

Company number: 8290395

Charity number: 1171817



# Citizens Advice SORT Group Ltd

Group report and financial statements for year ending 31 March 2023



## Citizens Advice SORT Group Ltd

### References and administrative information for the year ended 31 March 2023

<b>Trustees</b>	Brenda Warrington, Chairperson	appointed 5th October 2022
	Peter Allen, Chair of Finance, Risk and Assurance Committee	
	Margaret Anne Bradbury	appointed 4th August 2022
	Martyn Beauchamp, Chair of Transformation Committee	
	Sarah Diller	
	Emily Allen, Chair of People Committee	
	Alan Whitfield	
	David Trafford	
	Richard Coaton	resigned 8th December 2022
	Phil Aspen	resigned 31st July 2022
	Annete Clowes	resigned 30th June 2022
	Atif Hafeez	resigned 9th September 2022
	Francine Ryan	resigned 21st April 2022
<b>Principal staff</b>	Jonathan Yates, Chief Executive Officer	
	Steve Hughes, Chief Operating Officer	resigned 30th November 2023
<b>Principal address</b>	Huckletree, The Express Building, 9 Great Ancoats Street, Manchester, M4 5AD	
<b>Company number</b>	8290395	
<b>Charity number</b>	1171817	
<b>Bankers</b>	Santander PLC Bridle Road, Bootle, Merseyside, L30 4GB	
	Royal Bank of Scotland PLC Drummond House, 1 Redheughs Avenue, Edinburgh, EH12 9JN	
	Lloyds PLC 58 Yorkshire Street, Rochdale, Lancashire, OL6 1BN	
	Yorkshire Bank 47 Market Place, Oldham, OL1 3AB	
	The Charity Bank Limited 182 High Street, Tonbridge, Kent, TN9 1BE	
	Slade & Cooper Ltd Beehive Mill, Jersey Street, Ancoats, Manchester, M4 6JG	
<b>Auditors</b>	Slade & Cooper Ltd Beehive Mill, Jersey Street, Ancoats, Manchester, M4 6JG	

## Citizens Advice SORT Group Ltd

### Trustees' Annual Report for the year ended 31 March 2023

The trustees, who are directors for the purposes of company law, present the annual report, together with the financial statements and auditors' report of the charitable group ending 31 March 2023.

## About Citizens Advice SORT Group

The charity's objects are to promote any charitable purpose for the public benefit by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress in particular, but without limitation, for the benefit of the community in Greater Manchester and surrounding areas.

The main activities undertaken to further our charitable purposes for public benefit are to provide the advice people need for the problems that they face and improve the policies and practices that affect people's lives. Our highly trained people deliver information, advice and guidance services, a mixture of paid staff and volunteers, providing services predominantly in Stockport, Oldham, Rochdale, and Trafford. The charity also delivers specialist legal services in Halton, Warrington and Wirral.

The trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when planning activities and setting policies and priorities for the year ahead.

## Who we helped in 2022/23

In total, we supported 16,300 people with simple information and advice, and 17,050 people one-to-one, by phone, email, web chat or in person with high-level advice and casework. We dealt with 74,000 issues over this period with the biggest five issue areas being:

- Benefits - Universal Credit
- Benefits & Tax Credits
- Debt
- Utilities & communications
- Financial services & capability

In 2022/23 the number of people turning to our service for information, advice and guidance increased compared to the year before and is higher, in part because of the Cost of Living Crisis, following the Covid-19 pandemic

Despite a variety of Government support schemes to help people financially, people have turned to us for support in these challenging times.

We've seen the highest number of web visits ever, more people are using our digital services than ever before, and we started seeing people at face-to-face appointments again. We answered more phone calls than ever, although we have seen demand continue to rise.

Citizens Advice SORT Group Ltd

Trustees' Annual Report for the year ended 31 March 2023

## Our value to society

Each year, we give thousands of people the knowledge and confidence to find a way forward. We do this by providing advice, education, support, and influencing policies and practices that affect our clients. We survey hundreds of people yearly to give us the evidence we need to measure our impact.

For every £1 of charitable expenditure

- We deliver £31 of broader economic and social benefit
- We save the government and public services £4
- We delivered an estimated £23 social and economic value to society

Our survey results were as follows;

### **Ease of access**

"How easy or difficult did you find it to access the service?"

80% confirmed it was either neutral, easy or very easy to access our service

### **Way forward**

"To what extent did the service help you to find a way forward?"

86% confirmed we'd either moderately, greatly or completely helped them find a way forward

### **Problem resolved**

"To what extent is your problem now resolved."

75% confirmed we'd either partly, mostly or completely resolved their problem

### **Recommend**

"How likely would you be to recommend the service."

88% confirmed they would likely or very likely recommend our service

6 in 10 people said they felt less stressed, depressed or anxious as a direct result of our advice

## Financial outcomes for the people we help

For many people who turn to us for help, we look at how we can maximise their income by ensuring they receive all the benefits they are entitled to.

- We helped people access an extra £8.2m in one-off and ongoing additional income for local people
- We wrote off and rescheduled £1.7m of debt

Citizens Advice SORT Group Ltd  
Trustees' Annual Report for the year ended 31 March 2023

## Our strategy

We've recently refreshed the charities strategy. Our vision for 2025 is that we'll help more people than ever before.

This plan looks to refocus our activity on three main strategic themes:

- **Advice** - we'll have met more demand across all our advice channels
- **Sustainability** - we'll have grown and diversified our business, becoming more effective and efficient in a sustainable way.
- **Culture** - we'll be a great place to work where people perform at their best

As part of our strategy, we've adopted a new client commitment:

- **It's easy to get support from us** - Our services will be available when you need them in a way that works for you
- **Our service will be joined up** - You'll be able to access advice quickly and easily through our different services and channels without having to repeat yourself.
- **We'll help you find a way forward, whatever your problem** - We have the resources, tools and expertise to solve your problem. If we can't help directly, we'll signpost you or make a smooth referral to a trusted partner.
- **You'll get the level of support you need** - Whatever your situation, we'll take extra steps to make sure you have the best support for your needs.
- **You know that we'll speak up for you** - We'll advocate for change in policy and industry practices where they make life harder for you.

## Our values

We're different, ambitious and determined to deliver quality services to our communities. To be able to do this, we have a set of values which drive us forward and that all our colleagues champion:

- **We're inventive** - We question every idea to make it better, and we change when things aren't working. We're not afraid of trying new things and learn by getting things wrong
- **We're generous** - We work together, sharing knowledge and experience to solve problems. We tell it like it is and respect everyone
- **We're responsible** - We do what we say we'll do and we keep our promises. We remember that we work for a charity and use our resources effectively

Citizens Advice SORT Group Ltd  
Trustees' Annual Report for the year ended 31 March 2023

## Equity, diversity and inclusion

Equity, diversity and inclusion (EDI) are at the centre of what we do, and our charity aims are grounded in EDI principles.

