

CITIZENS ADVICE NEWCASTLE LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2024

Charity Number 1135396
Company Number 02114435

CITIZENS ADVICE NEWCASTLE LIMITED

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2024

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TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2024

Reference and Administrative Details

Chief officer

T Armstrong

Trustees

S Wood, Chair (appointed 1 February 2024)
K. Reed, Vice Chair (appointed 1 February 2024)
IR Harris
A L Crawley, Treasurer
A Carver
S Parker
O Holmes
G Roll
A Kaur (appointed 6 December 2023)
T Mkwebu (appointed 26 January 2024)

Key Management Personnel

T Armstrong, Chief Officer
C Iredale, Office manager

Registered office

4th Floor City Library
Charles Avison Building
33 New Bridge Street
Newcastle upon Tyne
NE1 8AX
The Charity is incorporated in England and Wales

Charity Registration Number

1135396

Independent Examiner

Connected Voice Business Services
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX

Bankers

Unity Trust Plc
Nine Brindley Place
Birmingham
B1 2JB

Company Registration Number

02114435

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The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and independent examiners report of the charitable company for the year ended 31 March 2024.

Structure, governance and management

Nature of governing document

Citizens Advice Newcastle is a Charitable Company Limited by Guarantee. The charity was originally formed in September 1939, and incorporated as a not-for-profit limited charity on 23 March 1987. All references to the "Charity" or "Company" refer to the Charitable Company. The Company was established under a Memorandum of Association which set out the objects and powers of the Charitable Company and is governed under its Articles of Association.

The Memorandum and Articles of Association state that the Company's main objectives are "the advancement of education, the protection of health and the relief of poverty, sickness and distress." This is achieved through the provision of free, confidential, impartial and independent advice and information for the benefit of the community, and by influencing the development of social policies which ensure individuals do not suffer through a lack of knowledge, or an inability to express their needs effectively.

The Charity is organised so that the members meet regularly to manage its affairs. The Chief Officer, who is also Company Secretary, is responsible for the day-to-day administration of the Charity, together with the staff management team. The workforce comprises a combination of paid staff and volunteers, and they provide all the Charity's services and activities.

Recruitment and appointment of 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. Under the requirements of the Memorandum and Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next General Meeting.

The Trustee Board seeks to ensure that the needs of the Charity's clients are appropriately reflected and met through the diversity of the Trustee Board which includes members with local charitable and voluntary agency knowledge, sound business skills, professional experience and knowledge of working with statutory agencies. Trustees are drawn from a cross section of different cultural and community backgrounds.

Affiliations

Citizens Advice Newcastle is a member of the National Association of Citizens Advice and is required to comply with the regulations provided by this umbrella organisation.

Induction and training of trustees

All new Trustees are provided with an induction which:

- informs them about their roles, responsibilities and liabilities;
- inform them about the current work of the Charity; the business and development plans; financial and staffing resources; service quality standards and performance, and project funding requirements.

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- enables them to identify and utilise the particular knowledge, skills and experience which their particular contribution brings to the Trustee board;
- identifies any further information, training or support they might require to fulfil their roles.
- Supports and encourages them to develop new skills and expertise which will benefit the charity.

Organisational structure

The activities of the Charitable Company are overseen by the Board of Trustees (see page 1) and the Company Secretary. The Trustees receive no remuneration for their services and no trustees were reimbursed for any expenses incurred in the year.

All the trustees, as listed on page 1, have undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the Charitable Company being wound up. This guarantee applies during the period of membership and extends for one year after membership ceases.

New Trustees are elected by the Board or by the members of the Charity in a general meeting. New members are encouraged to attend all regular Board meetings to ensure that they are fully informed about the objectives and current activities of the Charity. Each Trustee is encouraged and supported to regularly review and update their Trustee skills and knowledge so that they are fully aware of their responsibilities as a Trustee of the Charity.

Major risks and management of those risks

The Directors / Trustees are responsible for keeping proper accounting records, and safeguarding the assets of the Charity. They continuously assess the major risks which the Charity is exposed to and put in place mitigation to remove, minimise and manage those risks, in particular those relating to finance and to the health, safety and wellbeing of all staff, volunteers and clients.

