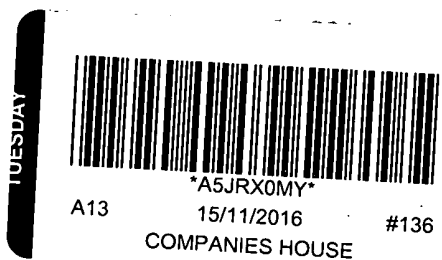


City of London Citizens Advice Bureau
(A Company Limited by Guarantee)

Financial Statements
For the year ended 31 March 2016



CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Registered Charity No. 1058484
Company No. 3258412

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1 OFFICERS AND PROFESSIONAL ADVISERS

Trustees	Role	Date appointed	Date resigned
Jonathan Tross	Chair	22 November 2012	
Belinda Leathes		22 November 2012	
Martin Mosley		22 November 2012	
Sue Thomas		22 November 2012	

Company Secretary: Sue Theodoreson from 5 December 2012

Company Number: 3258412

Charity Number: 1058484

Registered Office: 3rd Floor North,
200 Aldersgate Street
London EC1A 4HD

Bank: CAFbank Ltd

Solicitors: Bates, Wells & Braithwaite
2-6 Cannon Street
London EC4M 6YH

CITY OF LONDON CITIZENS ADVICE BUREAU
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Report of the Directors and Trustees

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

City of London Citizens Advice is a registered charity and a company limited by guarantee, governed by its Memorandum and Articles of Association. The maximum liability of each member is limited to £1. At 31 March 2016 the company had 4 members (2015 – 4).

City of London Citizens Advice Bureau was incorporated as a company limited by guarantee on 27 September 1996. The charity commenced operations on 27 September 1996 at which date the assets and liabilities of the unincorporated City of London Citizens Advice Bureau were acquired.

Recruitment, Appointment of Trustees

The Trustees are Directors of the Company. The main procedure for the appointment of the Trustees is described in the Memorandum and Articles of Association, as is the process for the election of the Chair.

Organisational Structure

City of London Citizens Advice Bureau is governed by its Trustee Board which is responsible for setting the strategic direction and policy of the charity. The Trustees carry the ultimate responsibility for the conduct of City of London Citizens Advice Bureau and for ensuring that the charity satisfies its legal and contractual obligations. Whilst the company is dormant the Trustees meet once a year and the Trustee Board is independent from management. A register of members' interests is maintained at the registered office, and is available to the public.

Related Parties

City of London Citizens Advice Bureau is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux.

CITY OF LONDON CITIZENS ADVICE BUREAU
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Major risks

The Trustees recognise that any major risks to which the charity is exposed need to be reviewed and systems put in place to mitigate those risks.

The major risk is uncertainty around deficit contributions relating to the pension scheme deficit, in the light of recent loss of funding. The effects of this have been minimised by having regular reviews of the pension scheme deficit, and liaison with the Principal Employer in the scheme and by the implementation of procedures for authorisation of all transactions.

3. OBJECTIVES AND ACTIVITIES

Objects

The charity's objects are to promote any charitable purpose for the benefit of the community in the City of London, by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

Aims, Objectives, Strategies and Activities for the Year

The principal activity of City of London Citizens Advice Bureau was the provision of free, confidential, independent and impartial advice, information and counsel for members of the public. The provision of advice services ceased on 31 March 2011, following the loss of its major source of funding in January 2011.

In light of the loss of core funding, the intention is to manage the pension deficit payments for the time being, until such time as it is possible to bid for new sources of funding.

Public Benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by the bureau during the year. The trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

4. ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

The charity is currently dormant, and is managing its assets to pay the liabilities arising from the pension scheme. There are not yet plans to start trading again.

Investment Activities

The charity does not currently hold material investments.

5. FINANCIAL REVIEW

Financial Position

The incoming resources in the year were £142 (2015 £130). Of this £ nil (2015 £nil) related to project restricted activities.

A deficit of £5,858 was made in the year (2015 deficit £5,870). At 31 March 2016 total unrestricted reserves were £87,843 (2015 £93,701).