We value and embrace the diversity of our clients and colleagues and work to eliminate discrimination. We believe we are all equal through our shared humanity.

We'll strengthen our EDI work by:

- Taking a social justice approach to EDI
- Continuing to be an impartial charity
- Using our data to create stronger, inclusive services
- Mainstreaming our EDI work

## Our funding and income generation strategy

We take a collaborative and developmental approach to fundraising, developing strategic relationships with key partners and stakeholders.

All management colleagues across the charity are responsible for identifying and developing funding opportunities within their specific areas of work.

Funding areas include:

- Grants and commissioning
- Individual giving
- Major donor
- Corporate
- Trust and Foundation
- Legacy

All funding application bid/no bid decisions are aligned with our mission, vision and values, the Citizens Advice competition protocol.

### **Fundraising standards information**

The charity does not carry out significant fundraising activities.

Citizens Advice SORT Group Ltd  
Trustees' Annual Report for the year ended 31 March 2023

## Plans for the future

In-line with our strategy, our future plans fall into three categories; Advice, Sustainability and Culture. We will continue to develop our people offer, making the organisation a great place to work and volunteer but adopting a new people strategy. We'll work to diversify our income streams with new partnership and agreements and we'll continue to push forward creating a more equitable and accessible service.

## Financial Review

### Financial Position

Incoming resources in the year were £2,660,574 (2022: £2,896,117). Expenditure was £2,951,311 in support of our charitable objectives (2022: £2,783,592).

A surplus of £614,263 (2022: £1,013,575 surplus) resulted in the year which includes the in year gain on the defined benefit pension scheme of £905,000.

At 31st March 2023 total fund balances were £1,058,246

### Reserves Policy

The trustees believe that the charity should hold financial reserves in order to ensure that the charity can continue to operate effectively and meet the needs of clients in the event of unforeseen and potentially damaging circumstances arising.

Trustees consider that it is prudent to set aside Reserves equating to 4 months operating costs which is reviewed annually. It may not be possible to reserve this amount fully every year and a lower amount can be set by the trustees until such time as the appropriate level of reserves have been realised.

As at 31 March 2023 our Unrestricted Funds freely available ('free reserves') were £905,467 (2022: £1,077,979) equating to 3.7 months of total operating expenditure. We're accepting this is lower than the policy at present.

Citizens Advice SORT Group Ltd  
Trustees' Annual Report for the year ended 31 March 2023

### **Going Concern**

The Trustees consider the charity to be a going concern. There is no immediate impact on Going Concern from the Defined Benefit pension scheme. Any unfunded liabilities that might arise would be underwritten by the local authorities, who act as Guarantor. Funding is expected to continue at current levels and continued efforts for cost reductions further strengthen the case for continued, sustainable services.

## **Our structure, governance and management**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

## **Trustee board**

Our trustee board sets the strategic vision and gives strategic direction to the charity. The board is committed to high governance standards and complies with the principles and practices set out in the Charity Governance Code.

Our Chief Executive, Chief Operating Officer and broader leadership group are responsible for delivering the strategy and day-to-day operations. There are five formal trustee board meetings each year. The board has one board development session each year and other meetings and events to help trustees shape the organisation's strategic direction and develop as a team.

There were no members of the Trustee Board in paid employment at Citizens Advice SORT Group.

There were no ex-officio members who served as trustee directors during the year.

Citizens Advice SORT Group Ltd

Trustees' Annual Report for the year ended 31 March 2023

## Committees

The following committees support the trustee board in its work.

### **Finance, risk and assurance committee**

The committee;

- Monitors and oversees the current and future financial situation and associated risks
- Has oversight of the internal and external audit arrangements, including resourcing, review of plans and reports
- Provides scrutiny, and assurance on the strategic and significant operational and compliance risks
- Provides assurance on required standards, and statutory and regulatory requirements
- Provides oversight of governance arrangements in line with the Articles of Association

Peter Allen is the Chairperson of this committee and is supported by Mags Bradbury, Alan Whitfield, Sarah Diller.

### **People committee**

The committee:

- Oversees the development, delivery and monitoring of the organisation's people strategy
- Oversees, informs and scrutinises the development and implementation of an ambitious equity, diversity, inclusion and belonging strategy
- Leads on the recruitment and selection for appointments to the Board and committees
- Sets and review the annual performance and remuneration of the Chief Executive and Chief Operating Officer

Emily Allen is the Chairperson of this committee and is supported by David Trafford, Sarah Diller and Mags Bradbury.

### **Transformation and development committee**

The committee:

- Provides insight to and helps develop strategy proposals for the entire board
- Oversees agreed, large-scale transformation programmes that support the delivery of agreed strategy and visioning objectives
- Act's as a sounding board and provides direction on key business development activity that impacts
- Champions and ensure continued focus on continuous improvement, transformation and innovation across all business areas.

## Citizens Advice SORT Group Ltd

### Trustees' Annual Report for the year ended 31 March 2023

Martyn Beauchamp is the Chairperson of this committee and is supported by Emily Allen, David Trafford and Peter Allen.

## Recruitment, induction and training of trustees

We recruit trustee directors and committee members through an open and competitive process using social media, recruitment agencies, and our wider network to find talented individuals to provide strong leadership and experience. In 2022-23 we had 2 trustees terms end and, inline with our articles of association, their terms were extended until 2025

We'll be recruiting for new trustees over the coming year to alight any forthcoming vacancies.

Trustees and committee members receive a full induction. Inductions include meeting with the Chairperson and Chairpeople of committees, a meeting with all members of the leadership group and key management personnel. Inductions are tailored to meet individual needs and interests, including shadowing and visiting different services provided. Trustees and committee members are volunteers but are reimbursed for reasonable expenses.

The board annually reviews trustee board composition based on skills and experience - this forms part of the trustee board's annual appraisal.

Following Charity Commission guidance and the Companies Act, we file an AP01 with Companies House within 14 days of the appointment of a new trustee director. When details on that form change, form CH01 is completed and filled with Companies House. Where a trustee director rings, we file a TM01 form - all in line with our statutory obligations.

## Memberships and quality standards

We're a member of the Citizens Advice network. The Membership Agreement sets out the relationship between a member of the Citizens Advice service and a local Citizens Advice, including our respective roles and responsibilities - some of which are shared, e.g. protecting, promoting and developing the Citizens Advice brand. The Agreement sets out the high-level standards for membership (including service delivery) and some precise requirements, including details of what happens if a local Citizens Advice breaches the Agreement.