The Trustees have appointed one Trustee to be their "Risk Champion" and he has compiled a specific Risk Register which he maintains. He provides an updated Risk Register report for all Trustees to consider at Board meetings.

Objectives and activities

Objects and aims

Citizens Advice Newcastle is established for the purpose of benefiting the community of the Metropolitan District of Newcastle upon Tyne and the wider North East region. The Charity achieves this by advancing the education of the public in matters relating to mental, physical and social welfare, and by relieving poverty and distress.

Citizens Advice Newcastle provides free, confidential, impartial and independent advice and information for the benefit of the community. The Charity provides advice to everyone, regardless of age, race, gender, sexuality or disability.

The Charity continues to employ skilled and experienced staff in order to supply advice services to clients face-to-face, by telephone, e-mail and webchat. The Charity has not made any material changes to these policies in the last year.

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To obtain necessary funding, applications were made to various local, regional and national providers of community finance.

Fundraising disclosures

The Charity is required to report how it deals with fundraising from the public. The Charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public are used for charitable activities, in accordance with the guidelines set out by the Charity Commission and UK law. We always respect the privacy and contact preferences of all public donors, including those who choose to remain anonymous.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Citizens Advice Newcastle is established for the promotion of any charitable purpose for the benefit of the community in the North East region of England by the advancement of education the protection of health and the relief of poverty, sickness and distress

Citizens Advice Newcastle is a local registered and incorporated charity (registration number 1135396) and a voluntary organisation established in 1939, managed by a Chief Officer and Service Managers with governance by a voluntary Trustee Board. As a member of the National Citizens Advice Network, we provide free, confidential, independent, and impartial advice, but without limitation, to people who live, work or study in Newcastle upon Tyne.

Our team of paid staff and volunteers provide advice on a wide range of subjects from welfare benefits, debt, energy, consumer, housing, and employment and just about anything else. Our aim is to help people find a way forward by giving them the knowledge and the confidence they need whoever they are, and whatever their problem.

Our volunteers and advice staff provide advice, information, and assistance through a range of channels; face to face, telephone, email, and webchat. We particularly target those people who are least able to help themselves because of poverty, ill-health, disability, or discrimination.

We also have several specialist advice projects, including home energy advice, support for people with debt issues along with a family welfare adviser that supports families in the east and west end of Newcastle and a family adviser attending some schools in the NE4 area. We have seen another record-breaking year for demand for our services and we have advised over 22,000 clients with nearly 39,000 different issues and secured over £3 million financial gains for our clients with nearly £1.3 million debts written off/rescheduled.

Some of the work comes through our core face to face, telephone and digital advice service which is funded primarily by Newcastle City Council and without this funding many of the people who initially contact us for help would have nowhere else to go.

Through this work, we are also influential in shaping local and national policy across our research and collation of client issues. We use our data to campaign and influence decision makers to change policies and practices. We provide briefings to local and national politicians to shape regional and

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national policy. When successful this work prevents future clients from experiencing the same issues and allows us to have a wider impact, not just for the clients we advise.

We are also a living wage, mindful and disability confident employer with advice quality standards and we have signed up to the good business charter. We are extremely proud of our sustainability, our history, our staff and the volunteers that give their time unflinching and we are especially proud to serve our Citizens.

Our Vision:

Citizens Advice Newcastle Strives for a society free from poverty, injustice and inequality by providing a high-quality advice service for as many clients as possible, focusing on those most in need. Our social policy work aims to challenge unfair policy and practice that drives these issues within our region.

Our Mission Statement:

To help inform, empower and change the lives of people in Newcastle (particularly the most vulnerable) for the better.

To work to campaign, lobby and change the circumstances that lead to clients' needs in the first place.

To work to make our clients' lives better.

To work to make the people who need our services welcome.

To work to be honest with the people who need our services.

To work in the best interests of the people who need our services.

Our Values:

We seek justice.

We will listen to everyone without judging.

We will be supportive.

We embrace diversity.

As an organisation that provides essential support and guidance to individuals facing financial challenges, we continue to experience high demand for our services in 2023-2024. The cost of living crisis has significantly impacted residents of Newcastle with rising costs for essentials like food, energy and housing that have strained household budgets, especially among lower income families and vulnerable communities with debt being the highest issue and energy advice coming a close second.

