

**Citizens Advice North East Derbyshire  
Company Limited by Guarantee  
Financial Statements  
31 March 2022**

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Financial Statements**

**Year ended 31 March 2022**

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**Citizens Advice North East Derbyshire**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2022**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

**Reference and administrative details**

**Registered charity name** Citizens Advice North East Derbyshire

**Charity registration number** 1118194

**Company registration number** 05933725

**Principal office and registered office** Coney Green Business Centre  
Wingfield View  
Clay Cross  
Chesterfield  
Derbyshire  
S45 9JW  
England

**The trustees** Mr F Bacon  
Mr T Jones (Chair)  
Mr G Hawkins  
Mr S Hayler (Resigned 4 June 2021)  
Miss K J Jackson  
Ms J Hirst  
Mr J Funnell  
Mrs L Kopp (Resigned 8 December 2021)  
Ms K Salt MBE  
Ms N Turner  
Mr B Uknighted (Resigned 30 April 2021)  
Mr T Johnstone (Appointed 11 May 2022)

**Senior management team** Ms G Sladen  
Ms L Smith  
Mr B Youngs

**Company secretary** Ms G Sladen

**Auditor** MCABA Limited t/a Mitchells  
Chartered Accountants & Statutory Auditor  
91-97 Saltergate  
Chesterfield  
Derbyshire  
S40 1LA

**Bankers** Unity Trust Bank Plc  
Nine Brindleyplace  
Birmingham  
B1 2HB

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Structure, governance and management**

##### **a. Constitution**

Citizens Advice North East Derbyshire is an incorporated company Limited by Guarantee and a registered charity. It has been in existence since 1976. Citizens Advice North East Derbyshire is governed by its Memorandum and Articles of Association. The Charity's name was officially changed in February 2021 from North East Derbyshire Citizens Advice Bureau to Citizens Advice North East Derbyshire in line with our national body's guidance and our objectives were updated to clarify our Area of Benefit. The use of video technology was also included to ensure that we can hold our AGMs online should this be required.

##### **b. Method of appointment or election of Trustees**

Members of the Trustee Board are made up of Representative Members (from Local Authorities etc), others are recruited according to specific skills they can offer following Trustee skills audit plus charity Representatives. A separate process agreed by the Trustee Board is followed for the election of the chair.

##### **c. Pay policy for senior staff**

Citizens Advice North East Derbyshire follows guidance from the National Association with regards the pay policy for senior staff.

##### **d. Organisational structure and decision making**

Citizens Advice North East Derbyshire is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Board carry the ultimate responsibility for the conduct of the Charity and for ensuring that the Charity satisfies its legal and contractual obligations. The Board meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management. The Charity's Business Plan is reviewed annually; using client needs data and an analysis of equality, diversity and inclusion client profiles.

##### **e. Related party relationships**

Citizens Advice North East Derbyshire is a member of Citizens Advice, the operational name of the National Association of Citizens Advice Charity, 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 Trustee Board of Citizens Advice North East Derbyshire in order to fulfil its charitable objects and comply with the national membership requirements, including the adoption of mandatory policies where applicable.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Structure, governance and management *(continued)***

##### **e. Related party relationships *(continued)***

The Charity also co-operates and liaises with a number of other advisory services, local charities and local authority departments on behalf of clients. Where one of the Trustee Board holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity, but not in the ultimate decision-making process. Where trustees are also elected members of the local authority any potential conflict of interest is declared at each meeting; this process is in place for all trustees to declare any potential conflicts of interest at each meeting.

##### **f. Risk management**

The Board recognises that any major risks to which the Charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end, Citizens Advice North East Derbyshire has a robust risk register that is a 'living' document and is presented to the Board quarterly in order to continually monitor and manage its risk.

Included in external risks is the loss of funding. The effects of this have been minimised where possible by the procedures that are being put in place, to ensure that funding is secured from a variety of sources and the Charity continues to seek to diversify its funding sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects. These procedures will be periodically reviewed to ensure that they still meet the needs of the Charity.

During the year, board meetings continued as planned using video conferencing where necessary. The majority of Board meetings and the AGM were face to face.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Objectives and activities**

##### **a. Policies and objectives**

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 the local authority districts of North East Derbyshire and Bolsover.

##### **Public benefit**

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities which are summarised below will contribute to the aims and objectives they have set. Details of how the Charity has delivered public benefit can be found in the activities for achieving objectives and review of activities sections.

##### **b. Activities for achieving objectives**

Citizens Advice North East Derbyshire ("CA NED") aims to provide free, confidential, impartial and independent advice and information for the benefit of the local community, to exercise a responsible influence on the development of social policies and services and to ensure individuals do not suffer through a lack of knowledge or an inability to express their needs effectively.

In addition to the continuing provision of high-quality advisory services to the local community, the Charity will continue to seek divergent funding supported by its core funding.

CA NED is also involved in initiatives across North East Derbyshire, Bolsover and the County regarding Financial Inclusion and the Health and Wellbeing of the community and plays an active part within the Feeding Derbyshire initiative.

The principal activity of Citizens Advice North East Derbyshire remained the provision of free, confidential, independent and impartial advice, information and counsel for members of the public. This is usually provided through the main drop-in centre in Clay Cross and a variety of community buildings including G.P. Surgeries, libraries and foodbanks throughout North East Derbyshire and Bolsover Districts. A telephone-based Adviceline is also available and during the pandemic this was the main access into services whilst face to face work was limited due to lockdowns.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Objectives and activities *(continued)***

##### **b. Activities for achieving objectives *(continued)***

In addition to generalist advice the following specialist advisory services were provided:

- i) Specialist Debt Provision, accredited as a specialist casework service by Citizens Advice;
- ii) Specialist Welfare Benefit Provision;
- iii) Provision of generalist advice to patients of G.P. practices in N.E. Derbyshire and Bolsover Districts;
- iv) Working in partnership with Derbyshire County Council's Public Health Department on their wellness initiative;
- v) The provision of advice in two Foodbanks as part of the Feeding Derbyshire project;
- vi) The provision of a telephone Adviceline, which is now accredited for casework by Citizens Advice;
- vii) The provision of the Universal Credit 'Help to Claim' initiative funded by DWP via Citizens Advice nationally in partnership with Chesterfield Citizens Advice;
- viii) The provision of advice to clients referred by Derbyshire Community Health Service staff in addition to a wellness service for their staff.

##### **c. Volunteers**

Volunteers are the heart of our work in the form of voluntary assistance in advising the public and administering the Charity and we are deeply grateful for all that they do. During the year volunteers who worked with clients face to face were only able to do so for limited periods due to national lockdowns. We expanded the range of roles available to volunteers to include research, aftercare surveying of clients, social media management and home-based phone advice in order to offer more opportunities to work with us.

Our volunteers give us around 100 hours of their time per week which has an economic value of over £90,000 per year (based on average earnings).

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Achievements and performance**

##### **a. Review of activities**

For much of 2021/22 we were in lockdown, with limited face-to-face work taking place. During these times clients accessed our advice services by phone and webchat, meaning that we were able to continue to provide advice and assistance to those people in the community who needed it. By March 2022 we were fully open again for all face-to-face work. Our staff and volunteers are able to work flexibly in a hybrid home/office working pattern, excepting where face-to-face work is taking place.

During 2021/22 we have implemented a new service for clients referred to us by frontline Derbyshire Community Health Services. This has included health staff working in 0 - 19 Children's Services, Long Covid clinics and self-referrals from staff to a Staff Wellbeing service.

Our Adviceline uses the national Citizens Advice telephone platform with a local phone number and is free for clients to use. We seek to resolve issues at the first point of contact with the client and, where this is not possible, a phone or face-to-face appointment is made; this usually involves further casework.

We worked with 2 foodbanks in New Houghton (which ceased in the year) and Shirebrook through the provision of an advice worker during their main sessions; this was funded initially by Feeding Britain through a National Lottery grant and then by Derbyshire County Council.

Funding from North East Derbyshire District Council, Bolsover District Council and Derbyshire County Council enabled us to continue our work with our communities, moving in and out of lockdown as was appropriate at the time.

Our work linked to GP surgeries and community locations funded by Derbyshire County Council Public Health moved back to face-to-face, although not all of our surgeries were able to continue to accommodate us due to a shortage of space where new Covid-related services had been established (for example an isolation room). We continue to work with these surgeries to return, providing telephone-based appointments in the meantime.

Our debt work is funded by the Money and Pension Service, working as part of the East Midlands Money Advice project. This funding was in the process of being re-tendered during the year until a halt to the process in December meant that we are able to continue with our debt advice. Our Help to Claim service was re-tendered and ceased for us 31 March 2022. This resulted in the re-deployment of two of the three staff into other roles with us.

The funding from Derbyshire Community Health Services is an exciting development for us, taking direct referrals from health staff and supporting their clinical work by advising and working with clients' non-clinical issues such as housing and debt. The client profile for these referrals is younger than our average client profile meaning that we are able to provide services to clients who may not otherwise have accessed us.

We received local funding this year from Eckington Parish Council to provide advice within Eckington Library, CAST through the National Lottery to explore our digital ambitions and the Duke of Devonshire Charity to continue our work at Bolsover Library. These smaller sources of funding are vital to our continued success.

Our funders have continued to support our work during multiple lockdowns, for which we are grateful. All of our work is only possible due to the core funding provided by North East Derbyshire District Council and Bolsover District Council that underpins everything we do.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Achievements and performance *(continued)***

##### **a. Review of activities *(continued)***

We are pleased to report that under the membership scheme with our national association, we continue to score well in our Quality of Advice assessments and the Leadership Self-Assessment and have retained our Advice Quality Assessment mark and casework accreditation for Debt Advice and Telephone work for the next three years. We have seen a change in the staff survey that has identified areas requiring improvement and the Trustees are action planning to address these; however, it has been noted by Citizens Advice during our Leadership Self-Assessment that the pandemic, combined with project pressures and the changes we've needed to bring about in the organisation, have made this a challenging period for people management. It was also noted that a mix of information and support was in place and care is clearly being taken to support wellbeing and help staff adjust to the culture change of a new CEO appointed in March 2020.

Our client survey carried out nationally by Citizens Advice shows that clients are happy they have found a way forward and resolved their issues and would recommend our services. Client satisfaction with ease of access remains satisfactory although we acknowledge that the past year has been difficult with lockdowns and changes to service access depending upon the wider government rules in place at the time.

