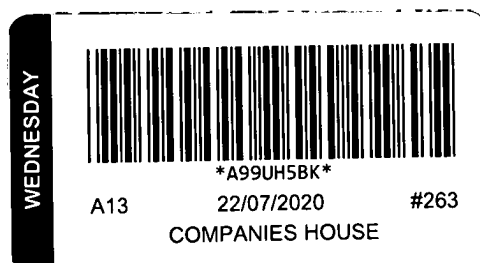


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COMPANY REGISTRATION NO: 3727129
REGISTERED CHARITY NO: 1075210

REPORT OF THE TRUSTEES
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

#2



HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

CONTENTS OF THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

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HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES for the year ended 31 March 2020

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 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

Objectives and Activities

The charity's objects are to promote any charitable purpose for the benefit of the community in the London Borough of Hounslow by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress. There have been no changes in the charity's objectives or policies during the period.

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our trustee board meetings. The main activity of the charity is to provide free, to all individuals, an impartial and confidential service of information, guidance and support so that individuals do not suffer through ignorance of their rights and responsibilities or through an inability to express themselves. In order to meet these objectives the charity seeks funding, grants and donations from the local authority, local businesses, trusts and other sources.

The charity provides advice services from its two bureaux: Brentford & Chiswick (Chiswick Town Hall) and Feltham (The Centre). Advice services are also provided from various outreach venues within the London Borough of Hounslow.

We are indebted to our volunteers, without whom we could not operate. Most of our volunteers freely give us between 6-12 hours per week of their time. Generally, in the two bureaux, we have a total of approximately 60 volunteers working for over 600 hours per week. These volunteers carry out numerous tasks including advice work, social policy, IT, reception and administration duties. We are also indebted to our honorary legal advisers and trustees, who all give their time free of charge. Our work is very complex and the demands on our services are so great that it is essential to have a dedicated, stable and experienced staff team.

A record of strong achievements and performance

During the period the charity continued to provide services to the community in the area of the London Borough of Hounslow in accordance with the aims and principles of the service. These aims were achieved by providing information, advice and assistance on the rights and responsibilities of individuals both in our main bureaux offices and by providing a variety of outreach sessions. These were mainly held at, Bedfont Children's Centre, Bridgelink Centre Isleworth and Hestia Brentford.

During the year targets were exceeded and 9,332 people received our services compared to 8,832 the year before. An impressive £4,914,538 (previous year £3,414,059) million of income gains were received by our clients through the provision of welfare benefits and money advice. Most of that money will have been spent in the local community thereby boosting the local economy.

Our partnership with local solicitors meant that free legal advice sessions continued to be held from all our offices, with additional weekly evening sessions held at our Feltham branch plus a monthly evening session at our Brentford & Chiswick branch. The total value of this pro-bono service was calculated to be £600,000.

Hounslow Citizens Advice Bureaux Service was available to clients on five days per week, from our offices, by means of drop-in sessions and appointments. In addition we provided an upgraded telephone advice service (Adviceline) and set up outreach locations. This contributed to a higher number of clients being helped every year.

We ran weekly plus evening free legal advice surgeries. At the drop-in sessions, our advisors carried out Gateway interviews, an initial triage screening process, gave initial advice and made appointments and referrals. All emergencies were seen on the day. During 2019-2020, the service dealt with 9,332 (8,832) clients (an increase of almost 6% on last year) and 32,728 (26,903) enquiries (an increase of almost 22% on last year).

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES for the year ended 31 March 2020

Focusing on Universal Credit and welfare reform issues, we extended our Research and Campaign work, which remains a core aim of Citizens Advice towards making society fairer. This work starts by recording problems our clients need our help with. We do this by completing Electronic Bureau Evidence Forms on our case-recording system, casebook or by keeping a manual log. Our Research and Campaign Co-ordinator then collates all the forms and starts tracing the trends that emerge from them. We use this data to campaign for change and social justice. By flagging these issues to the local and national policymakers, to MPs and Councillors, we can get laws and policies changed.

2019/20 was the final year for our existing contract with the LA to deliver advice in the London Borough of Hounslow. We were successful in our bid for a further two years +1 +1 although the level of funding available has been reduced by £40,000 from the previous year. This reduction meant that the service had to be redesigned to ensure the future sustainability of the organisation. As the Covid19 pandemic coincided with the beginning of this contract, all our plans were put on hold and the organisation had to respond to the needs of the community. When the pandemic first struck we knew that people would need our help more than ever so we quickly mobilised our team to switch many of our advisers to working from home. We have managed to have telephone calls and emails diverted to advisers at home meaning that we can continue to be there for those who need us most.