The Government's Household support fund initiative allowed many people to have extra income with their benefits and those that had negative budgets to enable them to survive during the winter months. During 2023-2024 we were actively involved in assisting people to apply for Newcastle City Council's discretionary hardship scheme for residents in significant financial difficulty.

Our Energy Redress project continued during 2023-2024 providing energy advice to residents and frontline staff in organisations around Newcastle with some new outreach sessions across Newcastle. This project is in collaboration with Stockton Citizens Advice.

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As a result of the partnership working, we worked with Stockton on providing some stats and data about child poverty and Stockton were successful in securing funding to enable a collaboration between Stockton, as lead, Newcastle, Middlesbrough and South Tyneside Citizens Advice. The aim of the project is to demonstrate the benefits of partnership working between schools and Citizens Advice to deliver targeted welfare advice and support to households that will reduce child poverty. We managed to keep employed a skilled adviser who had been made redundant from the Wise Steps project.

Our successful partnership with Action for Children continues to thrive with funding to provide an adviser in 3 locations, Benwell, Newbiggin Hall and Kenton and we are grateful to Action for Children for providing further funding for these sessions.

Our partnership with Walker Foodbank and the Trussell Trust goes from strength to strength and towards the latter part of the year was extended to provide a further outreach worker 1 day per week due to the extremely high demand for advice and food vouchers at this session.

Our Law in the Community project has grown in 2023/2024 with a further 51 students coming to work with us to obtain access to our clients. The students are able to put in place what they have learned so far on their degree and experience advice in practice.

In early 2023 we learned that our debt advice project would continue for an extended period until March 2025. We had 1 vacancy in the team and this was filled by a member of staff who had been made redundant from another project.

We were fortunate to have our Northern Powergrid project extended for a further 11 months in partnership with Leeds and North Yorkshire Citizens Advice offices and we assisted over 2,000 people with over 8,000 issues and financial outcomes of nearly £1.3 million with the highest number of clients receiving fuel vouchers

Yorkshire Building society who had an initial pilot project with our National Association for a co-location service with 4 branches based in Yorkshire, a wider expansion of this service meant that YBS in Newcastle were interested in the co-location project to collaborate with Citizens Advice Newcastle to provide an adviser 1 day per week. This project started in July 2023 and goes from strength to strength with an extremely good working relationship with the staff.

We were able to procure some funding from our National Association to enable us to provide some paid staff advice on our advice line services. This funding was time limited to a year.

We continue to benefit from a 3-year funding arrangement through the Sir James Knott Trust which helps our core service and some community funding to enable us to provide translation services for deaf clients and those with English as a second language.

In 2023-2024 through Research and Campaigns we found that the Healthy Start Scheme launched in 2006 with the aim of providing a nutritional safety net and improving access to a healthy diet for low-income families in Newcastle were missing out on nearly £300,000 worth of support. We were successful in securing a small amount of funding through the Community Foundation Newcastle to enable us to increase the uptake and work with some families to apply through the online portal.

Through our Research and Campaigns work we receive funding from Millfield House Foundation and were extremely grateful to have this funding continue for another 3 years.

Towards the end of the of the calendar year we applied to the National lottery cost of living fund which was a one-off grant for organisations that support people and communities in England under severe pressure because of the increased cost of living. This funding and a small amount of money from the

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debt modernisation fund we were able to replace outdated IT equipment which enabled us to increase productivity.

Financial review

The overall surplus for the year was £148,745 (2023 - £92,679). The memorandum of association does not provide for any distribution to members. The trustees consider the reserves position to be satisfactory.

It is the policy of the Charity to maintain unrestricted funds, which are free reserves of the Charity, at a level which provides sufficient funds to cover management, administration and support costs.

Further detail is given under the Reserves Policy heading below.

Reserves Policy

The Reserves Policy is monitored and reviewed on an annual basis by the Trustees. The Trustees consider that the Charity should hold financial reserves in order to ensure that the Charity can continue to operate and meet the needs of clients in the event of unforeseen and potentially damaging financial circumstances.

