

CITIZENS ADVICE SERVICE IN THREE RIVERS
(A company limited by guarantee)

Report and Financial Statements

Year ending 31 March 2022

Charity number 1104392

Company number 5082066

**Report and Financial Statements
for the year ended 31 March 2022**

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Report of the Directors and Trustees for the year ending 31 March 2022

The trustees (who are also the directors of the company for the purposes of company law) are pleased to present their annual directors' report together with the financial statements of the Charity for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the memorandum and articles of association, and the Charities Statement of Recommended Practice ("Charities SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102 issued in October 2019.

Objectives and activities**a) Objectives and aims**

The Charity's objectives are to promote any charitable purpose for the benefit of primarily, but not exclusively, the community in Three Rivers by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

Our service provides free, confidential, impartial and independent advice and information. It also exercises a responsible influence on the development of social policies locally and nationally and attempts to ensure individuals do not suffer through lack of knowledge or an inability to express their needs effectively. We value diversity, promote equality and inclusion, and challenge discrimination.

Our aims are focused on providing the advice people need for the problems they face and to improve the policies and practices that affect people's lives and are undertaken specifically to provide public benefit. The board of trustees have had due regard to the Charity Commission guidance on public benefit and have complied with the duty in section 4 of the Charities Act 2011.

b) Strategies and activities for the year

The main areas of charitable activity are the provision of generalist advice and information, specialist help with debt advice and family law matters, scams and tribunal representation for state benefit appeals.

The range of generalist advice we offer spans:

- full advice offered on virtually any issue from our comprehensive information system, with further specialist advice available from our extensive bank of reference books and consultancy helplines;
- negotiation with third parties outside Citizens Advice to secure the best and fairest outcome for our clients;
- a sympathetic listening ear to encourage a client to relax and tell us the full extent of the problem; and
- signposting to an area beyond our expertise or remit.

Generalist advice and information is offered at each of the four offices. The service is open to everyone regardless of race, gender, disability, sexual orientation, religion, age or nationality. Individual advice is provided at drop-in times, over the telephone through local and Citizens Advice's adviceline service and by email. We also hold advice outreaches at the South Oxhey Foodbank, the Mill End Foodbank and the Foodbank at the Emmanuel Church in Northwood. In South Bucks we ran a bi monthly outreach in Iver and a monthly outreach in Burnham. For the past 4 years we have had funding to give specialist help across digital channels, as well as face to face, to new universal credit claimants.

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Objectives and activities (continued)**

We also offer specialist debt advice across each of our four offices. This service consists of helping clients, usually those with multiple debts, to face a better future. Our money advisers will negotiate with creditors to encourage them to freeze interest on repayments until the client is in a position to start paying them off or write the debt off altogether if there is no chance of repayment. Alternatively, they will calculate realistic repayments on a pro rata basis to all creditors, or assist clients with insolvency as appropriate.

We also represent our debt clients at possession hearings at the local county court. Six of our money advisers are trained as debt relief order intermediaries, providing a seamless service for clients eligible for this insolvency option. Our money advice service is funded by the local authority for our South Bucks office, and in Three Rivers, money advice is part funded by the local authority with additional funding from Thrive Homes and Herts County Council Crisis Intervention funding.

Our other main areas of specialist work is case work and tribunal representation for sickness and disability benefits and family law casework. Our sickness and disability casework is provided by volunteers at Rickmansworth in addition to a paid caseworker funded by Rowlandson and Herts Community Foundation, a paid caseworker funded by Watford Rural Parish Council at South Oxhey and a paid caseworker funded by Abbots Langley Parish Council at Abbots Langley. Our family law casework team consists of two volunteers and a paid worker and is funded by Herts Community Foundation.

For the first time we actively sought funding from private individuals after being nominated by the Stort Valley Rotary, along with the other nine local citizens advice service in Hertfordshire and all the Hertfordshire Hospices, as beneficiaries of an extensive fundraising campaign for 2021/22 called 'Helping Herts'. This was new territory for us, and although the financial benefits to our service will not be seen until the next financial year, 'Helping Herts' raised in excess of £11,000 for our service from a dedicated fundraising website and a Charity Walk we organised locally. Our grateful thanks go to the Stort Valley Rotary for nominating us.

