

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

**Financial Statements**  
For the year ended 31 March 2020



Registered Charity No. 1058484  
Company No. 3258412

**CITY OF LONDON CITIZENS ADVICE BUREAU**  
**Report and Financial Statements for year ended 31 March 2020**

**CONTENTS**

	<b>Page</b>
Officers and professional advisers	3
Directors' report	4-7
Statement of Financial Activities	8
Balance sheet	9
Notes to the financial statements	10-14

**CITY OF LONDON CITIZENS ADVICE BUREAU**  
**Report and Financial Statements for year ended 31 March 2020**

**1 OFFICERS AND PROFESSIONAL ADVISERS**

<b>Trustees</b>	<b>Role</b>	<b>Date appointed</b>	<b>Date resigned</b>
Julia Gillies-Wilkes		3 October 2020	
Belinda Leathes		22 November 2012	9 December 2019
Martin Mosley	Chair	22 November 2012	
Sue Thomas		22 November 2012	
Sue Wigley		31 October 2017	

**Company Secretary:** Sue Theodoreson from 5 December 2012

**Company Number:** 3258412

**Charity Number:** 1058484

**Registered Office:** 3<sup>rd</sup> 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**  
**Report and Financial Statements for year ended 31 March 2020**

**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 2020 the company had 3 members (2019 – 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.

**Organisation 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**  
**Report and Financial Statements for year ended 31 March 2020**

**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 the 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 2020**

**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 £94 (2019 £62). Of this £ nil (2019 £nil) related to project restricted activities.

A deficit of £5,966 was made in the year (2019 deficit £5,998). At 31 March 2020 total unrestricted reserves were £63,910 (2019 £69,876).

**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 2020**

**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:

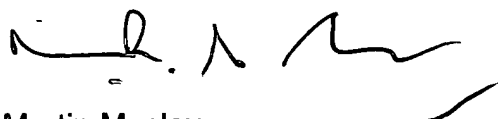
- (a) select appropriate accounting policies and then apply them consistently
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards have been followed, and explain where they haven't been followed, and
- (d) prepare the financial statements 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 with the provisions applicable to companies subject to the small companies regime.

Signed



Martin Mosley  
Chair of Trustees

20 November 2020

**CITY OF LONDON CITIZENS ADVICE BUREAU**  
**Report and Financial Statements for year ended 31 March 2020**

**Statement of financial activities for the year ended 31 March 2020**  
Incorporating the Income and Expenditure Account

	Note	Unrestricted funds	Total funds 2020	2019
		£	£	£
Incoming Resources	1b			
Incoming resources from generated funds	2			
Investment income	2a	94	94	62
Incoming resources from charitable activities		-	-	-
<b>Total Incoming Resources</b>		<b>94</b>	<b>94</b>	<b>62</b>
Resources expended				
Governance costs	3	6,060	6,060	6,060
<b>Total Resources expended</b>	3	<b>6,060</b>	<b>6,060</b>	<b>6,060</b>
<b>Net Income/(Expenditure)</b>		<b>(5,966)</b>	<b>(5,966)</b>	<b>(5,998)</b>
Actuarial (losses)/gains on defined benefit pension schemes		3,857	3,857	3,117
<b>Net movement in funds for the year</b>		<b>(2,109)</b>	<b>(2,109)</b>	<b>(2,881)</b>
Balances brought forward 2019	7	(5,208)	(5,208)	(2,327)
<b>Balances carried forward 2020</b>	7	<b>(7,317)</b>	<b>(7,317)</b>	<b>(5,208)</b>

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 2020**

**Balance Sheet as at 31 March 2020**

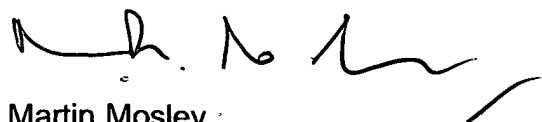
	Note	2020	2019
		£	£
<b>Current Assets</b>			
Cash at bank and in hand		63,910	69,876
		63,910	69,876
Creditors - amounts falling due within one year		6,000	6,000
<b>Net Current Assets</b>		57,910	63,876
Creditors - amounts falling due over one year		65,227	69,084
<b>Net assets</b>		<b>(7,317)</b>	<b>(5,208)</b>
<b>Funds of the Charity</b>			
Unrestricted funds			
Accumulated fund		3,910	3,876
Designated funds	7	60,000	66,000
Pension reserve		(71,227)	(75,084)
		<b>(7,317)</b>	<b>(5,208)</b>

For the year ending 31 March 2020 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 20 November 2020 and were signed on behalf of the Board by



Martin Mosley  
Chair

**CITY OF LONDON CITIZENS ADVICE BUREAU**  
**Report and Financial Statements for year ended 31 March 2020**

**Notes to the financial statements Year ended 31 March 2020**

**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, 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 (effective 1 January 2019) – (Charities SORP (FRS102)).

