

REGISTERED COMPANY NUMBER: 05517228 (England and Wales)
REGISTERED CHARITY NUMBER: 1111564

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
CITIZENS ADVICE HAVANT**



CITIZENS ADVICE HAVANT

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FOR THE YEAR ENDED 31 MARCH 2023**

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CITIZENS ADVICE HAVANT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

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

OBJECTIVES AND ACTIVITIES

Public benefit

In setting out our objectives and planning our activities, the directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on fee charging.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated under the Companies Act 1985 on 25 July 2005, as a company limited by guarantee (company number 5517228) and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Trustee Board

The members of the Charity for 2022/23 are listed in reference and administrative details on page 2.

Recruitment and Appointment of Directors

Directors of the company, who are also trustees, are recruited openly by advertising and interview from the local community. The directors oversee the election process for new board members. A separate process agreed by the board is followed for the election of the chair. No other persons or bodies external to the charity were entitled to appoint persons to the board.

Organisational Structure

Citizens Advice Havant (CAH) is governed by its directors who are responsible for setting the strategic direction of the organisation and the policy of the charity. The directors carry the ultimate responsibility for the conduct of CAH and for ensuring that the charity satisfies its legal and contractual obligations. The directors meet as a minimum quarterly and delegate the day-to-day operation of the organisation to senior management. The directors are independent from management. A register of members' interests is maintained at the registered office, and is available to the public.

Induction of Directors

Newly appointed directors are provided with an induction to CAH through the provision of a bespoke training programme.

Related Parties

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

The charity also co-operates and liaises with a number of other advisory services, local charities and social and public service departments on behalf of clients. Where one of the directors holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

CITIZENS ADVICE HAVANT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Major Risks

The assessment of risk is built into the planning and review process of the organisation. The directors recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks. To that end CAH is continually monitoring and managing its risk, reviewing the corporate risk register and ensuring action plans are in place to mitigate its key risks.

Insufficient funding is recognised as a major risk; active monitoring is in place to help manage the risks and the charity continues to seek to diversify its funding sources. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05517228 (England and Wales)

Registered Charity number
1111564

Registered office
First Floor
57 Meridian Shopping Centre
Havant
Hampshire
PO9 1UW

Trustees

Mrs I R Stratton
Mr R L Johns
Mr E P Woodhouse
Mr R C Sweatman
Mr D J Griffiths
Mrs T Stakes

Appointed 30th March 2022
Appointed 30th March 2022
Appointed 16th December 2022

Mr M Battersby
Mr G G Croft
Ms R V Poyntz
Mrs C L Morris
Mrs V J Halliday

Resigned 5th October 2022
Resigned 5th October 2022
Appointed 30th March 2022, resigned 16th December 2022
Co-opted 15th June 2022, resigned 5th October 2022
Appointed 16th December 2022, resigned 21st April 2023

Secretary

Mr J Stuart
Ms R V Poyntz

Resigned 4th May 2022, reappointed 16th December 2022
Appointed 4th May 2022, resigned 16th December 2022

Members

All Trustees as detailed above plus:
Mr L Hutchings

Independent Examiner

S Mackie FCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

CITIZENS ADVICE HAVANT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

BWB
2-6 Cannon Street
London
EC4M 6YH

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

OUR AIMS AND OBJECTIVES

Citizens Advice Havant (CAH) has twin aims:

- To provide the advice people need for the problems they face; and
- To improve the policies and practices that affect people's lives.

CAH provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. We value diversity, promote equality and challenge discrimination. The organisation operates generally as defined within the Havant Borough boundary.

We ensure aims and objectives are being met by preparing business plans and reviewing progress yearly. Included in our plan is a clients' need analysis, risk assessment and financial budgeting. A three year strategic business plan for 2022 to 2025 was approved in May 2022.

The principal activity is provided through the main advice centre at the Meridian Centre, supported by outreaches at Waterloooville library and Hayling Island Community Centre. In addition to generalist advice, casework on debts and benefits is offered. Advice services are provided through face-to-face consultations, phone advice lines, email and web chat.

