

REGISTERED COMPANY NUMBER: 06827297 (England and Wales)
REGISTERED CHARITY NUMBER: 1128497

Report of the Trustees and
Audited Financial Statements for the Year Ended 31st March 2023
for
Citizens Advice Worcester and
Herefordshire
Previously known as Worcester CAB & WHABAC

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Contents of the Financial Statements
for the Year Ended 31st March 2023**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 14
Report of the Independent Auditors	15 to 17
Statement of Financial Activities	18
Balance Sheet	19
Cash Flow Statement	20
Notes to the Cash Flow Statement	21
Notes to the Financial Statements	22 to 37

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Reference and Administrative Details
for the Year Ended 31st March 2023**

TRUSTEES

S Lister Chair
H Fenton
P Y Griffith
B Griffiths
M E Jenkins
R Tyler Treasurer
O T Cleary
J C Jones
D A Wiltshire

MANAGEMENT TEAM

G Thomas	Chief Executive
S Reeves	Advice Service Manager
D George	"SmartMove" Service Manager
A Limbert	Advice Services and WAN Partnership Manager
S Gregory	Advice Service Manager

COMPANY SECRETARY

G R Thomas

REGISTERED OFFICE

The Hopmarket
The Foregate
Worcester
Worcestershire
WR1 1DL

REGISTERED COMPANY NUMBER 06827297 (England and Wales)

REGISTERED CHARITY NUMBER 1128497

AUDITORS

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

BANKERS

Unity Trust Bank Plc
4 Brindley Place
Birmingham
B1 2HB

**Citizens Advice Worcester and
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**Report of the Trustees
for the Year Ended 31st March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the prevention of poverty, sickness and distress in particular, but without limitation, for the benefit of the community in and around Worcester City, Worcestershire, Herefordshire and surrounding areas.

We aim to:

- Provide the advice people need for the problems they face
- Improve the policies and practices that affect people's lives
- Help prevent homelessness through advice, advocacy, practical assistance and support to those in need

**Citizens Advice Worcester and
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**Report of the Trustees
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OBJECTIVES AND ACTIVITIES

Significant activities

The Charity provides free, confidential, impartial and independent advice and information for the benefit of the local community and seeks 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 inability to express their needs effectively. In addition, the Charity provides advice; information, practical assistance and support, through the operation of a "SmartMove" deposit guarantee scheme and "SmartLets" social lettings agency, to the single homeless and those at risk of homelessness in Worcestershire.

These services are delivered to users from our main premises in the Hopmarket and Lowesmoor in Worcester and Owen Street in Hereford. General advice services are also provided at a number of other locations within Worcester City including at St. Richards Hospice and also in outreach locations at Ross on Wye, Bromyard, Leominster, and Kington in Herefordshire.

The Charity also provides other services across Worcestershire, Herefordshire and for clients in Gloucestershire; these relate to specific client groups or specialist advice services. We provide specialist advice under contract to the Legal Aid Agency in housing law to include a Housing Possession Court Desk Scheme in Kidderminster and Redditch as well as Worcester and Hereford County Courts. We also operate our SmartMove and SmartLets schemes to provide assistance to the single homeless in a number of districts in Worcestershire. We also deliver a Macmillan welfare benefits advice service for those with a cancer diagnosis, their families and carers across Worcestershire (in partnership with Citizens Advice Wyre Forest) and in Herefordshire. Services delivered in locations other than our 3 main sites are generally provided at premises of partner agencies and/or through home visits to clients. In addition, the Charity provides the face to face element of the Pension Wise guidance service to eligible clients in Worcestershire, Herefordshire and the Cheltenham and Gloucester areas of Gloucestershire as part of a national contract held by Citizens Advice. Since the start of the Covid-19 pandemic this service has been delivered as a national telephone service to which we have contributed. Prior to the Pandemic this service was delivered from our own premises and partner locations in the main population centres of the areas covered. During 2022/23 some face to face Pension Wise appointments were re-introduced for clients in Worcestershire, Herefordshire and the Cheltenham and Gloucester areas of Gloucestershire in addition to telephone appointments. These face to face appointments were delivered from our offices in Worcester and Hereford.

Changes to Service Delivery During 2022/23, following the Covid-19 Pandemic

At the start of 2021/22, having completely reorganised our working practices to allow our staff and volunteers to work from home in 2020/21, we were prepared for further lockdowns during 2021/22.

However as a result of the greater certainty following the national Covid-19 vaccination programme, we were able to implement a three stage plan to return to the office in 2021/22, such that by the end of the year both offices in Worcester were open 4 days a week, and the Hereford Office was open 5 days a week for client appointments. In addition, by March 2022, we had reopened a drop in services for two days a week on Tuesday and Thursday in Worcester and Tuesday's in Hereford. The Hereford drop in in March 2022 was the first drop in advice service to be delivered in 6 years.

During 2022/23 our services developed such that by the 31 March 2023 they are now delivered so access to our services can be made as follows:

- Worcester services - via Worcestershire Adviceline, (including a facility for Worcester callers to leave a voicemail in order to receive a call back from an adviser), a text and call back service, an email and call back service and an open door drop-in service for three days a week on Tuesday, Wednesday and Thursday. Face to face appointments after initial contact are available 5 days a week and are arranged at our Hopmarket or Lowesmoor offices depending on the service the client requires. Appointments are also available at outreaches where funders have commissioned services such as Benefits Advice/Casework Service at St Richards Hospice, outreach locations for our Macmillan Benefits Casework Service and SmartMove outreaches such as in Kidderminster.
- Herefordshire Services - via, a text and call back service, email, and an open telephone and open door drop-in service for three days a week on Monday, Tuesday, Wednesday. Face to face appointments after initial contact available cross 5 days a week and are arranged at our Hereford Office and our outreaches in the market towns of Bromyard, Kington, Leominster, and Ross on Wye and at other outreaches where funders have commissioned services such as the Hope Centre Bromyard, outreach locations for our Macmillan Benefits Casework Service and during 2022/23, Barclays Bank in Hereford.

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**Report of the Trustees
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OBJECTIVES AND ACTIVITIES

Although many volunteers have now returned to the office to deliver advice by phone or face to face, some volunteers still choose to volunteer from home for using the Voipfone technology we had invested in and the new Adviceline 'Connect' technology which is accessed via computer via the internet.

The board and management team have committed to making as many channels available to our clients to access our services given that clients' needs and abilities to use different channels are wide ranging.

Public benefit

The trustees confirm that the charity has complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance on public benefit when reviewing its aims and objectives and in planning future activities.

Contribution of Volunteers

The Charity receives help and support in the form of voluntary assistance in advising the public and the charity's administration. Generalist advice is provided almost entirely by volunteers and without their time and commitment we would be unable to deliver this service. During the last 12 months we recruited and trained 24 new volunteers: 15 at our sites in Herefordshire and 9 in Worcester City. In total 127 volunteers contributed approximately 30,200 hours of work to the charity in 2022/23. This is roughly the equivalent of 15.7 full-time posts; we estimate the value of this help at around £559,814 per annum.

Ensuring our work delivers our aims

The Charity reviews its aims, objectives and activities each year. This is undertaken as part of an overall review of our service strategy and business plan. The review looks at the outcomes achieved from our activities and the benefits to users of our services and those we aim to help. This review helps us to ensure our aims, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and when planning future activities. Specifically, we consider how planned activities will contribute to our overall aims and objectives.

**Citizens Advice Worcester and
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**Report of the Trustees
for the Year Ended 31st March 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Citizens Advice Worcester and Herefordshire (previously known as Worcester Citizens Advice Bureau & WHABAC) was brought about following the merger of Worcester CAB and Worcester Housing & Benefits Advice Centre on the 1 April 2009. The charitable company passed a special resolution on 15th December 2022 changing its name from Worcester CAB & WHABAC to Citizens Advice Worcester and Herefordshire. The main areas of charitable activity are the provision of advice and support. Advice services are largely delivered through the provision of a Citizens Advice Service enhanced by additional projects targeted at specific groups in need and the provision of legal help in housing matters for those eligible. In addition, we provide practical assistance and support to the single homeless to secure and retain suitable accommodation. These areas of activity are complementary to each other and are undertaken to further our charitable purposes for the public benefit.

In total during the year 14,155 individuals have benefitted from our services. This exceeded last year's figure (12,281 individuals in 2021/22) by 14.8%. If we include dependents, spouses and partners, this figure of 14,155 individuals rises to over 28,500 people. Over the last 12 months the proportion of clients who are aged 50 years or over, (who represent 65.6% of all clients helped) has slightly increased since last year (61% in 2021/22). In addition, the number of clients with a disability and/or long term health condition has increased again to 49.1% of all clients when compared to last year's figure of 46% of all clients. We dealt with 17,102 individual enquires during the year resulting in around 40,562 contacts made with or on behalf of clients including telephone contacts and those made via letter, email and face to face contacts. Over 33,757 separate issues were recorded, with 80% of these our top 5 advice areas relating to Benefits, Housing, Debt, Charitable Support and Financial Capability/Services.