##### **Activities summary**

We have:

- Worked with 4,574 clients dealing with 17,053 enquiries.
- Handled over £1.8 million of debt.
- Successfully helped people gain over £2.5 million in benefit, tax credits and other financial awards.

##### **b. Factors affecting the achievement of objectives**

Telephone-based services have proved successful in the continuation of our work over lockdowns, but our strength is providing community-based advice and assistance and we welcome the lifting of restrictions that has allowed us to resume this way of working with clients.

##### **c. Investment policy and performance**

The Charity does not currently hold material investments.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

#### **Year ended 31 March 2022**

#### **Financial review**

##### **a. Financial position and performance**

Total income decreased in the year from £779,894 to £716,300. Expenditure decreased in the year from £771,326 to £660,924, giving a net surplus of £55,376 compared to a net surplus of £8,568 in 2021. Of the recorded net surplus for the year, a surplus of £60,452 related to unrestricted funds with a deficit of £5,076 relating to restricted funds.

##### **b. Reserves policy**

Citizens Advice North East Derbyshire is required to ensure that free monies are available in each financial year to meet any reasonably foreseeable contingency. The Charity will aim to achieve a projection of income for at least 12 months ahead and will ensure that this continues to be derived from as wide a variety of sources as possible. The Charity will take all necessary steps to ensure that at no time within this period would it be possible for the cessation of one or more funding streams to present so serious a challenge to the future of the organisation that it could not be managed.

Total funds at 31 March 2022 were £203,555 (2021: £148,179) of which £2,052 (2021: £7,128) are restricted funds and £201,503 (2021: £141,051) are unrestricted funds. Out of the unrestricted funds £32,000 (2021: £35,000) have been designated for specific purposes. Free reserves, excluding designated funds, are therefore £169,503 (2021: £106,051).

In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustee Board have concluded that 'free' reserves should be maintained at a level equating to at least two months of operating costs, which at March 2022 is forecast to be approximately £106,000. Free reserves exclude any designated reserves.

Based on the above figures, the charity is achieving its reserves policy target. The reserves policy is reviewed by Trustees annually.

##### **c. Principal funding**

The Trustee Board extend their gratitude to North East Derbyshire District Council and Bolsover District Council who continued to support the core operating capacity of the Charity. The Board are also extremely grateful to Derbyshire County Council for their continued support.

The Charity did not have any borrowings from either providers of funding or other sources at the balance sheet date.

#### **Plans for future periods**

##### **a. Future developments**

Funding continues to present ever-growing challenges. The Board, along with the Chief Executive, keeps this under constant review and are looking for new avenues of funding, particularly as we recover from lockdown. The preservation of our debt work is a priority for the charity.

Citizens Advice North East Derbyshire aims to continually improve access to its services and will continue to look at extending its services working in the most efficient and cost-effective way. We are also exploring how we can improve our offer for younger people and some equality groups. We will continually review our service and client profiles to aid us in this work.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Trustees' responsibilities statement**

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity 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 the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Small company provisions**

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

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

Mr T Jones  
Trustee

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire**

**Year ended 31 March 2022**

#### **Opinion**

We have audited the financial statements of Citizens Advice North East Derbyshire (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 FRS 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 charity'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;
- 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 charity 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 charity'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.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire (continued)**

**Year ended 31 March 2022**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' 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.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire (continued)**

**Year ended 31 March 2022**

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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 my 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.

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

#### **Auditor's responsibilities for detecting irregularities, including fraud**

The objectives of our audit are: to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the following laws and regulations were most significant; the Companies Act 2006, the Charities SORP (FRS 102) and UK corporate taxation law. The charity is also subject to the regulations of the Financial Conduct Authority.
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks by making inquiries to relevant members of the management team. We corroborated our inquiries through our review of board minutes (where applicable) and inquiry into legal fees incurred in the year.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire *(continued)***

**Year ended 31 March 2022**

#### **Auditor's responsibilities for detecting irregularities, including fraud *(continued)***

- Identifying the controls management has in place to prevent and detect fraud and assessing the operation of these controls
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process
- Identifying and testing journal entries, in particular any journal entries that were large or unusual in nature
- Assessing the extent of compliance with the relevant laws and regulations governing the charity and the sector it operates within. This included a review of any potential breaches during and since the year end; and
- Challenging assumptions and judgements made by management in its significant accounting estimates.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or collusion.

#### **Use of our report**

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew McDaid (Senior Statutory Auditor)

For and on behalf of  
MCABA Limited t/a Mitchells  
Chartered Accountants & Statutory Auditor  
91-97 Saltergate  
Chesterfield  
Derbyshire  
S40 1LA

Date:

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	5	104	–	104	–
Charitable activities	6	85,000	627,362	712,362	778,403
Investment income	7	169	–	169	235
Other income	8	3,632	33	3,665	1,256
<b>Total income</b>		<u>88,905</u>	<u>627,395</u>	<u>716,300</u>	<u>779,894</u>
<b>Expenditure</b>					
Expenditure on charitable activities	9	60,790	600,134	660,924	771,326
<b>Total expenditure</b>		<u>60,790</u>	<u>600,134</u>	<u>660,924</u>	<u>771,326</u>
<b>Net income</b>		<u>28,115</u>	<u>27,261</u>	<u>55,376</u>	<u>8,568</u>
Transfers between funds		32,337	(32,337)	–	–
<b>Net movement in funds</b>		<u>60,452</u>	<u>(5,076)</u>	<u>55,376</u>	<u>8,568</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		141,051	7,128	148,179	139,611
<b>Total funds carried forward</b>		<u>201,503</u>	<u>2,052</u>	<u>203,555</u>	<u>148,179</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 18 to 30 form part of these financial statements.

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2022

	Note	2022 £	£	2021 £
<b>Current assets</b>				
Debtors	15	10,606		1,889
Cash at bank and in hand		258,250		200,130
		<u>268,856</u>		<u>202,019</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>65,301</u>		<u>53,840</u>
<b>Net current assets</b>			203,555	148,179
<b>Total assets less current liabilities</b>			<u>203,555</u>	<u>148,179</u>
<b>Net assets</b>			<u>203,555</u>	<u>148,179</u>
<b>Funds of the charity</b>				
Restricted funds			2,052	7,128
Unrestricted funds			<u>201,503</u>	<u>141,051</u>
<b>Total charity funds</b>	19		<u>203,555</u>	<u>148,179</u>

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

These financial statements were approved by the board of trustees and authorised for issue on

\_\_\_\_\_, and are signed on behalf of the board by:

Mr T Jones, Chair  
Trustee

The notes on pages 18 to 30 form part of these financial statements.

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 March 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income	55,376	8,568
<i>Adjustments for:</i>		
Other interest receivable and similar income	(169)	(235)
<i>Changes in:</i>		
Trade and other debtors	(8,717)	24,797
Trade and other creditors	11,461	(17,173)
Cash generated from operations	57,951	15,957
Interest received	169	235
Net cash from operating activities	58,120	16,192
<b>Net increase in cash and cash equivalents</b>	58,120	16,192
<b>Cash and cash equivalents at beginning of year</b>	200,130	183,938
<b>Cash and cash equivalents at end of year</b>	258,250	200,130

The notes on pages 18 to 30 form part of these financial statements.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 March 2022**

#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Coney Green Business Centre, Wingfield View, Clay Cross, Chesterfield, Derbyshire, S45 9JW, England.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

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

##### **Going concern**

The management and trustees realigned their strategy and working practices in response to the onset of the COVID-19 pandemic and continue to adapt to change to maintain the high standards of provision of services to clients. Management and trustees have prepared and reviewed forecasts and are confident that these show that the charity is able to operate within its available resources and meet its liabilities as they fall due for the foreseeable future and for a minimum of 12 months from authorising these financial statements. Accordingly, the trustees consider it appropriate to continue to prepare the financial statements on a going concern basis.

##### **Judgements and key sources of estimation uncertainty**

In applying the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

##### ***Provision for grant income repayable***

Provisions in respect of the repayment of grant income where the conditions of any grant are not met in full or where the grant has not been fully spent require an assessment by the trustees of the likelihood that the charity will be required to repay any such grant received. A provision will be made where it is considered probable that a repayment will be required.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 31 March 2022**

#### **3. Accounting policies** *(continued)*

##### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 costs of raising and administering such funds are charged against the specific fund. The aims and use of each restricted fund is set out in the notes to the financial statements. Where any restricted funds are in surplus, any such surplus is either carried forward or transferred to unrestricted funds in accordance with the underlying grant agreement or as indicated by the grant funder.

##### **Incoming resources**

All income is 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 is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from 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 investments is included when it becomes receivable.
- grant income is recognised when the charity becomes unconditionally entitled to that income. Where entitlement to grant income is subject to performance-related or other conditions, income is recognised in the Statement of Financial Activities in line with the achievement of performance and satisfaction of those conditions.

Where grant income is subject to a potential clawback provision, the value of any such provisions included in the financial statements that are liabilities of uncertain timing or amount are based on the amounts that are repayable under the terms of underlying grant agreements.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2022**

#### **3. Accounting policies** *(continued)*

##### **Resources expended**

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

- expenditure on raising funds includes 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 a 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.

##### **Operating leases**

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

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

The trustees continue to operate a policy of not capitalising individual items of equipment costing less than £1,000, where the application of this policy does not materially misstate the financial statements.

##### **Depreciation**

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

Fixtures and fittings	- 20% straight line
Equipment	- 33% straight line

##### **Impairment of fixed assets**

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

##### **Financial instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as such in the statement of activities.

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 3. Accounting policies *(continued)*

##### Defined contribution plans

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity. Contributions payable for the year are shown within the statement of financial activities.

