

Company registration No. 07298912 (England & Wales)

Charity No. 1137309

North Lancashire Citizens Advice Bureau

**Trustees' Report and Unaudited Financial
Statements**

**For The Year Ended
31 March 2022**



NORTH LANCASHIRE CITIZENS ADVICE BUREAU

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NORTH LANCASHIRE CITIZENS ADVICE BUREAU

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2022

Registered charity name North Lancashire Citizens Advice Bureau
(known as Citizens Advice North Lancashire)

Charity registration number 1137309

Company registration number 07298912

Registered office Oban House
87-89 Queen Street
Morecambe
Lancashire
LA4 5EN

The Trustees J Ashworth
P Gardner
S Welberry (Resigned 22 February 2022)
D Whitaker
R Tulej (Vice-Chair)
M Smyth (Treasurer)
A Hatton-Yeo (Chair)
D Bunting
C Hanna
C Hartley
R Jones
T Dant

Chief Officer H Greatorex

Independent Examiner MHA Moore and Smalley
Chartered Accountants
Priory Close
St Mary's Gate
Lancaster
Lancashire
LA1 1XB

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

The Board of Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the unaudited financial statements for the year ending 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

1 Structure

North Lancashire Citizens Advice Bureau (operating as Citizens Advice North Lancashire) was incorporated on 29 June 2010 as a company limited by guarantee. The company registration number is 07298912. The charity is governed by a Memorandum & Articles of Association, dated March 10th 2020. The charity registration number is 1137309.

The administrative details of the charity are set out on page 1 of the accounts including the charity's principal office. The trustees, who are also the directors for the purpose of company law, and who served during the year were:

J Ashworth	
P Gardner	
S Welberry	(Resigned 22 February 2022)
D Whitaker	
R Tulej	
M Smyth	
A Hatton-Yeo	
D Bunting	
C Hanna	
C Hartley	
R Jones	(Appointed 11 May 2021)
T Dant	(Appointed 13 July 2021)

The number of Trustees is governed by the Articles of Association and is fixed at a maximum of 15. The present establishment is 11.

Members of management & staff and volunteer representatives may be appointed by Trustees to serve on the Board but have no voting rights. Potential Trustee Board members are provided with an information-pack, asked to complete an application form and are interviewed by the Board Chair or Vice Chair & at least one other Trustee, before membership to the Trustee Board is proposed. The prospective Trustee will be invited to visit organisation locations.

An appropriate process of induction will be undertaken governed by the new Trustee's relative experience and knowledge of Citizens Advice activities. The new Trustee will also complete and sign a confidentiality agreement, declaration of interest, a skills assessment and code of conduct. An information assurance online assessment must be completed, and certificate provided. Health and safety policy and equality and diversity policy will be discussed and agreed.

2 Governance and Management

The period covered by this report has posed great challenges to the whole of the third sector. COVID has meant us having to think carefully about how we can best address the needs of our clients ensuring we are as accessible and safe as possible. Uncertainties about some areas of future funding also meant it was necessary for us to fully review our strategic and business objectives going forward as it has become increasingly clear that there will be a growing need for the services and support we provide, and it was essential for us to secure the integrity and security of our service.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

2 Governance and Management (continued)

Through this difficult time Staff, Volunteers and Board have worked together to shape a new vision that builds on the knowledge and experience across the organisation and in particular values and supports our staff and volunteers. During the year we have developed a new model that places us in a strong position for the future. Recognising the importance of our volunteers we have broadened the range of volunteering opportunities and appointed a dedicated Volunteer Coordinator. We have strengthened our senior management structure and developed a new development and support strategy going forward to enable staff to feel valued and supported in what are often challenging roles. We have increased our capacity for Research and Campaigns to help us develop our role to inform, influence and challenge and increased our capacity to work in partnership. During this time, we have developed stronger partnerships with the City Council and Health Board which we highly value.

We know the coming year is going to be difficult and challenging but with our partners we have put in place a strong infrastructure to enable us to provide the support, advice, and empowerment that people need as we go forward together.