A more detailed report on our main areas of activity follows below:

Advice Services

In addition to the general advice services provided to the public we also delivered a number of other advice services, targeted at specific client groups or those in particular circumstances. The performance of these services is outlined below:

- 1,183 individual clients received help from the Macmillan welfare benefits advice service for those with a cancer diagnosis, their families and carers across Worcestershire (in partnership with Citizens Advice Wyre Forest) and in Herefordshire. This was an increase of 36% compared to 2021/22 (869 in 2021/22). The total financial gains for clients and their families during the period was £3,683,265 (£2,747,266 in 2021/22) and increase of 34% on 2021/22.
- 1494 individual clients were assisted through funding from the Money Advice Service to deliver face to face debt advice, in Worcester and Herefordshire. 1,354 of these individual clients were new clients helped during the year, (921 new clients were helped during 2021/22). This amounted to a rise of 47% compared to 2021/22 and resulted in debts of £875,636 being written off or rescheduled, (£758,000 in 2021/22) and £357,696 of other financial gains being achieved by debt caseworkers and advisers as part of this funded project.
- 224 individual clients in Worcester were helped by our Money Management Adviser funded by Worcester Municipal Charities, with Money Management, Charitable Support and Foodbank, energy/Utilities advice and benefits advice.
- 199 individuals received help at court with Legal Aid Agency funded Housing Possession Court Desk (HPCD) cases at Worcester and Hereford County Court. This project provides emergency help at court for clients who have rent arrears and are at risk of losing their home as a result of possession proceedings issued by both social and private landlords.
- 95 individual clients received help with Housing Casework funded as controlled work under the Legal Aid Agency Legal Help Scheme
- 155 individual clients received help with housing and housing related issues through our Housing caseworkers funded as part of our Lottery funded outreach project which includes provision of extra capacity for Housing Casework that falls outside the scope of the Legal Aid Agency Legal Help scheme.
- 197 Clients were helped by our Benefits Casework Project provided in partnership with students from Worcester University Law School (with financial support from Worcester Municipal Charities). Students volunteering receive training, ongoing supervision and support to help deliver this welfare benefits casework service to clients. 197 clients received advice and assistance from the project in the year and the total financial gain for clients in the period was over £461,664.

**Citizens Advice Worcester and
Herefordshire
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**Report of the Trustees
for the Year Ended 31st March 2023**

- 187 individuals received help with advice on benefit entitlement/income maximisation and help with housing cases to maximise clients' income and prevent rent arrears and homelessness. This provided total financial benefits to clients of over £360,000. In addition 54% of the clients helped live in the Cathedral, Warndon, Gorse Hill and Rainbow Hill in Worcester City that have the highest index of multiple deprivation in Worcester. This work was funded by Worcester City Council's Communities Committee to maximise clients income and prevent debt.
- 82 Individual clients received Benefits Advice and Casework to help them appeal decisions of the Department of Work and Pensions in relation to Universal Credit, Disability Benefits and Incapacity benefits. This Specialist Help was provided as a result of part of the Lottery funded Project to provide outreach advice services to provide extra capacity for Benefits casework with a focus on Herefordshire.
- 163 individual patients and patients' family members referred to our Benefits Advisers funded by and based at St Richard's Hospice were helped with benefits advice and casework. As a result total financial gains for clients and their family amounted to £448,516.
- 56 individual vulnerable clients (for example with severe and enduring mental health problems or learning Disabilities) were helped with benefits and housing issues by our part time adviser funded by The Lasletts Charity.
- We commenced two Money management projects in 2022/23, funded by Worcestershire County Council and The Trussell Trust as follows:
 - From November 2022 - a full time Money Management Adviser was funded by The Trussell Trust and Worcester Foodbank to provide Debt assessments, advice on budgeting and income maximisation through benefit checks to clients referred by the Worcester Foodbank or who were issued with Foodbank Vouchers by Citizens Advice Worcester and Herefordshire. From 1 November 2022 - 31 March 2023, 53 clients were helped by this service.
 - From December 2022 - a part time Money Management Adviser was funded to provide Debt assessments, advice on budgeting and income maximisation through benefit checks to advise referrals from Act on Energy - who work with Worcestershire County Council in the delivery of Energy Advice and energy vouchers to clients eligible for help under the Household Support Fund. This was delivered through The Worcester Advice Network, which we lead. From 1 December 2022 - 31 March 2023, 58 clients were helped by this service.

Pension Wise

Citizens Advice Worcester and Herefordshire is one of 38 local Citizens Advice who have been delivering the government's Pension Wise service for the last 7 years. Launched in April 2015, Pension Wise was a new guidance service set up to help people understand their options under the pension freedoms.

Citizens Advice Worcester and Herefordshire deliver Pension Wise appointments to people aged 50 and over with a defined contribution pension.

Key statistics - Pension Wise

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

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

Fundraising activities

The charity does not actively solicit members of the public for donations, either directly or using a professional fund-raiser. As such the charity is not bound by any voluntary scheme for regulating fund-raising.

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**Report of the Trustees
for the Year Ended 31st March 2023**

ACHIEVEMENT AND PERFORMANCE

Services for the Single Homeless:

Citizens Advice Worcester provides a number of private rented sector access schemes aimed at the prevention of homelessness among single people and childless couples; these services are centred on the "SmartMove" deposit guarantee scheme and "SmartLets" social lettings agency. The main focus of this work is in Worcester City but we also provide assistance to single homeless people in other locations in the County. These schemes provide practical assistance and ongoing support to those who are homeless or at risk of homelessness to secure and retain suitable accommodation. The main achievements and performance of these schemes over the year are outlined below:

- There were 331 applicants to our private rented sector access schemes last year. All applicants received advice and assistance relating to their housing situation. In total 80 were helped to secure and settle into suitable accommodation and 61 of these were housed in properties managed by SmartLets or through the provision of a deposit guarantee bond.
- 98.7% of applicants have a level of vulnerability in addition to the risk of homelessness, most with more than one contributing issue. The most common were: a history of homelessness, a history of offending, mental ill health, drug and/or alcohol problems and poor physical health. 73 had slept rough in the 12 months before approaching SmartMove
- The SmartLets social lettings agency managed 87 (9 HMO's and 78 self-contained flats) properties providing 120 units of accommodation under management at the end of March 2023.
- In total as at 31 March 2023 there were 177 tenancies across Worcestershire where Citizens Advice Worcester had either provided a deposit guarantee bond to the landlord or was directly managing the property through the SmartLets agency.

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**Report of the Trustees
for the Year Ended 31st March 2023**

FINANCIAL REVIEW

Financial position

Total incoming resources for the year were £1,744,381 (2022: £1,660,445), an increase in total income of £83,936 compared to 2021/22.

Expenditure increased for the year to £1,682,193 from £1,522,548 in 2021/22.

Total funds carried forward were £1,782,548 (2022: £1,720,360) of which £1,253,885 (2022: £1,165,342) were unrestricted funds, this includes £597,126 (2022: £597,126) in fixed assets representing three social investment properties providing accommodation for the single homeless, following the purchase of a further social investment property towards the end of 2019/20.

The future is uncertain in relation to a number of current project funding grants, such as:

- The Money and Pensions Services' Debt Advice Project (MaPSDAP) contract held by Citizens Advice, which we are subcontracted by Citizens Advice to deliver this service in Worcester City and Herefordshire. This contract was due to be recommissioned during 2021/22 so that a new contract would be delivered from 2022/23. This recommissioning was however suspended in January 2022, resulting in uncertainty with regard to our delivery of Debt Advice and Casework Services at the end of 2021/22, and the contract was extended to 31 January 2023, During 2022/23 we were informed that the contract would be extended to 31 March 2025 but in January 2023 we were advised that the funding to Citizens advice from The Money and Pensions Service (MaPs) would be cut by 10%. At the year-end therefore we were unclear whether we would retain our four caseworkers (as a recruitment freeze had been imposed) and we had not received a sub contract to confirm the expected extension to 31 March 2024
- Our Pension Wise contract was at the end of 2021/22 extended for two years to 31 March 2024 and at the start of 2023/24 we are unclear whether the service will be recommissioned or the contract will be extended
- Our Macmillan contracts for both Herefordshire and Worcestershire are due to end on 31 December 2024.
- Our core grant from Worcestershire County Council to deliver Advice Services in accordance with the Care Act across Worcestershire via the Worcestershire Advice Network partnership (WAN) of which we are the Lead Partner will end on 30 September 2023 and is likely to be recommissioned

Most grants relating to the provision of "core" services are awarded on an annual basis and project funding has been subject to annual renewal and extension over the last 12 months. These agreements will come to an end during 2023/24 with no certainty over their continuation.

