

Charity registration number 1039776

Company registration number 2946921 (England and Wales)

CITIZENS ADVICE PORTSMOUTH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CITIZENS ADVICE PORTSMOUTH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Nienaltowski L Burton A Cullen R Emmerson K Richardson R Townsend M Wade S Dhana T Little A Gilbert P Brook E Drum	(Appointed 12 April 2022)
Secretary	K Richardson	
Charity number	1039776	
Company number	2946921	
Registered office	Units 2-3 Ark Royal House Winston Churchill Avenue Portsmouth Hampshire PO1 2GF	
Auditor	Jones Avens Limited Piper House 4 Dukes Court Bognor Road Chichester West Sussex PO19 8FX	
Bankers	National Westminster Bank Plc First floor Bay House North Harbour Business Park Portsmouth Hants PO6 4RS	
Solicitors	Bates Wells & Braithwaite Cheapside House 138 Cheapside London EC2V 6BB	

CITIZENS ADVICE PORTSMOUTH

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CITIZENS ADVICE PORTSMOUTH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 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)" (effective 1 January 2019).

Objectives and activities

The Charity's objects are to promote any charitable purpose for the public benefit by the advancement and provision of free (in most cases), independent, confidential and impartial information and advice, to people on their rights and responsibilities which enable the public to have the knowledge and confidence they need to find a way forward whoever they are and whatever their problem may be. Our service is designed to work for a range of needs, including those with the most complex problems to those that are small, but equally important to that individual. We do so for the benefit of the community of Portsmouth and the surrounding area, recognising that diversity, equality and inclusion are at the core of our objectives is promoted.

All members of Citizens Advice network share the same aims:

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

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

Contribution of Volunteers

We receive help and support in the form of volunteers who provide advice, information and guidance to clients, but also contribute to various other aspects of administering the charity. In 2022/23 CAP benefited from contribution of 62 volunteers across our services, representing a value of volunteering hours 224 on average equalling £203,650. Our continual investment in volunteer development ensures our clients receive quality advice and support. It also has tangible benefits for volunteers and wider society, through happier, healthier and more productive citizens. This is an additional benefit to society, through the way Citizens Advice delivers its service. The main financial arguments cover the public value created through enabling local network volunteers to:

- Move into work through the experience and confidence gained during their time at a local Citizens Advice.
- Develop skills that can lead to better salaries and employment prospects.
- Better manage mental health conditions, such as depression.
- Improve self-esteem, reduce isolation and increased ability to get on.
- Improve community relationships, through increased community trust and promote a sense of belonging by working with local people.

Achievements and performance

In 2022/23, we aided 13,223 clients, addressing a total of 55,848 advice issues. Our efforts yielded impressive outcomes for our clients, including:

- Securing £4.1 million in financial gains through welfare benefits and debt write-offs.
- Assisting clients in recovering £112,407 in backdated/appealed benefits, with an average benefit of £6,886 per client.
- Enhancing the health and capacity to manage for 5,570 clients, resulting in a total benefit of £633,225, averaging £114 per client.
- Generating over £2 million in additional income for clients through increased benefits and tax credits, with an average gain of £4,979 per client.
- Providing clients with fuel vouchers totalling £2,718, averaging £42 per client.
- Supporting clients who were not liable for debt, totalling £49,596, with an average resolution of £2,610 per client.

CITIZENS ADVICE PORTSMOUTH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

We supported individuals and families at greatest risk of crisis.

- 1,103 of clients were able to access our services via our website contact form.
- 3,101 had a disability and/or long-term health condition.
- 31% of clients with mental health problems asked for help with energy issues.
- 37% of clients were able to access our services via telephone.

Our assistance has also played a significant role in alleviating loneliness and reducing isolation. Our evidence indicates that every interaction with us contributes to an improvement in the well-being of our clients.

In conclusion, we take great pride in sharing that during the 2022/23 period, an impressive 95% of our customers rated our overall support as either good or excellent.