Finally, we have again accessed funding from the PCC Action Fund to continue to provide scams advice and to provide courses in budgeting, money management and saving energy to local community groups and schools.

Achievements and performance

In the past year, across Three Rivers and South Bucks, the Charity helped more than 8,500 clients with over 18,000 issues.

The pandemic continued to affect our service throughout the whole of the financial year. However, due to the amazing commitment of our volunteers and paid staff, we were able to offer a continuous service throughout providing a significant number of clients with advice, help and support throughout these difficult times.

We also worked in conjunction with partnerships within the local authority area and with other local citizen advice offices across the whole of Hertfordshire to maintain our services. This collaborative working helped us to cope with the sudden rise in enquiries coming to us via digital channels when face to face advice sessions were forced to close.

For our clients in Three Rivers we raised £2,417,660 in additional income and helped them to write off almost £400,000 in debts. This benefits the local economy and the income gain represents a total return of 939% on our core grant from Three Rivers District Council of £257,340.

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Achievements and performance (continued)**

For our clients in the former local authority area of South Bucks we raised £358,576 in additional income and helped them to write off over £40,000 in debts. This income gain represents a total return of 853% on our core grant from Buckinghamshire Council of £42,023

Our success rate at tribunal representation for sickness and disability benefits has been on average 96% in 2021-22, no change from 2020/21. We also have a 100% success rate for defending possession action for rent arrears for social housing tenants

The mainstay of our service are our volunteers, who provide advice and information to clients. In the year under review at least 29,120 volunteer hours were donated by at least 70 volunteers, which when costed out at modest rates of pay equates to a total value of at least £495,040 in donated hours. Throughout the pandemic we have had significant and multiple changes to our volunteer numbers and these numbers fluctuated throughout the pandemic. This meant that by the year's end we had a lower number of volunteers than in previous years. However, our intensive and ongoing recruitment drive means that a few short months after the year's end we now have more volunteers than pre COVID and we intend to maintain this number.

The twin aims of the Citizens Advice service require that whenever we encounter an issue of local social unfairness we campaign to raise awareness of the problem and seek to effect change for the better. At a national level, we pass these social policy issue to Citizens Advice's social policy department for them to pursue further, and where possible influence Parliamentary Committees and ultimately legislation on the issue. Universal credit and the general low level of benefit income still remains an issue and we are currently working within a significant cost of living crisis.

We have also worked locally to look at the accurateness of health assessments for sickness and disability benefits and the long waiting times for sickness and disability benefit appeals. We have had a government response to our concerns and we have now completed our data reports and are in the process of using these to facilitate local and national discussion

Last year, on the 31st March 2022, our fourth office, South Bucks, which was funded by the former local authority South Bucks District Council, was closed. The activity was transferred to the new unitary authority of Buckinghamshire Council who have in turn commissioned the newly merged Buckinghamshire Citizens Advice to provide services in that locality.

Financial review

During the past year, total income was £495k and expenditure £522k. In addition, there was a charge of £36k which represented the excess of cumulative grant income over cumulative expenses over the life of the South Bucks office. This amount is due to be paid to Buckinghamshire Council (see Note 11) following the closure of the office. The unrestricted income was £260k and the unrestricted expenditure £227k producing a surplus on general funds of £33k. Our unrestricted funds carried forward have increased to £468k.