We were however awarded a 4-year National Lottery Community Fund Grant from 1 October 2021 to meet the costs of developing and delivering Citizens Advice generalist advice and specialist advice services at outreach locations in the market towns and other venues across the County of Herefordshire. In addition, the fund also meets the costs of increasing capacity at our central Hereford office through the introduction of open-door drop-in advice sessions and increasing our capacity to deliver specialist Housing Casework and Benefits Casework with a focus on Herefordshire.

The future overall financial position remains challenging and uncertainty at the end of 2022/23 has been increased as a result of the Covid-19 Emergency has affected grants from some local funders for our core services. In addition there is a greater amount of competition from charitable organisations for funding - particularly from those charities that provide short term crisis support for individuals in need cope with the cost of living crisis. Similarly running costs are increasing as a result of the cost of living crisis. Trustees have for a number of years recognised the difficulties in sustaining grant funding at current levels and have continued their strategy of investment to both reduce costs and generate income from charitable activities. Most significantly this has included investing in the acquisition of suitable properties to provide accommodation for the single homeless which also generate an income from rents for the Charity to meet the running costs of the project.

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**Report of the Trustees
for the Year Ended 31st March 2023**

FINANCIAL REVIEW

Principal funding sources

The Charity is funded from a variety of sources both statutory and charitable.

The largest single source of funding was the grant from Worcester Municipal Charities CIO of £180,316 (2022: £173,381).

Worcester Municipal Charities CIO also provide rent free commercial premises which is valued at £46,240 (2022: £46,240). In addition, 68 units of accommodation for the homeless are managed by Citizens Advice Worcester and Herefordshire on behalf of Worcester Municipal Charities. A management charge of 15% of the rent received is retained by the charity totalling £52,538 (2022: £39,403) which contributed towards the cost of our work with the single homeless. Worcester Municipal Charities are the most significant contributor to meeting the costs of the charity's core activities in Worcester. The Charity would like to acknowledge their gratitude to the continued support of Worcester Municipal Charities.

The Eveson Trust provides a funding contribution to the cost of our work with the single homeless in Worcester. In addition, The John Martin Charity funds similar work in Wychavon. Wyre Forest District Council also fund projects working with the single homeless in Wyre Forest.

Worcestershire County Council also contributed funding to the provision of core advice services delivered by the Charity as part of the Worcestershire Advice Network (WAN), this also included some additional funding to deliver provision for those in need in accordance with the Household Support Fund and to provide Money Management, Debt Assessment and Income Maximisation advice. In addition, Worcester City Council funded core services in relation to the contribution made to preventing homelessness in Worcester and specific initiatives to provide services to the single homeless. Worcester City Council Communities Committee also awarded a grant to support work to maximise clients' income in order to prevent debt.

Substantial grants were also received via Citizens Advice from the Money and Pensions Service to provide debt advice in Worcester City and Herefordshire and from the DWP for the delivery of the face to face element of the Governments Pension Wise service in Worcestershire, Herefordshire and the Cheltenham and Gloucester areas of Gloucestershire. During 2022/23 following the Covid-19 pandemic Pension Wise Guidance was delivered as part of a national telephone service, however face to face advice was introduced which we delivered at our offices in Worcester and Hereford.

A number of organisations provided funding specifically for advice work with particular client groups. These include St. Richards Hospice in Worcester, for those receiving their care and Macmillan Cancer Support for those with a cancer diagnosis and their families in Worcestershire and Herefordshire. We also continued to receive payments from the Legal Aid Agency to cover the cost of legal advice on housing matters, provided under contract in the two counties. We also receive a grant from the Laslett's Charity to advise and provide a level of support and casework to vulnerable clients with complex problems.

We were also supported by The Trussell Trust and Worcester Foodbank who provided funding to commence a new project from October 2023, delivering Money Management, Debt Assessment and Income Maximisation advice to Worcester Foodbank Clients.

Delivery of "core" advice services in Herefordshire is funded from a number of sources including the Henry Smith Charity, Herefordshire Council, Ross Town Council, Hereford City Council, Bromyard Town Council, The Hope Centre-Bromyard, and the Philippa Southall Trust. Income received relating to the "core" service in Herefordshire is "ring-fenced" to ensure expenditure is directly related to our activities in the County.

During 2021/22 we successfully applied for a 4-year National Lottery Community Fund Grant which was awarded from 1 October 2021. This grant has met the costs of developing and delivering Citizens Advice generalist advice and specialist advice services at outreach locations in the market towns and other venues across the County of Herefordshire. In addition, the fund also meets the costs of increasing capacity at our central Hereford office through the introduction of open-door drop-in advice sessions and increasing our capacity to deliver specialist Housing Casework and Benefits Casework with a focus on Herefordshire.

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**Report of the Trustees
for the Year Ended 31st March 2023**

FINANCIAL REVIEW

Reserves policy

The Trustee Board has considered the Charity's requirements for reserves in light of the main risks to the organisation and its future plans. It has established a policy that the unrestricted funds not committed, or invested in tangible fixed assets held by the Charity should be between 3 and 6 months' operational expenditure.

Budgeted operational expenditure for 2022/23 was £1,462,197 (2022: £1,331,673) (excluding SmartLets property costs); the level of reserves required is therefore between £365,549 and £731,098 (2022: £332,918 and £665,837). The Trustee Board reviewed the level of reserves held during the years 2017/18 and 2018/19. This review took into account the unrestricted fixed assets, consisting of social investment properties, which could be sold in the event of any serious existential threat to the Charity.

As a result of the review the Trustee Board decided to reduce the level of reserves held to nearer to the lower, 3-month figure and they reduced cash reserves through the purchase of a further social investment property which was completed during 2019/20.

The lower level of reserves held is considered by the Trustee Board to be sufficient, in the event of significant reductions in funding, to meet any outstanding commitments and maintain activities at a reasonable level, while efforts to replace lost funding and/or identify and secure alternative sources of income are undertaken. This will allow, if necessary, for a managed reduction in services and resources to minimise the impact on the Charity and its beneficiaries in the short to medium term.

Unrestricted funds currently stand at £1,253,885 (2022: £1,164,392); this includes fixed assets of £613,872 (2022: £609,546), £20,000 (2022: £20,000) designated for the replacement of IT equipment and £30,000 (2022: £30,000) to meet the cost of repair and redecoration of the Charity's premises.

The present level of reserves available to the Charity stands at £606,760 (2022: £513,202) (comprising the general fund of £389,638 (2022: £284,652), redundancy fund of £217,122 (2022: £181,144) and the designated Herefordshire fund of £nil (2022: £47,406) which represents just under 5 months budgeted expenditure.

Total restricted funds as at 31 March 2023 were £528,662 (2022: 555,018), bringing total charity funds to £1,782,548 (2022: £1,720,360).

In addition, the Charity holds specific funds to cover possible liabilities in relation to the operation of its private rented sector access schemes, SmartMove and SmartLets to include potential losses against deposit guarantee bonds issued to landlords through the SmartMove scheme and meeting leasing commitments and any repairs for which we are responsible in relation to SmartLets properties. The value of these funds is reviewed on an annual basis in line with identified possible liabilities going forward.

The Trustee Board want to maintain healthy reserves in line with their policy, but will continue to monitor the level held, giving consideration to how they can be best used to further the Charity's objectives, both in the short and longer term. The trustees started to review their current Reserves Policy during 2022/23 in order to: (i) look at the level of cash reserves required and (ii) to assess whether some of the organisations current reserves could be invested in a form so they can also fulfil the charity's benefit.

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**Report of the Trustees
for the Year Ended 31st March 2023**

PLANS FOR THE FUTURE

The climate of austerity with cuts in public spending at both the local and national level since 2010, together with the Covid-19 pandemic and future uncertainty due to the cost of living crisis, has continued to have an impact on the Charity's funding position and the capacity to develop new projects and services.

During the pandemic we were able to manage financially due to successful applications for additional Covid-19 funding for grants released to local authorities and community foundations in 2020/21 and 2021/22. In 2022/23 the organisation again received additional unrestricted grant income from Covid-19 funding and funding to support the cost of living crisis such as £40,000 from Worcester City Council Communities Committee to support clients needing support to maximise their income and cope with debt and £20,000 from a Task and Finish group to maintain and increase our capacity to deliver face to face appointments and drop in sessions in Worcester. We also received £10,000 funding from Herefordshire Council to support income maximisation and debt support in addition to the continued use of premises to deliver services in Hereford.