Factors Affecting the Achievement of Objectives

In 2022/23, Portsmouth City Council retendered for the City's advice service and despite scoring an impressive 92.4% for our submission, we were unsuccessful. So, we continue to face the challenge of having no funding for our core work. It's worth noting that we are one of very few Citizens Advice centres across the country that do not receive financial support for offering generalist advice. Despite this financial constraint, the residents of Portsmouth still choose to seek assistance from Citizens Advice Portsmouth. They recognise our organisation as a trusted expert in the field, and we are the only quality-marked generalist advice service available in the city.

Our commitment to not turning away individuals in need is paramount. It is our duty to ensure that they do not experience any detriment. Moreover, we must also consider the potential harm to our excellent reputation if we were to turn people away. Therefore, we persist in providing an unfunded generalist advice service, relying on the dedication and support of our volunteers.

Throughout the year 2022/23, we take pride in having provided essential support to address more than 50% of the city's advice needs through our unfunded service. However, we acknowledge that our dedication and commitment to those seeking our assistance unintentionally contributes to the incumbent provider's ability to deliver their funded service. This, in turn, affects our capacity to secure funding for our own services.

Our remarkable accomplishments can be attributed to the outstanding leadership team we have in place and the unwavering commitment and expertise of our team members. They wholeheartedly align with the organisation's objectives and work tirelessly to achieve them.

Financial review

Financial Position

The trustees report incoming resources for the year of £1,259,428 (2022: £876,072). Of this £1,192,941 (2022: £865,869) related to project restricted activities. The charity does not carry out any significant public fundraising activities.

Net outgoing resources in the year amounted to £14,195 (2022 net expenditure of £96,410). At 31 March 2023 reserves were £346,581 of which £69,236 represented restricted funds.

Reserves Policy

It is the policy of the charity that unrestricted funds which are not represented by fixed assets or have not been designated for specific use should be maintained at a level equivalent to between 3-6 months expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. These reserves at 31 March 2023 stood at £346,581, which is comfortably within this range.

Plans for future periods

Our focus as we move into 2023/24 will be to increase the diversity of our funding streams. With a particularly focus on increasing our unrestricted funding streams through exploring fundraising and the initial development of a second social enterprise.

CITIZENS ADVICE PORTSMOUTH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

The charity is a company limited by guarantee and was formed on 8 July 1994. It is governed by its Memorandum and Articles of Association as amended on 5 November 2002, and 4 November 2011. The name of the charity was formally changed from Portsmouth Citizen's Advice Bureau to Citizens Advice Portsmouth on 19 December 2017 to reflect the name that the charity is usually known by.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S Nienaltowski	
L Burton	
A Cullen	
R Eade	(Resigned 1 July 2023)
R Emmerson	
K Richardson	
A Stevens	(Resigned 10 October 2022)
R Townsend	
T Watmough	(Resigned 18 September 2023)
M Wade	
S Dhana	
T Little	
A Gilbert	
P Brook	(Appointed 12 April 2022)
E Drum	

Trustees are elected from the membership of the charity. Members wishing to stand as Trustees are nominated by an existing Trustee and names are put forward at the Annual General Meeting for election. The maximum number of Trustees shall be 15 and the minimum shall be 3, being either:

a) elected at the Annual General Meeting (there being no more than ten such elected Trustees in total) and who shall hold office from the conclusion of that meeting;

Or

b) Co-opted by the Trustee Board

Newly appointed Trustees are provided with a comprehensive induction to the charity through the provision of training courses and mentoring by established Trustees.

Membership

In addition to Trustees, the Charity may admit into membership:

- a) individuals (over the age of 18 years) who are interested in furthering the work of the Charity and who are not paid or volunteer workers of the Charity; and
- b) any body corporate or unincorporated association which is interested in furthering the Charity's work and is admitted to membership by the Trustees (any such body being called a "member organisation").