The Charity operates with only limited financial resources.

The calculation of free reserves is based on the definition included in the Charity Statement of Recommended Practice (SORP) which provides recommendations for accounting and reporting for charities. The Trustees have examined the requirements of the charitable company to hold free reserves – those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. This exercise considered both the normal requirements for working capital and the loss of income of a hypothetical but reasonable reduction in the scale of the Charity's operations. Resulting from this, the Trustees considered it would be appropriate to hold the equivalent of three months' unrestricted running costs. Thus, considering the next 12 months expenditure of circa £700 - £800k, 3 months free reserves would equate to approximately £157k.

As at 31st March 2024 free reserves were £520,513 (2023: £369,154). The Trustees have designated reserves accordingly and continue to balance the ongoing pressures placed upon those free reserves by the demand for the Charity's services, against future obligations. Therefore, the Trustees recognise that in the medium and longer term the Charity will need to continue to generate surpluses in order to be in a position to meet those future obligations. Further, demand for the Charity's services continues to grow each year, so the demand on future free reserves will also be greater. The Charity will therefore seek to secure continued funding from existing sources, but also diversify the funding base by attracting for long term investment. Having considered the options available, the Trustees decided to invest monies in a high interest account.

Movement in fixed assets are shown in the notes to the accounts

The Charity's assets are held in order to facilitate the giving of free, confidential and independent advice and their estimated value is not materially different from that shown on the balance sheet. The Trustees consider that the Charity's assets are available and adequate to fulfil the obligations of the Charity.

Restricted funds are those which are specifically restricted by the donor or funder for a particular

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project or activity and which cannot be used for the general purposes of the Charity. Their existence, and the sums of money therein, do not imply that there has been an underspend. They may have accrued through a variety of circumstances including timing differences between the Charity's financial year and the funding year of the project concerned. Details of these can be found in Note 18 to the financial statements.

Investment policy and objectives

The Trustees are committed to retaining a prudent amount of reserves within the Charity's funds. Cash funds that exceed its immediate requirements to finance its charitable activities are held in bank savings accounts.

Key Management Personnel

The Board all give their time freely and no Trustees received remuneration in the year. They consider that the Key Management Personnel (KMP) of the charity are those noted in the Reference and Administration section of this report. Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the Charity on a day-to-day basis. The pay of the KMP is reviewed annually and normally increased in accordance with the average cost of living award. The Trustees benchmark salaries against the pay levels of other comparable charities and similar organisations within the advice sector. Pay levels are set using this information, together with the budget and forecast figures to ensure that the Charity can afford any proposed increases. The Board then agree any uplift in staff remuneration.

Plans for future periods

Aims and key objectives for future periods

We will continue to provide a free, independent and impartial general advice service and will look for new ways to provide support to those who need it.

Going concern

The Trustees are satisfied that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected levels of income and therefore the going concern basis of accounting is appropriate. Covid-19 risk is continually reviewed as noted above.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Citizens Advice Newcastle Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 9 December 2024 and signed on its behalf by:



[s wood \(Dec 12, 2024 08:46 GMT\)](#)

S Wood, Trustee

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2024

I report on the financial statements of Citizens Advice Newcastle Limited for the year ended 31 March 2024, which are set out on pages 11 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Institute of Chartered Accountants in England & Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.


Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

Lilian Hetherington FCA
Fellow of the Institute of Chartered Accountants in England & Wales
Connected Voice Business Services
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX



Lilian Hetherington (Dec 12, 2024 09:47 GMT)

Date: 12/12/2024

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STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	3	21,308	-	21,308	6,897
Charitable activities					
Grants and contracts	4	147,300	771,949	919,249	726,317
Other trading activities	5	3,300	-	3,300	1,201
Investments	6	5,808	-	5,808	1,513
Total income		177,716	771,949	949,665	735,928
Expenditure on:					
Charitable activities	7	111,390	689,530	800,920	643,249
Total expenditure		111,390	689,530	800,920	643,249
Net income/(expenditure)		66,326	82,419	148,745	92,679
Transfers between funds		85,033	(85,033)	-	-
Net movement of funds		151,359	(2,614)	148,745	92,679
Reconciliation of funds					
Total funds brought forward		430,154	10,188	440,342	347,663
Total funds carried forward		581,513	7,574	589,087	440,342

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

The notes on pages 14 to 23 form an integral part of these financial statements.