#### 4. Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

#### 5. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
Donations	104	104	—	—

#### 6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2022 £</b>
Bolsover District Council	—	43,605	43,605
Derbyshire County Council (GP Project)	—	216,575	216,575
NEDDC	85,000	—	85,000
Eckington Parish Council	—	1,000	1,000
Scamwatch Project	—	1,647	1,647
EMMA	—	107,220	107,220
Derbyshire County Council (Wellness Approach)	—	104,264	104,264
The National Association of Citizens Advice Bureaux (Help to Claim)	—	105,035	105,035
Derbyshire Community Health Services	—	36,516	36,516
CAST Discovery	—	5,000	5,000
Derbyshire County Council - Advice in Foodbanks	—	6,300	6,300
Sundry small funds	—	200	200
	<u>85,000</u>	<u>627,362</u>	<u>712,362</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 6. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Bolsover District Council	–	42,230	42,230
Derbyshire County Council (GP Project)	–	191,670	191,670
NEDDC	75,030	–	75,030
Scamwatch Project	–	31,028	31,028
EMMA	–	124,903	124,903
Derbyshire County Council (Wellness Approach)	–	93,990	93,990
Foodbanks (Feeding Britain)	–	35,730	35,730
Foodbanks (Foundation Derbyshire)	–	8,000	8,000
The National Association of Citizens Advice Bureaux (Help to Claim)	–	124,955	124,955
Foundation Derbyshire - reopening services	–	15,920	15,920
Coalfields Regeneration Trust - debt advice	–	9,997	9,997
CAST Discovery	–	5,000	5,000
BEIS Remote Working	–	8,992	8,992
Coalfields Regeneration Trust - Bolsover	–	9,618	9,618
Sundry small funds	–	1,340	1,340
	<u>75,030</u>	<u>703,373</u>	<u>778,403</u>

#### 7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>169</u>	<u>169</u>	<u>235</u>	<u>235</u>

#### 8. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Other income	<u>3,632</u>	<u>33</u>	<u>3,665</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Other income	<u>1,256</u>	<u>–</u>	<u>1,256</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Advice services	40,520	539,383	579,904
Support costs	20,270	60,751	81,020
	<u>60,790</u>	<u>600,134</u>	<u>660,924</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Advice services	17,322	661,648	678,970
Support costs	28,046	64,310	92,356
	<u>45,368</u>	<u>725,958</u>	<u>771,326</u>

#### 10. Analysis of support costs

	Advice services £	Total 2022 £	Total 2021 £
Premises	33,576	33,576	32,226
Communications and IT	34,065	34,065	41,114
General office	3,950	3,950	5,763
Governance costs	9,429	9,429	13,253
	<u>81,020</u>	<u>81,020</u>	<u>92,356</u>

#### 11. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u>5,100</u>	<u>4,500</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>1,500</u>	<u>1,500</u>

#### 12. Staff costs

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

	2022 £	2021 £
Wages and salaries	496,899	547,758
Social security costs	41,303	46,712
Employer contributions to pension plans	10,799	12,962
	<u>549,001</u>	<u>607,432</u>

The amount expensed in the Statement of Financial Activities in respect of redundancies during the year was £15,232 (2021: £15,089).

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 12. Staff costs *(continued)*

The average head count of employees during the year was 23 (2021: 24). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2022</b>	2021
	<b>No.</b>	No.
Advisory and administration	<u>19</u>	<u>20</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £107,458 (2021: £107,457).

#### 13. Trustee remuneration and expenses

During the year ended 31 March 2022, one trustee had expenses in the form of travel costs reimbursed to them, to a value of £136. These expenses were incurred in the trustee's capacity as a volunteer for the charity. No expenses were reimbursed to trustees in the comparative period.

During the year ended 31 March 2022, no trustees received any remuneration or other benefits (2021: None).

#### 14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
At 1 April 2021	14,890	131,396	146,286
Disposals	<u>(14,890)</u>	<u>(131,396)</u>	<u>(146,286)</u>
<b>At 31 March 2022</b>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Depreciation</b>			
At 1 April 2021	14,890	131,396	146,286
Disposals	<u>(14,890)</u>	<u>(131,396)</u>	<u>(146,286)</u>
<b>At 31 March 2022</b>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Carrying amount</b>			
<b>At 31 March 2022</b>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2021	<u>—</u>	<u>—</u>	<u>—</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 15. Debtors

	2022	2021
	£	£
Prepayments and accrued income	10,444	1,889
Other debtors	162	–
	<u>10,606</u>	<u>1,889</u>

#### 16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	27,530	38,722
Social security and other taxes	9,658	11,309
Grants repayable	21,000	–
Other creditors	7,113	3,809
	<u>65,301</u>	<u>53,840</u>

#### 17. Deferred income

	2022	2021
	£	£
At 1 April 2021	1,375	7,333
Amount released to income	(1,375)	(7,333)
Amount deferred in year	2,100	1,375
<b>At 31 March 2022</b>	<u>2,100</u>	<u>1,375</u>

#### 18. Pensions and other post-retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,799 (2021: £12,962).

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
General funds	106,051	88,905	(60,790)	35,337	169,503
Redundancy	12,000	—	—	12,000	24,000
New premises	8,000	—	—	—	8,000
Holiday pay	15,000	—	—	(15,000)	—
	<u>141,051</u>	<u>88,905</u>	<u>(60,790)</u>	<u>32,337</u>	<u>201,503</u>

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
General funds	68,061	76,521	(45,368)	6,837	106,051
Redundancy	30,000	—	—	(18,000)	12,000
IT	10,000	—	—	(10,000)	—
New premises	10,000	—	—	(2,000)	8,000
Holiday pay	—	—	—	15,000	15,000
	<u>118,061</u>	<u>76,521</u>	<u>(45,368)</u>	<u>(8,163)</u>	<u>141,051</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 19. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Bolsover District Council	–	43,605	(43,605)	–	–
Derbyshire County Council (GP Project)	–	216,575	(195,599)	(20,976)	–
Scamwatch Project	803	1,647	(2,450)	–	–
EMMA (FIF)	–	107,220	(107,220)	–	–
Derbyshire County Council (Wellness Approach)	–	104,264	(101,007)	(3,257)	–
Foodbanks (Foundation Derbyshire)	6,000	–	(6,000)	–	–
The National Association of Citizens Advice Bureaux (Help to Claim)	–	105,068	(105,068)	–	–
CAST Discovery Grant`	–	5,000	(5,000)	–	–
Sundry small funds	325	200	(525)	–	–
Derbyshire Community Health Services	–	36,516	(28,412)	(8,104)	–
Derbyshire County Council - Advice in Foodbanks	–	6,300	(4,248)	–	2,052
Eckington Parish Council	–	1,000	(1,000)	–	–
	<u>7,128</u>	<u>627,395</u>	<u>(600,134)</u>	<u>(32,337)</u>	<u>2,052</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 19. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Bolsover District Council	–	42,230	(52,848)	10,618	–
Derbyshire County Council (GP Project)	–	191,670	(189,898)	(1,772)	–
Scamwatch Project	–	31,028	(30,225)	–	803
EMMA (FIF)	–	124,903	(124,903)	–	–
Derbyshire County Council (Wellness Approach)	6,782	93,990	(100,772)	–	–
Foodbanks (Feeding Britain)	–	35,730	(36,911)	1,181	–
Foodbanks (Foundation Derbyshire)	–	8,000	(2,000)	–	6,000
The National Association of Citizens Advice Bureaux (Help to Claim)	14,768	124,955	(143,923)	4,200	–
Foundation Derbyshire - reopening services	–	15,920	(15,920)	–	–
Coalfields Regeneration Trust - debt advice	–	9,997	(9,997)	–	–
CAST Discovery Grant`	–	5,000	(5,000)	–	–
BEIS Remote Working funding	–	8,992	(2,936)	(6,056)	–
Coalfields Regeneration Trust - Bolsover	–	9,618	(9,618)	–	–
Sundry small funds	–	1,340	(1,007)	(8)	325
	<u>21,550</u>	<u>703,373</u>	<u>(725,958)</u>	<u>8,163</u>	<u>7,128</u>

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 31 March 2022**

#### **20. Charitable funds**

##### **Purposes of designated funds**

Redundancy - funds set aside to cover redundancy costs in the event of a cessation of some of the restricted funding.

New premises - funds set aside to allow for the set-up of new premises where no formal lease agreements are in place.

Holiday pay - funds reserved for unpaid holiday pay provision in the event of unexpected closure.

##### **Purposes of restricted funds**

The main restricted funds and their purposes are as follows:

Bolsover District Council / Coalfields Regeneration Trust(Bolsover) - to provide a specialist case work service to the residents of Bolsover.

East Midlands Money Advice / Coalfields Regeneration Trust - to provide free debt advice

Derbyshire County Council ((GP Project) - to provide advice via GP practices as part of health prevention measures.

Scamwatch Project - to raise awareness, particularly amongst older residents, of the potentially harmful effects of mass-marketing, internet, doorstep and telephone scams and to provide one-to-one advice and support where potential scam/fraud victims are identified.

Feeding Britain / Foundation Derbyshire / Foodbanks - to provide access to advice for foodbank users and support to foodbank volunteers.

Derbyshire County Council (Wellness Approach) - to promote Derbyshire County Council's "Live Life Better Derbyshire" programme and provide advice around debt and welfare benefits.

The National Association of Citizens Advice Bureaux (Help to Claim) - to provide new Universal Credit claimants with help and support until their first payment of Universal Credit is received.

CAST Discovery - to receive hands-on technical support and mentoring to build digital skills and capability, in relation to the COVID-19 Digital Response Initiative.

Derbyshire Community Health Services - to provide advice for those referred by the funder, specifically for those in the 0-19 age group, those with long COVID, and the funder's own staff.

One-off funding in response to the Coronavirus pandemic to facilitate reopening services and operating remote services was also received in the prior year from Foundation Derbyshire and the Department of Business, Energy and Industrial Strategy (via The National Association of Citizens Advice Bureaux).

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 20. Charitable funds *(continued)*

##### Transfers between funds

Transfers have been made between designated funds to general funds as considered appropriate by the trustees.

Restricted funds in deficit are covered by transfers from unrestricted funds to make up any shortfall in funding. Where any restricted funds are in surplus, any such surplus is either carried forward or transferred to unrestricted funds in accordance with the underlying grant agreement or any instructions from the grant funder.

#### 21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Current assets	243,704	25,152	268,856
Creditors less than 1 year	(42,201)	(23,100)	(65,301)
<b>Net assets</b>	<u>201,503</u>	<u>2,052</u>	<u>203,555</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Current assets	193,516	8,503	202,019
Creditors less than 1 year	(52,465)	(1,375)	(53,840)
<b>Net assets</b>	<u>141,051</u>	<u>7,128</u>	<u>148,179</u>

#### 22. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	At 31 Mar 2022 £
Cash at bank and in hand	<u>200,130</u>	<u>58,120</u>	<u>258,250</u>

#### 23. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	7,966	17,487
Later than 1 year and not later than 5 years	3,421	7,492
	<u>11,387</u>	<u>24,979</u>

#### 24. Related party transactions

There have been no related party transactions during the current or comparative periods that require disclosure in these financial statements.