The Trustee Board may establish criteria for membership and make regulations governing the admission of members.

Organisation Structure

Overall control of the charity rests with the Trustee board, with a chairperson, treasurer and company secretary as officers. Trustees meet as a minimum 4 times a year (quarterly) but review and meet as required with additional meetings organised in accordance with the company articles. The Trustees delegate day-to-day organisational management to the Chief Officer. The Trustee Board is independent from management. A register of members' interests is maintained at the registered office and is available to the public.

CITIZENS ADVICE PORTSMOUTH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Related Parties

Citizens Advice Portsmouth is an independent charity that is a member of Citizens Advice (trading name of the National Association of Citizens Advice), 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 Trustee Board of Citizens Advice Portsmouth in order to fulfil its charitable objects and comply with the national membership requirements.

The Charity operates from its head office at Ark Royal House.

Major Risks

The trustees have developed a framework with defined risk appetites aligned to the Charity Commissions 'Charities and risk management' guidance.

The primary risk remains in relation to Department for Work and Pensions (DWP) services (Help to Claim and Money Advice) which remains a risk in part due to societal changes and increasing demands on service delivery. Mitigation plans remain in place and are regularly reviewed; including the continuing move toward diversification of services.

Citizens Advice Portsmouth are responding to the risks associated with societal challenges and increasing needs, most notably in respect to debt and mental health concerns through direct advice and collaboration with partners across the city.

Statement of trustees' responsibilities

The trustees, who are also the directors of Citizens Advice Portsmouth for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

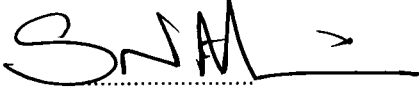
Auditor

In accordance with the company's articles, a resolution proposing that Jones Avens Limited be reappointed as auditor of the company will be put at a General Meeting.

CITIZENS ADVICE PORTSMOUTH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The trustees' report was approved by the Board of Trustees.



S Nienaltowski
Trustee

Date: 7/12/23

CITIZENS ADVICE PORTSMOUTH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CITIZENS ADVICE PORTSMOUTH

Opinion

We have audited the financial statements of Citizens Advice Portsmouth (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

CITIZENS ADVICE PORTSMOUTH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CITIZENS ADVICE PORTSMOUTH

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Identification and assessment of irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We designed procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures were capable of detecting irregularities, including fraud is detailed below:

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including The Charities Act 2011;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
 - the risks of fraud;
 - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

CITIZENS ADVICE PORTSMOUTH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CITIZENS ADVICE PORTSMOUTH

Audit response to risks of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.

Conclusions regarding the risk of irregularities including fraud

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and

the absence of contradictory evidence.

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 auditor's report.

Use of our report

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

CITIZENS ADVICE PORTSMOUTH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CITIZENS ADVICE PORTSMOUTH

Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited

11/12/2023

Chartered Accountants
Statutory Auditor



Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

Jones Avens Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CITIZENS ADVICE PORTSMOUTH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	12,104	5,000	17,104	9,262	-	9,262
Charitable activities	4	46,430	1,187,941	1,234,371	(1,639)	865,869	864,230
Investments	5	1,885	-	1,885	2,580	-	2,580
Other income	6	6,068	-	6,068	-	-	-
Total income		66,487	1,192,941	1,259,428	10,203	865,869	876,072
<u>Expenditure on:</u>							
Charitable activities	7	61,797	1,211,826	1,273,623	8,534	963,948	972,482
Net incoming/(outgoing) resources before transfers		4,690	(18,885)	(14,195)	1,669	(98,079)	(96,410)
Gross transfers between funds		(11,344)	11,344	-	(61,553)	61,553	-
Net expenditure for the year/							
Net movement in funds		(6,654)	(7,541)	(14,195)	(59,884)	(36,526)	(96,410)
Fund balances at 1 April 2022		283,999	76,777	360,776	343,883	113,303	457,186
Fund balances at 31 March 2023		277,345	69,236	346,581	283,999	76,777	360,776