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Company Number 02114435

BALANCE SHEET

As at 31 March 2024

	Notes	£	Total 2024 £	£	Total 2023 £
<u>Current assets</u>					
Debtors	15	29,786		25,165	
Cash at bank and in hand	16	601,736		442,654	
Total current assets		631,522		467,819	
Creditors: amounts falling due within one year	17	(42,435)		(27,477)	
Net current assets			589,087		440,342
Total assets less current liabilities			589,087		440,342
Total net assets or liabilities			589,087		440,342
<u>Funds of the charity</u>					
Unrestricted income funds			581,513		430,154
Restricted income funds			7,574		10,188
Total funds			589,087		440,342

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 14 to 23 form an integral part of the financial statements. These financial statements were approved by the Board on 9 December 2024 and are signed on its behalf by

A Crawley
Trustee



S Wood
Trustee



s wood (Dec 12, 2024 08:46 GMT)

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STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

	Notes	2024 £	2023 £
<u>Cash flows from operating activities</u>			
Profit before taxation		148,745	92,679
<u>Add back:</u>			
Investment income		(5,808)	(1,513)
		<u>142,937</u>	<u>91,166</u>
Increase in trade receivables		(4,621)	(9,535)
Increase/(decrease) in trade payables		12,115	(20,672)
Increase/(decrease) in deferred income		<u>2,843</u>	<u>(73,205)</u>
<i>Net cash from operating activities</i>		153,274	(12,246)
<u>Cash flow from investing activities</u>			
Interest received		5,808	1,513
<i>Net increase/(decrease) in cash and cash equivalents</i>		<u>159,082</u>	<u>(10,733)</u>
 Increase/(decrease) in cash and cash equivalents		 159,082	 (10,733)
Cash and cash equivalents at start of year		442,654	453,387
Cash and cash equivalents at end of year		<u>601,736</u>	<u>442,654</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: 4th Floor City Library, Charles Avison Building, 33 New Bridge Street, Newcastle Upon Tyne, NE1 BAX.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Charities Act 2011.

Basis of preparation

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

The financial statements have been prepared in Sterling, which is the functional currency of the entity and round to the nearest £.

Citizens Advice Newcastle Limited meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees have considered the resources available, taking into account reasonable possible changes in performance and the potential impact on the level of donations received. Given the level of reserves and cash held, and the ability to reduce costs accordingly, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have approved prepayments, accruals and other cut-off adjustments. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that these will not be exact.

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

Income and endowments

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

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Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy income is recognised when receipt is probable and entitlement is established.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Other trading activities

Income from other trading activities is recognised when goods or services are sold.

Charitable activities

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination costs, strategic management and trustees' meetings and reimbursed expenses.

CITIZENS ADVICE NEWCASTLE LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Taxation

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

Tangible fixed assets

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

Assets which are individually less than £1,000 are not typically capitalised.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	25% straight line

Trade debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors and provisions

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

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

The company operates a defined contribution pension scheme. Contributions to defined contribution plans are recognised as an expenses in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
3 Donations and legacies				
Donations and gifts	21,308		21,308	6,897
	<u>21,308</u>	<u>-</u>	<u>21,308</u>	<u>6,897</u>
4 Income from Charitable activities				
Charitable activities	147,300	771,949	919,249	726,317
	<u>147,300</u>	<u>771,949</u>	<u>919,249</u>	<u>726,317</u>
5 Income from other trading activities				
Training	3,300	-	3,300	1,201
	<u>3,300</u>	<u>-</u>	<u>3,300</u>	<u>1,201</u>
6 Income from investments				
Bank interest	5,808	-	5,808	1,513
	<u>5,808</u>	<u>-</u>	<u>5,808</u>	<u>1,513</u>

Income was £949,665 (2023: £735,928) of which £177,716 was unrestricted or designated (2023: £180,611) and £771,949 was restricted (2023: £555,317)