The Performance and Quality Framework is part of the Membership Agreement and sets out the standards all local Citizens Advice services must meet. The Performance Quality Framework consists of 4 parts:

- Quality of advice assessment conducted quarterly
- Client experience survey, conducted quarterly
- Leadership self-assessment, conducted annually
- People management survey, conducted annually

## Citizens Advice SORT Group Ltd

### Trustees' Annual Report for the year ended 31 March 2023

The Citizens Advice audit team check compliance with the Performance Quality Framework.

The Specialist Quality Mark (SQM) and the Advice Quality Standards (AQS) were renewed in October 2022 and September 2020, respectively for 3 years.

## The Leadership Group, remuneration and development

Our Leadership Group, which incorporates our key management personnel, are responsible for delivering the trustee board's visions and for the day-to-day operation of the charity. The Key management staff who served during the reporting period are as follows:

- Chief Executive Officer, Jonathan Yates
- Chief Operating Officer, Steve Hughes
- Head of Business Delivery, Stuart Pearson
- Head of Business Services, Julian Spencer

The People Committee is responsible for, under delegation from the trustee board, the appointment, remuneration and performance management of the Chief Executive Officer and Chief Operating Officer. The board reviewed the salaries of these key personnel roles in 2021, with external benchmarking taking place, as per the Harris Hill salary report.

## Risks and internal controls

Our trustees are responsible for effectively managing risk and ensuring internal controls are in place and operating as designed.

The Finance, risk and assurance committee has delegated responsibility for risk and internal controls. The committee interrogates quarterly risk reviews, a broader environmental review, and a quarterly summary is presented to the trustee board. Throughout the year, risk owners regularly reviewed operational and strategic risks to assess the likelihood, impact and appetite for each risk, the plans for managing them and the adequacy of those plans.

Our core risks are categorised as financial, governance, operational, external, compliance & regulation. The trustee board has an appointed risk lead who supports the Head of Business Services. This role is responsible for managing our risk strategy and environment.

## Statement of responsibilities of the trustees

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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.

In so far as the trustees are aware:

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

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

## Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 7.12.23 and signed on their behalf by

Name 

Brenda Warrington  
Chair of Trustees

## **Independent Auditor's Report to the Members and Trustees of Citizens Advice SORT Group Ltd**

### **Opinion**

We have audited the financial statements of Citizens Advice SORT Group Ltd (the 'parent charitable company') and its subsidiaries for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities (including the income and expenditure account), the Balance Sheets of the group and the parent charitable company, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect

of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Christy Yun Hing Lau FCCA DChA CTA*  
Senior Statutory Auditor

*for and on behalf of*

Slade & Cooper Limited  
Statutory Auditors  
Beehive Mill  
Jersey Street  
Manchester  
M4 6JG

**21st December 2023**

Slade & Cooper Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**CITIZENS ADVICE SORT GROUP LTD**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>Income from:</b>					
Donations & legacies	4	4,106	-	4,106	266
Funds donated from Stockport Merger		-	-	-	336,711
Charitable activities					
Advice and Information	5	1,435,035	1,171,394	2,606,429	2,514,393
Other income	6	42,344	-	42,344	41,329
Investment income	7	7,695	-	7,695	3,418
<b>TOTAL INCOME</b>		<b>1,489,180</b>	<b>1,171,394</b>	<b>2,660,574</b>	<b>2,896,117</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Advice and Information	8	1,765,881	1,185,430	2,951,311	2,783,592
<b>TOTAL EXPENDITURE</b>		<b>1,765,881</b>	<b>1,185,430</b>	<b>2,951,311</b>	<b>2,783,592</b>
<b>NET INCOME/ (EXPENDITURE) - before net gains/(losses)</b>		<b>(276,701)</b>	<b>(14,036)</b>	<b>(290,737)</b>	<b>112,525</b>
Realised gain/(loss) on investments		-	-	-	12,050
Actuarial gain/(loss) on defined benefit pension scheme		905,000	-	905,000	889,000
<b>NET INCOME/ (EXPENDITURE)</b>		<b>628,299</b>	<b>(14,036)</b>	<b>614,263</b>	<b>1,013,575</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>628,299</b>	<b>(14,036)</b>	<b>614,263</b>	<b>1,013,575</b>
<b>Reconciliation of Funds</b>					
Funds brought forward at 1 April 2022		351,211	92,772	443,983	(569,592)
<b>Funds carried forward 31 March 2023</b>		<b>979,510</b>	<b>78,736</b>	<b>1,058,246</b>	<b>443,983</b>

A comparative Statement of Financial Activities is found in Note 3

The Statement of Financial Activities includes all gains and losses recognised in the year.

All of the Charity's activities derive from continuing operations. Activities of Citizens Advice Stockport and Citizens Advice Trafford have been transferred to the parent charity see note 25.

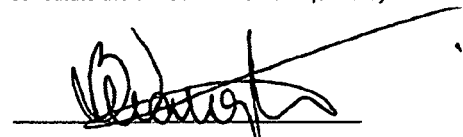
**CITIZENS ADVICE SORT GROUP LTD**

**BALANCE SHEET  
AS AT 31 MARCH 2023**

		<b>The Group</b>		<b>The Charity</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible Assets	15	74,043	82,551	-	-
Investments	16	-	-	-	-
		<u>74,043</u>	<u>82,551</u>	<u>-</u>	<u>-</u>
<b>CURRENT ASSETS</b>					
Debtors	19	189,219	403,593	327,230	53,148
Cash at bank and in hand		<u>917,020</u>	<u>1,014,570</u>	<u>150,121</u>	<u>103,764</u>
		1,106,239	1,418,163	477,351	156,912
<b>CREDITORS: Amounts falling due within one year</b>	20	(122,036)	(225,731)	(22,870)	(457,323)
<b>NET CURRENT ASSETS</b>		<u>984,203</u>	<u>1,192,432</u>	<u>454,481</u>	<u>(300,411)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,058,246</u>	<u>1,274,983</u>	<u>454,481</u>	<u>(300,411)</u>
<b>Net Assets Excluding Defined Benefit Pension</b>		<u>1,058,246</u>	<u>1,274,983</u>	<u>454,481</u>	<u>(300,411)</u>
Defined benefit pension scheme asset / (liability)	22	-	(831,000)	-	-
<b>TOTAL NET ASSETS</b>		<u>1,058,246</u>	<u>443,983</u>	<u>454,481</u>	<u>(300,411)</u>
<b>FUNDS</b>					
Restricted income funds	21	78,736	92,772	78,736	-
Unrestricted income funds					
General fund	21	979,510	1,160,530	375,745	(300,411)
Designated fund	21	-	21,681	-	-
Pension Reserve	21	-	(831,000)	-	-
<b>TOTAL FUNDS</b>	21	<u>1,058,246</u>	<u>443,983</u>	<u>454,481</u>	<u>(300,411)</u>

The notes on pages 18 - 35 form part of these accounts.