Over the next 12 months the Charity's initial priority will continue to be the maintenance of "core" services at the level during 2022/23, and to increase the amount of face to face appointments and amount of open door advice drop-in services in Worcester (three days per week funded by core funding) and Herefordshire (three days per week funded by Lottery funding) delivered during 2022/23. In addition, whilst accepting there is a need for face to face advice, we also need to preserve the improvements made to our telephone service since 2020/21. We are therefore looking to ensure that the return to face to face advice does not result in a loss of our telephone advice service and are seeking funding to cope with the continued demand for phone advice - particularly for our text and call back service in Worcester (which we introduced at the start of the pandemic in 2020/21). Our service however will include a general advice service to the public in Worcester City and Herefordshire and the continuation of the private rented sector access schemes SmartMove and SmartLets, which are focused on preventing single homelessness. We will also reinstate face to face service for those clients that need this to progress their problems and prevent homelessness.

The organisation however expects funding for our core services to be a challenge over the next few years due to fewer grants available following the Covid-19 pandemic (during which the Government and other organisations released additional grant funding for the emergency need). In addition, it is widely predicted that we should expect an increase in demand for our services due to an increase in inflation which has resulted in a 'cost of living' crisis for those the low and medium incomes.

Our plans to seek additional funding in Herefordshire have been successful as we were awarded a 4 year grant of £495,000 which commenced in October 2021, to meet the costs of developing and delivering Citizens Advice generalist advice and specialist advice services at outreach locations in the market towns and other venues across the County of Herefordshire. In addition, the fund also meets the costs of increasing capacity at our central Hereford office through the introduction of open-door advice drop-in sessions and increasing our capacity to deliver specialist Housing Casework and Benefits Casework with a focus on developing these services in Herefordshire. We have been able to develop these services during 2022/23 as the project develops start to devise a strategy to maintain advice outreaches beyond the lottery project.

However, our Henry Smith funding, which supports around 40% of our core Herefordshire Service ended on 31 March 2023 and we have sought alternative funding with a view to making an application for renewal funding from 1 April 2024.

We plan to increase the number of properties under management by our SmartLets social lettings agency over the next 12 months. We managed to sign new agreements with landlords in 2022/23 as part of our project funded by Worcester City Council for the Rough Sleepers Accommodation Programme (RSAP) grant to provide accommodation units and support single people who are homeless, at risk of homelessness or vulnerably housed, (including former rough sleepers), into shared and self-contained accommodation. However other landlords have decided to sell properties reducing the number of HMO's available to us. The project workers provide advice and support to people with low care needs to sustain their accommodation as part of this project. We were however at the end of 2022/23 in negotiation with landlords to lease new HMO's to increase the units of accommodation available through the SmartLets project. We will continue to work with local landlords to increase the number of SmartLets properties further as we are expecting the increase in demand for properties for the single homeless to continue over the next 12 months.

We are continuing to work closely with Worcester Municipal Charities (WMC) over the next 12 months and an additional 4 self-contained flats developed by WMC in old office space owned by WMC were opened in February 2023. These properties, which are managed by SmartLets have increased the stock of high quality self-contained flats for the single homeless in Worcester. We will also continue to review and improve SmartLets administration, and we are looking to improve the current property management software during 2023/24. It is our aim to assist our Project Workers to identify clients who need assistance to maintain their tenancies (for example through advice to maximise their income and sustain tenancies in the longer term), at the earliest opportunity. We also anticipate that this will also reduce rent arrears in properties managed by SmartLets which help fund the project.

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Report of the Trustees
for the Year Ended 31st March 2023**

We also hope to re-engage our previous successful partnerships with Crisis and Worcester City Council, in order to look for funding opportunities to sustain and develop our advice and specialist services to prevent homelessness in Worcester City, Herefordshire and surrounding areas.

Our contracts funded by the Money and Pensions Services via Citizens Advice; Pension Wise has been extended to 31 March 2024 and the Face to Face Debt Advice Project (MaPSDAP) has been extended to 31 March 2025.

Our Macmillan contract to provide Welfare Benefits Advice and Casework for people affected by cancer in Worcestershire and Herefordshire has been extended to the end of 2024. We will be working with Macmillan and our partners at Citizens Advice Wyre Forest in Worcestershire, to continue to successfully deliver these contracts in order to seek an extension to these services beyond 31 December 2024.

Since taking responsibility for delivering Local Citizens Advice Services in Herefordshire since 1 April 2017, we have received premises rent free from Herefordshire Council. There is some uncertainty over the future of these premises and our current premises in Hereford are subject to a council review of the properties within the Town Hall Estate owned by Herefordshire Council. We are currently in discussions with Herefordshire Council in order to look at possible solutions that might be necessary following this review. We therefore intend to develop a new premises policy to secure premises that are centrally located, accessible to our clients and can be provided free by one of our partners (currently the Herefordshire Council) or are affordable over the medium to long term. Central premises based in Hereford are essential in order to deliver and coordinate our activities across Herefordshire, particularly now that we have been successful in gaining funding from the National Lottery Community Fund to develop outreach and make our services more accessible throughout all of Herefordshire.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 23 February 2009 and registered as a charity on 11 March 2009. The company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association. New Articles were adopted by a special resolution dated 30 January 2014 and New Articles were again adopted by a special resolution dated 3 December 2020. In addition the organisation changed its charitable and company name from Citizens Advice Worcester Bureau & WHABAC to Citizens Advice Worcester and Herefordshire by special resolution on 15 December 2022.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Trustee Board. The maximum number of Trustees is 15 who may be elected at the AGM or co-opted by the Trustee Board provided the total number of co-opted Trustees does not exceed one third of the total number of Trustees. Trustees are elected or appointed for a period of 3 years but may be re-elected.

New Trustees are recruited based on an evaluation of their skills and experience against criteria set by the organisation. The Trustee Board also seeks to ensure that its composition reflects the diversity of the local community and users of the Organisation's services.

Induction and training of new trustees

New trustees are provided with an Induction Pack containing:

- Guidance on the role and responsibilities of Trustee Board Members
- The Memorandum and Articles of Association
- The most recent Director's Report and Audited Accounts
- The Charity's current Business Plan
- The most recent Annual Review report

This is followed up with an induction meeting with the Chief Executive and/or Chair, which provides an opportunity to learn more about the work of the Charity, focus on current Board priorities and assess any further training needs. New Trustees will also be invited to visit the offices when the Charity is open to the public which will allow them to better understand the day to day operation of the Charity and the delivery of its services

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Report of the Trustees
for the Year Ended 31st March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The charity is governed by a Trustee Board of up to 15 members who meet at least quarterly to conduct normal business.

The Trustee Board is responsible for the strategic direction and policy of the Charity and the Trustees carry the ultimate responsibility for the conduct of Citizens Advice Worcester and Herefordshire and for ensuring the Charity satisfies its legal and contractual obligations.

There is a full-time Chief Executive Officer who is responsible for ensuring the Charity delivers the services specified and that key performance indicators are met. The day to day operational management of the organisation and supervision of staff and volunteers is the responsibility of 4 Service Managers. The Chief Executive Officer and Management Team are also supported by a part time Business Administrator and a full time Financial Administrator.

Qualifying third party indemnity provisions

The Articles of Association states that, to the extent permitted by Companies Act 2006, the Trustee are indemnified out of the assets of the charity in relation to any liability incurred in their capacity as Trustees of the charity.

Related parties

The Charity is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux, which provides a framework for standards of advice and casework management as well as monitoring progress against these standards. Operating policies are independently determined by the Trustee Board of Citizens Advice Worcester and Herefordshire in order to fulfil its charitable objects and comply with the national membership requirements.

The Charity is also a member of a Homeless Link, the national membership charity for organisations who work directly with people who become homeless in England. The trustees also take active steps to maintain and develop relationships with local authorities e.g. Worcestershire County Council, Worcester City Council, other district councils within the Worcestershire, Herefordshire Council and town councils within Herefordshire. We also have relationships with a number of other organisations including the Legal Aid Agency and other charities including Macmillan Cancer Support, Crisis, Maggs Day Centre, St. Pauls Hostel, St Richards Hospice and Worcester Municipal Charities. We are the lead agency for the Worcestershire Advice Network consisting of the 4 Local Citizens Advice (LCA) in Worcestershire, North and South Worcestershire DIAL and 2 Age Concern District organisations.