**Citizens Advice North East Derbyshire**

**Company Limited by Guarantee**

**Management Information**

**Year ended 31 March 2022**

**The following pages do not form part of the financial statements.**

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Detailed Statement of Financial Activities

Year ended 31 March 2022

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	104	—
<b>Charitable activities</b>		
Bolsover District Council	43,605	42,230
Derbyshire County Council (GP Project)	216,575	191,670
NEDDC	85,000	75,030
Eckington Parish Council	1,000	—
Scamwatch Project	1,647	31,028
EMMA	107,220	124,903
Derbyshire County Council (Wellness Approach)	104,264	93,990
Foodbanks (Feeding Britain)	—	35,730
Foodbanks (Foundation Derbyshire)	—	8,000
The National Association of Citizens Advice Bureaux (Help to Claim)	105,035	124,955
Foundation Derbyshire - reopening services	—	15,920
Coalfields Regeneration Trust - debt advice	—	9,997
Derbyshire Community Health Services	36,516	—
CAST Discovery	5,000	5,000
Derbyshire County Council - Advice in Foodbanks	6,300	—
BEIS Remote Working	—	8,992
Coalfields Regeneration Trust - Bolsover	—	9,618
Sundry small funds	200	1,340
	<u>712,362</u>	<u>778,403</u>
<b>Investment income</b>		
Bank interest receivable	169	235
<b>Other income</b>		
Other income	3,665	1,256
<b>Total income</b>	<u>716,300</u>	<u>779,894</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2022

	2022 £	2021 £
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	496,899	547,758
Employer's NIC	41,303	46,712
Pension costs	10,799	12,962
Rent	27,068	28,008
Light and heat	1,692	1,330
Repairs and maintenance	2,705	1,493
Insurance	2,111	1,395
Staff training and other staff costs	3,805	2,327
Grant payments to other bureaux	8,978	50,373
Staff and volunteer travel	970	643
Legal and professional fees	9,429	13,253
Telephone	19,403	35,926
Printing, postage and stationery	3,950	5,763
Reference materials	3,360	2,385
Other office expenses	212	104
Other premises costs	86	986
Bank charges	235	361
CAB membership	7,849	7,849
Subsistence and refreshments	1,447	236
IT equipment and support	14,662	5,188
Office equipment expenses	2,234	4,787
Payroll processing	1,727	1,487
	<u>660,924</u>	<u>771,326</u>
<b>Total expenditure</b>	<u>660,924</u>	<u>771,326</u>
<b>Net income</b>	<u>55,376</u>	<u>8,568</u>

**Citizens Advice North East Derbyshire  
Company Limited by Guarantee  
Financial Statements  
31 March 2022**

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Financial Statements**

**Year ended 31 March 2022**

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**Citizens Advice North East Derbyshire**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2022**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

**Reference and administrative details**

**Registered charity name** Citizens Advice North East Derbyshire

**Charity registration number** 1118194

**Company registration number** 05933725

**Principal office and registered office** Coney Green Business Centre  
Wingfield View  
Clay Cross  
Chesterfield  
Derbyshire  
S45 9JW  
England

**The trustees** Mr F Bacon  
Mr T Jones (Chair)  
Mr G Hawkins  
Mr S Hayler (Resigned 4 June 2021)  
Miss K J Jackson  
Ms J Hirst  
Mr J Funnell  
Mrs L Kopp (Resigned 8 December 2021)  
Ms K Salt MBE  
Ms N Turner  
Mr B Uknighted (Resigned 30 April 2021)  
Mr T Johnstone (Appointed 11 May 2022)

**Senior management team** Ms G Sladen  
Ms L Smith  
Mr B Youngs

**Company secretary** Ms G Sladen

**Auditor** MCABA Limited t/a Mitchells  
Chartered Accountants & Statutory Auditor  
91-97 Saltergate  
Chesterfield  
Derbyshire  
S40 1LA

**Bankers** Unity Trust Bank Plc  
Nine Brindleyplace  
Birmingham  
B1 2HB

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Structure, governance and management**

##### **a. Constitution**

Citizens Advice North East Derbyshire is an incorporated company Limited by Guarantee and a registered charity. It has been in existence since 1976. Citizens Advice North East Derbyshire is governed by its Memorandum and Articles of Association. The Charity's name was officially changed in February 2021 from North East Derbyshire Citizens Advice Bureau to Citizens Advice North East Derbyshire in line with our national body's guidance and our objectives were updated to clarify our Area of Benefit. The use of video technology was also included to ensure that we can hold our AGMs online should this be required.

##### **b. Method of appointment or election of Trustees**

Members of the Trustee Board are made up of Representative Members (from Local Authorities etc), others are recruited according to specific skills they can offer following Trustee skills audit plus charity Representatives. A separate process agreed by the Trustee Board is followed for the election of the chair.

##### **c. Pay policy for senior staff**

Citizens Advice North East Derbyshire follows guidance from the National Association with regards the pay policy for senior staff.

##### **d. Organisational structure and decision making**

Citizens Advice North East Derbyshire is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Board carry the ultimate responsibility for the conduct of the Charity and for ensuring that the Charity satisfies its legal and contractual obligations. The Board meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The Trustee Board is independent from management. The Charity's Business Plan is reviewed annually; using client needs data and an analysis of equality, diversity and inclusion client profiles.

##### **e. Related party relationships**

Citizens Advice North East Derbyshire is a member of Citizens Advice, the operational name of the National Association of Citizens Advice Charity, 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 Trustee Board of Citizens Advice North East Derbyshire in order to fulfil its charitable objects and comply with the national membership requirements, including the adoption of mandatory policies where applicable.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Structure, governance and management *(continued)***

##### **e. Related party relationships *(continued)***

The Charity also co-operates and liaises with a number of other advisory services, local charities and local authority departments on behalf of clients. Where one of the Trustee Board holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity, but not in the ultimate decision-making process. Where trustees are also elected members of the local authority any potential conflict of interest is declared at each meeting; this process is in place for all trustees to declare any potential conflicts of interest at each meeting.

##### **f. Risk management**

The Board recognises that any major risks to which the Charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end, Citizens Advice North East Derbyshire has a robust risk register that is a 'living' document and is presented to the Board quarterly in order to continually monitor and manage its risk.

Included in external risks is the loss of funding. The effects of this have been minimised where possible by the procedures that are being put in place, to ensure that funding is secured from a variety of sources and the Charity continues to seek to diversify its funding sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects. These procedures will be periodically reviewed to ensure that they still meet the needs of the Charity.

During the year, board meetings continued as planned using video conferencing where necessary. The majority of Board meetings and the AGM were face to face.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Objectives and activities**

##### **a. Policies and objectives**

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 the local authority districts of North East Derbyshire and Bolsover.

##### **Public benefit**

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities which are summarised below will contribute to the aims and objectives they have set. Details of how the Charity has delivered public benefit can be found in the activities for achieving objectives and review of activities sections.

##### **b. Activities for achieving objectives**

Citizens Advice North East Derbyshire ("CA NED") aims to provide free, confidential, impartial and independent advice and information for the benefit of the local community, to exercise a responsible influence on the development of social policies and services and to ensure individuals do not suffer through a lack of knowledge or an inability to express their needs effectively.

In addition to the continuing provision of high-quality advisory services to the local community, the Charity will continue to seek divergent funding supported by its core funding.

CA NED is also involved in initiatives across North East Derbyshire, Bolsover and the County regarding Financial Inclusion and the Health and Wellbeing of the community and plays an active part within the Feeding Derbyshire initiative.

The principal activity of Citizens Advice North East Derbyshire remained the provision of free, confidential, independent and impartial advice, information and counsel for members of the public. This is usually provided through the main drop-in centre in Clay Cross and a variety of community buildings including G.P. Surgeries, libraries and foodbanks throughout North East Derbyshire and Bolsover Districts. A telephone-based Adviceline is also available and during the pandemic this was the main access into services whilst face to face work was limited due to lockdowns.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Objectives and activities *(continued)***

##### **b. Activities for achieving objectives *(continued)***

In addition to generalist advice the following specialist advisory services were provided:

- i) Specialist Debt Provision, accredited as a specialist casework service by Citizens Advice;
- ii) Specialist Welfare Benefit Provision;
- iii) Provision of generalist advice to patients of G.P. practices in N.E. Derbyshire and Bolsover Districts;
- iv) Working in partnership with Derbyshire County Council's Public Health Department on their wellness initiative;
- v) The provision of advice in two Foodbanks as part of the Feeding Derbyshire project;
- vi) The provision of a telephone Adviceline, which is now accredited for casework by Citizens Advice;
- vii) The provision of the Universal Credit 'Help to Claim' initiative funded by DWP via Citizens Advice nationally in partnership with Chesterfield Citizens Advice;
- viii) The provision of advice to clients referred by Derbyshire Community Health Service staff in addition to a wellness service for their staff.

##### **c. Volunteers**

Volunteers are the heart of our work in the form of voluntary assistance in advising the public and administering the Charity and we are deeply grateful for all that they do. During the year volunteers who worked with clients face to face were only able to do so for limited periods due to national lockdowns. We expanded the range of roles available to volunteers to include research, aftercare surveying of clients, social media management and home-based phone advice in order to offer more opportunities to work with us.

Our volunteers give us around 100 hours of their time per week which has an economic value of over £90,000 per year (based on average earnings).

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Achievements and performance**

##### **a. Review of activities**

For much of 2021/22 we were in lockdown, with limited face-to-face work taking place. During these times clients accessed our advice services by phone and webchat, meaning that we were able to continue to provide advice and assistance to those people in the community who needed it. By March 2022 we were fully open again for all face-to-face work. Our staff and volunteers are able to work flexibly in a hybrid home/office working pattern, excepting where face-to-face work is taking place.

During 2021/22 we have implemented a new service for clients referred to us by frontline Derbyshire Community Health Services. This has included health staff working in 0 - 19 Children's Services, Long Covid clinics and self-referrals from staff to a Staff Wellbeing service.

Our Adviceline uses the national Citizens Advice telephone platform with a local phone number and is free for clients to use. We seek to resolve issues at the first point of contact with the client and, where this is not possible, a phone or face-to-face appointment is made; this usually involves further casework.

We worked with 2 foodbanks in New Houghton (which ceased in the year) and Shirebrook through the provision of an advice worker during their main sessions; this was funded initially by Feeding Britain through a National Lottery grant and then by Derbyshire County Council.

Funding from North East Derbyshire District Council, Bolsover District Council and Derbyshire County Council enabled us to continue our work with our communities, moving in and out of lockdown as was appropriate at the time.