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.



name: Brenda Warrington

role: Chair of Trustees

7th December 2023

Company Registration Number : 08290395 (England & Wales)

**CITIZENS ADVICE SORT GROUP LTD**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 MARCH 2023**

	note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net income/(Expenditure) for the period		614,263	1,013,575
<b>Adjusted for:</b>			
Depreciation charge	15	8,508	40,974
Dividends, interest and rents from investments	7	(7,695)	(3,418)
(Gains)/Losses on investments		-	(12,050)
Pension scheme finance cost	23	22,000	33,000
Pension scheme Service cost	23	52,000	79,000
Pension scheme (gain)/loss	23	(905,000)	(889,000)
Decrease/(increase) in debtors	19	214,374	(140,378)
(Decrease)/increase in creditors	20	(103,695)	(31,332)
<b>Net cash flows from operating activities</b>		<u>(105,245)</u>	<u>90,371</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments	7	7,695	3,418
Disposal of Fixed Asset Investments		-	180,227
Stockport Fixed Assets net book value upon merger	15	-	(5,628)
<b>Net cash flows from investing activities</b>		<u>7,695</u>	<u>178,017</u>
 Net increase/(decrease) in cash and cash equivalents		 (97,550)	 268,388
 Cash and cash equivalents at 1 April 2022		 <u>1,014,570</u>	 <u>746,182</u>
 Cash and cash equivalents at 31 March 2023		 <u>917,020</u>	 <u>1,014,570</u>

All of the cash flows are derived from continuing operations during the above two periods except for cashflows for Citizens Advice Stockport and Citizens Advice Trafford, the two subsidiaries which closed at the period end.

**CITIZENS ADVICE SORT GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**1. Accounting Policies**

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

**a Basis of preparation**

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

Citizens Advice SORT Group Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

At the end of the period two of the charity's subsidiaries ceased to trade. Therefore they have been included in these statements on a break-up basis.

**b Group financial statements**

The consolidated financial statements incorporate the financial statements of the company and entities (including special purpose entities) controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Investments in subsidiaries are accounted for the cost less impairment in the individual financial statements.

**c Preparation of the accounts on going concern basis**

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

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 estimated 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 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 futures periods.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

## **CITIZENS ADVICE SORT GROUP LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **d Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that the probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of the probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

#### **e Donated services and facilities**

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

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in the expenditure in the period of receipt.

#### **f Interest receivable**

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

#### **g Fund accounting**

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

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## **CITIZENS ADVICE SORT GROUP LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **i Expenditure and Irrecoverable VAT**

Expenditure is recognised once there is a legal or constrictive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings aggregate to all cost related to the category. Where the costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

#### **i Allocation of governance costs**

Governance costs include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on Governance or constitutional matters. Governance costs have been apportioned based on employee hours.

#### **j Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership remain with the lessor. Rental charges are charged on a straight lined basis over the term of the lease.

#### **k Tangible fixed assets**

Individual fixed assets costing £2000 or more are capitalised at cost and are depreciated over the estimated useful economic lives as follows:

Freehold building	2% -4% straight lined
Leasehold land	Not depreciated
Property improvements	10% straight line
Fixtures, fittings and equipment	10%-33% straight line

#### **l Fixed asset investments**

Investments in quoted equity instruments are measured at fair value. Changes in fair value are recognised in the Statement of Financial Activities.

#### **m 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 due.

#### **n Cash at the bank and in hand**

Cash at the bank and cash in the hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **o 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.

**CITIZENS ADVICE SORT GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**p Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**q Pension cost and other post-retirement benefits**

**Defined benefit pension plan**

The company recognises a defined net benefit pension asset or liability in the balance sheet as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. A defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date of high quality corporate bonds, equalities and property. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it related to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan instructions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

**Defined Contribution pension plan**

Contributions to defined contribution plans are recognised as an expense 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.

**2. Legal Status of the Charity**

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1

**CITIZENS ADVICE SORT GROUP LTD**

**3. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>Income from:</b>			
Donations & legacies	266	-	266
Funds donated from Stockport Merger	307,560	29,151	336,711
Charitable activities			
Advice and Information	1,418,832	1,095,561	2,514,393
Other income	41,329	-	41,329
Investment income	3,418	-	3,418
<b>TOTAL INCOME</b>	<b>1,771,405</b>	<b>1,124,712</b>	<b>2,896,117</b>
<b>EXPENDITURE ON</b>			
Charitable activities			
Advice and Information	1,767,869	1,015,723	2,783,592
<b>TOTAL EXPENDITURE</b>	<b>1,767,869</b>	<b>1,015,723</b>	<b>2,783,592</b>
<b>NET INCOME/ (EXPENDITURE) - before net gains/(losses)</b>	<b>3,536</b>	<b>108,989</b>	<b>112,525</b>
Realised gain/(loss) on investments	12,050	-	12,050
Actuarial gain/(loss) on defined benefit pension scheme	889,000	-	889,000
<b>NET INCOME/ (EXPENDITURE)</b>	<b>904,586</b>	<b>108,989</b>	<b>1,013,575</b>
Transfers Between Funds	20,093	(20,093)	-
<b>NET MOVEMENT IN FUNDS</b>	<b>924,679</b>	<b>88,896</b>	<b>1,013,575</b>
<b>Reconciliation of Funds</b>			
Funds brought forward at 1 April 2021	(573,468)	3,876	(569,592)
<b>Funds carried forward 31 March 2022</b>	<b>351,211</b>	<b>92,772</b>	<b>443,983</b>

**CITIZENS ADVICE SORT GROUP LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**4. Income from Donations and Legacies**

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Donations	4,106	-	4,106	266	-	266
Total	<u>4,106</u>	<u>-</u>	<u>4,106</u>	<u>266</u>	<u>-</u>	<u>266</u>