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Financial review (continued)****a) Principal funding sources**

Our principal funding source is Three Rivers District Council, in the form of a grant and accommodation at our Rickmansworth bureau. As a result of increasing constraints on local authority expenditure the Charity obtains funding from other bodies. This totalled £210,967 and included:

- Abbots Langley Parish Council - £2,000 to fund a part time caseworker at Abbots Langley;
- Buckinghamshire Council - £42,023 to provide a CAB service in South Bucks (see also note below);
- Citizens Advice - £35,447 to provide advice and support to clients on Universal Credit;
- Citizens Advice in conjunction with the Money Advice and Pensions Service - £21,526 for two part time debt advisers;
- Citizens Advice - £2,146 for energy advice and debt relief orders;
- Citizens Advice - £1,700 to provide help and advice on scams;
- Graham Rowlandson Foundation and Hertfordshire Community Foundation - £8,333 to provide disability and benefits advice;
- Hertfordshire County Council - £38,595 for a crisis intervention fund;
- Hertfordshire Community Foundation - £4,605 – to provide help and advice on family law;
- Hertfordshire Community Foundation via PCC Action Fund - £4,856 to provide help and advice on scams;
- The Parochial Church Council of Abbots Langley and the St Albans Diocesan Board of Finance - a rent subsidy of £7,750 for the premises at Abbots Langley;
- Three Rivers District Council - £5,500 to help Three Rivers clients with their energy bills;
- Three Rivers District Council - £2,124 for help with homelessness reduction;
- Thrive Homes – £9,632 to provide extra debt advice hours;
- Thrive Homes - £11,000 for distribution to needy Thrive tenants;
- Watford Chamber of Commerce (DWP Kickstart) –£6,065 to fund an administration assistant;
- Watford Health Trust - £2,508 for needy clients in Three Rivers;
- Watford Rural Parish Council – a grant of £5,000 to fund a benefit case worker at South Oxhey;

The trustees would like to thank all funders for their continuing support.

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Financial review (continued)****b) Investment policy**

The trustees, having regard to the liquidity requirements of our advice service, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

The invested funds held on deposit achieved an average rate of 0.05% against the retail price index of 9%

c) Reserves policy

The trustees have examined the Charity's requirement for reserves in light of the main risks to the organisation. As reported previously the policy is to hold unrestricted funds not committed or invested in tangible fixed assets amounting to 9 months of the annual operating expenditure. Expenditure for 2021/22 is £522k and therefore a target of £392k should be held in general funds. These reserves are needed to meet the working capital requirements of the Charity, and the trustees are confident that at this level they would be able to continue the current activities of the Charity in the short term in the event of a significant drop in funding.

The unrestricted funds stand at £468k which exceeds the target level of reserves by £76k but taking into account the designated funds of £30k to cover repairs at the Abbots Langley premises and the purchase of new IT equipment, the reserves are only marginally in excess of the policy. The next few years will be financially challenging, and the trustees are well aware that future funding is not guaranteed.

Structure, governance and management**a) Governing document**

The company was set up as a company limited by guarantee under a memorandum of association which established the objects and power of the charitable company and is governed under its articles of association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each. At 31 March 2022 the company had 24 members.

b) Appointment of trustees

The trustees are appointed by the members of the company and are elected to serve for a period of three years after which they must be re-elected at the next annual general meeting. The trustees can co-opt people to the board who must then be formally elected by the members at the next annual general meeting.

Business skills are well represented on the trustee board and members' skills are reviewed each year.

c) Trustee induction and training

All potential trustees undergo a thorough induction and training process. Initially, an interview is held with the chair of the board and district manager. References are subsequently taken out if the candidate has been approved. The potential trustee is given a copy of a new trustee pack. There then follows an attachment to a service manager in the bureau, and attendance on a trustees' induction course, run by Citizens Advice. The potential trustee is subsequently proposed as a director at the next board meeting and stands for election at the next Annual General Meeting.

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Structure, governance and management (continued)****d) Organisation**

Citizens Advice Service in Three Rivers is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards. Operating policies are independently determined by the board of trustees in order to fulfil its charitable objects and comply with the national membership requirements. The board of trustees, which can have up to 15 members, normally meets quarterly and the meetings held this year have been held virtually in line with Government restrictions and recommendations.