Factors Affecting the Achievement of Objectives

Demand for services continues to increase, triggered from the economic down turn back in 2008/09 affecting personal/household finances and the resultant Government austerity measures, most notably the reforms to welfare benefits, all of which also impacts on housing and employment. Covid-19 heavily impacted our local community, our clients and our ability to deliver services through 2021/22 and into 2022/23. The cost of living crisis has dominated our client work in 2022/23.

Funding for services continues to be a major issue for CAH. Over the past ten years, core funding from Havant BC has reduced by around 40% in real terms as the local authority has struggled with its' own funding pressures. For a number of years, the organisation has wanted to provide more proactive work for clients on money advice and financial capability as well as casework. Our Work out Your Money (WOYM) money skills project commenced in 2014 with funding principally via the National Lottery Community Fund. Work is currently underway in 2022/23 on a further phase with a focus on the still unfolding cost of living crisis.

2022/23 Activity

CAH services supported 8,500 clients in 2022/23; an increase of 44% above the previous year. Clients averaged 1.7 major issues each; requiring 20,000 interactions. The main client issues were benefits (28%); debt (15%); utilities (14%), housing (11%), relationships (7%) and employment (5%). CAH clients and the local community gain an estimated £4.5M of benefit per annum using an HM Treasury approved modelling tool. The Covid-19 pandemic increased the impetus to steer our more personally capable clients to 'self-help' where possible utilising phone, web chat and email. Face to face help has continued to remain important for our less capable/more vulnerable clients, particularly with the impact of the cost of living crisis on local communities.

CITIZENS ADVICE HAVANT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

As the community moved out of Covid-19 lockdowns, a number of unanticipated factors, some from beyond the UK, have severely impacted our economy, with the cost of living rising dramatically and many people and families struggling with household costs such as energy, food and travel. The use of food banks and pantries is rapidly rising and a number of surveys are indicating worse is ahead. Hampshire CC has been issuing emergency support across the community via the Government's Housing Support Fund. There are a growing number of reports, including some covering the Hampshire area that indicate the link between debt and anxiety and the impact on health and wellbeing. This is on top of the already increased levels of social anxiety arising out of the pandemic. We are also encountering cases of people losing their jobs or substantial elements of their income and waiting until they've exhausted their savings before seeking help with applications for benefits. Given this backdrop, we CAH has needed to take a prominent position in proactive work to support individuals and families.

CAH, with help from Havant BC, arranged a seminar at the Plaza on 20 October 2022 focussed on the local impact of the cost of living crisis. Around 55 representatives from over 20 local organisations whose clients, service users, tenants, members have been impacted by the crisis. A range of CAH statistics were presented. A smaller follow-up workshop was held on 16 November 2022 at Leigh Park Baptist Church and this focussed on the potential for around a dozen organisations to develop partnering work. News updates have been circulated to a group of over 100 colleagues representing 40+ organisations involved in cost of living issues across Havant. This work is helping to maintain our position as the 'go to' charity in the area.

Contribution of Volunteers

The charity receives help and support in the form of voluntary assistance in advising the public and administering the charity. Approaching 60 volunteers contribute a large number of hours of work to the organisation during each week across a wide range of disciplines. Our volunteer numbers are growing as we undertake more recruitment and training. We estimate the value of this help, using ONS data, to be worth approaching £350,000 per annum in 2022/23.

Fundraising Activities

CAH operates with core funding from Havant BC plus a range of funded projects that wrap around our core advice services.

Havant BC provided a new SLA for the provision of advice services in April 2023, taking over from the previous commissioned contract. The SLA runs from April 2023 to March 2026 and include a valuable uplift in value along with future inflation-linking. We are grateful to Havant BC for their continued confidence in our ability to support the community.

CAH took over the Locally Trusted Organisation role from Havant BC for the Wecock Farm Big Local project in September 2020, this includes CAH managing their funding. Business plans and budgets were agreed and the final phase of this £1M Lottery funded project is now running, with a £0.5M major infrastructure project successfully completed in October 2021.