Risk management

The Trustee Board consider the major risks that the charity faces on an annual basis when preparing and updating the strategic plan. Where appropriate, systems or procedures are in place to mitigate the risks identified. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the Charity. Working to the standards to meet the Citizens Advice membership requirements, the Advice Quality Standard (AQS), the Community Legal Service Specialist Quality Mark (SQM) and other quality measures ensure a consistent quality of delivery for all operational aspects of the Charity. Policies and Procedures are periodically reviewed to ensure they continue to meet the needs of the Charity.

CHANGE OF NAME

The charitable company passed a special resolution on 15th December 2022 changing its name from Worcester CAB & WHABAC to Citizens Advice Worcester and Herefordshire.

STATEMENT OF INTERNAL CONTROL

The Trustee Board oversee the information security of all personal information of our clients, staff, funders and strategic partners that is processed. Citizens Advice Worcester and Herefordshire hold joint responsibility for client data that is held in our case management system, with the national Citizens Advice Service. An information assurance management team exists to ensure the confidentiality, integrity and availability of all personal and sensitive data is maintained to a level which is compliant with the requirements of the UK General Data Protection Regulation and Data Protection Act 2018.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Citizens Advice Worcester and Herefordshire for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Report of the Trustees
for the Year Ended 31st March 2023**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Richards Sandy Audit Services Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 7/11/23 and signed on its behalf by:



.....
S Lister - Trustee

**Report of the Independent Auditors to the Members of
Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

Opinion

We have audited the financial statements of Citizens Advice Worcester and Herefordshire (the 'charitable company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Report of the Independent Auditors to the Members of
Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks and irregularities, including known actual, suspected or alleged instances of fraud; and
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 (and related legislation), the Charities Act 2011 (and related legislation)), and laws and regulations relating to the employment and payment of staff including, but not limited to, the Employment Rights Act 1996, the National Minimum Wage Act 1998 and the Pensions Act 2008.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures. This includes sample testing of monthly payroll records for the calculation of gross wages, payroll taxes and pension costs.

We identified the areas of the financial statements most susceptible to fraud to be management's judgement in allocating expenditure to individual restricted and unrestricted funds, including the allocation of wage costs and general staff overheads. Audit procedures performed included, but were not limited to, reviewing managements reasoning and workings behind these allocations of expenditure.

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

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

**Report of the Independent Auditors to the Members of
Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

Use of our report

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



Melissa Godwin (Senior Statutory Auditor)
for and on behalf of Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Date: 23.11.23

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2023**

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	334,689	26,799	361,488	339,738
Charitable activities	6				
SmartLets property income		340,417	-	340,417	338,706
Advice & support income		475,648	562,375	1,038,023	981,839
Investment income	5	4,453	-	4,453	162
Total		1,155,207	589,174	1,744,381	1,660,445
EXPENDITURE ON					
Charitable activities	7				
Advice and support		859,102	603,095	1,462,197	1,310,891
SmartLets property		212,938	7,058	219,996	211,657
Total		1,072,040	610,153	1,682,193	1,522,548
NET INCOME/(EXPENDITURE)		83,167	(20,979)	62,188	137,897
Transfers between funds	19	5,376	(5,376)	-	-
Net movement in funds		88,543	(26,355)	62,188	137,897
RECONCILIATION OF FUNDS					
Total funds brought forward		1,165,342	555,018	1,720,360	1,582,463
TOTAL FUNDS CARRIED FORWARD		1,253,885	528,663	1,782,548	1,720,360

The notes form part of these financial statements

**Citizens Advice Worcester and
Herefordshire (Registered number: 06827297)
previously known as Worcester CAB & WHABAC**

**Balance Sheet
31st March 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
Tangible assets	14	16,746	345,513	362,259	370,931
Social investments	15	597,126	-	597,126	597,126
		<u>613,872</u>	<u>345,513</u>	<u>959,385</u>	<u>968,057</u>
CURRENT ASSETS					
Debtors	16	64,631	9,000	73,631	82,910
Cash at bank		680,690	179,981	860,671	764,411
		<u>745,321</u>	<u>188,981</u>	<u>934,302</u>	<u>847,321</u>
CREDITORS					
Amounts falling due within one year	17	(105,307)	(5,832)	(111,139)	(95,018)
NET CURRENT ASSETS		<u>640,014</u>	<u>183,149</u>	<u>823,163</u>	<u>752,303</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,253,886</u>	<u>528,662</u>	<u>1,782,548</u>	<u>1,720,360</u>
NET ASSETS		<u>1,253,886</u>	<u>528,662</u>	<u>1,782,548</u>	<u>1,720,360</u>
FUNDS	19				
Unrestricted funds				1,253,886	1,165,342
Restricted funds				528,662	555,018
TOTAL FUNDS				<u>1,782,548</u>	<u>1,720,360</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 7/11/23 and were signed on its behalf by:


.....
R Tyler - Trustee

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Cash Flow Statement
for the Year Ended 31st March 2023**

		2023	2022 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	91,807	168,689
Net cash provided by operating activities		91,807	168,689
Cash flows from investing activities			
Interest received		4,453	162
Net cash provided by investing activities		4,453	162
Change in cash and cash equivalents in the reporting period		96,260	168,851
Cash and cash equivalents at the beginning of the reporting period		764,411	595,560
Cash and cash equivalents at the end of the reporting period		860,671	764,411

The notes form part of these financial statements

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Cash Flow Statement
for the Year Ended 31st March 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	62,188	137,897
Adjustments for:		
Depreciation charges	8,672	10,068
Interest received	(4,453)	(162)
Decrease in debtors	9,279	14,103
Increase in creditors	16,121	6,783
Net cash provided by operations	91,807	168,689

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	764,411	96,260	860,671
	<u>764,411</u>	<u>96,260</u>	<u>860,671</u>
Total	<u>764,411</u>	<u>96,260</u>	<u>860,671</u>

The notes form part of these financial statements

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements
for the Year Ended 31st March 2023**

1. STATUTORY INFORMATION

Citizens Advice Worcester and Herefordshire (formerly known as Worcester CAB & WHABAC) is a charitable company limited by guarantee registered in England and Wales.

In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member.

The charitable company's registered number and registered office address can be found on page 1.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

CHANGES IN ACCOUNTING POLICIES

In the current financial year there has been a change in accounting estimation policy where a capitalisation threshold of £1,000 has been set, over which equipment is capitalised. Previously there was no minimum value. Under this new policy computer equipment of £10,370 has not been capitalised as the items are all individually below this capitalisation limit.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from grants (including government grants) and donations is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income from grants is only deferred when the charity has to fulfil conditions not yet met before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Rental and property management income is recognised in line with the periods to which such income relates, up to the extent that it is probable that such income is recoverable. Where recoverability of rental income is in doubt, such income is instead recognised on a cash basis.

Interest income is recognised for all interest-bearing instruments on an accrual basis.

Donated services are recognised in income at fair value at time of receipt, provided that it is practical to assess fair value. Where it is impractical to assess the fair value of donated services, they are not recognised in the financial statements.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	- Straight line over 99 yrs, from Aug 2000
Improvements to property	- 15% on cost
Office equipment	- 20% on reducing balance

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

2. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

All fixed assets are initially measured at cost and depreciated as detailed above. Assets costing less than £1,000 are not capitalised.

SOCIAL INVESTMENTS IN PROPERTY

Social investments in property are held primarily for the provision of social benefits in accordance with the objectives of the charity, although rental income is received in regard to these properties.

Social investments in property are measured at cost less and provisions for depreciation or impairment.

Social investments in property are considered to have a residual value not less than historical cost, and they are subject to a programme of repairs designed to maintain these assets to a high standard. On this basis, no depreciation is charged on these properties.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction.

OPERATING LEASES

Rents receivable and payable under operating leases are credited or charge to the statement of financial activities on a straight line basis over the term of the individual leases to which they relate.

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

2. ACCOUNTING POLICIES - continued

FUNDS HELD AS AGENT

Funds received as agent are not recognised as an asset in its accounts because the funds are not within its control. The receipt of funds as agent is not recognised as income nor is its distribution recognised as expenditure.

However, any fee receivable for acting as agent is recognised as income.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgement

The allocation of staff costs between individual unrestricted and restricted funds is based on the estimated split of staff time for each individual employee of the charity.

The allocation of other support costs between individual unrestricted and restricted funds includes some instances where shared overhead costs have been allocated between various restricted and unrestricted funds based on management's estimation of usage of shared facilities between such funds.

Determining if a grant is to be accounted for as either a donation grant or services grant is a critical judgement.

