

Our vision is
a fair society
for all, with
lives well lived

CITIZENS ADVICE GATESHEAD

(A company limited by guarantee)

Annual Report and Financial Statements
for the Year Ending 31 March 2022



Citizens Advice Gateshead

(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees submit their report and the audited accounts for the year ended 31st March 2022. They confirm that the report and accounts conform with current statutory requirements and the charity's memorandum and articles, and also the requirements of the Statement of Recommended Practice - Accounting and Reporting by Charities.

Reference and administrative details

Company Number	02631064	
Charity Number	1020565	
Registered Office	The Davidson Building, Swan Street, Gateshead, Tyne and Wear, NE8 1BG	
Board of Trustees	B Taylor	(Chair & Acting Treasurer)
	M A Kesteven	Resigned 21/01/2022
	C Robson	Resigned 27/01/2022
	S P Bell	
	M Dodd	Resigned 21/07/2022
	H Lee	(Vice Chair from 27/01/2022)
	E Brown	
	J R Sabarre	
	J D Fenwick	
	F M Urquhart	
	C A Whittaker	
	S Dickie	Resigned 29/11/2021
	J Gibson	
	J Baxter	Resigned 22/11/2021
Volunteer Representative	M Dodd	Non-voting attendee to Board Meetings
Executive Leadership Team	A Dunn	(Chief Executive)
	J Graham MBE	(Commercial Director)
	J Wood-Archer	(Service Delivery Director)
	P Oliver	(Corporate Services Director)
Auditors	Haines Watts, 17 Queens Lane, Newcastle Upon Tyne, NE1 1RN	
Bankers	Unity Trust Bank Plc, Nine Brindley Place, 4 Oozells Square, Birmingham, B1 2HB Lloyds Bank Plc, Grey Street, Newcastle, PO Box 1000, NE3 3LS	

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives & Activities



Citizens Advice Gateshead exists to provide free, independent, confidential and impartial advice both regionally and nationally to thousands of people each year, on a wide variety of issues.

For more than six decades we have helped thousands of people to move forward at times of upheaval and uncertainty.

Although over time, some of the challenges people face are changing, we continue to provide valuable, free and impartial advice and information that you can trust. The charity has grown into one of the biggest providers of Citizens Advice services in the UK, employing around 200 staff with a turnover circa £5m.

Our Vision & Mission



At Citizens Advice Gateshead we are proud to be a member of the Citizens Advice charity network, and to meet the high standards expected of member organisations. But behind the scenes we are also ploughing our own furrow as a local charity making a big difference, not just locally but regionally and nationally too.

Our ambitious vision is for a fair society for all, with lives well lived, supported by our mission - to mobilise knowledge so the system works, it works for everyone, and it powers the changes we need to be an equal and inclusive society. Our purpose extends beyond simply reacting to crises; we also own responsibility for finding ways to stop the tide of problems we so adeptly respond to every day.

Our Values

We deliver our vision and mission through our core values:-



Our Strategy

Our priorities reflect our ambition for a fair society for all, with lives well lived. We have an absolute commitment to the people we exist to support, and to the staff, volunteers and partners who are devoted to achieving our vision.

Our Strategic Plan reaffirms our roots as a free and impartial advice and information service but it also shapes our future; it demands we do more, we are more and we deliver more. It shapes the future we want for our citizens; a chance of self-fulfilment, filled with hope and the opportunity to meet their potential, we don't think that's too much to ask.

During Autumn 2021, the executive leadership team reviewed the headline strategic plan developed in 2019, assessing the current direction of travel to ensure it is sufficiently robust to provide us a pathway for the period 2022-25. Our strategic plan going forward, will focus on operational excellence, removing waste from the system (direct cost and time resource), maximising use of technology, joining up fragmented approaches, removing duplication, increasing productivity and performance. This will include a ruthless focus on customer needs, as our definition of operational excellence will be geared to client-facing services.

Our Emerging Strategic Priorities for 2022-25 -

1. *We are passionate about empowering every person to thrive through social justice, mobilisation of knowledge, networks and relationships to achieve equity in society. This essentially serves to explain our vision 'a fair society for all, with lives well lived', and reinforces that this should continue to be our guiding light and providing us with a consistent way of explaining the vision statement to our stakeholders.*

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TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

2. *We will be the best at giving people the right advice at the right time and in the right way, whilst driving system change. This again is aligned with our mission statement 'to mobilise knowledge so the system works, it works for everyone and it powers the changes we need to be an equal and inclusive society'.*

3. *Our economic model will make every pound count, we will generate sustainable income through a balance of contract, grant and unrestricted funds from donors and mobilising the commercial potential of our physical and knowledge-based assets.*

This is entirely aligned with our strategic priority to 'be an enduring charity that never stands still until we have a fair society for all, with lives well lived' and the objectives that sit underneath this in our current strategic plan, most particularly 'We will drive income through innovation and creativity and make every pound count'.

Our impact as charity, will be measured through an organisational 'flywheel' , designed to measure what matters most to us with each component containing a series of KPI measures and sub-measures that 'in turn' create momentum and drive us onward, for the benefit of the clients we serve. The flywheel concept is based on the [Jim Collins Model](#) of defining our 'hedgehog principle'—the headlines of what we do best, and are passionate about (our vision), our economic model, and using the flywheel to monitor the 6 key levers in the charity's business model that need to be equally effective to drive organisational success.



How We Work

Our client facing services are organised into three areas, supported by various funding streams. They all have one thing in common at their core, the desire to provide support to people to know and understand their social welfare rights and responsibilities, so they can improve their quality of life:-

Contact Centres: our largest service, providing advice funded through National Citizens Advice and others, covering general advice and specialist advice in areas including Consumer, Witness Service, Help to Claim and the Trussell Trust Foodbank Helpline.

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TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Community Advice Services: sixteen different projects positioned within the local community - including general help, welfare benefits, energy advice and direct access to social welfare advice services which collectively bring to life our locality working strategy, increasing our accessibility by taking our advice in to the heart of communities.

Legal & Regulated Advice: covering advice for money, employment, housing, and discrimination.

A fundamental part of our work is ongoing research into the issues that impact our clients, and campaigning to bring about real change to the system, so that it works for everyone. Under the banner of 'Gateshead Investigates' our volunteer-led Research and Campaigns team gather and analyse data and conduct crucial research into issues in our local community. This research informs our service delivery priorities and ensures we are targeting our resources on those communities and individuals who need us most.

A Partnership Approach

We are proud to be working with a wide range of partners who share our commitment, and through their continued support we have been able to expand our service and widen the range of advice we can bring to our community. Some of our projects operate locally, others across the North-East region, and an increasing number are national. They all have one thing in common, having at their core the desire to support people to know and understand their social welfare rights and responsibilities, and make a tangible impact on the lives of our clients and the wider community and economy.

We ensure millions of pounds of welfare benefits are justly claimed by those who are eligible each year and help thousands of people at their most vulnerable moments, providing advice and reassurance when it is needed most. We can see how problems can be linked and by working closely with partner organisations across a range of local community projects, hospitals and local government we are able to help people navigate a way through the system whatever their problem.

Alison Dunn, the Chief Executive of Citizens Advice Gateshead, is currently working in a ground-breaking dual role between our charity and Gateshead Council, within the Directorate of Housing, Environment and Communities as Service Director for Voluntary and Community Sector Development. This role, Service Director for Voluntary and Community Sector Development, is funded by Gateshead Council. The purpose of this role is to tackle poverty and inequality; develop successful, collaborative relationships with the voluntary, community and social enterprise sector and promote the unique value and contribution of volunteers to Gateshead in creating vibrant, inclusive, and sustainable communities. A key deliverable is to understand how the Council can use its physical assets, resources and professional skills to better support and enable voluntary sector activity in Gateshead.

