including preventing homelessness and assisting those that are homeless to access accommodation.

Talk Eat Drink (TED) Project - Deliver advice to over 50s including maximising their income and assisting them to feel better connected, positive about their opportunities and less isolated.

Universal Credit Help to Claim - To supports clients in the early stages of their Universal Credit claim, from the application, through to first payment including support with gathering evidence for their Universal credit application.

Universal Credit Help to Claim National Call Centre - To supports clients in the early stages of their Universal Credit claim, from the application, through to first payment including support with gathering evidence for their Universal credit application.

Coastal Advice - To provide advice and casework, predominantly welfare benefits, for vulnerable and disabled clients along the coastal areas of Skegness and Mablethorpe.

HMRC - To provide advice and support to customers who need extra help understanding and complying with their tax obligations and claiming their entitlements.

Trussell Trust Food Bank - To provide help for people who cannot afford food and help them get an e-voucher for a local food parcel whilst providing information and advice on the issues that are causing financial hardship.

Lincolnshire Community Foundation - To provide advice and support to the residents of Mablethorpe and Sutton on Sea, particularly around Covid 19 recovery.

BEIS - To support delivery of Advice Line single Queue and to purchase remote working equipment.

19 Prior year comparatives

The breakdown of the 2020 statement of financial activities between unrestricted and restricted funds is as follows:

| | Unrestricted funds | Restricted funds | Total funds 2020 |
|-----------------------------|-----------------------|---------------------|------------------------|
| | £ | £ | £ |
| Income from: | | | |
| Donations and legacies | 51,267 | - | 51,267 |
| Charitable activities | 197,553 | 532,977 | 730,530 |
| Investment income | 8,704 | - | 8,704 |
| Total income | <u>257,524</u> | <u>532,977</u> | <u>790,501</u> |
| Expenditure on: | | | |
| Raising funds: | | | |
| Investment management costs | 216 | - | 216 |
| Charitable activities | <u>191,729</u> | <u>531,808</u> | <u>723,537</u> |
| Total expenditure | <u>191,945</u> | <u>531,808</u> | <u>723,753</u> |
| Net income for the year | <u>£65,579</u> | <u>£1,169</u> | <u>£66,748</u> |