The Charity is governed by its Trustee Board which meets bi-monthly. Certain work is delegated to four sub-committees who also meet bi-monthly, as follows:

- a **Finance:** Oversee the financial leadership of the charity, on behalf of the Board of Trustees, to ensure its short and long-term viability. Assist the Chair, Trustees and the Chief Executive in ensuring that the Board fulfils its duties and responsibilities for the proper financial governance of the Charity.
- b **Development (Income Generation):** Is responsible for ensuring the policies and membership standards are implemented and overseeing the production of the Strategic and Business plans.
- c **Health and Safety:** Is responsible for ensuring the staff and volunteers understand their rights and responsibilities with regards to Health and Safety. It covers the statutory duties and the Health and Safety policy ensuring that the organisation is a safe place to work and visit.
- d. **Personnel** sub Committee was dissolved in 2021. During the year the role and responsibilities of this group were reviewed, and it was agreed we needed regular and consistent professional advice. As a consequence, we have contracted with an HR specialist to assist in the legal process around personnel

Each Group comprises Trustees, management & staff and reports to the Trustee Board who will have final say on decision making. Trustees are responsible for determining key management personnel remuneration.

Citizens Advice North Lancashire is a member of Citizens Advice for which we pay an annual affiliation membership fee. Membership provides a framework for standards of advice & casework management, governance, strategic planning, risk, financial, people, operational performance, management, partnership working and Research and Campaigns.

Operating policies are independently determined by the Trustees of Citizens Advice North Lancashire annually in order to fulfil its charitable objects and to comply with the national Citizens Advice membership rules.

The charity also co-operates & liaises with a number of other charitable bodies & statutory agencies on behalf of clients. Where one of the Trustees holds the position of trustee/director of another charity they are required to declare it, may take part in discussions regarding that other charity, but not in the ultimate decision-making process.

The Trustee Board is sensitive to potential risks to which the charity may be exposed. Each sub-Group is charged with putting in place processes & systems to mitigate those risks and the Trustee Board will regularly review appropriate risk management arrangements.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

3 Objectives and activities

The most significant risks to funding relate to the continuation of Core Service income from Lancaster City Council that is reviewed annually and to the compliant delivery of Legal Aid Agency and Money Advice Service contracts. The organisation has a management structure in place to provide the internal capacity to monitor service performance & compliance with contractual terms and to take appropriate steps to maintain acceptable standards.

There are also inherent risks associated with the management of confidential client data. IT hardware & software systems ensure IT security is safeguarded. The organisation uses the management information and client case-handling system Casebook, with enhanced procedures for accessing & handling client and management data. All staff, volunteers and trustees are required to complete the relevant training modules in Information Assurance/GDPR/SMRC1 (Senior Management Certification Regime) and renew their certificates annually.

To maintain operational integrity, day-to-day operating procedures, practices, protocols & documentation, have been standardised and harmonised across all our work. The organisation conforms with the Citizens Advice National Membership Scheme, as well as the Advice Quality Standard in advice and in casework and the Specialist Quality Mark Scheme (for the LAA Housing Contracts). In June 2020, the organisation passed the Specialist Quality Mark with no recommendations - it will be due for renewal in June 2023.

The organisation achieved the highest rating under Citizens Advice Leadership and Management audit in 2021. The organisations quality of advice achieved the highest RAYG rating over the last 3 years.

Our Business/Strategic Planning includes: risk analysis, financial procedures, training and funding strategy, Research and Campaigns and is regularly reviewed by the Trustee Board.

The charity's objectives are to promote any charitable purpose for the benefit of the community in North Lancashire, by the advancement of education, the protection & preservation of health and the relief of poverty, sickness & distress.

To further this purpose, the organisation has offices in Morecambe and Lancaster and in a number of out-reach locations for the provision of advice & guidance to people faced with problems in relation to social welfare law.

The aims of the Citizens Advice North Lancashire service are:

- to provide the advice that people need for the problems they face
- provide greater access to free confidential, impartial advice for everyone wherever they are.
- maximise use of resources
- reduce delays in provision of service
- empower clients to help themselves
- extend service throughout the district through partnerships and outreach and through digital means
- address the wider determinants of health
- to improve unfair policies & practices that affect people's lives.

Citizens Advice North Lancashire is a member of 'Citizens Advice', a network of independent English and Welsh charities that helps people resolve their debt, welfare benefits, housing, employment, legal & other problems, by providing information & advice and by influencing policymakers. It works entirely in the public interest.