Our work linked to GP surgeries and community locations funded by Derbyshire County Council Public Health moved back to face-to-face, although not all of our surgeries were able to continue to accommodate us due to a shortage of space where new Covid-related services had been established (for example an isolation room). We continue to work with these surgeries to return, providing telephone-based appointments in the meantime.

Our debt work is funded by the Money and Pension Service, working as part of the East Midlands Money Advice project. This funding was in the process of being re-tendered during the year until a halt to the process in December meant that we are able to continue with our debt advice. Our Help to Claim service was re-tendered and ceased for us 31 March 2022. This resulted in the re-deployment of two of the three staff into other roles with us.

The funding from Derbyshire Community Health Services is an exciting development for us, taking direct referrals from health staff and supporting their clinical work by advising and working with clients' non-clinical issues such as housing and debt. The client profile for these referrals is younger than our average client profile meaning that we are able to provide services to clients who may not otherwise have accessed us.

We received local funding this year from Eckington Parish Council to provide advice within Eckington Library, CAST through the National Lottery to explore our digital ambitions and the Duke of Devonshire Charity to continue our work at Bolsover Library. These smaller sources of funding are vital to our continued success.

Our funders have continued to support our work during multiple lockdowns, for which we are grateful. All of our work is only possible due to the core funding provided by North East Derbyshire District Council and Bolsover District Council that underpins everything we do.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Achievements and performance *(continued)***

##### **a. Review of activities *(continued)***

We are pleased to report that under the membership scheme with our national association, we continue to score well in our Quality of Advice assessments and the Leadership Self-Assessment and have retained our Advice Quality Assessment mark and casework accreditation for Debt Advice and Telephone work for the next three years. We have seen a change in the staff survey that has identified areas requiring improvement and the Trustees are action planning to address these; however, it has been noted by Citizens Advice during our Leadership Self-Assessment that the pandemic, combined with project pressures and the changes we've needed to bring about in the organisation, have made this a challenging period for people management. It was also noted that a mix of information and support was in place and care is clearly being taken to support wellbeing and help staff adjust to the culture change of a new CEO appointed in March 2020.

Our client survey carried out nationally by Citizens Advice shows that clients are happy they have found a way forward and resolved their issues and would recommend our services. Client satisfaction with ease of access remains satisfactory although we acknowledge that the past year has been difficult with lockdowns and changes to service access depending upon the wider government rules in place at the time.

##### **Activities summary**

We have:

- Worked with 4,574 clients dealing with 17,053 enquiries.
- Handled over £1.8 million of debt.
- Successfully helped people gain over £2.5 million in benefit, tax credits and other financial awards.

##### **b. Factors affecting the achievement of objectives**

Telephone-based services have proved successful in the continuation of our work over lockdowns, but our strength is providing community-based advice and assistance and we welcome the lifting of restrictions that has allowed us to resume this way of working with clients.

##### **c. Investment policy and performance**

The Charity does not currently hold material investments.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

#### **Year ended 31 March 2022**

#### **Financial review**

##### **a. Financial position and performance**

Total income decreased in the year from £779,894 to £716,300. Expenditure decreased in the year from £771,326 to £660,924, giving a net surplus of £55,376 compared to a net surplus of £8,568 in 2021. Of the recorded net surplus for the year, a surplus of £60,452 related to unrestricted funds with a deficit of £5,076 relating to restricted funds.

##### **b. Reserves policy**

Citizens Advice North East Derbyshire is required to ensure that free monies are available in each financial year to meet any reasonably foreseeable contingency. The Charity will aim to achieve a projection of income for at least 12 months ahead and will ensure that this continues to be derived from as wide a variety of sources as possible. The Charity will take all necessary steps to ensure that at no time within this period would it be possible for the cessation of one or more funding streams to present so serious a challenge to the future of the organisation that it could not be managed.

Total funds at 31 March 2022 were £203,555 (2021: £148,179) of which £2,052 (2021: £7,128) are restricted funds and £201,503 (2021: £141,051) are unrestricted funds. Out of the unrestricted funds £32,000 (2021: £35,000) have been designated for specific purposes. Free reserves, excluding designated funds, are therefore £169,503 (2021: £106,051).

In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustee Board have concluded that 'free' reserves should be maintained at a level equating to at least two months of operating costs, which at March 2022 is forecast to be approximately £106,000. Free reserves exclude any designated reserves.

Based on the above figures, the charity is achieving its reserves policy target. The reserves policy is reviewed by Trustees annually.

##### **c. Principal funding**

The Trustee Board extend their gratitude to North East Derbyshire District Council and Bolsover District Council who continued to support the core operating capacity of the Charity. The Board are also extremely grateful to Derbyshire County Council for their continued support.

The Charity did not have any borrowings from either providers of funding or other sources at the balance sheet date.

#### **Plans for future periods**

##### **a. Future developments**

Funding continues to present ever-growing challenges. The Board, along with the Chief Executive, keeps this under constant review and are looking for new avenues of funding, particularly as we recover from lockdown. The preservation of our debt work is a priority for the charity.

Citizens Advice North East Derbyshire aims to continually improve access to its services and will continue to look at extending its services working in the most efficient and cost-effective way. We are also exploring how we can improve our offer for younger people and some equality groups. We will continually review our service and client profiles to aid us in this work.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Trustees' responsibilities statement**

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity 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 the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2022**

#### **Small company provisions**

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

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

Mr T Jones  
Trustee

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire**

**Year ended 31 March 2022**

#### **Opinion**

We have audited the financial statements of Citizens Advice North East Derbyshire (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 FRS 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 charity'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;
- 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 charity 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 charity'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.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire (continued)**

**Year ended 31 March 2022**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' 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.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire (continued)**

**Year ended 31 March 2022**

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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 my 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.

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

#### **Auditor's responsibilities for detecting irregularities, including fraud**

The objectives of our audit are: to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the following laws and regulations were most significant; the Companies Act 2006, the Charities SORP (FRS 102) and UK corporate taxation law. The charity is also subject to the regulations of the Financial Conduct Authority.
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks by making inquiries to relevant members of the management team. We corroborated our inquiries through our review of board minutes (where applicable) and inquiry into legal fees incurred in the year.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Citizens Advice North East Derbyshire *(continued)***

**Year ended 31 March 2022**

#### **Auditor's responsibilities for detecting irregularities, including fraud *(continued)***

- Identifying the controls management has in place to prevent and detect fraud and assessing the operation of these controls
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process
- Identifying and testing journal entries, in particular any journal entries that were large or unusual in nature
- Assessing the extent of compliance with the relevant laws and regulations governing the charity and the sector it operates within. This included a review of any potential breaches during and since the year end; and
- Challenging assumptions and judgements made by management in its significant accounting estimates.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or collusion.

#### **Use of our report**

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew McDaid (Senior Statutory Auditor)

For and on behalf of  
MCABA Limited t/a Mitchells  
Chartered Accountants & Statutory Auditor  
91-97 Saltergate  
Chesterfield  
Derbyshire  
S40 1LA

Date:

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	104	–	104	–
Charitable activities	6	85,000	627,362	712,362	778,403
Investment income	7	169	–	169	235
Other income	8	3,632	33	3,665	1,256
<b>Total income</b>		<u>88,905</u>	<u>627,395</u>	<u>716,300</u>	<u>779,894</u>
<b>Expenditure</b>					
Expenditure on charitable activities	9	60,790	600,134	660,924	771,326
<b>Total expenditure</b>		<u>60,790</u>	<u>600,134</u>	<u>660,924</u>	<u>771,326</u>
<b>Net income</b>		<u>28,115</u>	<u>27,261</u>	<u>55,376</u>	<u>8,568</u>
Transfers between funds		32,337	(32,337)	–	–
<b>Net movement in funds</b>		<u>60,452</u>	<u>(5,076)</u>	<u>55,376</u>	<u>8,568</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		141,051	7,128	148,179	139,611
<b>Total funds carried forward</b>		<u>201,503</u>	<u>2,052</u>	<u>203,555</u>	<u>148,179</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 18 to 30 form part of these financial statements.

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2022

	Note	2022 £	£	2021 £
<b>Current assets</b>				
Debtors	15	10,606		1,889
Cash at bank and in hand		258,250		200,130
		<u>268,856</u>		<u>202,019</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>65,301</u>		<u>53,840</u>
<b>Net current assets</b>			203,555	148,179
<b>Total assets less current liabilities</b>			<u>203,555</u>	<u>148,179</u>
<b>Net assets</b>			<u>203,555</u>	<u>148,179</u>
<b>Funds of the charity</b>				
Restricted funds			2,052	7,128
Unrestricted funds			<u>201,503</u>	<u>141,051</u>
<b>Total charity funds</b>	19		<u>203,555</u>	<u>148,179</u>

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

These financial statements were approved by the board of trustees and authorised for issue on

\_\_\_\_\_, and are signed on behalf of the board by:

Mr T Jones, Chair  
Trustee

The notes on pages 18 to 30 form part of these financial statements.

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 March 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income	55,376	8,568
<i>Adjustments for:</i>		
Other interest receivable and similar income	(169)	(235)
<i>Changes in:</i>		
Trade and other debtors	(8,717)	24,797
Trade and other creditors	11,461	(17,173)
Cash generated from operations	57,951	15,957
Interest received	169	235
Net cash from operating activities	58,120	16,192
<b>Net increase in cash and cash equivalents</b>	58,120	16,192
<b>Cash and cash equivalents at beginning of year</b>	200,130	183,938
<b>Cash and cash equivalents at end of year</b>	258,250	200,130

The notes on pages 18 to 30 form part of these financial statements.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 March 2022**

#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Coney Green Business Centre, Wingfield View, Clay Cross, Chesterfield, Derbyshire, S45 9JW, England.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

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

##### **Going concern**

The management and trustees realigned their strategy and working practices in response to the onset of the COVID-19 pandemic and continue to adapt to change to maintain the high standards of provision of services to clients. Management and trustees have prepared and reviewed forecasts and are confident that these show that the charity is able to operate within its available resources and meet its liabilities as they fall due for the foreseeable future and for a minimum of 12 months from authorising these financial statements. Accordingly, the trustees consider it appropriate to continue to prepare the financial statements on a going concern basis.