Independent quality endorsements

We remain committed to quality assurance and continual improvement, embedded into all aspects of the charity in support of our client facing services and in line with our contractual and governance requirements. We are also proud to have added 'Great Place to Work' and 'Real Living Wage Employer' certification to our list of accreditations.

TRUSTEES REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

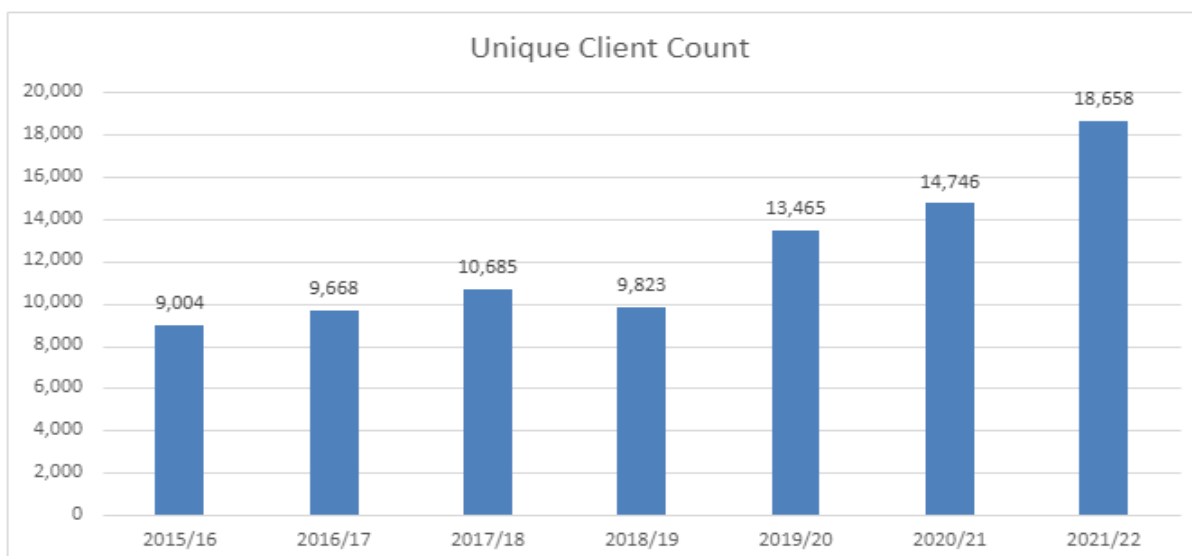


ACHIEVEMENTS AND PERFORMANCE



Demand for our services has continued to grow year on year with yearly client numbers now more than double what they were in 2015/16. While issues per client have remained similar, overall client numbers have risen by 27% this year with financial outcomes passing the £7m mark, a rise of 6% on last year.

Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Clients Receiving Full Advice	9,004	9,668	10,685	9,823	13,465	14,746	18,658
YOY		664	1,017	-862	3,642	1,281	3,912
YOY %		7%	11%	-8%	37%	10%	27%



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TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Contact Centre

Our Contact Centre teams provide advice nationally across a broad range of topics from welfare benefits, debt, and employment to consumer issues with goods and services as well as problems with the supply of energy. They also provide support nationally for witnesses and victims of crime who have been called to give evidence in the criminal courts helping to reduce the anxiety and fear connected with a difficult experience. In 2020 we began a national pilot funded by Citizens Advice through the Trussell Trust which has been so successful in securing positive outcomes for those who are most financially disadvantaged, that it has been extended with a fivefold increase in funding. This means we are able not only to support more people but also able to provide more jobs locally.



4,222 cases handled,
generating **£121,304**
in financial gains by
our Help through
Hardship helpline

**Our National
Adviceline handled
over 96,633 calls
with an average call
handling time of
19.5 minutes and
a 94% customer
satisfaction
score**

Community Advice Services

Building on work begun at the beginning of the pandemic in partnership with Gateshead Council we have grown and developed locality working with advisers permanently based in six community venues. The benefit to local people now able to access our service more easily has been huge. We have been able to think about how by working in partnership with other community organisations we are able to expand our offer beyond the physical boundaries of these community venues and find the places where underrepresented communities seek support. Our staff tackled this new way of working with passion and enthusiasm, managing stakeholder relationships, whilst always putting the client at the heart of what they do.



**We helped 3,137
clients in food crisis
– an increase of 77%
on the previous year**



**186 clients were
supported by
charitable payments
worth £82,202**

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Legal and Regulated Advice Services

Our legal and regulated services which include money advice funded by Citizens Advice through the Money and Pensions Service and Legal Aid contracts to deliver specialist advice in the areas of housing and discrimination were part of huge changes during the year as Government measures, such as loan payment deferrals and the prevention of evictions, designed to support residents during lockdown, were ended. Although providing relief to residents these measures only delayed action from creditors and landlords and by the end of the year our teams were managing significant demand for their support.



Personas & Client Journeys

We started a key piece of work to investigate client personas and journeys across all our services to better understand their motivations and how we can develop our services support them better. The goal of the project is to ensure we are client led, building our services around them. Client personas are semi-fictional archetypes that represent the key traits of a large segment of our clients. Based on data gathered from our client engagements, a series of personas were developed and validated through a client survey which will inform our future programme development and models of delivery. As part of this work we will also look at how we might engage better with our 'seldom heard' clients, and in particular those from marginalised communities.

New Services

Over the course of the year we are delighted to have introduced several new services:-

- Partnership with the chaplaincy at **Newcastle Hospitals NHS Foundation Trust** to deliver direct access Social Welfare Advice to staff working throughout the trust across all hospitals and sites.
- New partnership with the **Gateshead Hospitals NHS Foundation Trust** to deliver two new services, a direct access Social Welfare Advice service for patients being treated for cancer at the Queen Elizabeth Hospital Swan Centre, and a service providing direct access Social Welfare Advice to staff employed across all sites within the Trust.
- **Help Through Hardship.** Following a successful pilot delivering information, advice and guidance to people experiencing significant financial hardship we were provided with additional funding by Citizens Advice through the Trussell Trust for another year.

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

- **Housing Possession Court Duty Scheme for Sunderland.** Using our experience delivering representation and advice at the Housing Possession Court in Gateshead we made a successful bid to deliver the same service at Sunderland court.

We already provide a face-to-face specialist Legal Aid housing service in partnership with our colleagues in Sunderland Citizens Advice. This new contract means we can help more people avoid homelessness.

- **Future You** is a Community Renewal Fund project value £277k (from a total project value of £750k) for which Citizens Advice Gateshead has taken lead role for Voluntary and Community Sector (VCS) delivery partnership with Executive Leadership by the Commercial Director. This is an important pilot project as a precursor to the Shared Prosperity Fund ('Levelling Up Agenda'), and the short timescales from award (end November 2021) to completion (end June 2022) have made it challenging but have also provided the opportunity to showcase the talent from every aspect of Citizens Advice Gateshead and bring the critical dimension of employability into the day-to-day delivery of our community advice service.



TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Over 1200 people participated in the Future You programme overall, 60% of these people were economically inactive when they started. Some notable outcomes of participating in future you are – several participants now in employment or economically active through welfare benefits and many have improved their prospects through financial wellbeing support or have gained life skills to help them move forward.