**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 102 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 2020**

**Notes to the financial statements Year ended 31 March 2020**

**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 outlined in note 10.

<b>2 Incoming Resources from Generated Funds</b>			
	Unrestricted	2020 Total	2019 Total
	£	£	£
<b>a Investment income</b>			
Bank Interest received	94	94	32
<b>3 Total resources expended</b>			
		2020 Total	2019 Total
		£	£
Governance costs		6,060	6,060
Resources Expended		6,060	6,060
<b>Natural classification of resources expended</b>			
		2020 Total	2019 Total
		£	£
Pension Deficit		6,000	6,000
		6,000	6,000
<b>4 Information regarding Directors and Employees</b>			
The average number of employees, analysed by function was:			
		2020	2019
Charitable purposes		0	0
		0	0
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 2020**

**Notes to the financial statements Year ended 31 March 2020**

<b>5 Analysis of net assets between funds</b>					
	General	Designated	Pension		Total
	Funds	Funds	Reserve		Funds
	£	£	£		
Current Assets	3,910	60,000	-		63,910
Current Liabilities	-	-	(6,000)		(6,000)
Long term liabilities			(65,227)		(65,227)
Net Assets	3,910	60,000	(71,227)		(7,317)
<b>6 Movement in funds</b>					
	At 1 April	Transfers	Outgoing		At 31 March
	2019		Resources		2020
	£	£	£		£
Unrestricted Funds					
Designated pension contingencies fund	66,000	(6,000)	-		60,000
General funds	3,876	6,000	(5,966)		3,910
Pension Reserve	(75,084)		3,857		(71,227)
Total unrestricted funds	(5,208)	-	(2,109)		(7,317)

**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 £60,000 payable over the next 10 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 2020**

**Notes to the financial statements Year ended 31 March 2020**

**10. Pension costs**

Citizens Advice ('the Principal Employer') operates a defined benefit scheme ('the Plan') in the UK which provides both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salaries at retirement and their length of service at the date they retired or left pensionable service. The Plan closed to future accrual on 31 March 2008. The Plan also contains some money purchase AVCs and protected rights funds, which are not included in these disclosures.

In accordance with the schedule of contributions in force over the 2020/21 accounting year, the contributions to the Plan for the year ending 31 March are expected to be £2,049,000, which includes £1,749,000 towards the deficit and £300,000 as an allowance for administration expenses and all scheme levies. This does not take account of any impact from the Flexible Retirement Offer exercise that the Principal Employer intends to carry out which could reduce the contributions payable towards the deficit.

The Plan is a registered scheme under UK legislation. The Plan is subject to the scheme funding requirements outlined in UK legislation. The Plan is governed by the Plan's Trust Deed and Rules dated 4 April 2011. The Trustee is responsible for the operation and the governance of the Plan, including making decisions regarding the Plan's funding investment strategy (although they are required to consult the Principal Employer).

A full actuarial valuation of the Plan was carried out as at 31 March 2020 by a qualified independent actuary, based upon membership data as at 31 March 2019, allowing for assumed membership movements over the period from this date, and any material membership movements significantly different from those assumed (e.g. transfers out). The formal triennial actuarial valuation as at 31 March 2019 is currently being undertaken.

The most recent formal actuarial valuation of the Plan was as at 31 March 2016 and revealed a funding deficit of £52,374,000. In the recovery plan agreed following the valuation, the Principal Employer and other participating employers agreed to pay deficit reduction contributions of £1,749,000 per annum with the view to eliminating the deficit by 31 December 2033. As mentioned above, the formal triennial actuarial valuation as at 31 March 2019 is currently ongoing and once this has been finalised a new recovery plan is likely to be put in place.

The liabilities of the Plan are based on the current value of expected benefit payment cashflows to members of the Plan over the next 60 or more years. The average duration of the liabilities is approximately 16 years.

**CITY OF LONDON CITIZENS ADVICE BUREAU**  
**Report and Financial Statements for year ended 31 March 2020**

**Notes to the financial statements Year ended 31 March 2020**

**10. Pension costs (continued)**

The Plan is exposed to actuarial risks such as market (investment) risk, interest rate risk, inflation risk, currency risk and longevity risk.

City of London Citizens Advice Bureau contributes £6,000 per annum towards the deficit. Using an actuarial discount rate of 2.4 per cent, the net present value would be £71,227 (2019: £75,084 and 2.5 per cent discount).

The liabilities of the Plan are

**Present value of scheme liabilities, fair value of assets and defined benefit asset(liability) funds**

	<b>31 March 2020 £000s</b>	<b>31 March 2019 £000s</b>
Fair value of Plan assets	85,959	88,882
Present value of funded obligations	140,310	144,378
Surplus/(deficit) in plan	<b>(54,351)</b>	<b>(55,496)</b>
Unrecognised surplus	-	-
<b>Net liability in the balance sheet</b>	<b><u>54,351</u></b>	<b><u>55,496</u></b>