A chief officer is appointed by the trustees to manage the day-to-day operations of the Charity. In addition, there is an experienced team of paid staff and volunteers who are key to the service offered by the Charity. Decisions are made by the trustee board in line with the business development plan and are reviewed at least annually.

The senior management team meet to review progress against targets and the Charity's financial position and to discuss issues referred to them by the trustee board. Reports and recommendations are then taken to the full board for approval, and their implementation is organised by the chief officer and the staff team. There are regular staff, volunteer meetings and senior management team meetings which ensure that progress is being made against targets. There is an annual general meeting which involves the staff team, trustee board, members and other stakeholders.

e) Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the Charity. Any connection between a trustee or senior manager of the Charity with a supplier or grant giving body must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note 9 to the accounts.

f) Pay policy for senior staff

The directors consider the board of directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the charity. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 to the accounts.

The pay of the senior staff is reviewed annually and normally increases in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other local citizens advice offices. The chief officer's salary is reviewed and approved by the trustee board separately but in line with the policy set out above.

g) Risk management

The trustees have a risk management strategy which comprises:

- A quarterly review of the principal risks and uncertainties that the Charity faces;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the Charity should those risks materialise.

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Reference and administrative information**

Registered name: Citizens Advice Service in Three Rivers Other name used: CASTR
Charity number: 1104392 Company number: 5082066
Registered Office: Northway House, High Street, Rickmansworth WD3 1EH.

The directors of the charitable company (the Charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Key management personnel: Trustees and directors

Nominated chair: Paul Shaw
Elected trustees: Mary Alderson
Emily Dunbar (appointed 7 March 2021)
Suresh Gajjar
Andrew Pickford
Graham Sadler (appointed 24th November 2021)
Ronald Sweetman
Jane E Tozer
Eluned Wallace

Key management personnel: Senior management team

Chief officer: Peta Mettam
Service manager: Trish Lincoln

The following were advisers to the trustees:

<i>Principal Bankers</i>	<i>Auditors</i>
Lloyds Bank plc	Hillier Hopkins LLP
82 High Street	Radius House
Rickmansworth	51 Clarendon Road
WD3 1AG	Watford WD17 1HP

Report of the Directors and Trustees for the year ended 31 March 2022 (continued)**Trustees' responsibilities statement - charitable company**

The trustees (who are also directors of Citizens Advice Service in Three Rivers for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the Trustees to prepare financial statements for each 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 the 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;
- 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume the the Charity will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Hillier Hopkins LLP was appointed as the charitable company's auditors at the last annual general meeting and have expressed their willingness to continue in that capacity.

By order of the board of trustees

Paul Shaw
Chairman

31 August 2022

Independent Auditor's Report to The Members of Citizens Advice Service in Three Rivers**Opinion**

We have audited the financial statements of Citizens Advice Service in Three Rivers (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022
- , and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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.

Independent Auditor's Report to the members of Citizens Advice Service in Three Rivers (continued)**Other information**

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, 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.

Independent Auditor's Report to the members of Citizens Advice Service in Three Rivers (continued)**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- We have assessed the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and relevant tax legislation.

Independent Auditor's Report to the members of Citizens Advice Service in Three Rivers (continued)**Auditor's responsibilities for the audit of the financial statements (continued)**

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.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters which 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
WD17 1HP
15 September 2022

Hillier Hopkins LLP are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Statement of Financial Activities (incorporating an income and expenditure account
for year ended 31 March 2022**

	Notes	Unrestricted Funds	Restricted Funds	Total	2021
		£	£	£	£
Income from:					
Donations		1,804	20	1,824	4,169
Charitable activities	2	258,340	206,467	464,807	532,567
Investment income	3	109	-	109	319
Other grant income	4	-	28,500	28,500	35,470
		260,253	234,987	495,240	572,525
Expenditure on:					
Raising funds		14,633	-	14,633	20,643
Charitable activities	6	212,379	295,234	507,613	479,342
Total resources expended		227,012	295,234	522,246	499,985
Surplus / (Deficit)		33,241	(60,247)	(27,006)	72,540
Amount due re closure of South Bucks	11	-	(36,383)	(36,383)	-
Net income and movement in funds	8	33,241	(96,630)	(63,389)	72,540
Reconciliation of funds:					
Total funds brought forward		434,430	135,213	569,643	497,103
Total funds carried forward		£ 467,671	£ 38,583	£ 506,254	£ 569,643

The notes on pages 18 to 29
form part of the financial statements.