Further new services have commenced from April 2022:

- A renewed partnership with Gateshead Foodbank is underway with delivery of a financial inclusion advice service for those who are frequent users of the foodbank. The intention is to support people to be in a position that they no longer need the foodbank through a combination of advice and budgeting support.

We are being supported by the Hospital of God at Greatham to deliver a short project which aims to improve accessibility of community advice service to migrant and refugee communities in Bensham working through local community projects and churches.

Building our Brand



Our public profile has been raised across the last year with more media coverage, much of which has been generated by recognition of our success through participation in regional and national awards. We have also made in-roads into local TV and radio outlets. Leading the marketing and communications workstream for Future You has allowed us to forge new connections with dozens of community outlets across Gateshead, as well as develop working relationships with many local charity and voluntary groups, complimenting the community advice strategy. Increasingly, as our profile building work increases, support is

required to create reports, presentations and bids based on concrete business intelligence and focused knowledge. This is a stream of work which is gathering pace and will develop into the future. We have also started to work with local bodies, such as the Poverty Truth Commission, Gateshead Council and others to develop concepts that alleviate poverty and mobilise our knowledge of the sector, positioning CAG as knowledge resource and policy influencer in Gateshead.

Client Case Study

We support thousands of people daily through our diverse services and each one of them has a story to tell of how they have been helped towards a life well lived. Read below how we helped Debbie get the proof she needed to make her house safe:



Debbie needed somewhere to live due to becoming frustrated in her attempts to get the her social landlord to improve the living conditions in her home. Debbie, who was pregnant, and her partner, were social housing tenants and lived with their 2-year-old son. Debbie said there was disrepair in the property, going back to the beginning of the tenancy, including biting cold, poor ventilation, dampness, and mould. She had re-reported these issues to the landlord, but they had responded that the issues were to do with condensation. The living conditions were unsuitable, and several pieces of furniture and personal possessions had been lost to dampness. The impact on Debbie's son was ear and chest infections, which in turn affected Debbie's struggle with depression.

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

What we did to help

We provided Debbie with advice about their legal rights and the obligations of their landlord to repair work that needed to be carried out in the home. The landlord continued to deny liability for the issues and required Debbie to consult a surveyor that she could not afford. We applied to a charitable grant to cover the cost of the report, which proved Debbie's suspicions. As a result, the Landlord agreed that all works in the property would be completed within 90 days, crucially in time for the birth of Debbie and her partner's second child. Compensation of £1607 was also agreed, reflecting the losses suffered up to this point.

The impact of our help

The charitable grant unlocked the evidence that Debbie needed to prove her case. Without this, she may have been forced to pursue the claim regardless but without the necessary evidence to ensure that she would be successful. This could have had the knock-on effect of costing Debbie both more time and money with no good outcome, and further distanced her from support services, which is likely to have taken its toll on Debbie's mental health even further.

The swift resolution of the remedial works will immediately begin to alleviate the respiratory problems and infections that her young son was suffering and remove the risk of the same happening to Debbie's new-born baby. The compensation not only recognised the losses the family had suffered but allowed them to replace items they could ill afford at the time. By accessing the charitable grant, Debbie was able to create a better future for her family – both current and new.

Volunteering



We could not do the magnificent work we do without the dedication and support of our team of amazing volunteers. Over the past year we have inducted 90 + volunteers into the Charity, demonstrating there remains a willingness to help and support those in the community who need it most. Of those volunteers who came in, 25% have since moved to permanent employment either internally with the charity or with an external employer. Volunteer retention remains a challenge for us as we emerge from Covid, but despite restrictions causing disruption we achieved significant volunteer hours across the charity with people providing admin support, advice, form filing and giving clients a warm welcome as part of our reception team. Our volunteers have contributed 4257 hours, equivalent to £38k in financial benefit given to the charity - based on the 2021 national minimum wage hourly rate.

Covid has continued to pose challenges around volunteering remotely, which can impact engagement. This is reflected in the roles which have borne the most success and interest such as reception and administration with volunteers enjoying interactions with new colleagues, clients and feeling part of something. We are delighted to report that our Springboard to Volunteer Forward programme has proven successful with eleven volunteers successfully gaining employment in external roles and six internally.

People

We have welcomed lots of talented individuals into the organisation who are motivated to make a difference in the community. The opportunities in our Contact Centres are where we have seen the biggest intake of new staff, and recently we have run a sustained recruitment drive for Social Welfare Advisers to join the Community Advice Team. To make us stand out in a crowded jobs market, we have implemented new ways of engaging with people. We have hosted Recruitment Webinars for specific opportunities and generic webinars to allow people to find out more about us. We have attended in-person Jobs fairs in various locations, meeting people face to face.

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TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Throughout the Covid-19 pandemic we have improved staff engagement and had a clear focus on staff wellbeing as they have worked from dining tables and bedrooms having difficult conversations with clients. We have kept in regular contact with our staff to support them in their remote working arrangements with the tools, training and mental health support. Our staff are given regular opportunities to feed back through 121 supervision sessions and various staff surveys to assess how we are doing as an employer.

There was a total of 44 new roles created across the charity during a busy year, with many internal secondments and progressions for staff to develop into new roles. The charity also received a number of employee related accolades including the Better Health at Work Bronze Award, Great Place to Work Award and the CIPD winners award for Excellence in People Innovation through Technology. In May 2022, the Charity were also accredited as a Real Living Wage Employer.



More recently, we have reviewed our process to ensure we have a simplified and more effective approach to recruitment and induction. We have adopted a joint approach, where new starters from different teams are inducted together to create a better learning experience and improve the experience of the new joiners. Our service delivery teams have been instrumental in making this work using experience and expertise to provide a well-planned and impactful induction. It was also great to see so many of our people engaged in the Future You Project, giving staff the opportunity to focus on personal development and progression.

Our Subsidiary Company – Society Matters



Our Social Enterprise, Society Matters has provided training to over 1400 individuals from over forty different organisations over the last 12 months. Society Matters are proud to have secured multiple contracts with organisations such as Fedcap Restart (DWP Contract) North of Tyne Combined Authority and provided training and custom designed courses for many clients including Igneus Prisoner Resettlement Unit, Newcastle Building Society, The Lantern Trust and many more.

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TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Our customer base and reach are growing on a weekly basis with strong and repeat bookings from multiple organisations such as Disability East Suffolk, Walking with the Wounded, New Pastures Housing, Bristol Autism just to name a few. Society Matters has outstanding customer feedback with 97% of respondents saying that the course they had completed would make a difference to the way they do their job, improve their confidence, and benefit their clients and organisation.

Society Matters now has 7 CPD accredited courses with the portfolio ever increasing and current plans for more accredited courses over the next few months. Our CPD accredited courses range from Universal Credit to Personal Independence Payment, Mental Health Awareness and Money Matters.

In readiness for the opportunities of 2022, the team has expanded to a full-time team of three trainers and a co-ordinator, - things are looking very exciting for Society Matters!

Public Benefit Statement

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisations aims and objectives and in planning future activities.

Financial Review

The charity has seen income during the year increase by £969,372 with new funding from existing funders as well as new partnerships.

The funding sources listed on pages 33 and 34 show the funds received to help run the organisation. The majority of the funding is sourced from grant funding, with additional income earned through contracts with the Legal Aid Authority and secondment of staff. The charity acknowledges and gratefully thanks all its funders, staff and volunteers who contribute so substantially to the resources of the organisation.