##### **Judgements and key sources of estimation uncertainty**

In applying the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

##### ***Provision for grant income repayable***

Provisions in respect of the repayment of grant income where the conditions of any grant are not met in full or where the grant has not been fully spent require an assessment by the trustees of the likelihood that the charity will be required to repay any such grant received. A provision will be made where it is considered probable that a repayment will be required.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 31 March 2022**

#### **3. Accounting policies** *(continued)*

##### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 costs of raising and administering such funds are charged against the specific fund. The aims and use of each restricted fund is set out in the notes to the financial statements. Where any restricted funds are in surplus, any such surplus is either carried forward or transferred to unrestricted funds in accordance with the underlying grant agreement or as indicated by the grant funder.

##### **Incoming resources**

All income is 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 is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from 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 investments is included when it becomes receivable.
- grant income is recognised when the charity becomes unconditionally entitled to that income. Where entitlement to grant income is subject to performance-related or other conditions, income is recognised in the Statement of Financial Activities in line with the achievement of performance and satisfaction of those conditions.

Where grant income is subject to a potential clawback provision, the value of any such provisions included in the financial statements that are liabilities of uncertain timing or amount are based on the amounts that are repayable under the terms of underlying grant agreements.

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2022**

#### **3. Accounting policies** *(continued)*

##### **Resources expended**

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

- expenditure on raising funds includes 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 a 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.

##### **Operating leases**

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

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

The trustees continue to operate a policy of not capitalising individual items of equipment costing less than £1,000, where the application of this policy does not materially misstate the financial statements.

##### **Depreciation**

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

Fixtures and fittings	- 20% straight line
Equipment	- 33% straight line

##### **Impairment of fixed assets**

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

##### **Financial instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as such in the statement of activities.

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 3. Accounting policies *(continued)*

##### Defined contribution plans

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity. Contributions payable for the year are shown within the statement of financial activities.

#### 4. Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

#### 5. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
Donations	104	104	—	—

#### 6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2022 £</b>
Bolsover District Council	—	43,605	43,605
Derbyshire County Council (GP Project)	—	216,575	216,575
NEDDC	85,000	—	85,000
Eckington Parish Council	—	1,000	1,000
Scamwatch Project	—	1,647	1,647
EMMA	—	107,220	107,220
Derbyshire County Council (Wellness Approach)	—	104,264	104,264
The National Association of Citizens Advice Bureaux (Help to Claim)	—	105,035	105,035
Derbyshire Community Health Services	—	36,516	36,516
CAST Discovery	—	5,000	5,000
Derbyshire County Council - Advice in Foodbanks	—	6,300	6,300
Sundry small funds	—	200	200
	<u>85,000</u>	<u>627,362</u>	<u>712,362</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 6. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Bolsover District Council	–	42,230	42,230
Derbyshire County Council (GP Project)	–	191,670	191,670
NEDDC	75,030	–	75,030
Scamwatch Project	–	31,028	31,028
EMMA	–	124,903	124,903
Derbyshire County Council (Wellness Approach)	–	93,990	93,990
Foodbanks (Feeding Britain)	–	35,730	35,730
Foodbanks (Foundation Derbyshire)	–	8,000	8,000
The National Association of Citizens Advice Bureaux (Help to Claim)	–	124,955	124,955
Foundation Derbyshire - reopening services	–	15,920	15,920
Coalfields Regeneration Trust - debt advice	–	9,997	9,997
CAST Discovery	–	5,000	5,000
BEIS Remote Working	–	8,992	8,992
Coalfields Regeneration Trust - Bolsover	–	9,618	9,618
Sundry small funds	–	1,340	1,340
	<u>75,030</u>	<u>703,373</u>	<u>778,403</u>

#### 7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>169</u>	<u>169</u>	<u>235</u>	<u>235</u>

#### 8. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Other income	<u>3,632</u>	<u>33</u>	<u>3,665</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Other income	<u>1,256</u>	<u>–</u>	<u>1,256</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Advice services	40,520	539,383	579,904
Support costs	20,270	60,751	81,020
	<u>60,790</u>	<u>600,134</u>	<u>660,924</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Advice services	17,322	661,648	678,970
Support costs	28,046	64,310	92,356
	<u>45,368</u>	<u>725,958</u>	<u>771,326</u>

#### 10. Analysis of support costs

	Advice services £	Total 2022 £	Total 2021 £
Premises	33,576	33,576	32,226
Communications and IT	34,065	34,065	41,114
General office	3,950	3,950	5,763
Governance costs	9,429	9,429	13,253
	<u>81,020</u>	<u>81,020</u>	<u>92,356</u>

#### 11. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u>5,100</u>	<u>4,500</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>1,500</u>	<u>1,500</u>

#### 12. Staff costs

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

	2022 £	2021 £
Wages and salaries	496,899	547,758
Social security costs	41,303	46,712
Employer contributions to pension plans	10,799	12,962
	<u>549,001</u>	<u>607,432</u>

The amount expensed in the Statement of Financial Activities in respect of redundancies during the year was £15,232 (2021: £15,089).

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 12. Staff costs *(continued)*

The average head count of employees during the year was 23 (2021: 24). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2022</b>	2021
	<b>No.</b>	No.
Advisory and administration	19	20

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £107,458 (2021: £107,457).

#### 13. Trustee remuneration and expenses

During the year ended 31 March 2022, one trustee had expenses in the form of travel costs reimbursed to them, to a value of £136. These expenses were incurred in the trustee's capacity as a volunteer for the charity. No expenses were reimbursed to trustees in the comparative period.

During the year ended 31 March 2022, no trustees received any remuneration or other benefits (2021: None).

#### 14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
At 1 April 2021	14,890	131,396	146,286
Disposals	(14,890)	(131,396)	(146,286)
<b>At 31 March 2022</b>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Depreciation</b>			
At 1 April 2021	14,890	131,396	146,286
Disposals	(14,890)	(131,396)	(146,286)
<b>At 31 March 2022</b>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Carrying amount</b>			
<b>At 31 March 2022</b>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2021	<u>—</u>	<u>—</u>	<u>—</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 15. Debtors

	2022	2021
	£	£
Prepayments and accrued income	10,444	1,889
Other debtors	162	–
	<u>10,606</u>	<u>1,889</u>

#### 16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	27,530	38,722
Social security and other taxes	9,658	11,309
Grants repayable	21,000	–
Other creditors	7,113	3,809
	<u>65,301</u>	<u>53,840</u>

#### 17. Deferred income

	2022	2021
	£	£
At 1 April 2021	1,375	7,333
Amount released to income	(1,375)	(7,333)
Amount deferred in year	2,100	1,375
<b>At 31 March 2022</b>	<u>2,100</u>	<u>1,375</u>

#### 18. Pensions and other post-retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,799 (2021: £12,962).

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
General funds	106,051	88,905	(60,790)	35,337	169,503
Redundancy	12,000	—	—	12,000	24,000
New premises	8,000	—	—	—	8,000
Holiday pay	15,000	—	—	(15,000)	—
	<u>141,051</u>	<u>88,905</u>	<u>(60,790)</u>	<u>32,337</u>	<u>201,503</u>

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
General funds	68,061	76,521	(45,368)	6,837	106,051
Redundancy	30,000	—	—	(18,000)	12,000
IT	10,000	—	—	(10,000)	—
New premises	10,000	—	—	(2,000)	8,000
Holiday pay	—	—	—	15,000	15,000
	<u>118,061</u>	<u>76,521</u>	<u>(45,368)</u>	<u>(8,163)</u>	<u>141,051</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 19. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Bolsover District Council	–	43,605	(43,605)	–	–
Derbyshire County Council (GP Project)	–	216,575	(195,599)	(20,976)	–
Scamwatch Project	803	1,647	(2,450)	–	–
EMMA (FIF)	–	107,220	(107,220)	–	–
Derbyshire County Council (Wellness Approach)	–	104,264	(101,007)	(3,257)	–
Foodbanks (Foundation Derbyshire)	6,000	–	(6,000)	–	–
The National Association of Citizens Advice Bureaux (Help to Claim)	–	105,068	(105,068)	–	–
CAST Discovery Grant`	–	5,000	(5,000)	–	–
Sundry small funds	325	200	(525)	–	–
Derbyshire Community Health Services	–	36,516	(28,412)	(8,104)	–
Derbyshire County Council - Advice in Foodbanks	–	6,300	(4,248)	–	2,052
Eckington Parish Council	–	1,000	(1,000)	–	–
	<u>7,128</u>	<u>627,395</u>	<u>(600,134)</u>	<u>(32,337)</u>	<u>2,052</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 19. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Bolsover District Council	–	42,230	(52,848)	10,618	–
Derbyshire County Council (GP Project)	–	191,670	(189,898)	(1,772)	–
Scamwatch Project	–	31,028	(30,225)	–	803
EMMA (FIF)	–	124,903	(124,903)	–	–
Derbyshire County Council (Wellness Approach)	6,782	93,990	(100,772)	–	–
Foodbanks (Feeding Britain)	–	35,730	(36,911)	1,181	–
Foodbanks (Foundation Derbyshire)	–	8,000	(2,000)	–	6,000
The National Association of Citizens Advice Bureaux (Help to Claim)	14,768	124,955	(143,923)	4,200	–
Foundation Derbyshire - reopening services	–	15,920	(15,920)	–	–
Coalfields Regeneration Trust - debt advice	–	9,997	(9,997)	–	–
CAST Discovery Grant`	–	5,000	(5,000)	–	–
BEIS Remote Working funding	–	8,992	(2,936)	(6,056)	–
Coalfields Regeneration Trust - Bolsover	–	9,618	(9,618)	–	–
Sundry small funds	–	1,340	(1,007)	(8)	325
	<u>21,550</u>	<u>703,373</u>	<u>(725,958)</u>	<u>8,163</u>	<u>7,128</u>

# **Citizens Advice North East Derbyshire**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 31 March 2022**

#### **20. Charitable funds**

##### **Purposes of designated funds**

Redundancy - funds set aside to cover redundancy costs in the event of a cessation of some of the restricted funding.

New premises - funds set aside to allow for the set-up of new premises where no formal lease agreements are in place.

Holiday pay - funds reserved for unpaid holiday pay provision in the event of unexpected closure.

##### **Purposes of restricted funds**

The main restricted funds and their purposes are as follows:

Bolsover District Council / Coalfields Regeneration Trust(Bolsover) - to provide a specialist case work service to the residents of Bolsover.

East Midlands Money Advice / Coalfields Regeneration Trust - to provide free debt advice

Derbyshire County Council ((GP Project) - to provide advice via GP practices as part of health prevention measures.