The advice provided by the Citizens Advice North Lancashire service is free, independent, confidential & impartial, available to everyone, regardless of race, gender, disability, sexual orientation, religion, age, or nationality.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

3 Objectives and activities (continued)

The environment in which the organisation has operated during 2021/22 has included some major challenges & changes in circumstances that have governed the way in which organisation services can operate and plan for the future, including:

- An extremely challenging socio-economic national & local government environment and the impact of leaving the EU, and recommissioning of some services that could result in significant amendments to several funding streams with other streams at risk or already ended.
- Debt Advice contract now being funded by the Money Advice and Pensions Service, with much more demanding financial & compliance terms and with an uncertain future due to funding and potential recommissioning.
- The continuing impact of the Covid-19 pandemic that halted all face-to-face advice work, closed the courts and ceased resulted in the loss of some of our very experienced advisers
- The need to reconsider and refresh our Volunteer Strategy to broaden the range of opportunities available to people, to increase recruitment and retention and to provide direct support and development through the establishment of a dedicated Volunteer Coordinator post.
- The need to review our staffing structure to reflect our vision and values and our priorities for the future.

During the year, Trustees have addressed these challenges through a review and update of the organisation's vision and 3-year strategic plan. This led to the development of a revised staffing model which was developed in consultation with staff. During the period December to March staff were fully engaged in the development of this structure which was implemented on April 1st, 2022.

They identified of a range of objectives in the key areas of performance management, personnel management and development/funding opportunities. Essential elements of the initial phases of the revised strategy were intended to create the conditions appropriate for consolidating & then developing the range & scope of client services, including:

- operational expenses reduction programmes.
- new office provision in Lancaster
- environmental initiative creating a broadly paperless system
- the upgraded IT & telecoms systems to optimise access for clients through remote means during the pandemic of 2020/1.
- working with those with lived experience and starting discussions on how we can co-design services.
- efficiency in terms of financial savings and in terms of the new cloud-based system means further developments in delivery can be considered including web chat, self-help computers and access to advisers through video links, working in the community.
- extending collaboration with local government, NHS and other charitable support agencies to meet the needs of more vulnerable clients in the community and address the wider determinants of health
- identification of potential new funding / service opportunities.

Throughout this strategic review, considerable efforts were made to keep paid-staff, volunteers and external funding bodies informed & involved in the process of change.

- Trustees
- Advice Assessors
- Generalist Advisers

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

3 Objectives and activities (continued)

- Trainee Advisers
- Specialist caseworkers in debt, housing, welfare benefits and employment
- Trainer
- Advice support / administration / reception
- Research and Campaign workers
- Outreach workers
- Financial capability work
- Welfare call backs

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The main activities of the organisation are to provide a generalist information & advice service, with assistance, advocacy & representation across a wide range of issues.

- This core activity is funded by Lancaster City Council through grant funding. This core fund is vital, providing the firm base for all other funded activities.
- The Money Advice and Pensions Service funds 2FTE caseworkers to provide specialist debt advice.
- Income from the Legal Aid Agency (LAA) requires us to employ housing solicitors to provide specialist legal advice in housing (with a limited amount of debt advice) including legal representation at the County Court across the Lancaster District, Blackpool and Preston and other Lancashire based Local Citizens Advice

Contract and governance audits by LAA and Citizens Advice take place annually, as part of its membership scheme and Money Advice and Pensions Service peer review scheme and Debt Advice Peer Assessment (DAPA) undertaken by Recognising Excellence. Supervisors check cases for quality and completeness daily and these are assessed by Citizens Advice every 3 months to ensure high quality of advice.

Access throughout the pandemic was via telephone, video call, email, letter, and community/home visits for the most vulnerable. The Lancaster, King Street premises closed in November 2021 as it was no longer fit for purpose. The organisation is now searching for a suitable alternative.

The core service funded by **Lancaster City Council** is key to the need to reach out to those not using the service and to address the demand for advice during this time of change. The Lancaster City Council funding underpins all our work including all other funded projects. The majority of clients we see are as a result of this core funding. Lancaster City Council provides the resources to enable volunteer training, supervision, and support. It also provides the funds for a rented Lancaster accommodation, and the face to face, email, and telephone access to advice in Lancaster district that aims to provide easy access for our client.