Reserves Policy

It is the policy of the charity to hold free reserves amounting to 6 months expenditure (excluding depreciation and direct payroll and other project costs) which is currently calculated at £590,000.

Free reserves are classed as those reserves not invested in tangible fixed assets, including associated loans, or designated for any purpose. Note 22 details the analysis of net assets between the fund types from which free reserves can be identified.

At 31 March 2022, free reserves were £591,680 (2021 - £ 455,030), an increase of £136,650 in the year. As detailed, in the reserves notes and future plans, designated reserves amount to £262,684 (2021 - £43,684) and therefore the current level of free reserves are in excess of the targets set by the trustees. The trustees continue to work with funders to provide improved organisational sustainability within budgets.

Restricted funds are restricted by the donor or funder and cannot be used for the general purposes of the charity. Their existence, and the sums of money therein, do not imply that there has been an underspend, but may result from a variety of circumstances including timing differences between the charity's financial year and the funding year of the project concerned.

Details of these can be found in note 21 to the financial statements. At the year-end restricted reserves amounted to £266,454 (2021 - £54,706).

This reserves policy is monitored and reviewed by the trustees annually.

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TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Impact of COVID-19

While the in-person advice service was affected by Covid restrictions, the charity reacted remarkably well to those challenges, transforming as it quickly adapted to a fully remote service supported by the swift deployment of technologies and remote working. Moreover, the overall strategy and deliverables did not need adjusting but were accelerated in implementation. The use of cloud-based systems, softphones and adapting frontline services to meet the needs of the client all gained momentum during this time and really helped us to modernise our approach.

We will continue to support a flexible working approach for staff to be able to work remotely, with the option to reconnect in person, through hot-desking and common meeting places at the office as long as it remains safe to do so. The development of the Davidson Building as a local community hub, the adaptation of our client facing service, along with onsite access to various services, supported by partner agencies will allow us to improve the client experience with smoother signposting and referrals.

Future Forecast

The charity's forecasts and projections for the next twelve months indicate that the charity is able to continue in operational existence. Taking all the above into consideration, the trustees therefore consider the charity able to continue to meet its debts as they fall due and it remains appropriate to prepare the financial statements on a going concern basis.

Investment Policy

Aside from the principle of trying to retain a prudent amount in reserves most of the charity's funds are spent in the short term, so there are few funds for long term investment. Having considered the options available, the trustee board has decided to invest any surplus monies in a short-term interest account.

At the balance sheet date, the charity has one wholly owned subsidiary, Society Matters CIC,. The profits earned by Society Matters CIC for the year ended 31 March 2022 of £18,481 were retained by the subsidiary to invest in the development of future services.

Fundraising Policy

The charity seeks to raise additional funds through marketing of the charity, its work and its impact on its beneficiaries. Fundraising takes the form of holding virtual and in person events, sponsorship for participation in public events, cashback through recycling, and running social media campaigns which provide for donations by text and online giving. The charity does not work with any commercial participators or professional fundraisers, with donor fundraising activity being dispersed across several roles in the executive team. Fundraising is monitored by the Commercial Director and complaints are dealt with by the Chair of Trustees.

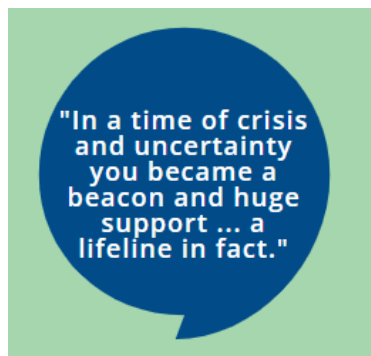
Principal Risks and Uncertainties

The trustees monitor risks using a Risk Register which is reviewed by the board bi-monthly. Risks and mitigating factors are assessed on a monthly basis and actioned by the Risk Committee which includes members of the trustee board and the Executive Leadership Team. The trustees are satisfied that systems are in place to mitigate exposure to major risks. Overall our risk level remains at 'medium' across the charity and we are mindful of our latest emerging risks in the areas of business continuity planning, recommissioning of some key contracts in 2022, information assurance risks relating to storage and transferral of data with remote working and ongoing management of the Covid-19 associated risks. Our May 2022 Risk sub meeting agreed that a separate register of Covid risks was no longer needed in the future. Guidance suggests we deal with Covid as a respiratory illness from now on.

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

FUTURE PLANS



We are working on a renewed service delivery model for Community Advice Services to improve the client journey and shape the service round the needs of each person. The first stage of this has been to change the way in which advisers are allocated work, giving them fuller ownership of their work, allowing them to prioritise according to client need, which in turn provides them with the ability to manage their own time efficiently.

The impact on our clients will mean their needs are met without having to tell their story to multiple contacts. It also frees up the time of supervisors who can support with coaching and training rather than spending time micro-managing the work allocations. We anticipate this change will drive adviser productivity up and will be monitoring the impact over coming months. Our next stages include building on the work we started with our customer journeys and personas - extending what we do in the community hubs, considering what part our local Adviceline should have in this and developing on the idea that the Davidson Building is a seventh Community Hub in Gateshead.

As with many organisations, Covid-19 left us with challenges relating to our staffing. Uncertainty about re-commissioning meant we made some pragmatic decisions about replacing staff, particularly in the Contact Centre Services. Attracting and retaining staff during times of uncertainty meant that services were understaffed at times last year, leaving some of our services in surplus at the year end. To address this issue, our trustees agreed to ringfence some of our end of year surplus into a designated React Pool within Community Advice Services, training a pool of Advisers to be ready to move straight away onto new projects, to quickly onboard new business when recruitment is required for a new project. The pool will also be a resource to add bandwidth and flexibility to the team on a day-to-day basis. Additional designated funds were secured by our trustees for;

- a Cycle to Work Scheme for staff,
- a Real Living Wage Fund to ensure that the Charity can continue to pay staff fairly and
- a Development Fund set aside to build and strengthen our reserves.

In the Spring of 2022, the Leadership of the charity agreed to permanently adopt a remote/hybrid working approach for our staff and clients, supported by a Remote/Hybrid Action Plan to be rolled out over the course of 2022/23. With the emergence of the Covid-19 pandemic, we quickly moved to a remote working setup that initially was only meant to be a temporary basis.

Since that time and as the situation evolved, we have achieved so much in the development of a more flexible approach with a mix of remote and office working, supported by the commitment of a great team and the deployment of new technologies. However, recognising that our society has irrevocably changed the time has now come to provide clarity and certainty on how we intend to work in the future.

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022



To support our employees, volunteers, trustees and clients and remain relevant in our sector, we need to build on the good progress made already and roll out a workable Action Plan for Remote & Hybrid Working right across our charity, introducing fresh, new initiatives suitable for the times we now live in. There are tremendous opportunities for organisational and personal growth and potential for us all to thrive while delivering a first-rate service, whether we are working from our homes or in the office or in the community.

To truly become a fully inclusive organisation our Equity, Diversity and Inclusion strategy needs to be practiced and embedded throughout the whole charity, in our client interactions, in our recruitment and retention practices and in our staff engagement. As we work for a fair society for all, with lives well lived we need to take a critical review to examine our policies and behaviours to understand the areas that we can, and must, improve upon to ensure we do no harm and dismantle systemic injustices. During the next 12 months we commit to review our EDI strategy, take action and seek to make the changes needed to become fully representative of the community we serve.