Our financial position worsened considerably during 2022/23. Funding continued as a critical area throughout the year as we sought unsuccessfully to add significant funds for to cover our WOYM project, additional casework and the running costs of the Meridian Centre. The late agreement of our new SLA for core funding contributed to the uncertainty. Our reserves from 2021/22 were utilised to cover the costs of largely maintaining our existing operations, with only small cost reductions delivered as we sought to keep the current high performing team and resources in place, positioned for the new project funding. As a consequence our reserves have been exhausted and our cash flow has also been affected by the delayed settlement of our uninsured losses claim for the remedial work on the Meridian Centre in 2021. Havant BC provided an advance of grant payment to cover this debt which has now been successfully settled. The national Citizens Advice body has also provided a loan to support our cash flow for the early part of 2023/24. The Board have put in place actions to monitor our financial position and to acquire new funding for 2023/24 and onwards.

FINANCIAL REVIEW

Investment Activities

The charity does not currently hold material investments.

CITIZENS ADVICE HAVANT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Financial Position

Incoming resources in the year were £308,916 (2021/22 £957,164). Of this £141,806 (2021/22 £766,713) related to restricted activities. Note that in 2021/22, £534,347 was exceptional income relating to the Wecock Farm Big Local project. Expenditure in the year totalled £442,059, £133,143 in excess of funding received; see commentary above. At 31 March 2023 total reserves were £39,610 (2021/22 £172,753) all of which represented unrestricted funds.

Reserves Policy

Citizens Advice Havant has a declared reserves policy; aiming to carry an operating reserve of £80,000, which equates to around two and a half months' operating expenses. At 31 March 2023, unrestricted reserves totalled £39,610 but need to cover depreciation for the outstanding £54,922 capitalised value of the Meridian Centre refurbishment, funded by external grants. Reserves backed by cash are therefore at a negative value of £13,624. The loss of reserves, as explained above, is a serious issues, causing a careful review of CAH as a going concern. Recovering the level of reserves is a critical priority being addressed in current and future plans.

Principal Funding Sources

The directors extend their gratitude to Havant BC who continued to support the core operating capacity of the charity. Additionally funding was received from the National Lottery Community Fund for the WOYM project, the Lottery Trust for the Wecock Farm Big Local project, plus funding from national Citizens Advice and Citizens Advice Hampshire, mainly for the Macmillan Support project.

Investment Policy

As required in its Articles of Association (paragraph 4.15), in furtherance of its objects, and for no other purposes, the Company has the power to invest or deposit funds in any lawful manner whilst having regard to the suitability of investments and the need for diversification.

FUTURE PLANS

Citizens Advice Havant has a number of key objectives and strategic aims over the next three years and these were outlined in the new strategic business plan for the period 2023 to 2026:

- Critical recovery of financial stability
- Delivering a service that is sustainable and meets the needs of the local community
- Improving the working environment and district wide communication
- Developing meaningful partnerships and increasing funding opportunities
- Raising the profile of CAH in the local community
- Investing in research and campaigning

CAH is facing a 'perfect storm' of client demand as the cost of living crisis deepens. It is clearly a national problem as Citizens Advice are regularly demonstrating in their cost of living national data dashboard. However, it is also clear that the more socially deprived communities are suffering disproportionately and locally we are seeing families on benefits or on lower pay falling steadily into negative budget positions. As soon as a family is in this position their finances risk going into freefall with risks to loss of home, family breakdowns and health and wellbeing issues. We have particular concerns that even though the Government's household energy subsidies continue for a few more months and then lower summer bills follow, we face a rising debt crisis on council tax, rent, utilities and credit cards, due to negative budgets and income inadequacy; both low wages and benefits. Alongside the debt crisis we are experiencing a combination of high price inflation, currently around 10% and rising interest rates; the base rate is now up to 6%. This is widely expected to cause both a rent crisis and a mortgage rate crisis, pulling many more 'just about managing' households into needing our help. There are also fundamental problems with the rented sector and poor standards of energy efficiency, with a third of energy believed to be wasted due to inefficiencies of heating systems and insulation. This cost continues to fall on tenants with hard to manage energy bills and poor living conditions affecting health and wellbeing. There need to be incentives on landlords to improve energy efficiency.