Scamwatch Project - to raise awareness, particularly amongst older residents, of the potentially harmful effects of mass-marketing, internet, doorstep and telephone scams and to provide one-to-one advice and support where potential scam/fraud victims are identified.

Feeding Britain / Foundation Derbyshire / Foodbanks - to provide access to advice for foodbank users and support to foodbank volunteers.

Derbyshire County Council (Wellness Approach) - to promote Derbyshire County Council's "Live Life Better Derbyshire" programme and provide advice around debt and welfare benefits.

The National Association of Citizens Advice Bureaux (Help to Claim) - to provide new Universal Credit claimants with help and support until their first payment of Universal Credit is received.

CAST Discovery - to receive hands-on technical support and mentoring to build digital skills and capability, in relation to the COVID-19 Digital Response Initiative.

Derbyshire Community Health Services - to provide advice for those referred by the funder, specifically for those in the 0-19 age group, those with long COVID, and the funder's own staff.

One-off funding in response to the Coronavirus pandemic to facilitate reopening services and operating remote services was also received in the prior year from Foundation Derbyshire and the Department of Business, Energy and Industrial Strategy (via The National Association of Citizens Advice Bureaux).

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 20. Charitable funds *(continued)*

##### Transfers between funds

Transfers have been made between designated funds to general funds as considered appropriate by the trustees.

Restricted funds in deficit are covered by transfers from unrestricted funds to make up any shortfall in funding. Where any restricted funds are in surplus, any such surplus is either carried forward or transferred to unrestricted funds in accordance with the underlying grant agreement or any instructions from the grant funder.

#### 21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Current assets	243,704	25,152	268,856
Creditors less than 1 year	(42,201)	(23,100)	(65,301)
<b>Net assets</b>	<u>201,503</u>	<u>2,052</u>	<u>203,555</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Current assets	193,516	8,503	202,019
Creditors less than 1 year	(52,465)	(1,375)	(53,840)
<b>Net assets</b>	<u>141,051</u>	<u>7,128</u>	<u>148,179</u>

#### 22. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	At 31 Mar 2022 £
Cash at bank and in hand	<u>200,130</u>	<u>58,120</u>	<u>258,250</u>

#### 23. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	7,966	17,487
Later than 1 year and not later than 5 years	3,421	7,492
	<u>11,387</u>	<u>24,979</u>

#### 24. Related party transactions

There have been no related party transactions during the current or comparative periods that require disclosure in these financial statements.

**Citizens Advice North East Derbyshire**

**Company Limited by Guarantee**

**Management Information**

**Year ended 31 March 2022**

**The following pages do not form part of the financial statements.**

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Detailed Statement of Financial Activities

Year ended 31 March 2022

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	104	—
<b>Charitable activities</b>		
Bolsover District Council	43,605	42,230
Derbyshire County Council (GP Project)	216,575	191,670
NEDDC	85,000	75,030
Eckington Parish Council	1,000	—
Scamwatch Project	1,647	31,028
EMMA	107,220	124,903
Derbyshire County Council (Wellness Approach)	104,264	93,990
Foodbanks (Feeding Britain)	—	35,730
Foodbanks (Foundation Derbyshire)	—	8,000
The National Association of Citizens Advice Bureaux (Help to Claim)	105,035	124,955
Foundation Derbyshire - reopening services	—	15,920
Coalfields Regeneration Trust - debt advice	—	9,997
Derbyshire Community Health Services	36,516	—
CAST Discovery	5,000	5,000
Derbyshire County Council - Advice in Foodbanks	6,300	—
BEIS Remote Working	—	8,992
Coalfields Regeneration Trust - Bolsover	—	9,618
Sundry small funds	200	1,340
	<u>712,362</u>	<u>778,403</u>
<b>Investment income</b>		
Bank interest receivable	169	235
<b>Other income</b>		
Other income	3,665	1,256
<b>Total income</b>	<u>716,300</u>	<u>779,894</u>

# Citizens Advice North East Derbyshire

## Company Limited by Guarantee

### Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2022

	2022 £	2021 £
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	496,899	547,758
Employer's NIC	41,303	46,712
Pension costs	10,799	12,962
Rent	27,068	28,008
Light and heat	1,692	1,330
Repairs and maintenance	2,705	1,493
Insurance	2,111	1,395
Staff training and other staff costs	3,805	2,327
Grant payments to other bureaux	8,978	50,373
Staff and volunteer travel	970	643
Legal and professional fees	9,429	13,253
Telephone	19,403	35,926
Printing, postage and stationery	3,950	5,763
Reference materials	3,360	2,385
Other office expenses	212	104
Other premises costs	86	986
Bank charges	235	361
CAB membership	7,849	7,849
Subsistence and refreshments	1,447	236
IT equipment and support	14,662	5,188
Office equipment expenses	2,234	4,787
Payroll processing	1,727	1,487
	<u>660,924</u>	<u>771,326</u>
<b>Total expenditure</b>	<u>660,924</u>	<u>771,326</u>
<b>Net income</b>	<u>55,376</u>	<u>8,568</u>



Chartered Accountants Business & Tax Advisers Registered Auditors



## THE AUDIT FINDINGS FOR CITIZENS ADVICE NORTH EAST DERBYSHIRE

YEAR ENDED  
31 MARCH 2022

25 AUGUST 2022

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25 August 2022

Dear Sirs

**Audit Findings for Citizens Advice North East Derbyshire for the year ended 31 March 2022**

This Audit Findings report highlights the significant findings arising from the audit for the benefit of those charged with governance, as required by International Standard on Auditing (UK & Ireland) 260. Its contents will be discussed with the Board.

As Auditors we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Yours faithfully

Andrew McDaid  
**Engagement Partner**  
for and on behalf of Mitchells Chartered Accountants & Business Advisers

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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this was not prepared for, nor intended for, any other purpose.

# SECTION I

## Executive Summary

### 1.1 Introduction

In the conduct of our audit we have not had to alter or change our audit plan which we communicated to you in the remote meeting held in June 2022.

### 1.2 Status of the audit

Our audit is complete and we do not expect to make any modifications to our audit report. However, our responsibilities with regard to the audit report extend up to the date on which it is signed and we will advise you of any changes to this position if necessary.

### 1.3 Audit opinion

We intend to issue an unqualified audit opinion on the financial statements.

### 1.4 Audit adjustments

Any audit adjustments made to the financial statements are shown on page 9 in the surplus reconciliation. We have included the schedule of unadjusted misstatements which we have found during our audit in section 7 on page 10. These have not been adjusted for on the grounds that they are immaterial to the financial statements.

### 1.5 Audit risks

#### Significant risks

- Revenue (income) recognition
- Risk of management override of controls and fraud

#### Other risks

- Use of accounting estimates
- Internal control environment
- Factors affecting risk of material misstatement due to fraud
- Compliance with legal and regulatory frameworks

### 1.6 Significant difficulties, if any, encountered during the audit

We encountered no significant difficulties and would like to take this opportunity of thanking your staff for the assistance offered to us during the course of our work. Their patient help and assistance was much appreciated.

# SECTION 2

## Significant findings

### Significant risks identified during planning

'Significant risks' often relate to significant non-routine transactions and judgemental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgemental matters may include the development of accounting estimates for which there is significant measurement uncertainty (ISA 315, identifying and assessing the risks of material misstatement through understanding the entity and its environments). The table below sets out our findings in respect of the significant risk which were communicated to you in our Audit Plan.

Risks identified in our audit plan		Commentary
1.	<b>Revenue (income) recognition</b> Under ISA 240 there is a presumed risk that revenue may be misstated due to improper recognition of revenue. This risk is that income could be recognised in the wrong period, or could be incorrectly classified as restricted or unrestricted.	<ul style="list-style-type: none"><li>• We reconciled income due per the grant funding agreements to income per the accounts.</li><li>• We reviewed grant funding agreements to ensure that income had been correctly classified as restricted or unrestricted and correctly recognised in accordance with the regulations contained within FRS 102 and the Charities SORP (FRS 102).</li></ul> <b>Conclusion</b> No adjustments to income in the financial statements were noted as required as a result of our audit testing of income recognition. The classification of grant funding income between restricted and unrestricted funding was discussed and agreed.
2.	<b>Management override</b> Under ISA 240 there is a presumed risk that the risk of management override of controls is present in all entities.	<ul style="list-style-type: none"><li>• We reviewed accounting estimates, judgements and decisions made by management for reasonableness and agreed to corroborative supporting evidence where possible.</li><li>• We tested large and unusual journal entries to assess their validity.</li><li>• We reviewed ledgers for unusual or significant transactions.</li></ul> <b>Conclusion</b> Our detailed testing on journal entries during the year did not highlight anything unusual, and therefore no issues have arisen that would suggest any management override of controls.

# SECTION 3

## Other audit findings

### Possible risks identified during planning

In addition to the significant risks identified, we are required by the Auditing Standards to identify other areas where there is a risk of material misstatement. Specifically we are required to “evaluate the design and determine the implementation of the entity’s controls, including relevant control activities, over those risks for which, in the auditor’s judgement, it is not possible or practicable to reduce the risks of material misstatement at the assertion level to an acceptably low level with audit evidence obtained only from substantive procedures” (ISA 315). The table below sets out our findings in respect of the other risks in relation to Citizens Advice North East Derbyshire which we communicated to you in our Audit Plan.

Risks identified in our audit plan		Commentary
1.	<b>Use of accounting estimates</b> The risk of material errors in the accounting estimates such as; depreciation method or asset useful life, allocation of expenditure between funds and different categories in the SOFA.	<ul style="list-style-type: none"><li>• We thoroughly reviewed all accounting estimates.</li><li>• We ensured that the necessary audit evidence was gathered.</li><li>• We ensured that calculations were performed on a consistent basis.</li></ul> <b>Conclusion</b> From the work performed on accounting estimates, there were no issues identified.
2.	<b>Internal control environment</b> Charities are required to have in place systems and financial controls which conform with the requirements of both propriety and good financial management. If this is not the case, there is a risk that the charity could be in trouble with the authorities.	<ul style="list-style-type: none"><li>• Walk through tests were performed as part of our audit procedures to ensure that the systems are working as intended.</li><li>• Thorough documentation illustrating how the internal controls were operating were sourced.</li></ul> <b>Conclusion</b> From our work, no major issues were identified. Some minor internal control issues were noted, which are detailed in section 5.
3.	<b>Factors affecting risk of material misstatement due to fraud</b> There is a risk that funds may not be spent appropriately, or the correct procedures have not been followed in relation to spending of funds.	<ul style="list-style-type: none"><li>• When testing purchases, we tested that the correct authorisation has been received before making the purchase.</li><li>• We checked that the purchases tested were appropriate to and were made for the purposes for the charity.</li></ul> <b>Conclusion</b> From the work performed, there were no issues identified.