We recognise that we must also continue to invest in our infrastructure to provide a firm, secure and agile foundation to delivering our frontline services. We will look to make further investment in our systems and processes, developing and implementing more cloud-based technology solutions and utilising innovative technologies to manage and automate our workflows so our staff can invest their time where it is needed most- supporting our clients and delivering on our priority to achieve operational efficiencies and increased productivity. We will also invest in developing our business intelligence capability through a data warehousing project to provide on demand insight into our impact, mindful that data plays a key role in our future success.

Prior to the pandemic we were entirely reliant on a main centre model, staff travelling to work every day, clients calling our main telephone number or visiting us at our Gateshead office. What the last 2 years have shown us is that the 9 to 5 model of delivering services is broken for our clients, it no longer meets their needs and they deserve a more flexible service from us. So, from July 2022, we are joining with over 70 UK companies and thousands of their staff who are trialling the 4-day week.

As part of the trial, we will be looking at new ways of working in which our clients can better access our services, breaking out of traditional longstanding work practices and processes through a more flexible approach. In doing so we will look to find alternative ways of working that will have a positive impact on our team and the clients we serve. This innovative approach to service design, that has our clients at the heart, will give us we hope, a vibrant and accessible service with well rested and enthusiastic staff, better able to meet the needs of our clients. We see this as a key piece of work which will evolve over the next 18 months allowing as we journey towards an ambitious plan to incorporate a future 7-day service.

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 22nd July 1991 but originally formed in May 1957 and governed by the Memorandum and Articles of Association which were last amended in March 2021. The organisation is a registered as a charity.

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of approval of the accounts are detailed on page 2.

Trustee appointment, induction and training

Citizens Advice Gateshead has a trustee board which has provision for 18. The trustees meet bi-monthly and are responsible for the strategic direction and policy of the charity. At present the board consists of 9 trustees from a variety of voluntary and professional backgrounds relevant to the work of the charity. A proportion of the board are representatives of specific groups whose input is critical to our strategy and governance, our volunteers and the local authority. They do not have voting rights but attend to represent the views of their particular organisation.

The trustee board seeks to ensure that the needs of our clients are appropriately reflected and met through the diversity of the trustee board, which includes members with local charitable and voluntary agency knowledge, traditional business skills and experience of statutory services.

Trustees are elected for a period of three years after which they must be re-elected at the next annual general meeting.

The trustee induction process aims to:

- inform the new directors/trustees about their roles, responsibilities and liabilities;
- inform them about the current work of the charity; the business and development plans; financial and staffing resources; quality, services and fundraising requirements;
- identify the knowledge, skills and experience that the director/trustee brings to the trustee board;
- identify any initial training required and any additional information or support needed

Training of trustees is also undertaken on an ongoing basis through taking advantage of external training specifically geared to the charitable sector, as well as learning and development enabled through technical papers and presentations delivered during and outside trustee board meetings. This year also saw the completion of our Governance Review, a year-long endeavour to update and streamline our processes. This has included updating and lodging new articles of association, re-writing our Trustee role profile and induction plans, setting up new Trustee sub-committees, changing reporting rhythms to enable a strategic focus and creating a dedicated secure intranet for Trustees to access everything they need to be a board member. A recruitment process to appoint new Trustees was started during Summer 2022 to increase our diversity to add new skills to the board and be more representative of the communities we serve.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

Membership of Citizens Advice

At Citizens Advice Gateshead we highly value our long-established affiliated membership of the Citizens Advice network, as one of 265 independent charities across England and Wales. As a Citizens Advice member we research and campaign on behalf of our citizens, we contribute innovation and lead best practice across the network, and we draw on the extensive knowledge base and resources of the membership organisation.

We are proud to uphold the immense value of the Citizens Advice brand through our work and are equally proud that whilst doing so we are ploughing our own furrow as a local charity with a national presence and an absolute commitment to delivering our vision of a fair society for all, with lives well lived. In our Citizens Advice Leadership Assessment we were described as an “organisation which understands risk, one which is constantly pushing the boundaries to innovate” - something we are incredibly proud of.

Related Parties

The charity is a member of National Association of Citizens Advice and as such, is regularly audited against its membership requirements, including assessment of members' leadership capability which has been appraised for Citizens Advice Gateshead as 5 Star, the highest level available, and this has been maintained during the financial year 2021/22.

The charity's wholly owned subsidiary, Society Matters Community Interest Company (Society Matters CIC) traded during the year. As a result the charity has produced Group Financial Statements, consolidating the group's financial activities. Available profits from the subsidiary are generally gift aided annually to the charity but as an exception for 21/22 the profits were retained by the subsidiary for investment in future developments.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

Organisation

The trustees have overall responsibility for the management of the charity. The Chief Executive Officer, is appointed by the trustees and in conjunction with the executive leadership team (detailed on page 1), manages the day-to-day operations of the charity.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

TRUSTEES REPORT (*continued*)

FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the trustees are aware:

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

AUDITOR

A resolution to appoint auditors for the ensuing year will be proposed at the annual general meeting in line with the charity's policies and in accordance with section 485 of the Companies Act 2006.

Approved by the trustees on 29th September 2022 and signed on their behalf



Barry Taylor
Chair of Trustees

Citizens Advice Gateshead

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS' OF CITIZENS ADVICE GATESHEAD FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Citizens Advice Gateshead (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Group Balance Sheet and Charitable Company Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2022, 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.

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 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.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITIZENS ADVICE GATESHEAD *(Continued)* FOR THE YEAR ENDED 31 MARCH 2022

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 strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 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 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITIZENS ADVICE GATESHEAD *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022**

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the directors and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates;
- confirmation received from the bank to verify the balance as on the last day of the accounting year; and
- review of minutes of meetings of those charged with governance.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

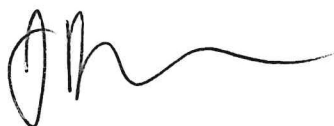
Citizens Advice Gateshead

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CITIZENS ADVICE GATESHEAD *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



**Donna Bulmer BA (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Haines Watts North East Audit LLP**

14 October 2022
.....

Statutory Auditor

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Citizens Advice Gateshead

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account)**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	4	3,984	85,000	88,984	112,609
Charitable activities	5	426,273	4,538,512	4,964,785	3,983,859
Other trading activities	7	86,594	-	86,594	51,819
Investment Income	6	92	-	92	152
Other Income		3,290	-	3,290	25,934
Total income		520,233	4,623,512	5,143,745	4,174,373
Expenditure on:					
Raising funds		12,711	-	12,711	34,388
Charitable activities	8	468,681	4,090,799	4,559,480	4,078,809
Total expenditure		481,392	4,090,799	4,572,191	4,113,197
Net movement in funds before transfers		38,841	532,713	571,554	61,176
Transfer between funds	21	320,965	(320,965)	-	-
Net movement in funds after transfers		359,806	211,748	571,554	61,176
Reconciliation of funds					
Total funds brought forward		89,049	54,706	143,755	82,579
Total funds carried forward		448,855	266,454	715,309	143,755

All income and expenditure derive from continuing activities.