Our **Community Fund** Project - Advice Matters developed what we learnt with our Healthy Finances project and this allowed us to take advice out to the community in partner organisations, home visits and GP surgeries. This is a three-year grant from the Community Fund that expires in summer 2023 and provides advice and support through a strength-based model which aims to work with clients to address advice issues then to build personal resilience and promote wellbeing and community engagement for those previously excluded.

Working in partnership with Lancaster City Council we place a worker in Customer services in both Town Halls and this service has been well used and well received and has consolidated our partnership. During the COVID pandemic this work has continued to develop through direct access to our funded adviser for the City Council teams.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

3 Objectives and activities (continued)

The organisation developed a partnership with Greater Manchester Law Centre funded by **the Access to Justice Foundation**. The aim is to provide a region wide service to enable people with employment problems to access employment law help. Aimed at those expected to deal with the complexities of employment law and employment tribunals. Alongside this we provide basic advice and referral to other areas of advice across the region. Funded as an 18-month pilot this project will end in summer 2022.

Citizens Advice North Lancashire has twin aims, to provide advice that people need and to influence policy that impacts upon our clients through our research and campaigns.

Our Research and Campaigns work highlights policies and practices that unfairly impact upon our clients. Using anonymous feedback of client problems to Citizens Advice central office, it is used to lobby Parliament for change to inform new and to amend existing legislation. The organisation also uses client experience to inform local networks of policymakers. The Chief Officer meets with both local MPs on a regular basis and discussions with Lancaster City Council led to an implementation of a kinder and more understanding Council Tax arrears Collection protocol and to working more closely in partnership on our shared aims. The organisation plays an active part in our regional Research and Campaigns team. They invest in a Research and Campaigns lead and are seeing an increase in reporting issues and extending media coverage of important issues affecting the community.

A more detailed account of the Organisation's research and campaign activities can be found in our annual Research and Campaigns plan.

The Trustees of Citizens Advice North Lancashire believe they have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to the public benefit guidance published by the Charity Commission. The Trustees have also confirmed that the major risks to the charity are regularly reviewed, and systems and procedures are in place to mitigate those risks.

4 Achievements and performance

The main performance and achievements during the year were as follows:

- addressed client issues including debt, welfare benefits, housing, employment, legal & other matters of social welfare law
- conducted client surveys as a basis for testing perceptions of Organisation services and on preferences for where people wanted to access their advice
- undertook lobbying of local MPs & central Government on a range of social welfare policy issues including the 2022 \$20 cut to Universal Credit, hardship and altering to the Cost of Living challenges our community is facing as the energy cap increases, and peoples' incomes decline.
- formulated a revised 3-year strategic plan for 2021/2022
- Identified potential new funding opportunities to further the aims and strategic objectives in the business plan
- pursued opportunities to extend collaboration with local government & other local charitable/support agencies
- Our Chief Officer is an active member of the following:
 - Core group of the Lancaster District Food Justice Partnership
 - Health and Wellbeing partnership
 - Civic commissioner on Morecambe Bay Poverty Truth Commission
 - Trustee of Morecambe Bay Food Bank
 - Member of CVS Leadership forum
 - The organisation retained a significant number of volunteers whilst we worked remotely

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

4 Achievements and performance (continued)

- Maintained Specialist Quality Mark
- Achieved an excellent rating in Citizens Advice Quality of Advice
- Passed the Money Advice and Pensions Service peer review
- Passed contract compliance audit for our Legal Aid Housing work.

5 Financial review

Total income for the year was £679,250 (2021: £776,919), of which, £353,318 (2021: £318,545) related to project-specific activities. A small deficit was generated in the year of £10,288 (2021: Surplus £129,221).

The Trustee Board has agreed an unrestricted reserves policy equal to 3 months operating costs which would enable the Charity to maintain a sufficient level of reserves to enable funding of its normal programme of services to clients on a steady-state basis. This would also facilitate an orderly wind-down process in the event such was required.

The Trustees have considered the risks in respect of normal operating expenditure, redundancy costs, and restricted and unrestricted income. Citizens Advice North Lancashire enjoys resilient income streams from multiple, reliable sources and the Trustees believe that the policy of 3 months running costs is sufficient.

At 31st March 2022, unrestricted reserves stood at £270,462 (2021: £279,243) and restricted reserves were £121,794 (2021: £123,301). The Trustees will continue to strive to manage the Organisation's finances so that an adequate level of reserves can be maintained, in compliance with the reserves policy. Total free reserves after deduction of fixed assets are £242,522 (2021: £238,207), and £242,522 (2021: £229,486) after the deduction of designated funds. At 31st March 2022 the charity had no designated funds (2021: a designated fund was for amounts set aside by the Trustees for investment in IT of £8,721).