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
7 Charitable activities				
Generalist advice	75,170	517,686	592,856	439,487
Support costs	36,220	171,844	208,064	203,762
	<u>111,390</u>	<u>689,530</u>	<u>800,920</u>	<u>643,249</u>
	Activity undertaken directly £	Activity support costs £	Total 2024 £	Total 2023 £
<u>Direct costs</u>				
Generalist advice	592,856	189,669	782,525	625,313
Support costs	-	18,395	18,395	17,936
	<u>592,856</u>	<u>208,064</u>	<u>800,920</u>	<u>643,249</u>

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Direct Charitable	Governance Costs	Total 2024	Total 2023
Staffing costs	98,496	8,391	106,887	106,539
Premises	23,026	1,961	24,987	25,005
Communications and IT	42,690	1,802	44,492	43,960
Staff and volunteer	1,913	163	2,076	2,351
Office costs	22,948	3,996	26,944	22,962
Independent examination fees	-	2,000	2,000	2,180
Other	596	82	678	765
	<u>189,669</u>	<u>18,395</u>	<u>208,064</u>	<u>203,762</u>

Expenditure on charitable activities was £800,920 (2023: £643,249) of which £111,390 was unrestricted or designated (2023: £93,506) and £689,530 was restricted (2023: £549,743)

9 Fees for examination of the accounts

	2024 £	2023 £
Independent examiner's fees for reporting on the accounts	2,000	2,180
Other accountancy services paid to the examiner - payroll fees	1,226	-
	<u>3,226</u>	<u>2,180</u>

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

10 Analysis of staff costs and the cost of key management personnel

	2024 £	2023 £
Salaries and wages	582,680	487,697
Social security costs	50,969	40,657
Pension costs (defined contribution pension plan)	14,924	12,728
	648,573	541,082

No employee received remuneration above £60,000 (2023: £nil)

The total employee benefits of the key management personnel of the charity were £219,893.

11 Staff numbers

The average monthly head count was 24 staff (2023: 19 staff).

12 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

13 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £14,924 (2023: £12,728). There was £0 outstanding as at 31 March 2024 (2023: £0)

14 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

15 Debtors and prepayments (receivable within 1 year)

	2024 £	2023 £
Trade debtors	12,467	4,100
Prepayments	4,036	4,290
Accrued income	13,283	16,775
	29,786	25,165

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

16 Cash at bank and in hand

	2024	2023
	£	£
Short term deposits	232,885	228,700
Cash at bank and in hand	368,664	213,712
Cash in hand	187	242
	601,736	442,654

17 Creditors and accruals (payable within 1 year)

	2024	2023
	£	£
Taxation and social security	14,596	-
Accruals		
Independent examination of accounts	2,000	2,000
Other accruals	2,246	2,043
Deferred income	23,343	20,500
Other creditors	250	2,934
	42,435	27,477

18 Deferred income

Deferred income comprises of advance payments from grants that relate to future periods

	2024
	£
Balance brought forward	20,500
Amount released to income earned from charitable activities	(20,500)
Amount deferred in year	23,343
Balance carried forward	23,343

19 Obligations under leases

The total value of future minimum lease payments was as follows:

	2024	2023
	£	£
Within one year	1,320	1,320
In two to five years	1,695	4,460
	3,015	5,780

20 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

21 Analysis of charitable funds**Analysis of movements in unrestricted funds 2024**

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	369,154	177,716	(111,390)	85,033	520,513
Designated funds					
Service curtailment	61,000	-	-	-	61,000
Totals	430,154	177,716	(111,390)	85,033	581,513

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' of the charity
Designated - Service curtailment	Provision for costs in the event the charity's operations cease.