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

Citizens Advice Gateshead

(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET**AS AT 31 MARCH 2022**

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	15		38,894		58,438
			<u>38,894</u>		<u>58,438</u>
Current assets					
Debtors	17	387,494		314,983	
Cash at bank and in hand		1,189,503		708,667	
		<u>1,576,997</u>		<u>1,023,650</u>	
Creditors: amounts falling due within one year	18	(456,179)		(470,230)	
		<u></u>		<u></u>	
Net current assets			1,120,818		553,420
Total assets less current liabilities			<u>1,159,712</u>		<u>611,858</u>
Creditors: amounts falling due after more one year	19		(444,403)		(468,103)
Net assets			<u>715,309</u>		<u>143,755</u>
Funds					
Unrestricted funds			186,171		45,365
Designated Funds			262,684		43,684
Restricted funds			266,454		54,706
	21		<u>715,309</u>		<u>143,755</u>

The notes form part of these financial statements.

The financial statements were approved by the Trustees on 29th September 2022 and signed on their behalf by:



B Taylor
Trustee

Citizens Advice Gateshead

(A Company Limited by Guarantee)

CHARITABLE COMPANY BALANCE SHEET**AS AT 31 MARCH 2022**

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	15		38,894		58,438
Investments	16		1		1
			<u>38,895</u>		<u>58,439</u>
Current assets					
Debtors	17	383,808		312,586	
Cash at bank and in hand		1,147,165		697,082	
		<u>1,530,973</u>		<u>1,009,668</u>	
Creditors: amounts falling due within one year	18	(436,235)		(463,847)	
		<u></u>		<u></u>	
Net current assets			1,094,738		545,821
Total assets less current liabilities			<u>1,133,633</u>		<u>604,260</u>
Creditors: amounts falling due after more one year	19		(444,403)		(468,103)
			<u></u>		<u></u>
Net assets			<u>689,230</u>		<u>136,157</u>
Funds					
Unrestricted funds			160,092		37,767
Designated Funds			262,684		43,684
Restricted funds	21		266,454		54,706
			<u>689,230</u>		<u>136,157</u>

The notes form part of these financial statements.

The financial statements were approved by the Trustees on 29th September 2022 and signed on their behalf by:


B. Taylor
Trustee

Company Number: 02631064

Citizens Advice Gateshead

(A Company Limited by Guarantee)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Net cash flow from operating activities:			
<i>Net cash provided by (used in) operating activities</i>	25	503,317	211,803
Cash flows from investing activities			
Interest receivable and similar income		92	152
Purchase of tangible fixed assets		-	-
<i>Net cash flow from investing activities</i>		92	152
Cash flows from financing activities			
Repayment of loans and borrowings		(22,573)	(21,502)
Net increase in cash and cash equivalents		480,836	190,453
Cash and cash equivalents at the beginning of the year		708,667	518,214
Cash and cash equivalents at the end of the year		1,189,503	708,667

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

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

The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

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.

1.2 Basis of consolidation

The financial statements consolidate the results of Citizens Advice Gateshead and its wholly owned subsidiary Society Matters CIC on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because Citizens Advice Gateshead has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The directors have prepared forecasts for the 12 months from the date of approval of these financial statements, which indicate that the charity is able to continue in operational existence. Whilst future income streams can be difficult to predict, previous experience and current communications do not currently indicate any significant changes to income. The directors and executive management team regularly review key projects and have various contingencies prepared should any material changes evolve. New streams of income are constantly being sourced to increase our breadth of funders.

The directors therefore consider the charity able to continue to meet its debts as they fall due, and it remains appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2022

1.4 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Citizens Advice Gateshead and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by Citizens Advice Gateshead for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.5 Income

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Deferred income

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

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

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and 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. It is categorised under the following headings:

- Costs of raising funds includes all costs incurred in the running of the trading subsidiary; and
- Expenditure on charitable activities includes all direct and support costs incurred in the management of the charity.

Irrecoverable VAT is charged as a cost against the expenditure when incurred.

1.7 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.8 Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Equipment	- 20% straight line
Fixtures, fittings and furnishings	- 25% straight line

Fixed asset investments

Investments in subsidiaries are at cost less impairment.

1.9 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.

1.10 Cash at bank and in hand

Cash at bank and cash in 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.

1.11 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 recognised at their settlement after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2022

1.12 Pensions

Citizens Advice Gateshead operates a defined contribution pension scheme for employees. Amounts payable by Citizens Advice Gateshead are included in the Statement of Financial Activities when the related salary is paid. Unremitted amounts are included in creditors.

1.13 Financial instruments

Citizens Advice Gateshead 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.

1.14 Judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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 are no significant accounting estimates which are considered to materially impact the financial statements.

2. Legal status

Citizens Advice Gateshead is a company limited by guarantee, registered in England and Wales, (number 02631064) and not having a share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**3. Statement of financial activities from the prior year**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	4	28,424	110,119	138,543	28,596
Charitable activities	5	388,886	3,594,973	3,983,859	3,559,652
Other trading activities	7	51,819	-	51,819	63,040
Investment Income	6	152	-	152	610
Total income		469,281	3,705,092	4,174,373	3,651,898
Expenditure on:					
Raising funds		34,388	-	34,388	74,843
Charitable activities	8	469,134	3,609,675	4,078,809	3,441,777
Total expenditure		503,522	3,609,675	4,113,197	3,516,620
Net movement in funds before transfers		(34,241)	95,417	61,176	135,278
Transfer between funds	21	73,025	(73,025)	-	-
Net movement in funds after transfers		38,784	22,392	61,176	135,278
Reconciliation of funds					
Total funds brought forward		50,265	32,314	82,579	(52,699)
Total funds carried forward		89,049	54,706	143,755	82,579

Citizens Advice Gateshead

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from donations		
	2022	2021
	£	£
Donations	3,984	28,424
Trusts and foundations	85,000	110,119
	<hr/>	<hr/>
	88,984	138,543
	<hr/>	<hr/>
5. Income from Charitable Activities		
	2022	2021
	£	£
Grant Income:		
Contact Centre	2,678,397	2,229,534
Community Advice - Projects	506,676	231,115
Community Advice – Client Services	539,355	643,391
Community Advice Services – Social Welfare Advisers	161,958	-
Legal Services	410,330	349,870
Client Assistance Projects	61,500	-
Equipment including softphone	9,236	57,963
Other grants	153,402	83,100
Contract Income:		
Legal Aid	308,965	273,002
Other Income (including seconded staff)	134,966	115,884
	<hr/>	<hr/>
	4,964,785	3,983,859
	<hr/>	<hr/>

During the year Local Services was renamed Community Advice Services. It was previously split into 2 sections of Health and Social Welfare Advisers and changes were made to split into 3 reporting sections going forwards, consisting of Projects (previously Health), with Social Welfare Advisers becoming Client Services and Social Welfare Advisers.