CAH has committed extensive efforts over the past year to distribute Hampshire CC Housing Support Fund energy grants to our clients in need, but this is creating a dependency and is a 'sticking plaster' to underlying problems with household budgets and the need for improved money skills. We are hoping to secure a third phase to our Work out your money project; established in 2014 as a bespoke and proactive local initiative.

CITIZENS ADVICE HAVANT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Being able to manage a budget, shop wisely, eat healthily, borrow safely and build a savings buffer are essential life skills crucial for mental health, without which our community will lack the foundations to achieve their aspirations. Our project team can, subject to funding being replenished hopefully later this year, increase our range of services including one-to-one light touch support, workshops and advice casework to our local community.

CAH is readying itself to support our community more than ever before. We need to offer accessible services using multiple channels. We have invested in a new well located advice centre and we have growing phone, online and video conferencing capabilities. Our organisation structure has a volunteer workforce delivering frontline core advice services with an employed support infrastructure covering professional management and quality assurance. Casework is needed to assist some clients with holistic support for multiple issues as well as a wider need and financial capability, Acquiring more funded projects to wrap around our core services during 2023/24 will be vital.

Approved by order of the board of trustees on 8th November 2023 and signed on its behalf by:


.....
Mr R C Sweatman – Chair of Trustees

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CITIZENS ADVICE HAVANT**

Independent examiner's report to the trustees of Citizens Advice Havant ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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



S Mackie FCA

Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 14/11/23

CITIZENS ADVICE HAVANT

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

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	3,607	23,004	26,611	3,520
Charitable activities	4				
Counselling and advice services		163,186	118,802	281,988	953,621
Investment income	3	<u>317</u>	<u>-</u>	<u>317</u>	<u>23</u>
Total		<u>167,110</u>	<u>141,806</u>	<u>308,916</u>	<u>957,164</u>
 EXPENDITURE ON					
Raising funds	5	-	-	-	1,945
Charitable activities	6				
Counselling and advice services		<u>295,438</u>	<u>146,621</u>	<u>442,059</u>	<u>946,645</u>
Total		<u>295,438</u>	<u>146,621</u>	<u>442,059</u>	<u>948,590</u>
 NET INCOME/(EXPENDITURE)					
Transfers between funds	19	(128,328) <u>(3,975)</u>	(4,815) <u>3,975</u>	(133,143) <u>-</u>	8,574 <u>-</u>
Net movement in funds		(132,303)	(840)	(133,143)	8,574
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>171,913</u>	<u>840</u>	<u>172,753</u>	<u>164,179</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>39,610</u></u>	<u><u>-</u></u>	<u><u>39,610</u></u>	<u><u>172,753</u></u>

The notes form part of these financial statements

CITIZENS ADVICE HAVANT

**BALANCE SHEET
31 MARCH 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	54,922	83,444
CURRENT ASSETS			
Debtors	14	63,058	90,587
Cash at bank and in hand		<u>62,627</u>	<u>115,410</u>
		125,685	205,997
CREDITORS			
Amounts falling due within one year	15	(105,997)	(116,688)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>19,688</u>	<u>89,309</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		74,610	172,753
CREDITORS			
Amounts falling due after more than one year	16	(35,000)	-
		<u> </u>	<u> </u>
NET ASSETS		<u>39,610</u>	<u>172,753</u>
FUNDS	19		
Unrestricted funds		39,610	171,913
Restricted funds		<u>-</u>	<u>840</u>
TOTAL FUNDS		<u>39,610</u>	<u>172,753</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

CITIZENS ADVICE HAVANT

**BALANCE SHEET - continued
31 MARCH 2023**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 8th November 2023 and were signed on its behalf by:



.....
Mr R C Sweatman – Chair of Trustees

The notes form part of these financial statements

CITIZENS ADVICE HAVANT
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(88,100)</u>	<u>(5,882)</u>
Net cash used in operating activities		<u>(88,100)</u>	<u>(5,882)</u>
Cash flows from investing activities			
Interest received		<u>317</u>	<u>23</u>
Net cash provided by investing activities		<u>317</u>	<u>23</u>
Cash flows from financing activities			
New loans in year		<u>35,000</u>	<u>-</u>
Net cash provided by financing activities		<u>35,000</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(52,783)	(5,859)
Cash and cash equivalents at the beginning of the reporting period		<u>115,410</u>	<u>121,269</u>
Cash and cash equivalents at the end of the reporting period		<u><u>62,627</u></u>	<u><u>115,410</u></u>