**5. Income from Charitable Activities**

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
<b>Advice &amp; Information Services:</b>						
<b>Funder</b>						
Action Together - Household Support Grant	-	-	-	-	10,000	10,000
Action Together - Other	-	-	-	1,000	-	1,000
Brinnington Big Local	-	21,276	21,276	-	15,957	15,957
Citizens Advice Coventry	500	-	500	-	-	-
Citizens Advice Greater Manchester	19,878	-	19,878	370	-	370
Citizens Advice National - Cost of Living	15,000	-	15,000	-	-	-
Citizens Advice National - Debt Recovery	-	-	-	90	-	90
Citizens Advice National - Energy	27,651	-	27,651	10,005	-	10,005
Citizens Advice National - Help to Claim	-	338,658	338,658	-	431,490	431,490
Citizens Advice National - MAPS	-	316,517	316,517	-	414,331	414,331
Citizens Advice National - Other	559	-	559	15,950	-	15,950
Citizens Advice National - Yorkshire Building Society	17,250	-	17,250	750	-	750
Citizens Advice Salford	-	-	-	2,092	-	2,092
Citizens Advice Sheffield	600	-	600	-	-	-
Citizens Advice Tameside	-	-	-	8,400	-	8,400
Citizens Advice Wokingham	-	-	-	400	-	400
Energy Saving Trust	-	161,908	161,908	-	-	-
First Choice Homes	-	-	-	(10,500)	-	(10,500)
Headway Rochdale and Bury	-	-	-	(56)	-	(56)
Irwin Valley Housing Association	-	-	-	(1,221)	-	(1,221)
Legal Aid Agency	60,749	-	60,749	(27,180)	-	(27,180)
Macmillan Cancer Support	-	177,836	177,836	1	31,154	31,155
Multiple Sclerosis Society	375	-	375	1,983	-	1,983
NHS Oldham	118,639	-	118,639	113,444	-	113,444
Oldham Metropolitan Borough Council - Main grant	343,200	-	343,200	260,000	-	260,000
Oldham Metropolitan Borough Council - Outreach	-	-	-	35,856	-	35,856
Positive Steps	30,000	-	30,000	30,000	-	30,000
Pure Innovations	-	19,029	19,029	-	18,938	18,938
Rochdale Metropolitan Borough Council	320,384	-	320,384	400,171	-	400,171
Rochdale Metropolitan Borough Council - Covid Winter fund	-	-	-	-	26,748	26,748
Rochdale Metropolitan Borough Council - Innovation fund	16,000	-	16,000	15,000	-	15,000
Shaw & Crompton Parish Council	4,500	-	4,500	4,500	-	4,500
Stockport Foodbank	-	24,025	24,025	-	-	-
Stockport Metropolitan Borough Council	290,000	-	290,000	330,019	-	330,019*
Stockport Metropolitan Borough Council - Covid Relief	-	394	394	-	18,000	18,000
Stockport Metropolitan Borough Council - Household Support Grant	-	-	-	-	42,000	42,000
The Headley Trust	15,000	-	15,000	-	-	-
Trafford Foodbank	-	6,294	6,294	-	-	-
Trafford Housing Trust - Smart Meters	-	55,515	55,515	-	-	-
Trafford Housing Trust - Warm Trafford	-	49,656	49,656	-	-	-
Trafford Metropolitan Borough Council	154,750	-	154,750	225,758	-	225,758
Trafford Metropolitan Borough Council - Covid Relief	-	286	286	-	7,000	7,000
Trafford Metropolitan Borough Council - Fuel Debt Initiative	-	-	-	-	28,000	28,000
Trafford Metropolitan Borough Council - Wellbeing Grant	-	-	-	2,000	-	2,000
Trafford Metropolitan Borough Council - Winter Resilience	-	-	-	-	51,943	51,943
Total	<u>1,435,035</u>	<u>1,171,394</u>	<u>2,606,429</u>	<u>1,418,832</u>	<u>1,095,561</u>	<u>2,514,393</u>

**CITIZENS ADVICE SORT GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**6. Other Income**

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Other Income	42,344	-	42,344	41,329	-	41,329
Total	<u>42,344</u>	<u>-</u>	<u>42,344</u>	<u>41,329</u>	<u>-</u>	<u>41,329</u>

**7. Investment Income**

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Income from bank deposits	7,695	-	7,695	3,013	-	3,013
Dividends Received	-	-	-	405	-	405
	<u>7,695</u>	<u>-</u>	<u>7,695</u>	<u>3,418</u>	<u>-</u>	<u>3,418</u>

**8. Analysis of Expenditure on Charitable Activities**

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
<b>Advice &amp; information services:</b>			
Direct costs	1,364,907	888,860	2,253,767
Grants payable (note 9)	-	25,607	25,607
Allocated Support Costs (see below)	387,254	259,962	647,216
Governance Costs	13,720	11,001	24,721
Total Resources Expended	<u>1,765,881</u>	<u>1,185,430</u>	<u>2,951,311</u>

	Staff Costs	Other Costs	Total 2023
	£	£	£
Allocated Support Costs comprise	550,148	97,068	647,216

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
<b>Prior year</b>			
Advice & information services:			
Direct costs	1,311,235	656,620	1,967,855
Grants payable (note 9)	-	99,785	99,785
Allocated Support Costs (see below)	420,970	241,867	662,837
Governance Costs	35,664	17,451	53,115
Total Resources Expended	<u>1,767,869</u>	<u>1,015,723</u>	<u>2,783,592</u>

	Staff Costs	Other Costs	Total 2022
	£	£	£
Allocated Support Costs comprise	525,496	137,341	662,837

**9. Analysis of Grants Payable**

	Grants to Institutions	Grants to Individuals	Support Costs	Total 2023
	£	£	£	£
Client crisis grants	-	25,607	4,682	30,289
	<u>-</u>	<u>25,607</u>	<u>4,682</u>	<u>30,289</u>
Total 2022	-	99,785	4,897	104,682

**10. Net Income/(Expenditure) for the year**

	Total 2023	Total 2022
	£	£
This is stated after charging/(crediting):		
Depreciation	8,508	40,974
Operating Leases:		
Property	60,514	32,032
Other	-	1,403
Audit Fees	21,990	10,780

## CITIZENS ADVICE SORT GROUP LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 11. Staff costs

Staff costs during the year were as follows:

	Total 2023	Total 2022
	£	£
Wages & Salaries	2,031,175	1,851,703
Social Security Costs	174,018	156,048
Pension Costs	80,844	86,026
Termination payments	36,868	-
	<u>2,322,905</u>	<u>2,093,777</u>

One Employee has employee benefits between £60,000 and £70,000 in the year (2022: 2)

The average number of staff employed during the period was 93 (2022: 85)

The key management personnel of the charity comprise the trustees, the Chief Executive and the Chief Operating Officer. The total employee benefits of the key management personnel of the charity were £151,490 (2022: £144,205)

#### 12. Trustee Remuneration and expenses, and related party transactions

Neither the Trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2022: Nil)

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year. (2022 : Nil)

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The board of Trustees also control Citizens Advice Rochdale Ltd, Citizens Advice Stockport, Citizens Advice Trafford and Citizens Advice SORT Group Ltd.