Balance Sheet
as at 31 March 2022

	Notes	£	2022 £	£	2021 £
Fixed Assets					
Tangible assets	13		-		-
Investments	14		-		-
			<u>-</u>		<u>-</u>
Current Assets					
Trade debtors		27,529		9,018	
Short term deposits		253,059		252,981	
Cash at bank and in hand		<u>397,920</u>		<u>350,725</u>	
		678,508		612,724	
Creditors falling due within one year	15	172,254		43,081	
Net Current Assets			506,254		569,643
Total assets less current liabilities			<u>£ 506,254</u>		<u>£ 569,643</u>
Funds					
Unrestricted funds					
General fund		331,571		308,430	
Designated funds	16&17	136,100		<u>126,000</u>	
			467,671		434,430
Restricted funds	16&17		38,583		135,213
Total funds			<u>£ 506,254</u>		<u>£ 569,643</u>

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

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 Charities Act 2011.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 31 August 2022 and signed on their behalf by:

J P Shaw
Chair

A G Sadler
Treasurer

The notes on pages 18 to 29 form part of the financial statements.
Company Number: 5082066

Statement of Cash Flows
for year ending 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided/(absorbed) by operating activities	18	47,086	(96,710)
Cash flows from investing activities			
Interest income		109	319
Increase/(decrease) in cash and cash equivalents in the year		<hr/> 47,195	<hr/> (96,391)
Cash in hand at the beginning of the year		350,725	447,116
Total cash in hand at the end of the year		<hr/> 397,920	<hr/> 350,725

The notes on pages 18 to 29 form part of the financial statements.

Notes on the Accounts**1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Citizens Advice Service in Three Rivers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b) Income

All income is included in the statement of financial activities when the Charity is entitled to the funds and the amount can be measured with reasonable certainty. Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from Government and other grants, whether capital grants or revenue grants, is recognised when the Charity has entitlement, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

c) Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the time of the general volunteers is not recognised. The trustees' annual report provides more information about their contribution.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is upon notification of the interest paid or payable by the Bank.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

Notes on the Accounts (continued)**f) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

Costs of raising funds comprise the salary costs associated with grant applications.

Expenditure on charitable activities includes all expenditure directly related to the objects of the Charity and comprises staff costs, training and travel analysed between the Charity's activities.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include all the management, administration, central functions and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in Note 5.

h) Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

i) Fixed assets

Individual fixed assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Computer equipment and furniture over 4 years

Fixtures and furnishings over 5 years

j) Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

k) 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.

l) Pensions

The Charity operates a money purchase scheme which is operated by Scottish Widows plc. Employees contract directly with the insurance company. The Charity makes a matching contribution of 6% of salary to the scheme and acts as agent in collecting and paying over employee pension contributions.

Notes on the Accounts (continued)**m) Creditors and provisions**

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

n) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. 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.