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

CITIZENS ADVICE PORTSMOUTH

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		10,604		-
Current assets					
Debtors	13	36,672		26,455	
Cash at bank and in hand		366,588		383,715	
		403,260		410,170	
Creditors: amounts falling due within one year	15	(67,283)		(43,394)	
Net current assets			335,977		366,776
Total assets less current liabilities			346,581		366,776
Creditors: amounts falling due after more than one year	16		-		(6,000)
Net assets			346,581		360,776
Income funds					
Restricted funds	17		69,236		76,777
Unrestricted funds			277,345		283,999
			346,581		360,776

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 7/12/23



S Nienaltowski
Trustee

Company registration number 2946921

CITIZENS ADVICE PORTSMOUTH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		2,815		(78,716)
Investing activities					
Purchase of tangible fixed assets		(15,827)		-	
Investment income received		1,885		2,580	
Net cash (used in)/generated from investing activities					
			(13,942)		2,580
Financing activities					
Repayment of borrowings		(6,000)		(6,000)	
Net cash used in financing activities					
			(6,000)		(6,000)
Net decrease in cash and cash equivalents					
			(17,127)		(82,136)
Cash and cash equivalents at beginning of year			383,715		465,851
Cash and cash equivalents at end of year			<u>366,588</u>		<u>383,715</u>

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Citizens Advice Portsmouth is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 2-3, Ark Royal House, Winston Churchill Avenue, Portsmouth, Hampshire, PO1 2GF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Gifts and services in kind are included at their estimated open market valuation.

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% Straight line
Computers	33% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

Key sources of estimation uncertainty

Useful life of tangible fixed assets

The useful lives of assets are determined by management at the time the asset is acquired and reviewed for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2023 £	2023 £	2023 £	2022 £
Donations and gifts	3,104	5,000	8,104	262
Donated goods and services	9,000	-	9,000	9,000
	<u>12,104</u>	<u>5,000</u>	<u>17,104</u>	<u>9,262</u>

Donated goods and services

Portsmouth City Council provides the premises at Portsmouth from which the charity operates at a reduced rent. The assistance for the year has been valued at £9,000 (2022: £9,000)

4 Charitable activities

	2023 £	2022 £
Provision of advisory services	1,231,049	864,230
Other income	3,322	-
	<u>1,234,371</u>	<u>864,230</u>
Analysis by fund		
Unrestricted funds	46,430	(1,639)
Restricted funds	1,187,941	865,869
	<u>1,234,371</u>	<u>864,230</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	1,885	2,580
	<u>1,885</u>	<u>2,580</u>

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Other income

	Unrestricted funds	Total
	2023 £	2022 £
Other income	6,068	-

7 Charitable activities

	2023 £	2022 £
Staff costs	1,109,555	772,299
Depreciation and impairment	5,223	-
Staff and volunteer costs	16,326	9,249
Premises costs	37,323	35,989
Disbursements	5,129	20,424
	<u>1,173,556</u>	<u>837,961</u>
Share of support costs (see note 8)	92,940	128,981
Share of governance costs (see note 8)	7,127	5,540
	<u>1,273,623</u>	<u>972,482</u>
Analysis by fund		
Unrestricted funds	61,797	8,534
Restricted funds	1,211,826	963,948
	<u>1,273,623</u>	<u>972,482</u>

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	-	-	-	66,149	3,482	69,631
Office costs	92,940	-	92,940	62,832	-	62,832
Audit fees	-	4,020	4,020	-	-	-
Accountancy	-	1,440	1,440	-	2,058	2,058
Legal and professional	-	1,667	1,667	-	-	-
	<u>92,940</u>	<u>7,127</u>	<u>100,067</u>	<u>128,981</u>	<u>5,540</u>	<u>134,521</u>
Analysed between						
Charitable activities	<u>92,940</u>	<u>7,127</u>	<u>100,067</u>	<u>128,981</u>	<u>5,540</u>	<u>134,521</u>