#### 13. Government Grants

The government grants recognised in the accounts were as follows:

	Total 2023	Total 2022
	£	£
Oldham Council	343,200	295,856
Rochdale Council	336,384	441,919
Stockport Council	-	100,000
Trafford Council	8,750	168,701
	<u>688,334</u>	<u>1,006,476</u>

There were no unfulfilled conditions or contingencies attaching to the grants

**CITIZENS ADVICE SORT GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**14. Corporation tax**

The charity is exempt from corporation tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**15. Fixed assets: tangible assets**

<b>The Group</b>	<b>Freehold property at valuation £</b>	<b>Long leasehold at valuation £</b>	<b>Improvements to property at cost £</b>	<b>Fixtures and fittings at cost £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2022	110,000	15,000	53,903	120,741	299,644
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2023	<u>110,000</u>	<u>15,000</u>	<u>53,903</u>	<u>120,741</u>	<u>299,644</u>
<b>Depreciation</b>					
At 1 April 2022	42,449	-	53,903	120,741	217,093
Charge for the year	8,508	-	-	-	8,508
Disposals	-	-	-	-	-
At 31 March 2023	<u>50,957</u>	<u>-</u>	<u>53,903</u>	<u>120,741</u>	<u>225,601</u>
<b>Net Book Value</b>					
At 31 March 2023	<u>59,043</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>74,043</u>
At 31 March 2022	<u>67,551</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>82,551</u>

The revaluation of the Freehold Property and Long Leasehold Land was carried out on 13th October 2017 by Barton Kendall Commercial, Chartered Surveyors.

The carrying amount under the cost value would have been £73,430 (2022: £82,580) Freehold Property and £9,552 (2022: £9,552) Long Leasehold land.

**The Charity**

The Charity does not hold any fixed assets at the period end

**CITIZENS ADVICE SORT GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**16. Investments**

	<b>The Group</b>		<b>The Charity</b>	
	2023	2022	2023	2022
	£	£	£	£
Market value at the start of the year	0	168,177	-	168,177
Impairments	-	-	-	-
Add net gain/(loss) on revaluation	-	12,050	-	12,050
Disposals	-	(180,227)	-	(180,227)
Market value at the end of the year	-	-	-	-

Investments are all carried at fair value and are all traded in quoted public markets except any investment in the subsidiary undertakings.

There were no investments outside the UK.

**17. Subsidiary Undertaking**

The company holds 100% of the voting rights of the following companies

<b>Company</b>	<b>Company number</b>	<b>Charity number</b>	<b>Registered office</b>	<b>Total Funds £</b>	<b>surplus/ (deficit) for the year £</b>
Citizens Advice Oldham Ltd	02165003	519868	England & Wales	63,404	(134,921)
Citizens Advice Rochdale Ltd	02332284	701212	England & Wales	540,362	727,735
Citizens Advice Stockport Ltd	04493373	1097107	England & Wales	-	(371,884)
Citizens Advice Trafford	05027375	1102003	England & Wales	-	(361,559)

The deficit in Citizens Advice Stockport and Citizens Advice Trafford includes the transfer to all funds out of the respective charities. The funds were transferred into SORT Group, the corresponding income being reflected in Note 18

**18. Parent Charity**

The parent charity's gross income and the results for the year are disclosed as follows:

	2023	2022
	£	£
Gross Income before funds transferred from group subsidiaries	1,188,812	946,867
Funds transferred in from Citizens Advice Stockport	404,475	-
Funds transferred in from Citizens Advice Trafford	388,240	-
Result for the year	754,892	(258,791)

**CITIZENS ADVICE SORT GROUP LTD**

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**19. Debtors**

	<b>The Group</b>		<b>The Charity</b>	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	35,089	331,302	14,907	12,170
Amounts owed by group undertakings	-	-	168,847	-
Other debtors	47,523	25,889	47,523	24,890
Prepayments	11,036	14,473	6,973	9,373
Accrued income	95,571	31,929	88,980	6,715
	<u>189,219</u>	<u>403,593</u>	<u>327,230</u>	<u>53,148</u>

**20. Creditors: Amounts falling due within one year**

	<b>The Group</b>		<b>The Charity</b>	
	2023	2022	2023	2022
	£	£	£	£
Trade Creditors	16,720	25,884	15,634	18,173
Taxation and social security costs	68,137	102,872	-	1,132
Pension creditor	6,289	24,073	-	-
Accruals	29,286	42,310	5,736	20,220
Deferred Income	1,500	23,634	1,500	8,250
Other Creditors	104	6,958	-	6,958
Amounts owed to group undertakings	-	-	-	402,590
	<u>122,036</u>	<u>225,731</u>	<u>22,870</u>	<u>457,323</u>

CITIZENS ADVICE SORT GROUP LTD

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21. Funds

	Balance 1	Incoming	Outgoing	Gains &	Transfers	Balance 31
	April 2022	Resources	Resources	(Losses)		March 2023
	£	£	£	£	£	£
<b>The Group</b>						
<b>Unrestricted funds:</b>						
General Funds	1,160,530	1,489,180	(1,691,881)	-	21,681	979,510
Designated Funds	21,681	-	-	-	(21,681)	-
Pension reserve	(831,000)	-	(74,000)	905,000	-	-
<b>Total unrestricted funds</b>	<b>351,211</b>	<b>1,489,180</b>	<b>(1,765,881)</b>	<b>905,000</b>	<b>-</b>	<b>979,510</b>
<b>Restricted Funds:</b>						
Brinnington Big Local	-	21,276	(21,276)	-	-	-
Citizens Advice National - Help to Claim	-	338,658	(338,658)	-	-	-
Citizens Advice National - MAPS	-	316,517	(316,517)	-	-	-
Client Grants	40,829	680	(30,288)	-	-	11,221
Energy Saving Trust	-	161,908	(149,908)	-	-	12,000
Macmillan Cancer Support	-	177,836	(177,836)	-	-	-
Pure Innovations	-	19,029	(19,029)	-	-	-
Stockport Foodbank	-	24,025	(24,025)	-	-	-
Trafford Foodbank	-	6,294	(6,294)	-	-	-
Trafford Housing Trust - Smart Meters	-	55,515	-	-	-	55,515
Trafford Housing Trust - Warm Trafford	-	49,656	(49,656)	-	-	-
Trafford Metropolitan Borough Council - Winter Resilience	51,943	-	(51,943)	-	-	-
<b>Total restricted funds</b>	<b>92,772</b>	<b>1,171,394</b>	<b>(1,185,430)</b>	<b>-</b>	<b>-</b>	<b>78,736</b>
<b>Total funds</b>	<b>443,983</b>	<b>2,660,574</b>	<b>(2,951,311)</b>	<b>905,000</b>	<b>-</b>	<b>1,058,246</b>