We have been continuing to provide urgent help to local people during the current pandemic, which has been incredibly challenging. Covid-19 has impacted 70% of our clients. Nationally, 1 in 5 people have had to claim benefits; 4 out of 10 people have lost income because of this crisis, with nearly 1 in 10 losing 80% of their income. The number of Universal Credit claimants has doubled with 20,000 extra claims per day. Here in Hounslow we have been particularly badly affected because of our proximity to Heathrow airport, which more than 43,000 Hounslow residents rely on for their livelihoods. The number of Hounslow residents out of work through no fault of their own keeps rising and our welfare benefits enquiries get more complex with social welfare law updating rapidly.

We anticipate that COVID 19 will not have a significant effect on our planned or ability to generate income, but our expenditure needs to rise in order to cope with the evident increase in demand for our service in Hounslow. In April and May 2020, we have had a 49% increase in demand. 70% of those clients mentioned Covid 19 as a reason for their issues. We anticipate that our spending needs to rise by c. £60,000 and that is the basis for multiple funding applications already submitted to various trust funders.

Hounslow Citizens Advice remain in a strong financial position and expected to remain so for the foreseeable future.

We continued to adhere to the good policies and practices recommended by Citizens Advice for the recruitment and training of staff. All of our staff, paid and voluntary, attended regular training sessions and training was, as always, on-going. In-bureau training for new volunteers from all offices was organised centrally and sessions were held at all bureaux locations. All staff were supervised and supported by experienced staff members within each bureau and all case recording was monitored. Citizens Advice also provided support systems, for example, AdviserNet and the Expert Advice team consultancy service for advisers plus the Operations team and the Relationship Management team for management. In addition online support is also provided via the Bureau Management Information System (BMIS) and CABlink.

All these activities have enhanced the charity's efforts in helping to eradicate poverty in the community by taking the necessary information, advice and assistance out to the disadvantaged individuals whilst the main financial support from the London Borough of Hounslow has enabled us to maintain our existing services in the bureaux by providing the essential staff and accommodation to support these services.

Financial review

Our biggest financial support came from our three contracts with the LB Hounslow that run from April 2019 to March 2020. In addition, our Feltham office is provided by the LB Hounslow, giving a rent subsidy, in kind, at an estimated value of approximately £15,000 per annum.

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES for the year ended 31 March 2020

The remainder of our income came from Citizens Advice, Thames Water Trust, City Bridge Trust, EU settlement Scheme and London Catalyst. We also received some small Donations. At this point we would like, and on behalf of our Clients, to register our thanks to the above funders.

For the year 2019-2020 we are showing an overall surplus. This was due to us having increased our funding activities, and closing the Treaty Centre office as part of our 3-year financial plan in order to eliminate our deficit. Our analysis of potential financial commitments identifies that we should provide financial cover for both our long-term pension liability and reserves for contingencies and capital.

On behalf of our clients in most need, our advisers apply to charities on their behalf, for emergency grants for essential items, for example, food, clothing, beds and cookers etc. We are most grateful for this help that is given to our clients and would like to thank the London Catalyst Samaritan Fund and the Isleworth and Hounslow Charity for their continued support.

Risk management

The trustees have a risk management strategy which comprises

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. Attention has also been focussed on non-financial risks arising from fire, health and safety of employees and the public. A key element in the management of financial risk is via a reviewed reserves policy and the retention of sufficient working capital by the charity.

Plans for future periods

Our main aim for the future is to continue to be able to provide high quality information, advice and assistance from all our offices and as many outreach venues as our resources will allow. We are continually looking for additional suitable venues to further expand these sessions and negotiations are continuing with more organisations.

We will also continue to work in partnership with other agencies and local solicitors that wish to provide free advice sessions from our premises. We will also continue to give Debt advice through Thames Water Trust and specialist Welfare Benefit advice through City Bridge Trust.

Next year, as always, fundraising will have a high priority within our workload. We will continue to apply for any projects, large and small, that become available and that enable us to further enhance our funds and services. This year, we applied for a grant from the Home Office to help EU and EEA residents living in Hounslow to resettle their status in the UK which we are pleased to have been granted the funds for. We also applied to various other trusts such as Big Lottery, and many more, we are still awaiting decisions.

In order to continue our commitment to the Disability Discrimination Act and fulfil the new requirements for our London Borough of Hounslow Disability contract, our disability advice worker will continue to carry out home visits, run disability outreach sessions and see clients in all our bureaux.