Reserves Policy

City of London Citizens Advice Bureau is required to ensure that free monies are available in each financial year to meet any reasonable foreseeable contingency, and known liabilities. The reserves are now to be used to pay the deficit contributions to the NACAB Pension & Assurance Plan (1991) as outlined in note 10.

6. FUTURE PLANS

City of London Citizens Advice Bureau aims to continue to make the required payments to the pension scheme under the recovery plan agreed with the Pensions Regulator, as they fall due.

CITY OF LONDON CITIZENS ADVICE BUREAU

Report and Financial Statements for year ended 31 March 2016

7. DIRECTORS' RESPONSIBILITIES

Company Law and Charity Law require the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of City of London Citizens Advice Bureau and of the surplus or deficit for that period. In preparing those financial statements, the directors are required to:

- (a) select appropriate accounting policies and then apply them consistently
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards have been followed, and explain where they haven't been followed, and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of City of London Citizens Advice Bureau and to enable them to ensure that the financial statements comply with the Companies Acts 1985 to 2006.

The directors are responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorised use and to prevent and detect fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and reporting by Charities and in accordance and in accordance with the provisions applicable to companies subject to the small companies regime.

Signed



Jonathan Tross
Chair of Trustees

13 October 2016

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Statement of financial activities for the year ended 31 March 2016
Incorporating the Income and Expenditure Account

	Note	Unrestricted funds £	Total funds 2016 £	2015 £
Incoming Resources	1b			
Incoming resources from generated funds	2			
Investment income	2a	142	142	130
Incoming resources from charitable activities		-	-	-
Total Incoming Resources		<u>142</u>	<u>142</u>	<u>130</u>
Resources expended				
Governance costs	3	6,000	6,000	6,000
Total Resources expended	3	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>
Net movement in funds for the year		(5,858)	(5,858)	(5,870)
Balances brought forward 2015	7	93,701	93,701	99,571
Balances carried forward 2016	7	<u>87,843</u>	<u>87,843</u>	<u>93,701</u>

There are no recognised gains or losses in the year, other than those included in the statement of financial activities.

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
Current Assets			
Debtors		-	-
Cash at bank and in hand		87,843	93,701
		<u>87,843</u>	<u>93,701</u>
Creditors - amounts falling due within one year		-	-
Net Current Assets		<u>87,843</u>	<u>93,701</u>
Net assets		<u><u>87,843</u></u>	<u><u>93,701</u></u>
Funds of the Charity			
Unrestricted funds			
Accumulated fund		3,843	3,701
Designated funds	7	84,000	90,000
		<u><u>87,843</u></u>	<u><u>93,701</u></u>

For the year ending 31 March 2016 the company was entitled to exemption from audit under section 477(2) of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts

These accounts have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors on 13 October 2016 and were signed on behalf of the Board by



Jonathan Tross
Chair

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

1. Accounting policies

a) Accounting basis

The financial statements have been prepared under the historical cost convention and are in accordance with the Companies Acts 1985 to 2006, applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities published in 2015.

b) Incoming resources

Bank interest

Bank interest is included in the income and expenditure account on receipt.

c) Resources expended

All expenditure is accounted for on an accruals basis and is included within charitable expenditure.

d) Designated funds

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

e) Cash Flow

The bureau has taken advantage of the exemptions in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

f) Pension

The National Association of Citizens Advice Bureaux (NACAB) Pension and Assurance Plan (1991) is a multi-employer defined benefit scheme which was closed during the financial year ended 31 March 2008. City of London Citizens Advice Bureau cannot identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The disclosures under FRS 17 in this circumstance are shown in note 10. The expected cost of providing pensions is calculated periodically by a professionally qualified actuary.

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

g) Going concern

The accounts have been prepared on the assumption that the company is able to carry on as a going concern, which the directors consider appropriate having regard to the circumstances outline in note 10.