## SECTION 3

### Other audit findings (continued)

Risks identified in our audit plan		Commentary
4.	<b>Compliance with laws &amp; regulations</b> There is a risk of misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations.	<ul style="list-style-type: none"><li>• An understanding of the legal and regulatory frameworks applicable to the company was obtained.</li><li>• An understanding of how the company are complying was obtained by making enquiries to relevant members of the management team.</li><li>• We corroborated our enquiries through our enquiry into legal fees incurred during the year.</li><li>• We identified the controls management has in place to prevent and detect fraud and assessed the operation of those controls..</li><li>• We made enquiries of any instances where performance appraisal outcomes may adversely affect current or future funding streams.</li></ul> <b>Conclusion</b> From the work performed, no instances of fraud or non-compliance with laws and regulations were found which would result in any misstatement. The accounts have been prepared in compliance with FRS 102 and the Charities SORP (FRS 102).

# SECTION 4

## Other communication requirements

Issue		Commentary
1.	<b>Matters in relation to fraud</b>	<ul style="list-style-type: none"><li>• We have discussed the risk of fraud with representatives of the board of trustees, who confirmed that they are not aware of any issues of fraud arising in the period under review or since.</li></ul>
2.	<b>Matters in relation to related parties</b>	<ul style="list-style-type: none"><li>• We are not aware of any related party transactions which have not been disclosed in the financial statements.</li></ul>
3.	<b>Written representations</b>	<ul style="list-style-type: none"><li>• Representations have been requested from management in respect of the significant assumptions used in the preparation of the financial statements.</li></ul>
4.	<b>Going concern presumption</b>	<ul style="list-style-type: none"><li>• Management has assessed the organisation as a going concern and prepared the financial statements on that basis with appropriate disclosures being made in the accounts.</li><li>• Based on the latest cash flow forecasts, assumptions used and sensitivities applied, we concur with management's view that the going concern assumption is an appropriate basis for preparing the accounts.</li></ul>

# SECTION 5



## Design effectiveness of internal controls

### 5.1 Summary

- The purpose of an audit is to express an opinion on the financial statements.
- Our audit included consideration of internal controls relevant to the preparation of the financial statements 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 internal control.
- The matters being reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with ISA 265.

### 5.2 Current year control recommendations

Risk Factor:  High  Medium  Low

Assessment	Issue and risk	Recommendations
1. 	<b>Restricted funds</b> The QuickBooks accounting records did not reflect the correct allocation of expenditure between individual restricted funds, as final adjustments to align expenditure with related income were not posted. Different grants were pooled together by project on QuickBooks but this was not always appropriate. As a result there was an increased risk that the split of funds between restricted and unrestricted in the financial statements may be misstated.	The accounting records maintained on QuickBooks should fully reflect the income and expenditure for each restricted fund and the correct balances of restricted funds at the year-end date. <b>Management response</b> This refers to the pooling of minor amounts of funding that were a contribution to a bigger project or service. Treating these as separate classes on QuickBooks is not efficient for us as a small charity and is not a practice that we wish to adopt. <b>Funding in question</b> Eckington Parish Council £1,000, which was given for CA NED to re-establish a face-to-face service at Eckington Library. This does not pay for the whole service which costs approximately £4,500 per annum but is only a contribution towards total costs. CAST £5,000, this was given specifically to fund salaries whilst staff were involved in a ten-week programme of digital exploration led by CAST. The funding was included in the core NED funding as this was where the relevant staff salaries were being funded from. I can confirm that both the Eckington and CAST funding was fully spent for the purpose it was given.
2. 	<b>QuickBooks postings</b> No description is entered on a lot of the postings (e.g. purchase invoices) on QuickBooks, which makes it difficult for us to tell what the postings relate to.	It would be helpful if a description could be entered for each posting on QuickBooks so that it is easier to tell what each posting relates to and the nature of the purchase made. <b>Management response</b> I am conscious that Heather only works one day per week so her capacity is limited, however I will ask her to include a short description on her postings.

# SECTION 5

## Design effectiveness of internal controls (continued)

### 5.2 Current year control recommendations (continued)

Risk Factor: ● High ● Medium ● Low

Assessment	Issue and risk	Recommendations
3. <span style="color: yellow;">●</span>	<b>Payment of pension contributions deducted from wages</b> During the year additional voluntary pension contributions for April and May 2021 were deducted from an employee's salary but were not paid over until September 2021.	All employee pension contributions deducted from gross salaries should be paid over to the pension provider within the statutory period allowed, being the 22 <sup>nd</sup> day of the month following the month of deduction. We note that this was due to confusion caused by the reports produced by the payroll bureau that administers and processes the company's payroll. We also note that this was an error from the 2021 financial year which overlapped in to the 2022 financial year, and that the matter has now been resolved. <b>Management response</b> No response is required; this is a historic mistake from 2020/21 made by BHP involving one former member of staff. This issue was resolved in the year 2020/21 although I acknowledge that the paying over of pension contributions to rectify the issue leaked into 2021/22.
4. <span style="color: yellow;">●</span>	<b>Holiday pay accrual workings</b> A number of errors in the holiday pay accrual workings were found from our testing. These often related to the supporting holiday records being updated without being reflected on the holiday pay accrual workings.	Please ensure that any changes to an individual employee's holiday entitlement are also reflected on the holiday pay accrual workings to ensure that the year end holiday pay provision is accurate. <b>Management response</b> We will be taking a more careful approach to holiday pay accruals data including collation of the figures after 31 March in order to include any late holiday bookings.
5. <span style="color: yellow;">●</span>	<b>Prepayments</b> A number of potential prepayment provisions were noted during the audit which had not been reflected in the financial statements.	Whilst the aggregate value of these provisions was immaterial, it should be ensured that any necessary prepayment provisions are reflected in the year-end accounts. <b>Management response</b> Noted.

# SECTION 5

## Design effectiveness of internal controls (continued)

Assessment	Issue and risk	Recommendations
5.3 Follow-up of previous years control recommendations		Assessment: Previous issue solved (✓) still present (✗)
Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
1. ✓	<b>Documentation relating to grant income</b> In reviewing grant income during the audit, it was noted that there were agreements and other proof of entitlement to grants that were not initially provided and had to be requested after initial review	This issue appears to have been resolved – all documentation relating to grant income has been made available to us in a timely manner.
2. ✗	<b>Restricted funds</b> The QuickBooks accounting records did not reflect the correct allocation of expenditure between individual restricted funds, as final adjustments to align expenditure with related income were not posted. Different grants were pooled together by project on QuickBooks but this was not always appropriate where some were restricted funds. As a result there was an increased risk that the split of funds between restricted and unrestricted in the financial statements may be misstated.	Both the issue regarding the allocation of expenditure between individual restricted funds and regarding the pooling of grants were still found to be present this year.
3. ✓	<b>Petty cash</b> It was noted that a balance of £371 representing cash on hand at the balance sheet date is included in the accounts, although no cash balances were held as at that date.	This issue appears to have been resolved.

# SECTION 5

## Design effectiveness of internal controls (continued)

Assessment	Issue and risk	Recommendations
5.3 Follow-up of previous years control recommendations		Assessment: Previous issue solved (✓) still present (✗)
Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
4. ✓	<b>Holiday pay accruals</b> The year-end accounting records did not account for the value of any accruals of holiday pay at the year end date. The values calculated were material to the accounts both at the current and comparative year end dates.	This issue appears to have been resolved.
5. ✓	<b>Authorisation of supplier invoices</b> During our sample testing of supplier invoices it was noted that there was no evidence that one invoice had been appropriately authorised.	This issue appears to have been resolved.
6. ✗	<b>Payment of pension contributions deducted from wages</b> During the year additional voluntary pension contributions were deducted from an employee's salary but were not paid over until after the end of the financial year.	This issue has rolled into the current year, although the systemic error has now been resolved.

# SECTION 6

## Surplus reconciliation

	£
Surplus/(deficit) per final client trial balance	56,676
<u>Adjustments:</u>	
Pension creditor adjustment	(700)
Audit provision adjustment	(600)
<b>Surplus/(Deficit) per accounts</b>	<b><u>55,376</u></b>

The Trustees confirm their approval of the adjustments listed and confirm that no further amendments are required in respect of the financial statements for the year ended 31 March 2022.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

# SECTION 7

## Summary of misstatements

### 6.1 Objectives

To consider the impact of unadjusted errors on the audit opinion.

To determine whether these errors individually or in total are material and whether adjustment or qualification is necessary.

### 6.2 Summary

Account and Narrative	Profit & Loss		Balance Sheet	
	Dr £	Cr £	Dr £	Cr £
<b>Fixed assets</b>				
Fixed assets not capitalised per company policy		7,149	7,149	
Related depreciation on above assets	2,383			2,383
<b>Debtors</b>				
Missed prepayments identified from repairs review		1,019	1,019	
Missed prepayments identified from supplier invoice review		760	760	

### Summary of misstatements (continued)

Account and Narrative	Profit & Loss		Balance Sheet	
	Dr £	Cr £	Dr £	Cr £
<b>Creditors</b>				
Under-provision of holiday pay accrual (omission of employee)	610			610
Over-provision of holiday pay accrual (other minor errors)		821	821	
Understatement of grant clawback provision	1,370			1,370
<b>Funds</b>				
CAST Discovery funding element not included in 20/21	2,857			2,857
<b>Total potential adjustments</b>	<b>7,220</b>	<b>9,749</b>	<b>9,749</b>	<b>7,220</b>

What is the net effect of these errors on surplus/(deficit)?

2,529

Is an adjustment required for any of these errors?

No

### 6.3 Conclusion

Errors are immaterial individually and in aggregate and have therefore not been adjusted for in the financial statements.

## SECTION 8

### Audit fees, non-audit services and independence

Fees	Inc VAT £	Fees for other services	Inc VAT £
Statutory Audit 2021	5,100	Accounts preparation 2021 (including all other general advice and support)	1,500

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements. The accounts have been prepared from a trial balance provided by yourselves, and any adjustments made, as shown in Section 6 of this report, have been discussed and agreed with Gillian Sladen.

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standards.