2. Income from Charitable Activities

	Unrestricted £	Restricted £	Total £	2021 £
Grants				
Three Rivers District Council	257,340	26,124	283,464	283,609
Abbots Langley PCC	-	7,750	7,750	7,750
Abbots Langley Parish Council	-	2,000	2,000	4,000
City Bridge Trust	-	-	-	7,000
Citizens Advice	1,000	60,820	61,820	79,777
Countryside Properties	-	-	-	10,000
Gerrards Cross Parish Council	-	-	-	785
HCF/Graham Rowlandson Foundation	-	8,333	8,333	5,000
Hertfordshire County Council	-	26,595	26,595	32,073
Hertfordshire County Council Councillor	-	-	-	1,000
OPCC Hertfordshire	-	-	-	23,353
Lawton Trust	-	-	-	10,487
Buckinghamshire Council	-	42,023	42,023	42,430
Hertfordshire Community Foundation	-	9,461	9,461	-
Thrive Homes	-	9,632	9,632	18,574
Waitrose	-	-	-	666
Watford Health Trust	-	2,508	2,508	1,315
Watford Rural Parish Council	-	5,000	5,000	4,748
Watford Chamber of Commerce (DWP Kickstart)	-	6,065	6,065	-
Mill End Community Trust	-	156	156	-
	£ 258,340	£ 206,467	£ 464,807	£ 532,567
2021				
Unrestricted grants				262,340
Restricted grants				270,227
				532,567

Notes on the Accounts (continued)**3. Investment income**

All of the Charity's investment income of £109 (2021: £319) arises from money held in interest bearing deposit accounts.

4. Other grant income

The following Covid specific grants were received during the year:

	Unrestricted	Restricted	Total	2021
	£	£	£	£
Hertfordshire County Council	-	12,000	12,000	19,000
Three Rivers District Council	-	5,500	5,500	10,470
Thrive Homes	-	11,000	11,000	-
Watford Rural Parish Council	-	-	-	1,500
Watford & Three Rivers Trust	-	-	-	4,500
	-	28,500	28,500	35,470

5. Statement of financial activities for 2021

	Notes	Unrestricted funds	Restricted funds	Total
		£	£	£
Income from:				
Donations		4,169	-	4,169
Charitable activities	2	262,340	270,227	532,567
Investment income	3	319	-	319
Other grant income	4	1,500	33,970	35,470
Total		268,328	304,197	572,525
Expenditure on:				
Raising funds		20,643	-	20,643
Charitable activities	6	157,534	321,808	479,342
Total resources expended		178,177	321,808	499,985
Net income and net movement in funds	10	90,151	(17,611)	72,540
Reconciliation of funds:				
Total funds brought forward		344,279	152,824	497,103
Total funds carried forward		434,430	135,213	569,643

Notes on the Accounts (continued)

6. Expenditure on charitable activities

Current year	General Advice £	Money Advice £	Case Work £	Total £
Costs directly associated to Activities				
Staff Costs	226,245	61,100	53,113	340,458
Direct charitable expenditure	19,983	-	-	19,983
Training and other costs	1,635	379	356	2,370
Travel	1,480	343	322	2,145
Citizens Advice charges	6,065	1,406	1,319	8,790
	255,408	63,228	55,110	373,746
Support Costs Allocated to Activities				
Premises costs	51,943	12,045	11,292	75,280
Computer and equipment costs	3,931	911	855	5,697
Insurance	2,806	651	610	4,067
Printing and stationery	4,975	1,154	1,081	7,210
Communications	5,294	1,227	1,151	7,672
Sundry	8,640	2,004	1,878	12,522
Governance costs	14,779	3,427	3,213	21,419
	92,368	21,419	20,080	133,867
	347,776	£ 84,647	£ 75,190	£ 507,613

Notes on the Accounts (continued)

6. Expenditure on charitable activities (continued)

Previous year	General Advice £	Money Advice £	Home Visiting and Case Worker £	Total £
Coats directly associated to activities				
Staff costs	179,429	66,018	48,563	294,010
Direct charitable expenses	13,828	-	-	13,828
Training and other costs	2,225	685	514	3,424
Travel	263	81	61	405
Citizens Advice charges	7,252	2,231	1,674	11,157
	202,997	69,015	50,812	322,824
Support costs allocated to activities				
Premises costs				
Bureau moving costs	52,162	16,050	12,038	80,250
Computer and equipment costs	20,238	6,227	4,670	31,135
Insurance	2,106	648	486	3,240
Printing and stationery	1,912	588	441	2,941
Communications	5,592	1,721	1,290	8,603
Sundry expenses	4,669	1,437	1,077	7,183
Governance costs	15,058	4,633	3,475	23,166
	101,737	31,304	23,477	156,518
Total	304,734	100,319	74,289	479,342

Support costs have been allocated to the three key charitable activities based on the amount of time advisers have spent on each activity during the year.

