



Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN11 1ED
Tel +44 (0)1892 511944
Fax +44 (0)1892 515852
www.bakertilly.co.uk

The Directors
The National Association of Citizens Advice Bureaux
Myddelton House
115-123 Pentonville Road
London
N1 9LZ

5 December 2011

Dear Sirs

Statement of Circumstances of resignation – The National Association of Citizens Advice Bureaux – Company Number 1436945 (“The Association”)

In accordance with the requirements of section 519, Companies Act 2006, we hereby provide the Statement of Circumstances of our resignation as auditors of your company which we consider should be brought to the attention of members or creditors of the company:

1. As a result of the Association's continued refusal to adopt what we considered to be the correct accounting policy for recognising agreed payments to meet the Association's pensions deficit, the accounts from 2008 to 2011 have not given a true and fair view of the Association's affairs. Moreover, during the course of the 2011 audit, management indicated that, in future, it was neither prepared to amend this policy, nor to accept a qualified audit opinion.
2. In addition, during the course of our 2011 audit, management made a number of public statements relating to purported independent support for their stance. In our view these statements, certain of which did not withstand audit examination, may have misled those to whom they were addressed.

In our view, the matters referred to at paragraphs 1 and 2 above, when taken together, constitute unmanageable threats to our independence and/or indicate that the relationship between ourselves and management has irretrievably broken down. In the circumstances, we believe that we have no option but to resign as auditor of the Association with immediate effect

Yours faithfully


Baker Tilly UK Audit LLP

FRIDAY