4. DONATIONS AND LEGACIES

	2023	2022 as restated
	£	£
Donations	1,600	1,994
Grants	312,197	282,582
Donated services & facilities	46,240	46,240
Miscellaneous income	1,451	8,922
	<u>361,488</u>	<u>339,738</u>

Grants received, included in the above, are as follows:

	2023	2022 as restated
	£	£
Albert & Elizabeth Clarke Charitable Trust	4,000	5,000
The Eveson Charitable Trust	11,000	10,001
The Henry Smith Charity	44,500	43,600
Hereford City Council	10,000	10,000
Herefordshire Community Foundation - Resilience Fund	10,000	-
Hopmarket Charities	6,000	-
John Martin's Charity	12,530	17,600
Lasletts Charities	20,457	17,500
The Philippa Southall Trust	5,500	5,500
Worcester City Council - Crisis Grant Scheme	4,894	-
Worcester Municipal Charity	180,316	173,381
The Roger & Douglas Turner Charitable Trust	3,000	-
	<u>312,197</u>	<u>282,582</u>

DONATED SERVICES & FACILITIES

The Charity would also like to acknowledge their gratitude to Worcester Consolidated Municipal Charity for the provision of rent free premises at 1/2 Inglethorpe Court and substantially reduced rent and service charges at 13/15 Lowesmoor, the value of this assistance is currently estimated at £46,240 (2022: £46,240).

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

5. INVESTMENT INCOME

	2023	2022 as restated
	£	£
Bank interest	<u>4,453</u>	<u>162</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022 as restated
	Activity	£	£
Rents received	SmartLets property income	340,417	338,706
Grants and contract income	Advice & support income	1,038,023	981,839
		<u>1,378,440</u>	<u>1,320,545</u>

Grants received, included in the above, are as follows:

	2023	2022 as restated
	£	£
Bromyard & Winslow Town Council	9,999	10,001
Citizens Advice - Barclays	4,500	-
Citizens Advice – MaPSDAP - Debt Advice Project	212,588	163,892
Citizens Advice - MaPS - Increasing Debt Advice Capacity	3,674	42,070
Citizens Advice – Pension Wise	199,366	182,471
Citizens Advice – Universal Credit - Help to Claim	(12,327)	100,729
Herefordshire Council - Benefit Support Service	4,080	2,720
Herefordshire Council - Talk Community	10,000	10,000
The Hope Centre, Bromyard - Outreach Grant	10,000	10,000
Legal Aid Agency	31,623	6,082
Macmillan Cancer Support	124,154	132,547
The National Lottery Community Fund	121,517	60,156
Ross Town Council	10,000	10,000
St Richard's Hospice – Palliative Care	34,987	31,729
The Trussell Trust	7,868	-
Worcester City Council - Advice Quality Supervisor	20,000	-
Worcester City Council - Covid Debt Support	-	10,000
Worcester City Council – Homelessness Prevention	30,000	85,000
Worcester City Council - Income Maximisation / Debt Assessment	40,000	-
Worcester City Council - Rough Sleeping Accommodation Programme	37,557	11,250
Worcestershire County Council - Income Maximisation / Money Advice	20,000	-
Worcestershire County Council – WAN	90,280	90,822
Wyre Forest District Council	28,157	22,370
	<u>1,038,023</u>	<u>981,839</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

6. INCOME FROM CHARITABLE ACTIVITIES - continued

RESTRICTED GRANTS

Restricted grants, included in the above, are as follows:

	2023	2022
	£	£
Citizens Advice - Pension Wise	199,366	182,471
Citizens Advice - MaPSDAP	212,588	159,868
Citizens Advice - Universal Credit	(12,327)	100,730
Citizens Advice - MaPS - Increasing Debt Advice Capacity	3,674	46,096
The National Lottery Community Fund	121,517	60,156
Worcester City Council - Rough Sleeping Accommodation Programme	37,557	11,249
Worcester City Council - Covid Debt Support	-	10,000
	<u>562,375</u>	<u>570,569</u>

The negative grant of £12,327 repaid to Citizens Advice relates to the clawback of the underspend of funds in relation to the Universal Credit 'Help to Claim' grant funding.

7. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 8) £
Advice and support	1,462,197
SmartLets property	219,996
	<u>1,682,193</u>

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Advice and support	1,450,618	11,579	1,462,197
SmartLets property	219,996	-	219,996
	<u>1,670,614</u>	<u>11,579</u>	<u>1,682,193</u>

Support costs, included in the above, are as follows:

	2023	2022 as restated
	£	£
Advice and support	1,027,634	928,552
SmartLets property	-	-
Wages	1,027,634	928,552
Social security	70,070	65,768
Pensions	97,600	83,655
Equipment and repairs	38,607	22,001
Insurance	9,569	8,702
Rent, rates and service charges	72,815	75,243
Telephone and postage	19,149	21,676
Printing and stationery	10,574	8,615
Advertising	7,812	6,123
Sundries	11,408	5,881
Education and training	5,233	8,538
Carried forward	1,370,471	1,234,754

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

8. SUPPORT COSTS - continued

			2023	2022 as restated
	Advice and support £	SmartLets property £	Total activities £	Total activities £
Brought forward	1,370,471	-	1,370,471	1,234,754
Bonds written off	1,000	-	1,000	950
Reimbursed expenses	18,494	-	18,494	6,034
Subscriptions	8,406	-	8,406	6,101
Property rental expenses	-	219,996	219,996	210,952
Professional fees	1,563	-	1,563	10,685
Heat and light	8,593	-	8,593	7,059
IT support	33,419	-	33,419	24,857
Depreciation	8,672	-	8,672	10,068
Auditors' remuneration	5,805	-	5,805	3,780
Auditors' remuneration for non audit work	5,774	-	5,774	7,308
	<u>1,462,197</u>	<u>219,996</u>	<u>1,682,193</u>	<u>1,522,548</u>

9. NET INCOME/(EXPENDITURE)

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

	2023	2022 as restated
	£	£
Auditors' remuneration	5,805	3,780
Auditors' remuneration for non audit work	5,774	7,308
Depreciation - owned assets	8,672	10,068
Rents payable under operating leases (including donated services)	<u>156,861</u>	<u>169,821</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

11. STAFF COSTS

	2023	2022 as restated
	£	£
Wages and salaries	1,027,634	928,552
Social security costs	70,070	65,768
Other pension costs	97,600	83,655
	<u>1,195,304</u>	<u>1,077,975</u>

The average monthly number of employees during the year was as follows:

	2023	2022 as restated
Average number of employees	<u>50</u>	<u>51</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

11. STAFF COSTS - continued

No employees received emoluments in excess of £60,000.

The full time equivalent is estimated to be around 41 (2022: 38).

Total remuneration (including employer NI and pensions costs) paid to key management personnel during the year was £234,565 (2022: £186,250).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds as restated £
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	332,238	7,500	339,738
Charitable activities			
SmartLets property income	338,706	-	338,706
Advice & support income	411,271	570,568	981,839
Investment income	162	-	162
Total	1,082,377	578,068	1,660,445
EXPENDITURE ON			
Charitable activities			
Advice and support	753,460	557,431	1,310,891
SmartLets property	211,657	-	211,657
Total	965,117	557,431	1,522,548
NET INCOME	117,260	20,637	137,897
Transfers between funds	335	(335)	-
Net movement in funds	117,595	20,302	137,897
RECONCILIATION OF FUNDS			
Total funds brought forward	1,047,748	534,715	1,582,463
TOTAL FUNDS CARRIED FORWARD	1,165,343	555,017	1,720,360

13. PRIOR YEAR ADJUSTMENT

The comparative figures have been restated as follows:

- Additional contract grant income of £20,216 from MacMillan has been included. The grant income was received in 2022/23 but related to the 2021/22 period so the comparative figures have been restated to accrue for this income.
- Additional restricted grant income of £7,500 from John Martin's Charity. Whilst this grant income was received in 2022/23 the charity was entitled to this funding prior to the year end. The income is restricted and as it was unspent as at 31 March 2022 the comparative funds have been restated to show this restricted fund carried forward.
- Grant income of £69,200 has been reclassified from charitable activity grant income to donation grant income.