The Trustees in particular wish to thank and acknowledge Lancaster City Council's support for the work of the charity.

Other specific funding was received from:

- Legal Aid Agency - Housing
- Money Advice Service Debt Advice Project (MAS DAP - now known as the Money Advice and Pensions Service) - Debt
- The Henry Smith Charity - Welfare Benefits
- Community Fund - Advice Matters
- Citizens Representative - funded to provide in depth support and advocacy to those with enduring and serious mental illness and other disability.
- Access to Justice Foundation (Litigants in Person - Employment Law)
- Community Fund - Advice Matters in the community

As required in its Memorandum, paragraph 4.15, (need updated version) in furtherance of its objects and for no other purposes, the Company has the power to invest or deposit the monies of the Company not immediately required for its purposes in or upon such investments securities or property as may be thought fit, subject nevertheless to such conditions & such consents as may for the time being, be imposed or required by law. Accordingly, such monies are held in higher bearing, but relatively risk-free, charity accounts

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

6 Plans for the future

Citizens Advice North Lancashire intends to continue the activities outlined above, subject to continued funding and to be proactive at taking opportunities for income generation opportunities.

They are alert to the crisis in cost of living that is already beginning to take effect. To the need to make the services provided more accessible and to ensure they have the right people in the right places to develop and grow the service. A new strategic plan is being drafted and we anticipate some challenges in 2022 not least the threat to the debt funding we have and the challenges of running a Legal Aid Housing Contract where fees per case have not increased since 2013.

The Trustee Board will continue to review its own internal operating policies, practices & expenses, in order to optimise the range & scope of client services. This will include the consideration of the means & available hours for client access, publicity & promotion of the work of the charity and the potential for securing new sources of funding for new services. Developing the new ways of working via telephone and community delivery services we started in March when Covid-19 pandemic sent us into lockdown. Recruitment & training of volunteers will remain a priority, with new roles identified to meet client need and implement our strategic planning, together with continued training & personal development, where appropriate, of paid and unpaid staff.

Further opportunities will be sought for funding and developing collaborative arrangements to serve the local community, through local government departments and with other charitable & support agencies.

7 Statement of Trustees' responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have taken advantage of the small companies' exemption in the Companies Act 2006.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and the income and expenditure of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW) FOR THE YEAR ENDED 31 MARCH 2022

7 Statement of Trustees' responsibilities (continued)

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

On behalf of the board of trustees (who are also directors under company law)

Dr. Alan Hatton - Yeo

.....
Dr. Alan Hatton Yeo - MBE
Chair of Trustees

Dated: *29/2/22*

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NORTH LANCASHIRE CITIZENS ADVICE BUREAU

FOR THE YEAR ENDED 31 MARCH 2022

I report on the accounts of the charitable company for the year ended 31 March 2022 which are set out on pages 12 to 25.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Certified Chartered Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and 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.



Richard Hall FCCA
MHA Moore and Smalley
Chartered Accountants
Priory Close
St Mary's Gate
Lancaster
LA1 1XB

30th September 2022

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	865	508	1,373	9,095
Charitable activities	4	320,197	353,318	673,515	738,733
Trading activities	5	-	-	-	2,131
Investments	6	368	-	368	619
Other income	7	3,994	-	3,994	26,341
Total		325,424	353,826	679,250	776,919
Expenditure on:					
Charitable activities	8	381,139	308,399	689,538	647,698
Total		381,139	308,399	689,538	647,698
Net income/(expenditure)		(55,715)	45,427	(10,288)	129,221
Transfers between funds		46,934	(46,934)	-	-
Net movement in funds		(8,781)	(1,507)	(10,288)	129,221
Reconciliation of funds:					
Total funds brought forward		279,243	123,301	402,544	273,323
Total funds carried forward	18	270,462	121,794	392,256	402,544