2 Incoming Resources from Generated Funds

	Unrestricted £	2016 Total £	2015 Total £
a Investment income			
Bank Interest received	<u>142</u>	<u>142</u>	<u>130</u>

3 Total resources expended

	2016 Total £	2015 Total £
Governance costs	<u>6,000</u>	<u>6,000</u>
Resources Expended	<u>6,000</u>	<u>6,000</u>

Natural classification of resources expended

	2016 Total £	2015 Total £
Pension Deficit	<u>6,000</u>	<u>6,000</u>
	<u>6,000</u>	<u>6,000</u>

4 Information regarding Directors and Employees

The average number of employees, analysed by function was:

	2016	2015
Charitable purposes	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

There are no Trustees who are employees of the company during the year.

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds
Current Assets	3,843	84,000	-	87,843
Current Liabilities	-	-	-	-
Net Assets	<u>3,843</u>	<u>84,000</u>	<u>-</u>	<u>87,843</u>

6 Movement in funds

	At 1 April 2015 £	Transfers £	Outgoing Resources £	At 31 March 2016 £
Unrestricted Funds				
Designated pension contingencies fund	90,000	(6,000)	-	84,000
General funds	3,701	6,000	(5,858)	3,843
Total unrestricted funds	<u>93,701</u>	<u>-</u>	<u>(5,858)</u>	<u>87,843</u>

7 Designated funds

Pension deficit reserve - These reserves have been designated by the Trustees for the purpose of covering pension deficit contributions currently estimated at £84,000 payable over the next 14 years.

8. Related party transactions

There have been no related party transactions identified in accordance with FRS8.

9. Taxation

The charity is exempt from corporation tax as all income is applied to charitable purposes.

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

10. Pension costs

The employers operate a defined benefit scheme in the UK. Citizens Advice's defined benefit pension scheme was closed to new entrants and future service accrual in March 2008. The scheme is a separate trustee-administered multi-employer scheme and the scheme's actuary has advised the assets and liabilities are not able to be segregated for each contributing employer. Hence it is not possible to separately identify the assets and liabilities relating to City of London Citizens Advice Bureau for the purposes of FRS17.

In closing the scheme, a recovery plan was agreed by the pension fund trustees. From 1 April 2013, the sponsoring employers will pay total annual contributions of £1,200,000 to meet the scheme's deficit over the next 19 years. This amount may vary over time, dependent upon the results of the future actuarial valuations of the scheme. The next triennial valuation is due, based on the position at 31 March 2016.

A full actuarial valuation was carried out on the position at 31 March 2013 and updated to the position at 31 March 2016 by a qualified actuary, independent of the scheme's sponsoring employers. The major assumptions used by the actuary are shown below.

The best estimate of contributions to be paid by the employers to the scheme for the period beginning after 31 March 2016 is:

a) Contributions by each employer in respect of expenses.

The principal employer will pay amounts into the scheme in respect of management and administration costs, including levy payments made by the scheme to the Pension Protection Fund subject to a maximum amount of £300,000 in each scheme year.

b) Contributions by the employers in respect of the shortfall in funding.

In accordance with the recovery plan following the 31 March 2013 actuarial valuation, the sponsoring employers will pay total annual contributions of £1,200,000, of which City of London Citizens Advice Bureau contributes £6,000

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

10. Pension scheme (continued)

Present values of scheme liabilities, fair value of assets and deficit

	31/03/16 £'000s	31/03/15 £'000s	31/03/14 £'000s
Fair value of scheme assets	72,319	72,635	68,832
Present value of scheme liabilities	121,350	129,110	107,734
Liability to be recognised	(49,031)	(56,475)	(38,902)
Deferred tax	-	-	-
Net liability	-	-	-

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	Period Ending 31/03/16 £'000s	Period Ending 31/03/15 £'000s
Scheme liabilities at start of period	129,110	107,734
Expenses	370	243
Interest cost	4,084	4,684
Contributions by scheme participants	-	-
Actuarial (gains)/losses	(8,880)	19,257
Benefits paid, death in service insurance premiums and expenses	(3,334)	(2,808)
Scheme liabilities at end of period	121,350	129,110

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

10. Pension scheme (continued)

Reconciliation of opening and closing balances of the fair value of scheme assets

	Period Ending 31/03/16 £'000s	Period Ending 31/03/15 £'000s
Fair value of scheme assets at start of period	72,635	68,832
Expected return on scheme assets	2,963	3,693
Actuarial (losses)/gains	(2,443)	1,416
Contributions by employer	2,498	1,502
Benefits paid, death in service insurance premiums and expenses	(3,334)	(2,808)
Fair value of scheme assets at end of year	72,319	72,635

The actual return on the scheme assets over the period ending 31 March 2016 was £520,000.