The notes form part of these financial statements

CITIZENS ADVICE HAVANT

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(133,143)	8,574
Adjustments for:		
Depreciation charges	28,522	28,522
Interest received	(317)	(23)
Decrease/(increase) in debtors	27,529	(79,678)
(Decrease)/increase in creditors	<u>(10,691)</u>	<u>36,723</u>
Net cash used in operations	<u><u>(88,100)</u></u>	<u><u>(5,882)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>115,410</u>	<u>(52,783)</u>	<u>62,627</u>
	<u>115,410</u>	<u>(52,783)</u>	<u>62,627</u>
Debt			
Debts falling due after 1 year	<u>-</u>	<u>(35,000)</u>	<u>(35,000)</u>
	<u>-</u>	<u>(35,000)</u>	<u>(35,000)</u>
Total	<u><u>115,410</u></u>	<u><u>(87,783)</u></u>	<u><u>27,627</u></u>

The notes form part of these financial statements

CITIZENS ADVICE HAVANT

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. In reaching this conclusion the trustees have reviewed grants receivable and contract funding that is both confirmed or probable and it is expected that a potential shortfall in funding for the following year will be covered from funding bids not yet confirmed, extensions of existing contracts or from savings to be identified.

Income

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

Expenditure

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

All assets purchased that cost £500 or more are capitalised.

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

CITIZENS ADVICE HAVANT

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these instruments is detailed below.

Debtors and cash at bank

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. Cash at bank and in hand included cash held on deposit or in a current account.

Creditors and provisions

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

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	<u>26,611</u>	<u>3,520</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>317</u>	<u>23</u>

All investment income is derived from assets held in the United Kingdom.

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Grants	Counselling and advice services	<u>281,988</u>	<u>953,621</u>
		2023	2022
		£	£
Havant Borough Council		117,000	169,000
Citizens Advice - National & Hampshire		80,917	166,277
Big Local Trust		78,697	576,347
WOYM small grants		2,374	1,997
Hampshire County Council		3,000	40,000
		<u>281,988</u>	<u>953,621</u>

CITIZENS ADVICE HAVANT

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

5. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Staff costs	<u>-</u>	<u>1,945</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Counselling and advice services	<u>230,234</u>	<u>211,825</u>	<u>442,059</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	175,725	222,296
Project costs	<u>54,509</u>	<u>502,005</u>
	<u>230,234</u>	<u>724,301</u>

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Counselling and advice services	<u>204,974</u>	<u>6,851</u>	<u>211,825</u>

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

	2023 Counselling and advice services £	2022 Total activities £
Wages	53,611	57,069
Rent and service charges	40,638	34,633
Energy	18,463	17,131
Insurance	4,857	6,885
Telephone	6,456	7,693
Postage and stationery	2,279	2,879
Marketing	1,394	3,719
Sundries	3,401	1,805
Travel expenses	8,814	2,368
Office equipment	1,604	7,650
Books and subscriptions	5,808	4,213
Cleaning	7,316	2,131
Legal and professional	209	48
Bookkeeping (mainly Wecock Farm project)	<u>7,512</u>	<u>6,992</u>
Carried forward	162,362	155,216

CITIZENS ADVICE HAVANT

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

8. SUPPORT COSTS - continued

	2023 Counselling and advice services £	2022 Total activities £
Brought forward	162,362	155,216
Computer costs	3,859	10,469
Repairs and maintenance	347	9,138
Training costs	737	2,655
Licence fees	4,786	5,052
Hire of equipment	4,294	5,086
Bank charges	67	96
Depreciation of tangible assets	<u>28,522</u>	<u>28,522</u>
	<u>204,974</u>	<u>216,234</u>

Governance costs

	2023 Counselling and advice services £	2022 Total activities £
Wages	4,551	3,890
Independent Examiner's fee	<u>2,300</u>	<u>2,220</u>
	<u>6,851</u>	<u>6,110</u>

9. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Depreciation - owned assets	28,522	28,522
Other operating leases re office equipment	<u>40,638</u>	<u>34,633</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

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

CITIZENS ADVICE HAVANT

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

11. STAFF COSTS

The key management personnel of the charity comprise the trustees, the Chief Executive and Service Manager. The total employment benefits of the key management personnel were £53,695 (2022: £49,766).