Grant Income has been provided in the year by the following organisations;

National Association of Citizens Advice Bureaux
Gateshead Council
Oasis Aquila Housing
NHS Newcastle Gateshead Clinical Commissioning Group
The Kay Kendall Leukaemia Fund
Newcastle Hospitals NHS Charity
Sir James Knott Trust
Stockton & District Advice & Information Service (Energy Redress Scheme)
Age UK Gateshead Ltd
Gateshead Health NHS Foundation Trust
Edberts House (The Big Lottery Funding)
North East Law Centre

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

Hadrian Trust
 Tyne & Wear Community Foundation
 The Wise Group
 Great North Children's Hospital Foundation

6. Investment income

	2022	2021
	£	£
Interest receivable on bank deposits	92	152
	<u>92</u>	<u>152</u>

7. Other Trading activities

	2022	2021
	£	£
Income from Trading Subsidiary	71,613	43,227
Rental income	9,171	8,055
Other Income	5,810	537
	<u>86,594</u>	<u>51,819</u>

8. Analysis of expenditure on charitable activities

	Activities undertaken directly	Support costs	Total 2022	Total 2021
	£	£	£	£
Grant Supported Activities				
Contact Centre Services	2,030,924	521,308	2,552,232	2,282,881
Community Advice - Projects	257,873	54,830	312,703	185,436
Community Advice – Client Services Advisers	142,752	15,092	157,844	584,706
Community Advice – Social Welfare Advisers	326,391	100,143	426,534	
Legal Services – grant support	291,278	51,964	343,242	347,837
Equipment including softphone	25,677	-	25,677	56,036
Client Assistance Projects	140,758	-	140,758	104,131
Other grant activities	116,966	18,777	135,743	57,422
Contract and other income sources				
Legal Services	257,966	52,662	310,628	344,566
Staff Secondment	154,119	-	154,119	115,794
	<u>3,744,704</u>	<u>814,776</u>	<u>4,559,480</u>	<u>4,078,809</u>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

9. Support costs

	2022	2021
	£	£
Staff costs	460,384	510,682
Office costs	110,981	93,518
Depreciation	19,544	23,646
Premises Costs	109,155	98,932
Other costs	85,958	104,391
Governance costs (note 10)	28,754	67,078
	<hr/>	<hr/>
	814,776	898,247
	<hr/>	<hr/>

10. Governance costs

	2022	2021
	£	£
Auditor's fees	8,326	10,770
Legal & professional	5,235	32,806
Other	15,193	23,502
	<hr/>	<hr/>
	28,754	67,078
	<hr/>	<hr/>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**11. Net income for the year**

Net incoming/(outgoing) resources for the year include;

	2022	2021
	£	£
Audit fees	8,060	10,770
Depreciation of fixed assets	19,544	23,646
	<u> </u>	<u> </u>

12. Auditor's remuneration

The auditor's remuneration includes the audit fee for the year of £8,060 (2021 - £7,750) and non-audit fees of £nil (2021 - £450).

13. Financial performance of the charitable company

The Consolidated Statement of Financial Activities includes the results of the wholly owned subsidiary.

The summary financial performance of the charity alone is;

	2022	2021
	£	£
Income	5,118,856	4,148,214
Expenditure	(4,565,783)	(4,078,809)
	<u> </u>	<u> </u>
Net income	553,075	69,405
	<u> </u>	<u> </u>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**14. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel**

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Wages and salaries	3,583,071	3,179,874
Social security costs	284,756	235,763
Other pension costs	67,544	51,993
	<u>3,935,371</u>	<u>3,467,630</u>

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2022	2021
	Number	Number
Administrative	7	8
Management	4	4
Other	177	162
	<u>188</u>	<u>174</u>

The number of employees whose emoluments fell within the following bands was:

	Number	Number
	2022	2021
£60,001 - £70,000	-	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>1</u>	<u>1</u>

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**14. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel expenses (continued)**

The Trustees were not paid or received any other benefits from employment in the year (2021 – £nil). No Trustee received payment for professional or other services supplied to the charity (2021 - £nil).

During the year payments of £nil (2021 - £nil) were made for travelling expenses to no trustees (2021 – nil). The total amounts paid in the year are £nil (2021 - £nil).

The key management personnel of the charity comprise the Trustee and Management Team identified on page 1. The total employee benefits of the Management Team of the charity were £241,226 (2021 - £231,804). The Chief Executive is currently seconded to Gateshead Council who fund her salary, together with a contribution for staff who support this role.

15. Tangible fixed assets
Group and Charity

	Furniture and equipment £	Motor Vehicles £	Total £
Cost			
At 1 April 2021	186,239	8,706	195,945
Additions	-	-	-
Disposals	(5,197)	-	(5,197)
At 31 March 2022	181,042	8,706	189,748
Depreciation			
At 1 April 2021	129,070	7,437	136,507
Charge for the year	19,544	-	19,544
Elimination on disposal	(5,197)	-	(5,197)
At 31 March 2022	143,417	7,437	150,854
Net book value			
At 31 March 2022	37,625	1,269	38,894
At 31 March 2021	57,169	1,269	58,438

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

16. Investments

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost and Net Book Value		
At 1 April 2021	1	1
At 31 March 2022	1	1

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share Capital are as follows:

Undertaking	Country of Incorporation	Holding	Proportion of voting rights and shares held		Principle activity
			2021	2020	
Subsidiary undertakings					
Society Matters	England and	Ordinary	100%	100%	Social Welfare
Community Interest Company	Wales	shares			Training

Society Matters Community Interest Company provides specialist social welfare and welfare benefits training and support services to professionals associated with the provision of housing, financial, utility, employability and justice. The results and summary of assets and liabilities of the company are as follows:

	2022 £	2021 £
Turnover	77,916	81,387
Costs	(56,971)	(75,923)
Profit for the year	20,945	5,454
	2022 £	2021 £
Total assets	47,648	15,268
Total liabilities	(21,568)	(7,599)
Shareholders' funds	26,080	7,599

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**17. Debtors**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	280,522	245,272	278,256	242,875
Prepayments	16,529	18,878	16,529	18,878
Accrued income	81,433	47,033	80,013	47,033
Other debtors	9,010	3,800	9,010	3,800
	<u>387,494</u>	<u>314,983</u>	<u>383,808</u>	<u>312,586</u>

18. Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Other Loan	23,701	22,574	23,701	22,574
Trade creditors	41,510	61,010	41,166	60,548
Other taxation and social security	73,185	66,528	68,272	60,791
VAT payable	23,701	18,412	20,139	18,412
Other creditors	15,392	70,181	15,392	68,711
Accruals	64,933	79,080	52,184	79,080
Deferred income	213,757	152,445	213,757	152,445
Amounts owed from group undertakings	-	-	1,624	1,286
	<u>456,179</u>	<u>470,230</u>	<u>436,235</u>	<u>463,847</u>

19. Creditors: Amounts falling due over one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Other Loans	444,403	468,103	444,403	468,103

The loan was obtained from Gateshead Council during the year ended 31 March 2012 with an annual interest of 4.88%. It is repayable over 25 years and is secured in the form of a fixed charge against the freehold property, which is owned by Gateshead Council and leased by the charity, until the discharge of its obligations under the Loan Agreement.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**20. Deferred Income**

Group	2022	2021
	£	£
Deferred income at 1 April	152,445	193,984
Resources deferred in the period	213,757	152,445
Amounts released from previous periods	(152,445)	(193,984)
Deferred income at 31 March	213,757	152,445

21. Fund reconciliationYear ended 31 March 2022

	Brought Forward	Income	Expenditure	Transfers	Carried Forward
		£	£	£	£
Unrestricted Funds					
General fund	45,365	520,233	(481,392)	101,965	186,171
Designated Funds					
Redundancy	43,684	-	-	-	43,684
SWA REACT Pool	-	-	-	95,000	95,000
Cycle to Work	-	-	-	15,000	15,000
Real Living Wage	-	-	-	40,000	40,000
Development fund	-	-	-	69,000	69,000
	89,049	520,233	(481,392)	320,965	448,855
Restricted Funds					
Contact Centre Services	28,000	2,678,397	(2,552,232)	(102,344)	51,821
Community Advice - Projects	-	506,676	(312,703)	(32,206)	161,767
Community Advice – Client Services	-	161,958	(157,844)	(4,114)	-
Community Advice – Social Welfare	-	539,355	(426,534)	(109,235)	3,586
Legal Services	-	410,330	(343,242)	(66,088)	1,000
Client Assistance Projects	6,110	161,963	(140,758)	-	27,315
Equipment	19,888	9,236	(25,676)	-	3,448
Other	708	155,597	(131,810)	(6,978)	17,517
	54,706	4,623,512	(4,090,799)	(320,965)	266,454
Total funds	143,755	5,143,745	(4,572,191)	-	715,309