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 15 to 25 form part of these financial statements.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
		£	£
Fixed assets			
Tangible assets	12	27,940	41,036
Current assets			
Debtors	13	42,059	28,240
Cash at bank and in hand		519,242	390,755
		<u>561,301</u>	<u>418,995</u>
Creditors: amounts falling due within one year	14	<u>(137,472)</u>	<u>(57,487)</u>
Net current assets		<u>423,829</u>	<u>361,508</u>
Total assets less current liabilities		<u>451,769</u>	<u>402,544</u>
Creditors: amounts falling due after on year	15	<u>(59,513)</u>	<u>-</u>
Net assets		<u><u>392,256</u></u>	<u><u>402,544</u></u>
Funds:			
Unrestricted funds		270,462	279,243
Restricted income funds		121,794	123,301
Total funds	18	<u><u>392,256</u></u>	<u><u>402,544</u></u>

For the year ended 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and the trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts were approved by the members of the committee and authorised for issue on the and are signed on their behalf by:

Dr. Alan Hatton - Yeo

 Dr. Alan Hatton Yeo - MBE
 Chair of Trustees
 Company Registration Number: 07298912

29/9/22

The notes on pages 15 to 25 form part of these financial statements.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022 Total £	2021 Total £
Cash generated in operating activities	128,855	76,151
Cashflows from investing activities		
Investment income	(368)	(619)
Cash provided by investing activities	128,487	75,532
Increase in cash and cash equivalents in the year	128,487	75,532
Cash and cash equivalents brought forward	390,755	315,223
Cash and cash equivalents carried forward	519,242	390,755
Reconciliation of net movement in funds to net cashflow from operating activities		
Net movement in funds	(10,288)	129,221
Investment income received	368	619
Depreciation	13,096	13,097
Increase in debtors	(13,819)	(10,642)
Increase/(Decrease) in creditors	139,498	(47,886)
Increase/(Decrease) in provisions	-	(8,258)
Net cash generated in operating activities	128,855	76,151
Components of cash and cash equivalents		
Cash at bank and in hand	519,242	390,755
	519,242	390,755

The notes on pages 15 to 25 form part of these financial statements.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Legal form

The charity constitutes a limited company, limited by guarantee as defined by the Companies Act 2006, incorporated in England and Wales. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and charity administrative details pages in these financial statements.

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the accounting policies set out in note to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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).

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

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

Preparation of the accounts on a going concern basis

The trustees consider the charity to have a sufficient level of working capital to see it through the upcoming months and there is reasonable expectation that the charity has adequate resources to continue operations for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Taxation

The charity is recognised by the Inland Revenue as a UK Charity and is entitled to exemptions from corporation tax.

Income

Donations are included as they are receivable by the charity, except insofar as they are incapable of financial measurement.

Grants received to finance the activities of the bureau are credited to the SOFA in the period to which they relate. Grants received in advance of the period in which the funder requires the expenditure to be applied will be reflected in deferred income within the balance sheet.

No income is shown net of expenditure.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost in "other costs" within charitable activities expenditure.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Support costs are those which assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly to support the objectives of the charity. Where costs cannot be directly attributed to a particular heading, they have been allocated on a basis consistent with the use of the resources.

Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold buildings	-	4% straight line on original cost value
Equipment	-	25% straight line on original cost value
Fixtures and fittings	-	25% straight line on original cost value

Freehold land is not depreciated.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash represents cash held on call at banks and cash held in hand.

Pensions

The charity operates a defined contribution pension scheme for all of its employees. Contributions paid are charged to the SOFA in the period to which they relate.

Accumulated funds

Unrestricted funds - these are available for use at the discretion of the trustees in furtherance of the general activities of the charity

Restricted funds - these are subjected to restrictions on their expenditure imposed by the donor. The restricted fixed asset fund represents assets purchased from specific grants and funds future depreciation of those assets.

Designated funds - these are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

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 but does not currently hold any instruments that are classified as "other" in these financial statements. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There have been no significant judgements, except for those involving estimates, made in the process of applying the above accounting policies.

There are no other key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and gifts	865	508	1,373	9,095
	865	508	1,373	9,095

All income from donations and legacies in the comparative year was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Legal Aid Agency	114,897	-	114,897	151,430
Lancaster City Council	205,300	-	205,300	208,008
Face to Face Debt Advice	-	113,948	113,948	95,626
The Henry Smith Charity	-	59,600	59,600	59,500
Big Lottery Community Fund	-	77,586	77,586	130,757
Community Justice Fund	-	-	-	55,750
LIP Access to Justice Foundation	-	33,742	33,742	-
CitAd Remote	-	-	-	5,000
Citizens Advice "Help to Claim"	-	18,940	18,940	32,662
Awards for All	-	9,500	9,500	-
Citizens Representative	-	40,002	40,002	-
	320,197	353,318	673,515	738,733

Income from charitable activities included £318,545 in restricted funds and £420,188 in unrestricted funds in the prior year.