The impact of these adjustments is as follows:

- Total incoming resources for 2022 has risen from £1,632,729 to £1,660,445
- Current assets for 2022 has risen from £819,605 to £847,321
- Total funds brought forward at 1 April 2022 has risen from £1,692,644 to £1,720,360

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

14. TANGIBLE FIXED ASSETS

	Long leasehold property £	Improvements to property £	Office equipment £	Totals £
COST				
At 1st April 2022 and 31st March 2023	<u>408,303</u>	<u>19,175</u>	<u>66,410</u>	<u>493,888</u>
DEPRECIATION				
At 1st April 2022	<u>58,305</u>	<u>19,175</u>	<u>45,477</u>	<u>122,957</u>
Charge for year	<u>4,485</u>	<u>-</u>	<u>4,187</u>	<u>8,672</u>
At 31st March 2023	<u>62,790</u>	<u>19,175</u>	<u>49,664</u>	<u>131,629</u>
NET BOOK VALUE				
At 31st March 2023	<u>345,513</u>	<u>-</u>	<u>16,746</u>	<u>362,259</u>
At 31st March 2022	<u>349,998</u>	<u>-</u>	<u>20,933</u>	<u>370,931</u>

15. SOCIAL INVESTMENTS

	Freehold Property £
COST	
At 1st April 2022 and 31st March 2023	<u>597,126</u>
NET BOOK VALUE	
At 31st March 2023	<u>597,126</u>
At 31st March 2022	<u>597,126</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Trade debtors	<u>42,054</u>	<u>20,654</u>
Prepayments and accrued income	<u>31,577</u>	<u>62,256</u>
	<u>73,631</u>	<u>82,910</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Trade creditors	4,057	4,110
Social security and other taxes	19,472	15,907
Amounts held as agent	50,377	41,068
Pension creditor	7,151	7,973
Grants repayable	4,337	-
Accrued expenses	10,745	10,960
Deferred income	15,000	15,000
	<u>111,139</u>	<u>95,018</u>

Deferred Income

Deferred income consists of grants received within the current financial year where the donors have stipulated that the funding is to be used within next financial year.

£15,000 was received from Citizens Advice (2022: £4,000 from Albert & Elizabeth Clark Trust and £10,000 from Herefordshire Council Talk Community)

All of the previous year's deferred income was released to the statement of financial activities within the current financial year.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022 as restated
	£	£
Within one year	10,439	20,338
Between one and five years	-	3,920
	<u>10,439</u>	<u>24,258</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	284,652	83,168	21,818	389,638
Buildings Fund	30,000	-	-	30,000
Herefordshire Citizens Advice Bureau	47,406	-	(47,406)	-
IT Fund	20,000	-	-	20,000
Redundancy Fund	181,144	-	35,978	217,122
Social Investment property	597,126	-	-	597,126
Social Investment property – proposed spend	5,014	-	(5,014)	-
	<u>1,165,342</u>	<u>83,168</u>	<u>5,376</u>	<u>1,253,886</u>
Restricted funds				
Buildings and Office Equipment Fund	349,998	(4,485)	-	345,513
Citizens Advice - Pension Wise	-	(510)	510	-
Citizens Advice - Remote Working Equipment Fund	5,603	-	(5,603)	-
Client Welfare Fund - Herefordshire	2,529	-	-	2,529
Crisis Volunteer Fund	3,347	-	(352)	2,995
Crowd Funding	143	(143)	-	-
Discretionary Client Crisis Fund	-	683	-	683
Evesham Smartmove Fund - John Martin	7,500	1,500	-	9,000
Homelessness Fund	2,088	(942)	-	1,146
Lottery Covid Fund	1,056	-	(1,056)	-
MaPSDAP	18,682	9,632	652	28,966
Money and Pensions Service	7,476	221	(1,802)	5,895
The National Lottery Community Fund - Hereford	33,247	(4,992)	-	28,255
Rough Sleeping Accommodation Programme	-	(1,559)	1,559	-
SmartLets Fund	50,000	(7,058)	-	42,942
SmartMove Fund	61,738	(1,000)	-	60,738
Universal Credit - Help to Claim	11,611	(12,327)	716	-
	<u>555,018</u>	<u>(20,980)</u>	<u>(5,376)</u>	<u>528,662</u>
TOTAL FUNDS	<u>1,720,360</u>	<u>62,188</u>	<u>-</u>	<u>1,782,548</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,155,207	(1,072,039)	83,168
Restricted funds			
Buildings and Office Equipment Fund	-	(4,485)	(4,485)
Citizens Advice - Pension Wise	199,366	(199,876)	(510)
Crowd Funding	-	(143)	(143)
Discretionary Client Crisis Fund	4,269	(3,586)	683
Evesham Smartmove Fund - John Martin	12,530	(11,030)	1,500
Herefordshire Community Foundation			
Resilience Fund	10,000	(10,000)	-
Homelessness Fund	-	(942)	(942)
MaPSDAP	212,589	(202,957)	9,632
Money and Pensions Service	3,673	(3,452)	221
The National Lottery Community Fund - Hereford	121,517	(126,509)	(4,992)
Rough Sleeping Accommodation Programme	37,557	(39,116)	(1,559)
SmartLets Fund	-	(7,058)	(7,058)
SmartMove Fund	-	(1,000)	(1,000)
Universal Credit - Help to Claim	(12,327)	-	(12,327)
	<u>589,174</u>	<u>(610,154)</u>	<u>(20,980)</u>
TOTAL FUNDS	<u>1,744,381</u>	<u>(1,682,193)</u>	<u>62,188</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	184,746	117,259	(17,353)	284,652
Buildings Fund	30,000	-	-	30,000
Herefordshire Citizens Advice Bureau	47,406	-	-	47,406
IT Fund	20,000	-	-	20,000
Redundancy Fund	163,456	-	17,688	181,144
Social Investment property	597,126	-	-	597,126
Social Investment property – proposed spend	5,014	-	-	5,014
	<u>1,047,748</u>	<u>117,259</u>	<u>335</u>	<u>1,165,342</u>
Restricted funds				
Buildings and Office Equipment Fund	354,483	(4,485)	-	349,998
Citizens Advice - Pension Wise	12,758	(12,039)	(719)	-
Citizens Advice - Remote Working Equipment Fund	7,011	(1,408)	-	5,603
Client Welfare Fund - Herefordshire	2,529	-	-	2,529
Crisis Volunteer Fund	15,411	(12,064)	-	3,347
Crowd Funding	143	-	-	143
Evesham Smartmove Fund - John Martin	-	7,500	-	7,500
Homelessness Fund	2,514	(426)	-	2,088
Lottery Covid Fund	1,454	(398)	-	1,056
MaPSDAP	9,019	9,663	-	18,682
Money and Pensions Service	5,136	2,340	-	7,476
The National Lottery Community Fund - Hereford	-	33,247	-	33,247
Rough Sleeping Accommodation Programme	-	(384)	384	-
SmartLets Fund	50,000	-	-	50,000
SmartMove Fund	62,688	(950)	-	61,738
Universal Credit - Help to Claim	11,569	42	-	11,611
	<u>534,715</u>	<u>20,638</u>	<u>(335)</u>	<u>555,018</u>
TOTAL FUNDS	<u>1,582,463</u>	<u>137,897</u>	<u>-</u>	<u>1,720,360</u>

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,082,376	(965,117)	117,259
Restricted funds			
Buildings and Office Equipment Fund	-	(4,485)	(4,485)
Citizens Advice - Pension Wise	182,470	(194,509)	(12,039)
Citizens Advice - Remote Working Equipment Fund	-	(1,408)	(1,408)
Crisis Volunteer Fund	-	(12,064)	(12,064)
Evesham Smartmove Fund - John Martin	7,500	-	7,500
Homelessness Fund	-	(426)	(426)
Lottery Covid Fund	-	(398)	(398)
MaPSDAP	159,868	(150,205)	9,663
Money and Pensions Service	46,096	(43,756)	2,340
The National Lottery Community Fund - Hereford	60,156	(26,909)	33,247
Rough Sleeping Accommodation Programme	11,249	(11,633)	(384)
SmartMove Fund	-	(950)	(950)
Universal Credit - Help to Claim	100,730	(100,688)	42
Worcestershire County Council - Debt Support	10,000	(10,000)	-
	<u>578,069</u>	<u>(557,431)</u>	<u>20,638</u>
TOTAL FUNDS	<u>1,660,445</u>	<u>(1,522,548)</u>	<u>137,897</u>

DESIGNATED FUNDS

Buildings fund

The Trustee Board have designated funds towards the internal redecoration and repair costs of the properties that are leased.

Herefordshire Citizens Advice Bureau

This fund represents a donation to the charity upon the closure of Herefordshire Citizens Advice Bureau, the trustees had designated this donation for the purposes of delivering Citizens Advice services in Hereford.

IT fund

This fund has been established to meet the costs of replacing hardware and software relating to the IT system over a 4-5 year cycle.

Redundancy fund

This is designated to provide sufficient funds to cover the cost of redundancy.

Social Investment property

This fund has been established to hold the social investment properties, which exists to provide accommodation for the single homeless.

Social Investment property - proposed spend

This fund had been established to allow the purchase of a social investment property to provide accommodation for the single homeless. The balance had been retained to fund future repairs and renovations in the properties, such as a new kitchen and this fund has now been considered spent.

RESTRICTED FUNDS

Buildings and Office Equipment Fund

A grant specifically made available for the capital funding of a new headquarters and the purchase of equipment.