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**21. Fund reconciliation (Continued)***Year ended 31 March 2021*

	Brought Forward	Income £	Expenditure £	Transfers £	Carried Forward £
Unrestricted Funds					
General fund	6,581	469,281	(503,522)	73,025	45,365
Designated Funds					
Redundancy	43,684	-	-	-	43,684
	<u>50,265</u>	<u>469,281</u>	<u>(503,522)</u>	<u>73,025</u>	<u>89,049</u>
Restricted Funds					
Contact Centre Services	13,820	2,229,534	(2,266,770)	51,416	28,000
Local Services – Health	-	231,115	(185,436)	(45,679)	-
Local Services – Social Welfare	-	643,391	(584,706)	(58,685)	-
Legal Services	-	349,870	(347,839)	(2,031)	-
Client Assistance Projects	-	110,119	(104,009)	-	6,110
Equipment	18,494	57,963	(56,569)	-	19,888
Other	-	83,100	(64,346)	(18,046)	708
	<u>32,314</u>	<u>3,705,092</u>	<u>(3,609,675)</u>	<u>(73,025)</u>	<u>54,706</u>
Total funds	<u>82,579</u>	<u>4,174,373</u>	<u>(4,113,197)</u>	<u>-</u>	<u>143,755</u>

A summary of the restricted and designated funds is provided below:**Redundancy Fund**

This is a designated fund created by the trustees to set aside funds for potential redundancy liabilities should projects cease or not be renewed.

SWA REACT Pool

Designated fund created by the trustees to enable the recruitment and training of 4 Social Welfare Advisers who can then be transferred to operational and new projects. The funding meets the salaries for one year.

Cycle to Work Scheme

Funds set aside by the trustees to enable to up front payment of cycles provided to employees under the Cycle to Work Scheme.

Real Living Wage Fund

Funds set aside by the trustees to enable the payment of the Real Living Wage and to support salaries of advisers that are below the salary commensurate with the job requirements.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2022

21. Fund reconciliation (Continued)

Development Fund

Funds set aside by the trustees to be retained to build the base level of reserves held by the charity.

Contact Centre Services

Provide a number of advice services involving specialist telephone, chat and email advice for clients across England & Wales, including:

- **Consumer Service including Energy** - providing advice on consumer goods & services, including advice on energy provision with onward referrals to the Energy Ombudsman, energy suppliers or for complex cases, a dedicated support team.
- **Scam Action** - providing support to clients who are at risk of or have been subject to a scam
- **Help to Claim** - providing advice on claiming for Universal Credit
- **Witness** - providing support for witnesses and victims of crime who have been called to provide evidence in criminal courts
- **National Adviceline** - providing generalist advice to clients contacting National Citizens Advice
- **Help Through Hardship (Trussell Trust Foodbank Hotline)** – providing tailored advice to foodbank users in order to empower clients to take action to resolve the immediate crisis they face
- **Single Queue** - the telephone advice service provided to clients contacting Citizens Advice Gateshead

Community Advice Services (previously Local Services – Health)

Providing social welfare advisers into Gateshead healthcare settings such as the Great North Children's Hospital, Newcastle Gateshead Clinical Commissioning Group and Queen Elizabeth Hospital, Gateshead.

Community Advice Services – Client Services (previously part of Local Services – Social Welfare Advisers)

Providing social welfare advisers, including specialist welfare benefits advisers, to the local community from the Davidson Building.

Community Advice Services – Social Welfare Advisors (previously Local Services – Social Welfare Advisers)

Providing social welfare advisers, including specialist welfare benefits advisers, to the local community from various community hubs based around the Gateshead region.

Legal Services

Providing specialist debt and financial inclusion, housing and discrimination advice to clients across England and Wales.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**21. Fund reconciliation (Continued)****Client Assistance projects**

Distributing donations and grants to clients in need that meet the appropriate eligibility requirements.

Equipment including softphone provision

Funding provided to purchase laptops and other office equipment, including subscription to softphone services, to enable our employees to work from home and continue with the provision of our services throughout COVID-19.

Other Grants

Including:

- **Gamble Aware** - providing training and awareness to frontline workers as well as direct access to clients across England and Wales.
- **Future You** - providing debt advice, work experience and qualifications to Gateshead Residents, helping them with their next steps towards employment.
- **Long COVID Research** – a study of the impact of Long Covid on employment, health and debt.
- **Hadrian's Trust** – supporting the training of employees in housing advice.

22. Analysis of net assets between funds
Group

Year ended 31 March 2022

	Unrestricted funds			Total	Total
	General	Designated	Restricted Funds	2022	2021
	£	£	£	£	£
Tangible assets	38,894	-	-	38,894	54,438
Net current assets/(liabilities)	591,680	262,684	266,454	1,120,818	553,420
Creditors amounts due after one year	(444,403)	-	-	(444,403)	(468,103)
Total net assets	186,171	262,684	266,454	715,309	143,755

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**22. Analysis of net assets between funds (continued)**
GroupYear ended 31 March 2021

	Unrestricted funds			Total	Total
	General	Designated	Restricted Funds	2021	2020
	£	£	£	£	£
Tangible assets	58,438	-	-	54,438	82,084
Net current assets/(liabilities)	455,030	43,684	54,706	553,420	491,174
Creditors amounts due after one year	(468,103)	-	-	(468,103)	(490,679)
Total net assets	45,365	43,684	54,706	143,755	82,579

23. Related Party Transactions

During the year the group made the following related party transactions:

Society Matters CIC

(Wholly owned subsidiary)

Services paid to the subsidiary during the year £6,303 (2021 - £41,535)

Management and other fees received from the subsidiary during the year £44,260 (2021 - £40,293)

Gift Aid Donation received from the subsidiary during the year £2,464 (2021 - £13,693).

At the balance sheet date, the amount due to Society Matters CIC was £1,624 (Amount due from 2021 - £1,286).

Charity

During the year the charity made the following related party transactions:

Trustee

Donations received from one trustee in the year totalled £85,000 (2021 £110,119).

24. Pension Commitments

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted £67,544 (2021 - £51,993).

Contributions totalling £13,070 (2020 - £11,697) were payable to the scheme at the end of the year and are included in creditors.

Citizens Advice Gateshead

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**25. Reconciliation of net income to net cash flow from operating activities**

	2022	2021
	£	£
Net income for the year	571,554	61,176
Interest and received from investments	(92)	(152)
Depreciation on tangible assets	19,544	23,646
(Increase)/decrease in debtors	(72,511)	81,563
Increase/(decrease) in creditors	(15,178)	45,570
Net cash flow from operating activities	<u>503,317</u>	<u>211,803</u>

26. Analysis of changes in net debt

	At 1 April		At 31 March
	2021	Cash flows	2022
	£	£	£
Long term borrowings	(468,103)	23,700	(444,403)
Short term borrowings	(22,574)	(1,127)	(23,701)
Total Liabilities	<u>(490,677)</u>	<u>22,573</u>	<u>(468,104)</u>
Cash and cash equivalents	<u>708,667</u>	<u>480,836</u>	<u>1,189,503</u>
	<u>217,990</u>	<u>503,409</u>	<u>721,399</u>