Governance costs includes payments to the auditors of £4,020 (2022- £nil) for audit fees and £2,058 for independent examination fees in 2022.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Average full time equivalent number of staff employed	<u>50</u>	<u>31</u>

Employment costs

	2023 £	2022 £
Wages and salaries	1,016,791	772,365
Social security costs	77,761	57,682
Other pension costs	15,003	11,883
	<u>1,109,555</u>	<u>841,930</u>

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

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

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2022	31,168	40,426	71,594
Additions	-	15,827	15,827
	<u>31,168</u>	<u>56,253</u>	<u>87,421</u>
At 31 March 2023	31,168	56,253	87,421
Depreciation and impairment			
At 1 April 2022	31,168	40,426	71,594
Depreciation charged in the year	-	5,223	5,223
	<u>31,168</u>	<u>45,649</u>	<u>76,817</u>
At 31 March 2023	31,168	45,649	76,817
Carrying amount			
At 31 March 2023	<u>-</u>	<u>10,604</u>	<u>10,604</u>

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	32,859	26,386
Prepayments and accrued income	3,813	69
	<u>36,672</u>	<u>26,455</u>

14 Loans and overdrafts

	2023 £	2022 £
Other loans	6,000	12,000
	<u>6,000</u>	<u>6,000</u>
Payable within one year	6,000	6,000
Payable after one year	-	6,000
	<u>6,000</u>	<u>6,000</u>

In April 2013, the Bureau received a loan from Portsmouth City Council to finance the exit charge from the Local Government Pension Scheme. The loan is secured by a floating charge over the assets of the Bureau.

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Borrowings	6,000	6,000
Other taxation and social security	19,798	15,488
Trade creditors	2,190	17,021
Other creditors	3,666	2,725
Accruals and deferred income	35,629	2,160
	<u>67,283</u>	<u>43,394</u>

16 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Borrowings	-	6,000
	<u>-</u>	<u>6,000</u>

CITIZENS ADVICE PORTSMOUTH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021		Movement in funds		Balance at 1 April 2022		Movement in funds		Balance at 31 March 2023	
	£	£	Incoming resources	Resources expended	Transfers	£	Incoming resources	Resources expended	Transfers	£
Access to Justice	18,529	-	-	(18,529)	-	-	19,672	(8,755)	-	10,917
Forces for Families	(1,699)	30,645	30,645	(20,760)	-	8,186	3,745	(11,931)	-	-
Translation	-	6,000	6,000	(593)	-	5,407	-	(200)	-	5,207
EAP	(1,246)	5,970	5,970	(5,325)	601	-	-	-	-	-
Equipment Replacement	-	9,750	9,750	(9,750)	-	-	-	-	-	-
Fuel Bank Foundation	(772)	-	-	-	772	-	-	-	-	-
HIVE	(1,460)	3,000	3,000	(1,016)	-	524	1,000	(2,321)	797	-
HIWCF	2,720	-	-	(404)	-	2,316	10,050	(5,609)	(2,316)	4,441
Home and Well	(720)	50,256	50,256	(57,542)	8,006	-	56,000	(58,841)	2,841	-
Immigration	18,317	20,018	20,018	(55,408)	17,073	-	35,965	(50,427)	14,462	-
Innovation Community	13,752	-	-	(13,752)	-	-	-	-	-	-
Kick Start	-	20,254	20,254	(32,650)	12,396	-	-	-	-	-
Legal Aid	-	-	-	(3,025)	3,025	-	-	-	-	-
Macmillan Hampshire	(5,218)	65,461	65,461	(77,662)	17,419	-	67,597	(69,610)	2,013	-
MaPS	45,601	477,430	477,430	(478,911)	-	44,120	444,539	(488,905)	246	-
Mental Health ASK	6,500	-	-	(5,553)	-	947	-	-	(947)	-
NHS Portsmouth CCG	864	17,880	17,880	(18,156)	-	-	19,055	(19,383)	328	-
P&W Trust	(929)	-	-	-	929	588	-	-	-	-
PBSA	(1,304)	-	-	-	1,304	-	-	-	-	-
PCC	(32)	-	-	-	32	-	36,500	(27,348)	-	-
Remote Working Equipment	1,989	-	-	(1,985)	(4)	-	-	-	-	-
Suicide Prevention	-	10,000	10,000	(3,920)	-	6,080	-	-	(6,080)	-
U Benefit	3,656	-	-	(3,656)	-	-	-	-	-	-
Universal Credit	14,444	149,205	149,205	(155,040)	-	8,609	483,817	(468,495)	-	23,931