Total expense

	Period Ending 31/03/16 £'000s	Period Ending 31/03/15 £'000s
Current service cost	-	-
Expenses	370	243
Interest cost	4,084	4,684
Expected return on scheme assets	(2,963)	(3,693)
Past service cost	-	-
Total	1,491	1,234

CITY OF LONDON CITIZENS ADVICE BUREAU
Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

10. Pension scheme (continued)

Pension gains/(losses)

	Period Ending 31/03/16 £'000s	Period Ending 31/03/15 £'000s
Difference between expected and actual return on scheme assets: gain/(loss)	(2,443)	1,416
Experience gains and losses arising on the scheme liabilities: gain/(loss)	-	-
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities: (loss)/gain	(8,880)	(19,257)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable): (loss)/gain	6,437	(17,841)
Total amount : (loss)/gain *	6,437	(17,841)

- * Citizens Advice and its subsidiaries are not required to prepare a statement of total recognised gains and losses.

Assets

	31/03/16 £'000s	31/03/15 £'000s	31/03/14 £'000s
Equity	37,003	36,318	38,076
Gilts	9179	7,439	9,166
Corporate Bonds	4,950	13,825	10,212
Cash	12,585	12,850	10,006
Property	8,602	2,203	1,372
Total assets	72,319	72,635	68,832

None of the fair values of the assets shown above includes any of the employers' own financial instruments or any property occupied by, or other assets used by, the employers.

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Notes to the financial statements Year ended 31 March 2016

10. Pension scheme (continued)

Assumptions

	31/03/16 % per annum	31/03/15 % per annum	31/03/14 % per annum
Rate of discount	3.5	3.2	4.4
Inflation (RPI)	3.1	3.1	3.4
Inflation (CPI)	2.1	2.2	2.5
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.1	2.2	2.5
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.1	3.1	3.4
Allowance for commutation of pension for cash at retirement	75% of Post A Day	75% of Post A Day	75% of Post A Day

The mortality assumptions adopted at 31 March 2016 imply the following life expectancies

Male retiring in 2016	21.4 years
Female retiring in 2016	23.4 years
Male retiring in 2036	23.1 years
Female retiring in 2036	25.3 years

Expected long term rates of return

The expected long term return on cash is determined by reference to gilt yields at the balance sheet dates. The long term expected return on gilts and corporate bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date.

The long term expected rate of return on equities is based on the rate of return on bonds with an allowance for out-performance.

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Report and Financial Statements for year ended 31 March 2016

Notes to the financial statements Year ended 31 March 2016

10. Pension scheme (continued)

The expected long term rates of return applicable for each period are as follows:

	Period commencing 01/04/16 % per annum	Period commencing 01/04/15 % per annum
Equity	5.6	6.8
Gilts	2.0	3.2
Corporate Bonds	3.1	4.3
Cash	2.0	3.2
Property	5.1	6.3
Overall for scheme	4.1	5.42

Amounts for the current and previous four periods

	31/03/16 £'000s	31/03/15 £'000s	31/03/14 £'000s	31/03/13 £'000s	31/03/12 £'000s
Fair value of assets	72,319	72,635	68,832	69,123	65,073
Present value of scheme liabilities	121,350	129,110	107,734	122,142	115,205
Deficit in scheme	(49,031)	(56,475)	(38,902)	(53,019)	(50,132)
Experience adjustment on scheme assets	(2,443)	1,416	(2,520)	1,094	(4,470)
Experience adjustment on scheme liabilities	-	-	4,325	286	(1,443)