Notes on the Accounts (continued)**7. Governance costs**

	2022	2021
	£	£
Salaries	10,829	10,322
Audit fee	6,600	5,190
Legal and professional fees	3,990	7,654
	<u>21,419</u>	<u>23,166</u>

8. Net Income

Net income for the year is stated after:

	2022	2021
	£	£
Depreciation	-	-
Auditors' remuneration	6,600	5,190

9. Analysis of staff costs and key management, trustee remuneration, and related party transactions

	2022	2021
	£	£
Salaries and wages	333,846	297,573
Social security costs	18,122	18,790
Pension costs	13,953	10,491
Total	<u>365,921</u>	<u>326,854</u>

No employees had employee benefits in excess of £60,000 (2021: nil).

The trustees were not paid or received any other benefits from employment with the Charity (2021: nil). Paul Shaw was reimbursed expenses of £31 during the year (2021: £633).

The key management personnel of the Charity comprise the trustees, the company secretary, the district manager and the service managers. The total employee benefits of the key management personnel were £95,702 (2021: £90,780).

The average monthly head count was 24 staff (2021: 25) and the average monthly number of full-time equivalent employees, including casual and part-time staff, during the year was as follows:

Core bureau staff:	7.7 (2021: 7.5)
Non-core bureau staff:	4.1 (2021: 3.0)

Paul Shaw is a consultant with Myers Clark, Chartered Accountants. Myers Clark provide the Charity with payroll and accountancy advice. The services are provided to the Charity at commercial rates and the amount charged for the year totalled £3,990 (2021: £7,326).

Notes on the Accounts (continued)**10. Pension costs**

The Charity operates a defined contribution pension scheme for all eligible employees. The pension charge for the year in respect of this scheme was £13,953 (2021: £9,077). At 31 March 2022, contributions of £2,093 were due to be paid to the pension scheme (2021: £1,096).

11. Government grants

The Charity enjoys a close working relationship with Three Rivers District Council, South Bucks District Council and Hertfordshire County Council. Together these Councils provide funding to enable the Charity to carry out its charitable activities. There are no unfulfilled conditions or other contingencies attaching to these grants. Total government grants received were £359,082 (2021 £421,968).

In accordance with subsection 37(4) of the Local Government and Housing Act 1989, all grants have been fully utilised in accordance with the terms under which they were originally granted and have been expended on revenue items in the normal course of the charitable company's activities.

On 31st March 2022, the South Bucks office was closed and the activity transferred to Buckinghamshire Council. The excess of cumulative grants received over cumulative expenses over the life of the office of £36,383 is shown as a separate item on the Statement of Financial Activities, and included in Creditors as at 31st March 2022. It will be paid to Buckinghamshire Council after the year end.

12. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. Tangible fixed assets

	Fixtures and Fittings £
Cost	
At 1 April 2021	8,819
Additions	-
At 31 March 2022	<u>8,819</u>
Accumulated depreciation	
At 1 April 2021	8,819
Provision for the year	-
At 31 March 2022	<u>8,819</u>
Net book value at 31 March 2022	<u>-</u>
Net book value at 31 March 2021	<u>-</u>

Notes on the Accounts (continued)

14. Fixed asset investment

The Charity is a shareholder in Hertfordshire Citizens Advice Service a consortium company of the ten bureaux in Hertfordshire and each bureau own one share. The company is a company limited by guarantee and in the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

15. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Creditors	58,300	21,631
Accruals	34,650	21,450
Grants in advance	79,304	-
	172,254	43,081

Creditors includes £36,383 due to Buckinghamshire Council following the closing of the South Bucks office (see Note 11)

16. Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance at 01-Apr 2021	Incoming resources	Resources expended	Transfers	Balance at 31-Mar 2022
	£	£	£	£	£
General fund	308,430	260,253	(227,012)	(10,100)	331,571
Designated employee fund	96,000	-	-	2,000	98,000
Designated premises fund	20,000	-	-	-	20,000
Designated computer fund	10,000	-	-	8,100	18,100
	434,430	260,253	(227,012)	-	467,671

	Balance at 01-Apr 2020	Incoming resources	Resources expended	Transfers	Balance at 31-Mar 2021
	£	£	£	£	£
General fund	245,279	268,328	(178,177)	(27,000)	308,430
Designated employee fund	77,000	-	-	19,000	96,000
Designated premises fund	20,000	-	-	-	20,000
Designated computer fund	2,000	-	-	8,000	10,000
	344,279	268,328	(178,177)	-	434,430

Notes on the Accounts (continued)

Name of unrestricted fund

Description, nature and purpose of the fund

General fund	The “free reserves” after allowing for all designated funds.
Employee fund	To cover the costs the Charity would incur should funding from Three Rivers District Council cease or be substantially reduced, and is designed to cover the likely redundancy costs. In addition it includes an amount to provide cover in the case of maternity leave.
Premises fund	To cover the potential future repair costs of the Abbots Langley premises.
Computer fund	To cover the costs of replacing IT equipment on a rolling programme to keep the equipment up to date.

Analysis of movements in restricted funds

	Balance at 01-Apr 2021	Incoming resources	Resources expended *	Transfers	Balance at 31-Mar 2022
	£	£	£	£	£
General advice	28,887	59,476	(88,207)	-	156
Debt advice	60,248	41,986	(88,668)	-	13,566
Case work	43,577	80,643	(101,944)	-	22,276
Accommodation	0	31,750	(31,750)	-	-
Charity donations	2,501	21,132	(21,048)	-	2,585
	135,213	234,987	(331,617)	-	38,583

	Balance at 01-Apr 2020	Incoming resources	Resources expended	Transfers	Balance at 31-Mar 2021
	£	£	£	£	£
General advice	29,775	90,101	(90,989)	-	28,887
Debt advice	89,229	73,911	(102,892)	-	60,248
Case work	30,591	94,314	(81,328)	-	43,577
Accommodation	0	31,750	(31,750)	-	-
Charity donations	3,229	14,121	(14,849)	-	2,501
	152,824	304,197	(321,808)	-	135,213

* includes £36,383 due re closure of South Bucks (Note 11)

Notes on the Accounts (continued)

16. Analysis of charitable funds (continued)

Name of restricted fund	Description, nature and purpose of the fund
General advice	To support our general advice work.
Debt advice	To support our money advice work.
Case work	To support our work on sickness and disability benefits, family law, and scams.
Accommodation	The premises provided by Three Rivers District Council rent free at South Oxhey and Rickmansworth.
Charity donations	Grants received to provide assistance to deserving clients.

17. Analysis of net assets between funds

Current Year	General fund £	Designated funds £	Restricted funds £	Total £
Debtors	27,529	-	-	27,529
Short term deposits	116,959	136,100	-	253,059
Cash at bank and in hand	359,337	-	38,583	397,920
Creditors falling due within one year	(172,254)	-	-	(172,254)
	331,571	136,100	38,583	506,254

Previous Year	General fund £	Designated funds £	Restricted funds £	Total £
Debtors	9,018	-	-	9,018
Short term deposits	126,981	126,000	-	252,981
Cash at bank and in hand	215,512	-	135,213	350,725
Creditors falling due within one year	(43,081)	-	-	(43,081)
	308,430	126,000	135,213	569,644

Notes on the Accounts (continued)**18. Reconciliation of net income to net cash flow from operating activities**

	2022	2021
	£	£
Net movement in funds	(63,389)	72,540
Interest income	(109)	(319)
Increase in debtors	(18,511)	(6,471)
Increase in short term deposits	(78)	(205)
Increase/(decrease) in creditors	129,173	(162,255)
	<u>47,086</u>	<u>(96,710)</u>