CITIZENS ADVICE PORTSMOUTH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds	(Continued)			
VIVID	311	-	(311)	-
Cost of Living	-	-	-	15,000
	113,303	706,664	(799,036)	61,557
	113,303	706,664	(799,036)	61,557
			76,777	1,192,940
			76,777	(1,211,825)
				11,344
				69,236

Access to Justice was received from the Community Justice Fund to improve access to advice particularly in relation to Welfare Benefits and Employment specialist advice services.

Funds are received from Citizens Advice Hampshire for the delivery of dedicated information, advice and support to members of the Armed Forces Community.

The Social Development Fund was received from the HIVE for the provision of small grants to clients in need.

Home & Well was received from Citizens Advice Hampshire to provide an advisor for a Hampshire-wide service that aims to address the impact of cold homes, reduce water usage and bills.

Funds were received from the Red Cross to fund our specialist immigration advice service.

Funds were received from Citizens Advice Hampshire in partnership with Macmillan Cancer Support to provide a specialist service for people affected by cancer, their families and carers, living in Hampshire. Users benefit from access to the full range of CAP advice.

MaPS funding was received from Citizens Advice Hampshire to support the provision of money advice services to the public. This consisted of face-to-face, web and telephone sessions.

Mental Health Ask was received from the National Lottery Community Fund to run a pilot project on mitigating the links between mental health and debt.

CITIZENS ADVICE PORTSMOUTH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

(Continued)

NHS Portsmouth CCG funds were used to cover the cost of a project worker, offering home visits for debt and generalist advice to families with children undergoing palliative care.

Portsmouth City Council provided funds to assist people in Portsmouth at risk of financial hardship who would benefit from money advice. Further funds were provided to deliver a targeted numeracy provision to adults aged 19 and above.

Southampton City Council provided a Suicide Prevention Service to the public.

Funds were received from Citizens Advice for the delivery of money advice and Universal Credit advice services.

Funds were received from Citizens Advice to enable local offices to support or increase direct service delivery capacity, to help our clients through the cost of living crisis.

CITIZENS ADVICE PORTSMOUTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	10,604	-	10,604	-	-
Current assets/(liabilities)	266,741	69,236	335,977	366,776	366,776
Long term liabilities	-	-	-	(6,000)	(6,000)
	<u>277,345</u>	<u>69,236</u>	<u>346,581</u>	<u>360,776</u>	<u>360,776</u>

19 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

20 Cash generated from operations

	2023	2022
	£	£
Deficit for the year	(14,195)	(96,410)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,885)	(2,580)
Depreciation and impairment of tangible fixed assets	5,223	-
Movements in working capital:		
(Increase)/decrease in debtors	(10,217)	8,995
Increase in creditors	23,889	11,279
Cash generated from/(absorbed by) operations	<u>2,815</u>	<u>(78,716)</u>

21 Analysis of changes in net funds

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	383,715	(17,127)	366,588
Loans falling due within one year	(6,000)	-	(6,000)
Loans falling due after more than one year	(6,000)	6,000	-
	<u>371,715</u>	<u>(11,127)</u>	<u>360,588</u>