5 Income from trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Gift Aid	-	-	-	2,131
	-	-	-	2,131

All income from trading activities in the comparative year was unrestricted.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Interest receivable	368	-	368	619
	368	-	368	619

All income from investments was unrestricted in the prior year.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	3,994	-	3,994	26,341
	3,994	-	3,994	26,341

Other income included £16,503 in restricted funds and £9,838 in unrestricted funds in the prior year.

8 Costs of charitable activities

Activity	Activities directly undertaken (advice & support) £	Total 2022 £	Total 2021 £
Staff costs	514,792	514,792	449,519
Other staff and volunteer costs	5,083	5,083	1,075
Office costs	18,681	18,681	37,102
Premises costs	(3,644)	(3,644)	4,112
Other costs	10,965	10,965	5,445
Disbursements	5,593	5,593	1,113
Depreciation	9,093	9,093	9,093
Support Costs (note 9)	128,975	128,975	140,239
	689,538	689,538	647,698

Of the expenditure above, £381,139 (2021: £247,639) related to restricted income funds, and £308,399 (2021: £400,059) related to unrestricted income funds.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

	Total 2022 £	Total 2021 £
Office support costs	44,849	42,822
Premises costs	26,390	35,928
Other costs	200	48
Legal costs	2,686	656
Support staff costs	49,035	58,385
Independent examination	2,400	2,400
Other staff costs	3,252	-
Trustees expenses	163	-
	128,975	140,239

10 Net income/(expenditure)

	2022 £	2021 £
Net income/expenditure is stated after charging/(crediting):		
Depreciation	13,096	13,097
Independent examiner's remuneration: - independent examination fee	2,340	2,520

11 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	2022 £	2021 £
Wages and salaries	523,388	470,082
Social security costs	30,661	28,616
Other pension costs	9,778	9,206
	563,827	507,904

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel (continued)

Particulars of employees:

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

	2022 No	2021 No
Number of staff (full-time equivalents)	30	22

We are required by statute to disclose any employees remunerated more than £60,000 in the year. No such salaries were paid in either the current or prior year.

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2021: £nil). No expenses were paid to Trustees in the current or prior year.

Key management personnel at the charity received aggregate remuneration in the year of £60,370 (2021: £40,749) which includes social security costs and pension contributions.

Redundancy payments were paid in the period totalling £27,717 (2021: £nil).

12 Tangible fixed assets

	Land and buildings £	Equipment £	Fixtures & fittings £	Totals £
Cost				
At 1 April 2021	71,984	61,391	10,867	144,242
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2022	71,984	61,391	10,867	144,242
Depreciation				
At 1 April 2021	40,040	52,299	10,867	103,206
Charge for the year	4,004	9,092	-	13,096
Eliminated on disposals	-	-	-	-
At 31 March 2022	44,044	61,391	10,867	116,302
Net book value				
At 31 March 2022	27,940	-	-	27,940
At 1 April 2021	31,944	9,092	-	41,036

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Debtors: Amounts falling due within one year

	2022 £	2021 £
Other debtors	38,459	26,677
VAT repayable	-	1,411
Prepayments	3,600	152
	42,059	28,240

14 Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,499	17,376
Taxes and social security costs	18,699	7,945
Other creditors	99,116	6,057
Accruals	15,158	26,109
	137,472	57,487

Included with other creditors is grant income received in advance of £79,527 (2021: £nil).

15 Creditors: Amounts falling due after one year

	2022 £	2021 £
Other creditors	59,513	-
	59,513	-

Other creditors represent grant income received in advanced of the 2022-23 financial year.

16 Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the fund.