	Balance 1	Incoming	Outgoing	Gains &	Transfers	Balance 31
	April 2022	Resources	Resources	(Losses)		March 2023
	£	£	£	£	£	£
<b>The Charity</b>						
<b>Unrestricted funds:</b>						
General Funds	(300,411)	938,852	(262,696)	-	-	375,745
Designated Funds	-	-	-	-	-	-
Pension reserve	-	-	-	-	-	-
<b>Total unrestricted funds</b>	<b>(300,411)</b>	<b>938,852</b>	<b>(262,696)</b>	<b>-</b>	<b>-</b>	<b>375,745</b>
<b>Restricted Funds:</b>						
Brinnington Big Local	-	1,114	(1,114)	-	-	-
Citizens Advice National - Help to Claim	-	338,658	(338,658)	-	-	-
Citizens Advice National - MAPS	-	316,517	(316,517)	-	-	-
Energy Saving Trust	-	161,908	(149,908)	-	-	12,000
Macmillan Cancer Support	-	142,227	(142,227)	-	-	-
Pure Innovations	-	2,206	(2,206)	-	-	-
Trafford Foodbank	-	6,294	(6,294)	-	-	-
Trafford Housing Trust - Smart Meters	-	55,515	-	-	-	55,515
Trafford Housing Trust - Warm Trafford	-	4,454	(4,454)	-	-	-
Trafford Metropolitan Borough Council - Fuel Debt Initiative	-	11,221	-	-	-	11,221
Trafford Metropolitan Borough Council - Winter Resilience	-	2,561	(2,561)	-	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>1,042,675</b>	<b>(963,939)</b>	<b>-</b>	<b>-</b>	<b>78,736</b>
<b>Total funds</b>	<b>(300,411)</b>	<b>1,981,527</b>	<b>(1,226,635)</b>	<b>-</b>	<b>-</b>	<b>454,481</b>

Trafford MBC - Fuel Debt Initiative is a Restricted fund transferred into SORT group from the group subsidiary Citizens Advice Trafford. The fund balance at March 23 is held in the Group under Client Grants

CITIZENS ADVICE SORT GROUP LTD

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21. Funds (cont.)

Prior Reporting Period

	Balance 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Gains & (Losses) £	Transfers £	Balance 31 March 2022 £
<b>The Group</b>						
<b>Unrestricted funds:</b>						
General Funds	1,012,851	1,771,405	(1,655,869)	12,050	20,093	1,160,530
Designated Funds	21,681	-	-	-	-	21,681
Pension reserve	(1,608,000)	-	(112,000)	889,000	-	(831,000)
<b>Total unrestricted funds</b>	<b>(573,468)</b>	<b>1,771,405</b>	<b>(1,767,869)</b>	<b>901,050</b>	<b>20,093</b>	<b>351,211</b>
<b>Restricted Funds:</b>						
Adviceline Development	-	8,200	(8,200)	-	-	-
Brinnington Big Local	-	15,957	(15,957)	-	-	-
Client Grants	-	131,748	(104,681)	-	13,762	40,829
Good Things Foundation	-	1,500	(1,500)	-	-	-
Help to Claim	(2,894)	431,490	(428,596)	-	-	-
Irwin Valley Housing Association	6,770	-	(6,770)	-	-	-
Macmillan Cancer Support	-	31,154	(31,154)	-	-	-
MAPS Debt Advice	-	433,782	(399,927)	-	(33,855)	-
Pure Innovations	-	18,938	(18,938)	-	-	-
Winter Resilience	-	51,943	-	-	-	51,943
<b>Total restricted funds</b>	<b>3,876</b>	<b>1,124,712</b>	<b>(1,015,723)</b>	<b>-</b>	<b>(20,093)</b>	<b>92,772</b>
<b>Total funds</b>	<b>(569,592)</b>	<b>2,896,117</b>	<b>(2,783,592)</b>	<b>901,050</b>	<b>-</b>	<b>443,983</b>

Adviceline Development includes £8200, Good Things Foundation includes £1500 and MAPS Debt Advice includes £19,451 incoming resources - all of which were received upon the merging of Citizens Advice Stockport into the group.

	Balance 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Gains & (Losses) £	Transfers £	Balance 31 March 2022 £
<b>The Charity</b>						
<b>Unrestricted funds:</b>						
General Funds	(38,726)	104,403	(378,138)	12,050	-	(300,411)
Designated Funds	-	-	-	-	-	-
Pension reserve	-	-	-	-	-	-
<b>Total unrestricted funds</b>	<b>(38,726)</b>	<b>104,403</b>	<b>(378,138)</b>	<b>12,050</b>	<b>-</b>	<b>(300,411)</b>
<b>Restricted Funds:</b>						
Help to Claim	(2,894)	431,490	(428,596)	-	-	-
MAPS Debt Advice	-	410,974	(410,974)	-	-	-
<b>Total restricted funds</b>	<b>(2,894)</b>	<b>842,464</b>	<b>(839,570)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>(41,620)</b>	<b>946,867</b>	<b>(1,217,708)</b>	<b>12,050</b>	<b>-</b>	<b>(300,411)</b>

**CITIZENS ADVICE SORT GROUP LTD**  
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21. Funds (cont.)

<b>Name of Fund</b>	<b>Purpose</b>
Brinnington Big Local	Advice for residents in the Brinnington area
Citizens Advice National - Help to Claim	To assist claimants of Universal Credit to successfully make a claim
Citizens Advice National - MAPS	Funding for Face to Face debt advice
Client Grants	Funds for distribution to clients in crisis
Energy Saving Trust	Energy advice to people living in privately rented accommodation and vulnerable situations in Stockport, Oldham, Rochford and Trafford.
Foodbank Stockport	Advice for clients of the Stockport Foodbank
Foodbank Trafford	Advice for clients of the Trafford Foodbank
Macmillan Cancer Support	Funding to give advice to clients living with Cancer
Pure Innovations	Welfare Benefits advice to clients of Pure Innovation
Trafford Housing Trust - Smart Meters	Crisis support and digital exclusion work in community venues
Designated fund	Funds to repair/renovate Ascoft Court. We exited the premises in the year so this Designated fund has been transferred back to General Funds

**CITIZENS ADVICE SORT GROUP LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Employee Benefit Obligations**

**Defined benefit scheme**

The pension scheme available for all staff in the employment of the charity prior to 1st April 2005 is the Greater Manchester Pension Fund (GMPF). This scheme is a defined benefit (final salary) scheme which is administered by the Local Authority on behalf of all the contributing bodies to the fund. All of the Fund's assets are pooled but the liabilities of each contributing body are assessed actuarially every three years by an independent actuary. In accordance with FRS102 a report has been obtained on the fund from which the detail below has been extracted.