Analysis of movements in unrestricted funds 2023

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	260,939	180,611	(93,506)	21,110	369,154
Designated funds					
Service curtailment	61,000	-	-	-	61,000
Totals	321,939	180,611	(93,506)	21,110	430,154

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

22 Analysis of charitable funds continued

Analysis of movement in restricted funds 2024

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Restricted funds					
Money Advice Service	-	222,516	(201,953)	(20,563)	-
Citizens Advice Pot 2	-	31,125	(31,125)	-	-
Millfield House	-	42,000	(42,000)	-	-
Northern Powergrid Energy Advice Project	-	271,016	(219,210)	(51,806)	-
Action for Children	-	26,747	(21,020)	(5,727)	-
Energy Redress Scheme	-	40,054	(40,054)	-	-
Walker Foodbank	-	8,588	(6,922)	(1,666)	-
St Vincent de Paul	-	11,040	(5,769)	(5,271)	-
Client Hardship Fund	1,029	-	(135)	-	894
Reducing Child Poverty in the North East (RCPNE)	-	38,896	(38,896)	-	-
National Lottery Community Fund	9,159	-	(2,479)	-	6,680
National Lottery Cost of Living Fund	-	71,229	(44,146)	(27,083)	-
Debt Modernisation Fund	-	8,738	(6,720)	(2,018)	-
Totals	10,188	771,949	(660,429)	(114,134)	7,574

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Money Advice Service	This is funding from National Citizens Advice to continue face to face debt advice.
Millfield House	Funding to employ a research and campaigns officer.
Northern Powergrid Energy Advice Project	A project to assist Northern Powergrid's vulnerable customers with fuel poverty advice including income maximisation, debt and energy advice and related matters.
Action for Children	To fund a weekly outreach Citizens Advice session in Benwell, Newbiggin Hall and Kenton. This funding pays for an adviser to assist people who drop in to any of the centres looking for advice.
Energy Redress Scheme	This project is a partnership with Stockton & District Advice & Information Service to provide energy advice to vulnerable people.
Walker Foodbank	To provide a weekly outreach Citizens Advice session in the City of God Christian Centre. This funding pays for an adviser to assist people who drop in to the foodbank looking for advice.
St Vincent de Paul	A partnership with St Vincent de Paul Society in Byker which enables an adviser to provide advice to clients one afternoon per week at St Vincent's Centre during one of their busy drop in lunch sessions.
Client Hardship Fund	Utilising a generous donation from an ex-volunteer, this project provides funding to finance one-off payments to clients in crisis.
Reducing Child Poverty in the North East (RCPNE)	Funding in partnership with Stockton, South Tyneside and Middlesbrough Citizens' Advice to provide advice on financial capability to families in schools.
National Lottery Community Fund	Funding to provide paid interpreters for people with English as a second language or anyone needing sign language.
National Lottery Cost of Living Fund	Funding to support people under pressure as a result of the increased cost of living.
Debt Modernisation Fund	A one-off grant to assist with modernisation of outdated equipment which enabled us to increase productivity.

CITIZENS ADVICE NEWCASTLE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

22 Analysis of charitable funds continued**Analysis of movement in restricted funds 2023**

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Money Advice Service	-	201,840	(181,586)	(20,254)	-
Wise Group Project	-	63,950	(63,950)	-	-
Millfield House	-	42,000	(42,000)	-	-
Northern Powergrid Energy Advice Project	-	158,000	(173,318)	15,318	-
Action For Children	-	17,560	(16,704)	(856)	-
Energy Redress Scheme	-	22,467	(22,467)	-	-
Mesothelioma	-	6,000	(6,000)	-	-
NPG Hardship Fund	15,318	2,500	(2,500)	(15,318)	-
Client Hardship Fund	406	1,000	(377)	-	1,029
Hong Kong	10,000	30,000	(40,000)	-	-
National Lottery Community Fund	-	10,000	(841)	-	9,159
	<u>25,724</u>	<u>555,317</u>	<u>(549,743)</u>	<u>(21,110)</u>	<u>10,188</u>

Transfers between funds	Reason for transfer	Amount £
Between unrestricted and restricted funds	Representing unrestricted funds used on specific projects.	85,033
Between unrestricted and restricted funds	Representing restricted funds used to purchase computer equipment.	29,101
		<u>114,134</u>

23 Capital commitments

As at 31 March 2024, the charity had no capital commitments (2023 - £nil)

24 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Tangible fixed assets	29,101	-	29,101
Cash at bank and in hand	594,162	7,574	601,736
Other net current assets/(liabilities)	(12,649)	-	(12,649)
	<u>610,614</u>	<u>7,574</u>	<u>618,188</u>












Citizens Advice Newcastle 2024-Final

Final Audit Report

2024-12-12

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