	2022 £	2021 £
Contributions payable by the charity for the year	9,778	9,206
	9,778	9,206

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Commitments under operating leases

As at 31 March 2022 the charity was committed to making the following payments under non-cancellable operating leases:

	2022 Other items £	2021 Other items £
Within 1 year	3,540	4,248
Within 2 to 5 years	-	3,540
After more than 5 years	-	-
	3,540	7,788

18 Analysis of charitable funds: current year

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Unrestricted funds					
General fund	270,522	325,424	(381,139)	55,655	270,462
Designated funds	8,721	-	-	(8,721)	-
	279,243	325,424	(381,139)	46,934	270,462
Restricted funds					
Face to Face	11,085	113,948	(90,698)	(34,335)	-
Community Fund	49,149	78,094	(108,108)	-	19,135
LIP Access to Justice Foundation	10,241	33,742	(37,387)	-	6,596
Help to Claim	12,510	18,940	(18,851)	(12,599)	-
The Henry Smith Charity	40,316	59,600	(32,143)	-	67,773
Awards for All	-	9,500	-	-	9,500
Citizens Representative	-	40,002	(21,212)	-	18,790
	123,301	353,826	(308,399)	(46,934)	121,794
Total funds	402,544	679,250	(689,538)	-	392,256

Restricted funds are analysed as follows:

Face to face debt advice – a restricted fund for the provision of debt advice to the local community. This project was terminated and remaining funds transferred to unrestricted funds for general use.

Community Fund – National Lottery funding to adapt, extend and expand the work of Citizens Advice North Lancashire in community settings that reach the most vulnerable members of the communities we serve.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Analysis of charitable funds: current year (continued)

Lip Access to Justice Foundation – grant funding to improve access to justice for the most vulnerable in society.

Help to Claim – funding rolled out by National Citizens Advice to set up and deliver support to clients with Universal Credit claims. Unspent funds at the year end are transferred to unrestricted funds for general use.

The Henry Smith Charity – grant funding to provide specialist advice on Welfare Benefits.

Awards for All – grant funding for improvements to the office including painting, carpets and furniture.

Citizens Representative – to pilot new Citizen's Representative role, which is to prevent poverty of people with complex needs.

Designated Funds:

Designated funds consisted of amounts set aside by the Trustees to undertake specific projects. The charity had a designated fund for investment in IT (£8,721) which was being released to match the depreciation charge of these assets. This fund was fully spent in the year.

19 Analysis of charitable funds: prior year

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Unrestricted funds					
General fund	219,617	441,871	(400,059)	9,093	270,522
Designated funds	17,814	-	-	(9,093)	8,721
	237,431	441,871	(400,059)	-	279,243
Restricted funds					
Face to Face	-	95,626	(84,541)	-	11,085
Community Fund	-	130,757	(81,608)	-	49,149
LIP Access to Justice Foundation	-	16,503	(6,262)	-	10,241
Help to Claim	7,676	32,662	(27,828)	-	12,510
The Henry Smith Charity	28,216	59,500	(47,400)	-	40,316
	35,892	335,048	(247,639)	-	123,301
Total funds	273,323	776,919	(647,698)	-	402,544

Details of funds still in place are included in note 18 of the financial statements.

NORTH LANCASHIRE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets by funds: current year

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	27,940	-	27,940
Current assets	439,507	121,794	561,301
Creditors: amounts falling due within one year	(137,472)	-	(137,472)
Creditors: amounts falling due in more than one year	(59,513)	-	(59,513)
	270,462	121,794	392,256

21 Analysis of net assets by funds: prior year

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	41,036	-	41,036
Current assets	295,694	123,301	418,995
Creditors: amounts falling due within one year	(57,487)	-	(57,487)
	279,243	123,301	402,544

22 Related party transactions

There are no related party transactions that require disclosure in the current or prior period beyond the Trustee expenses detailed in note 11.

There is no ultimate controlling party in the current or prior period.

23 Contingent liability

During the year the Charity vacated a rented premises and subsequently had an initial demand for dilapidation costs of approximately £50,000. This initial demand is currently subject to negotiation by the Charity with the connected parties, and positive dialogue is being pursued to arrive at a reasonable conclusion. On this basis, the Charity has not recognised any liability for such costs in these financial statements.

23 Fund transfers

During the year the restricted fund balances for Face to Face Debt Advice and Help to Claim were reclassified as unrestricted as the projects were completed in the year and such funds are available for general use.

24 Company limited by guarantee

Every member guarantees, in the event of the charitable company being wound up, while he, she or it remains a member, or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the costs of dissolution and the liabilities incurred by the charity while the contributor was a member.