There is no immediate impact on the going concern as the pension scheme is unlikely to trigger a cessation event in the short to medium term. Any unfunded liabilities that may arise will be underwritten by the local authority who will act as guarantor. Therefore, any risk to the company is minimal and will be mitigated. Citizens Advice SORT Group Ltd will continue to monitor the risk.

The following tables reflect the valuation as at March 23 using the accounting basis as required under FRS102. Despite the actuarial tables showing a funding surplus we have recognised in the balance sheet a nil balance, in accordance with para 28.22 of FRS102, as we do not believe that any surplus as disclosed would be recoverable. See also note 25.

	2023	2022
	£	£
Fair value of plan assets	3,994,000	4,057,000
Present value of funded obligations	(3,484,000)	(4,888,000)
	<u>510,000</u>	<u>(831,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	2023	2022
	£	£
Finance cost	22,000	33,000
Service cost	52,000	79,000
Actuarial (gains)/losses	(1,415,000)	(889,000)
	<u>(1,341,000)</u>	<u>(777,000)</u>

Changes in the present value of the defined benefit obligation are as follows

	2023	2022
	£	£
Defined benefit obligation	4,888,000	5,313,000
Current service cost	52,000	79,000
Contributions by scheme participants	9,000	12,000
Interest cost	131,000	106,000
Benefits paid	(96,000)	(113,000)
Changes in demographic assumptions	(83,000)	(29,000)
Other experience	(5,000)	10,000
Changes in principle financial assumptions	(1,412,000)	(490,000)
	<u>3,484,000</u>	<u>4,888,000</u>

**CITIZENS ADVICE SORT GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. Employee Benefit Obligations (cont.)**

Changes in the fair value of the scheme assets are as follows

	2023	2022
	£	£
Fair value of scheme assets	4,057,000	3,705,000
Interest income	109,000	73,000
Contributions by employer	29,000	42,000
Contributions by scheme participants	9,000	12,000
Benefits paid	(96,000)	(113,000)
Other Experience	(93,000)	-
Return on plan assets	(21,000)	338,000
	<u>3,994,000</u>	<u>4,057,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2023	2022
Equities	67%	67%
Bonds	15%	15%
Property	8%	8%
Cash	10%	10%

Principal actuarial assumptions at the balance sheet date (Expressed as weighted averages):

	2023	2022
Discount rate	4.75%	2.70%
Future salary increases	3.80%	2.00%
Future pension increases	3.00%	3.20%
Mortality rates:	Years	Years
Current pensioners at 65 - male	18.3	20.3
Current pensioners at 65 - female	24.2	23.2
Future pensioners at 65 - male	21.7	21.6
Future pensioners at 65 - female	25.0	25.1

**Defined Contribution Scheme**

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £50,964 (2022: £50,440)

The pension schemes available to staff commencing employment with the charity after 31st March 2005 are defined contribution schemes, administered on behalf of the charity by Aviva, Peoples Pension and Scottish Widows. The Charity's matching contribution rate is capped at 3%. The employees contribution rate is variable and can exceed 3%

**CITIZENS ADVICE SORT GROUP LTD**  
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**23. Analysis of group net assets between funds**

	General funds	Unrestricted funds pension	Designated funds	Restricted funds	Total
<b>Current reporting period</b>					
Tangible fixed assets	74,043	-	-	-	74,043
Fixed asset investments	-	-	-	-	-
net current assets/(liabilities)	905,467	-	-	78,736	984,203
Creditors more than one year	-	-	-	-	-
<b>Total</b>	<b>979,510</b>	<b>-</b>	<b>-</b>	<b>78,736</b>	<b>1,058,246</b>

	General funds	Unrestricted funds pension	Designated funds	Restricted funds	Total
<b>Previous reporting period</b>					
Tangible fixed assets	82,551	-	-	-	82,551
Fixed asset investments	-	-	-	-	-
net current assets/(liabilities)	1,077,979	-	21,681	92,772	1,192,432
Creditors more than one year	-	(831,000)	-	-	(831,000)
<b>Total</b>	<b>1,160,530</b>	<b>(831,000)</b>	<b>21,681</b>	<b>92,772</b>	<b>443,983</b>

**24. Operating lease commitments**

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	71,885	11,371	-	351
One to five years	11,981	-	-	-
over five years	-	-	-	-
	<u>83,866</u>	<u>11,371</u>	<u>-</u>	<u>351</u>

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	71,885	-	-	-
One to five years	11,981	-	-	-
over five years	-	-	-	-
	<u>83,866</u>	<u>-</u>	<u>-</u>	<u>-</u>

## **CITIZENS ADVICE SORT GROUP LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **25. Post balance sheet events**

a)

Citizens Advice Trafford (company number 05027375, charity number 1102003)

Citizens Advice Stockport (company number 04493373, charity number 1097107)

both removed from the Central Register of Charities on 14/11/2023.

both company dissolved via voluntary strike-off on 07/11/2023.

A resolution was passed by the board of trustees on 25/03/2023.

undertaken by the Citizens Advice SORT Group Limited ("the Parent Company"), thereby avoiding the need to cross-charge and to consolidate group accounts, and that much of the activity previously undertaken by the Company was already being undertaken by the Parent Company.

It resolved that

- all tangible assets of the Company be transferred to the Parent Company company from 1 April 2023
- all amounts standing to the credit of the company in bank accounts be transferred to the parent company
- all liabilities of the Company be transferred to the parent company
- the company operations cease at midnight on 31 March 2023

b)

Citizens Advice SORT have two memberships within Greater Manchester Pension Fund ('GMPF') linked to Citizens Advice Rochdale and Citizens Advice Oldham. Both these organisations had historic links to Rochdale Borough Council and Oldham Council respectively.

Throughout 2023 Citizens Advice SORT has been in communication with both Councils and GMPF to update the guarantee/subsumption agreements provided by the Councils in respect of Citizens Advice SORT's participation in GMPF. From 1 December 2023 Rochdale Borough Council completed the subsumption agreement which accepts all past liabilities for deferred and pensioner members into their admission in GMPF as of that date. The subsumption will also apply to the last active member at a future date once they exit or retire. At that point Citizens Advice SORT's liability in respect of Citizens Advice Rochdale's participation in GMPF will cease.

A similar agreement has been reached with Oldham Council however, as at the date of these accounts this has not been signed. An updated financial position reflecting these changes will be available in the FRS102 pension disclosures as at 31 March 2024. Given these agreements the Board of Citizens Advice SORT have decided not to recognise any surplus amounts identified as part of the 2023 FRS102 disclosures.