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

	2023	2022
Charitable staff (FTE in brackets)	<u>15(10)</u>	<u>18 (12)</u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,020	500	3,520
Charitable activities			
Counselling and advice services	187,408	766,213	953,621
Investment income	<u>23</u>	<u>-</u>	<u>23</u>
Total	<u>190,451</u>	<u>766,713</u>	<u>957,164</u>
EXPENDITURE ON			
Raising funds	1,945	-	1,945
Charitable activities			
Counselling and advice services	<u>259,692</u>	<u>686,953</u>	<u>946,645</u>
Total	<u>261,637</u>	<u>686,953</u>	<u>948,590</u>
NET INCOME/(EXPENDITURE)	(71,186)	79,760	8,574
Transfers between funds	<u>79,760</u>	<u>(79,760)</u>	<u>-</u>
Net movement in funds	8,574	-	8,574
RECONCILIATION OF FUNDS			
Total funds brought forward	163,339	840	164,179
TOTAL FUNDS CARRIED FORWARD	<u>171,913</u>	<u>840</u>	<u>172,753</u>

CITIZENS ADVICE HAVANT

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

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022 and 31 March 2023	<u>111,525</u>	<u>7,625</u>	<u>119,150</u>
DEPRECIATION			
At 1 April 2022	31,675	4,031	35,706
Charge for year	<u>26,616</u>	<u>1,906</u>	<u>28,522</u>
At 31 March 2023	<u>58,291</u>	<u>5,937</u>	<u>64,228</u>
NET BOOK VALUE			
At 31 March 2023	<u>53,234</u>	<u>1,688</u>	<u>54,922</u>
At 31 March 2022	<u>79,850</u>	<u>3,594</u>	<u>83,444</u>

Increased depreciation relates to the Meridian Centre.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	48,519	52,914
Prepayments	2,091	1,798
Accrued income	<u>12,448</u>	<u>35,875</u>
	<u>63,058</u>	<u>90,587</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Social security and other taxes	4,739	4,418
Other creditors	46,877	82,170
Deferred income (see below)	51,000	21,000
Accrued expenses	<u>3,381</u>	<u>9,100</u>
	<u>105,997</u>	<u>116,688</u>

DEFERRED INCOME

	2023 £	2022 £
Brought forward	21,000	22,997
Amount released to incoming resources	(21,000)	(1,997)
Amount deferred in year	<u>51,000</u>	<u>-</u>
Carried forward	<u>51,000</u>	<u>21,000</u>

CITIZENS ADVICE HAVANT

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

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
CitA loan (see note 17)	<u>35,000</u>	<u>-</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling between one and two years:		
CitA loan	<u>35,000</u>	<u>-</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Fixed assets	54,922	-	54,922	83,444
Current assets	102,656	23,029	125,685	205,997
Current liabilities	(82,968)	(23,029)	(105,997)	(116,688)
Long term liabilities	<u>(35,000)</u>	<u>-</u>	<u>(35,000)</u>	<u>-</u>
	<u>39,610</u>	<u>-</u>	<u>39,610</u>	<u>172,753</u>

19. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	91,064	(100,712)	(3,975)	(13,624)
Palmer Donation	1,000	(1,000)	-	-
Meridian Centre set up	<u>79,849</u>	<u>(26,616)</u>	<u>-</u>	<u>53,233</u>
	171,913	(128,328)	(3,975)	39,610
Restricted funds				
Kiosk	840	(840)	-	-
Macmillan	-	(1,450)	1,450	-
Wecock Farm Big local	<u>-</u>	<u>(2,525)</u>	<u>2,525</u>	<u>-</u>
	<u>840</u>	<u>(4,814)</u>	<u>3,975</u>	<u>-</u>
TOTAL FUNDS	<u>172,753</u>	<u>(133,143)</u>	<u>-</u>	<u>39,610</u>