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

Citizens Advice - Pension Wise

Funds received via Citizens Advice from The Money and Pensions Service (MaPS) to provide guidance on pensions for those in defined contribution schemes.

It is anticipated that the balance on this fund due to underspend will be returned to the grant provider in the 2023 accounting period.

Citizens Advice - Remote Working Equipment Fund

This fund represents assets held which were acquired with funding received via Citizens Advice, to provide essential equipment - laptop computers, internet voipphones and complementary computer hardware - to assist staff and volunteers with remote and home working to continue delivering our services during the covid-19 Pandemic.

Client Welfare Fund - Herefordshire

This fund exists to allow small "one off" grants to be made to clients identified as in urgent financial need in Herefordshire.

Crisis Volunteer Fund

This fund represents monies for a 12- month project funded by the national charity CRISIS, to increase our capacity to meet the challenges of finding accommodation for the single homeless during the Covid-19 Pandemic. This project also provides training and support for new tenants who were previously homeless to help them maintain their tenancies.

Crowd Funding ('Advice at Home')

A dedicated fund obtained through Worcestershire County Council's Spacehive Crowdfunding page for the purchase of specified internet Voipfone equipment to enable our volunteers deliver advice from their homes and help people in Worcester with the problems they face during the Covid-19 pandemic.

Designated Client Crisis Fund

A restricted fund to administer and deliver a Crisis Grant Scheme to provide discretionary grants to clients presenting with an immediate crisis for which there are no immediately available statutory funds.

Evesham Smartmove Fund - John Martin

A restricted fund to cover the costs of Smartmove services delivered in the Evesham area, funded by John Martin's Charity.

Herefordshire Community Foundation Resilience Fund

A restricted grant to meet the salary costs of our benefits Herefordshire case worker and advice Session Supervisor in Q2 and Q3 to provide resilience to our core services whilst coming out of the Covid pandemic.

Homelessness Fund

Funds to allow "one off" payments to clients in emergencies, particularly to enable them to secure or retain accommodation.

MaPSDAP (formerly MASDAP) - Debt Advice Project

Funds received via Citizens Advice from The Money and Pensions Service (MaPS) (formerly from the Money Advice Service and FIF) to provide debt advice to clients in financial difficulty.

Money and Pensions Service - Increasing Debt Advice Capacity

Funds received via Citizens Advice from The Money and Pensions Service (MaPS), to train and employ to a Trainee Debt Caseworker to increase the future capacity of Debt Caseworkers particularly in areas where the Money and Pensions service have assessed that it is anticipated that the balance on this fund due to underspend will be returned to the grant provider in the 2023 accounting period. There is a low Debt Advice and Casework Capacity to meet in demand. This was awarded on the basis of that Herefordshire is a designated area with a particularly low capacity of FCA regulated Debt Casework Services available

**Citizens Advice Worcester and
Herefordshire
previously known as Worcester CAB & WHABAC**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

The National Lottery Community Fund - Coronavirus Community Support Fund

This fund represented monies to ensure we maintained staffing levels to meet the demand for advice in both Worcester and Herefordshire during the pandemic.

This funding included a budget for employing additional temporary staff to deliver specialist advice in benefits, housing and to support clients who needed some casework in order to deal with third party agencies to resolve their problems in other advice areas.

This service was operated alongside our core service in both Worcester and Herefordshire to ensure we helped as many clients as possible during the pandemic.

The National Lottery Community Fund - Hereford

This is a restricted fund to meet the costs of developing and delivering Citizens Advice generalist advice and specialist advice services at outreach locations in the market towns and other venues across the County of Herefordshire. In addition, the fund also meets the costs of increasing capacity at our central Hereford office through the introduction of open-door drop-in advice sessions and increasing our capacity to deliver specialist Housing Casework and Benefits Casework with a focus on Herefordshire.

Rough Sleeping Accommodation Programme

This is a restricted fund to meet the costs of project workers to support single people who are homeless, at risk of homelessness or vulnerably housed, into shared and self-contained accommodation. The Project workers provide advice and support to people with low care needs to sustain their accommodation. The project will use existing units of accommodation managed by the organisation as well as completion of an additional 9 moves into new units of accommodation, (not previously held by the Support Provider), during the duration of the project.

SmartLets Fund

A fund to underwrite any losses with regard to leasing costs, guaranteed rent payments and eligible repair costs in relation to properties managed by the SmartLets social letting agency which cannot be met through general funds.

SmartMove Fund

A fund to underwrite losses against deposit guarantees made to landlords through the SmartMove deposit guarantee scheme to enable those on low incomes to access private rented sector accommodation.

Universal Credit - Help to Claim

This fund represents monies received via Citizens Advice from The Department of Work and Pensions (DWP) to deliver advice and support to clients receiving/ applying for Universal Credit.

Worcestershire County Council - Debt Support

This Covid Project funding was allocated by Worcester City Council as a restricted fund to provide debt advice and assistance from 1 April 2021 - 20 September 2021, in order to prevent homelessness and sustain existing accommodation in the short or longer term.

TRANSFERS BETWEEN FUNDS

During the year the following amounts were transferred to the general unrestricted fund representing the net book value of fixed assets purchased using restricted funds in 2020/21:

	£
Citizens Advice - Remote Working Equipment Fund	5,603
Crisis Volunteer Fund	352
Lottery Covid Fund	1,056
MaPSDAP Fund	798
Money and Pensions Service Fund	352
Universal Credit - Help to Claim Fund	352
	8,513

A transfer of £1,559 was made in the year from the unrestricted General Fund to the restricted Rough Sleeping Accommodation Programme Fund in order to cover the deficit on this fund.

**Citizens Advice Worcester and
Herefordshire
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**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

19. MOVEMENT IN FUNDS - continued

TRANSFERS BETWEEN FUNDS - continued

A transfer of £1,068 was made from the unrestricted General Fund to the restricted Universal Credit - Help to Claim fund in order to cover the deficit on this fund following the return of unspent funds to the grant provider.

A transfer of £510 was made from the unrestricted General Fund to the restricted Citizens Advice - Pension Wise fund in order to cover the deficit on this fund following the return of unspent funds to the grant provider.

A transfer of £35,978 was made from the unrestricted General Fund to the unrestricted Redundancy Fund in order to reflect the redundancy provision as at 31 March 2023.

A transfer of £47,406 was made from the unrestricted Herefordshire Citizens Advice Bureau Fund to the unrestricted General Fund. The organisation has now made a commitment to supporting core Citizens Advice services in Worcester and Herefordshire, subject to sufficient local funders committing to supporting each service.

A transfer of £5,014 was made from the unrestricted Social Investment Property Proposed Spend Fund to the unrestricted General Fund. This fund is no longer required following the purchase of the property in 2020.

A transfer of £1,450 was made from the restricted Money and Pensions Service fund to the restricted MaPSDAP fund, following identification of a receipt from Mar-21 which was allocated to the incorrect fund.

20. RELATED PARTY DISCLOSURES

During the year Worcester Municipal Charities CIO provided the use of properties for no or reduced rental value to the charity. The value of the donated rent is £46,240 (2022: £46,240).

Paul Griffith a Trustee of the charity and Geraint Thomas the Chief Officer and Company Secretary are also trustees of Worcester Municipal Charities.

Several properties are managed by Worcester Citizens Advice Bureau & WHABAC on behalf of Worcester Municipal Charities CIO and more details in respect of this arrangement can be found in note 22.

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

22. FUNDS RECEIVED AS AGENT

Several properties are managed by Worcester Citizens Advice Bureau & WHABAC on behalf of Worcester Municipal Charities CIO. The charity collected total rent on behalf of Worcester Municipal Charities CIO of £349,477 (2022: £264,327).

The charity retained a Management Charge of 15% of the rent received £52,538 (2022: £39,403) and retained expenses paid by the charity in relation to the running of these properties, (including security/alarm costs, utility and cleaning costs for the communal areas, window cleaning costs, gardening costs, general maintenance repairs and redecoration), totalling £71,707 (2022: £55,166). At the year end the charity owed Worcester Municipal Charities CIO £49,924 (2022: £40,117).

During the year the Charity made applications for grants from St Martins in The Fields Vicar's Relief Fund to prevent individual clients with rent arrears from becoming homeless. These grant awards were not made to individual clients by St Martin in the Fields but made to the Charity as a direct applicant, on condition that the grant amount was paid by the charity to a landlord who agreed that they would not evict a client if their rent arrears were paid in full or reduced by an agreed sum, in order to prevent homelessness. These grants from St Martin in the Fields Vicar's Relief Fund amounted to £13,380 (2022: £11,381). At the end of the year the charity held £453 (2022: £921) received as grant payments from the St Martins in The Fields Vicar's Relief Fund, that had not yet been paid to landlords.