CITIZENS ADVICE HAVANT

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

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	167,110	(267,822)	(100,713)
Palmer Donation	-	(1,000)	(1,000)
Meridian Centre set up	-	(26,616)	(26,616)
	<u>167,110</u>	<u>(295,438)</u>	<u>(128,329)</u>
Restricted funds			
Kiosk	-	(840)	(840)
Macmillan	33,460	(34,908)	(1,450)
Work Out Your Money	25,375	(25,375)	-
MaPs Debt	1,274	(1,274)	-
Wecock Farm Big local	78,699	(81,224)	(2,525)
Hampshire County Council Project	3,000	(3,000)	-
	<u>141,806</u>	<u>(146,621)</u>	<u>(4,814)</u>
TOTAL FUNDS	<u>308,916</u>	<u>(442,059)</u>	<u>(133,143)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	67,339	(39,377)	63,102	91,064
Palmer Donation	1,000	-	-	1,000
Meridian Centre set up	<u>95,000</u>	<u>(31,809)</u>	<u>16,658</u>	<u>79,849</u>
	163,339	(71,186)	79,760	171,913
Restricted funds				
Kiosk	840	-	-	840
Macmillan	-	1,934	(1,934)	-
Work Out Your Money	-	2,586	(2,586)	-
Help to Claim	-	20,982	(20,982)	-
MaPs Debt	-	(1,693)	1,693	-
Wecock Farm Big local	-	20,951	(20,951)	-
Hampshire County Council Project	-	35,000	(35,000)	-
	<u>840</u>	<u>79,760</u>	<u>(79,760)</u>	<u>840</u>
TOTAL FUNDS	<u>164,179</u>	<u>8,574</u>	<u>-</u>	<u>172,753</u>

CITIZENS ADVICE HAVANT

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	190,451	(229,828)	(39,377)
Meridian Centre set up	-	(31,809)	(31,809)
	190,451	(261,637)	(71,186)
Restricted funds			
Macmillan	32,888	(30,954)	1,934
Work Out Your Money	44,497	(41,911)	2,586
Help to Claim	82,535	(61,553)	20,982
MaPs Debt	32,446	(34,139)	(1,693)
Wecock Farm Big Local	534,347	(513,396)	20,951
Hampshire County Council Project	40,000	(5,000)	35,000
	766,713	(686,953)	79,760
TOTAL FUNDS	<u>957,164</u>	<u>(948,590)</u>	<u>8,574</u>

Kiosk Project - promoting the use of self-service touch screen technology, the kiosk was located at Havant Plaza, but facilities have now transferee to the Meridian Centre.

Macmillan Project - Citizens Advice Hampshire in partnership with Macmillan Cancer Support, offering holistic advice to those affected by cancer or nominated by participating hospices.

Work Out Your Money Project - funded principally by The National Lottery Community Fund, plus other smaller fundraising/grants, offering money skills for the local community.

Help to Claim Project - a national Citizens Advice project with funding from the DWP that targeted support to new Universal Credit claimants.

MaPS Debt Project – a national Citizens Advice project with funding from the Money and Pensions Service/DWP for a trainee debt advisor.

Wecock Farm Big Local Project - a Local Trust funded project with CAH being the nominated locally trusted organisation (LTO) to support the Board drawn from the local community. An income fee of 5% is receivable for CAH administration costs.

Meridian Centre set up - a designated fund for the costs incurred relating to the set-up of CAH's office in the Meridian Centre, Havant. The fund will be used in the coming years to show the gradual depreciation of the capitalised elements of these costs.

Transfers between funds

The transfers from restricted to unrestricted funds relate to funds on which restrictions have been satisfied and therefore are no longer considered to be restricted funds. The transfers from unrestricted funds to restricted funds represent a shortfall on restricted funds covered by unrestricted monies.

CITIZENS ADVICE HAVANT

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

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

21. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.

22. MEMBERS' LIABILITY

The company is limited by guarantee. On dissolution of the company, each member is liable to pay up to £1.