We will also continue to provide communication support for our deaf clients using interpreters in British Sign Language from the Deaf Communication Service in Feltham.

We offer advice in several languages. These are provided by our very diverse complement of staff and volunteers and, when needed, staff from other agencies, and continue to recruit and train more volunteers from all sections of the community to further improve our service delivery.

Client Profile data is collected regularly in order to monitor the changing face of our local community. It is then used to target any unmet need within that community.

We regularly carry out Client Satisfaction surveys, so that we can obtain feedback and monitor the quality of our services and ensure that we are meeting our aims.

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES for the year ended 31 March 2020

We will continue to adhere to the good policies and practices recommended by Citizens Advice.

Structure, governance and management

The charity is constituted as a company limited by guarantee and was incorporated on 02 March 1999. During 2019-2020, the charity was governed by its memorandum and articles of association. The charity is a member of Citizens Advice (the operating name for the National Association of Citizens Advice Bureaux).

The charity is administered by a Trustee Board, which is made up of trustees (voting members) and officers (non-voting ex officio staff members) as described below. It is responsible for ensuring that all bureaux offices are properly staffed, have adequate premises, proper equipment and the necessary finance to maintain the service to the community. All trustees are elected each year at our Annual General Meeting and are required to sign a 'Register of Interests' form. New trustees are sought when needed and sometimes for special skills that may be required for an effective board. In order to maintain a board that is representative of our local community and to encourage involvement from any groups that we feel may not be represented, nominations are sought by placing articles in the media, sending out mail shots and approaching other agencies and organisations. Any prospective new trustee is interviewed by two of our existing trustees and, after we have checked for any conflict of interest, s/he is invited to observe at the next trustee board meeting. With the agreement of the board, s/he is then invited to become a trustee and co-opted at the following meeting. All prospective trustees are sent an induction pack, which informs them about the role of a trustee and the responsibilities of a trustee board. The pack also gives a very good breakdown of the structure of our local service, the areas of work covered by us and a good picture of the CAB service as a whole. All new trustees attend induction courses run by Citizens Advice and our Local Authority (Hounslow).

The charity delivered services from two main offices, within the London Borough of Hounslow, situated in Chiswick and Feltham. The Trustee Board delegates the day-to-day running of the service to one Chief Executive and one Borough Services Manager, who oversee all outlets. Each of the bureaux also have their own Advice Session Supervisor. Last year, in total, on average, the charity employed nine full-time (4-5 days per week) and four part-time (2-3 days per week) Advice Workers. In addition, the charity was supported by its trustees, honorary legal advisers and about sixty volunteers in various roles.

During the year, the charity continued to work within its current 2017-2020 Business Plan. A risk assessment was carried out during the year and all policies, systems and procedures that had been established to mitigate any major risks were reviewed. The Business Plan is reviewed regularly at trustee board meetings.

Reference and Administrative Details

TRUSTEE BOARD

Trustees	Basil Mann	Elected, Chair
	Geoff Pope	Elected, Treasurer
	Hildegard Rauf	Resigned 10/12/2019
	John Murray	Elected
	Andy Beetham	Elected
	Christopher Albrow	Elected
	Muneeb Gill	Elected
Ex officio	Aiman Elal	Chief Executive
	Annalisa Menini	Borough Services Manager
	Martin Motz	Volunteer Representative,
	Ros Braine	Volunteer Representative,
	Nigel Harrison	Volunteer Representative,

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES for the year ended 31 March 2020

REGISTERED OFFICE

2nd Floor
The Centre
High Street
Feltham
Middlesex
TW13 4GU

REGISTERED NUMBER

Company number: 3727129 (England and Wales)
Charity number: 1075210

INDEPENDENT EXAMINER

Robert Markless
t/a Charity Advisory Services
88 Deacon Road, Kingston, KT2 6LU

BANKERS

HSBC
127 High Street
Hounslow
Middlesex
TW13 1QP

Funds held as custodian

The charity holds no funds as custodian for any other organisation or individual.

Preparation of the report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Statement of Trustees Responsibilities

The Trustees (who are also the directors of the Hounslow Citizens Advice Bureaux Service for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE TRUSTEES for the year ended 31 March 2020

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Report of the Trustees has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Statement as to disclosure to our Independent Examiner

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF THE BOARD

CHAIR – Basil Mann

Signature Basil Mann

Approved by the Board on 3/7/2020

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

Respective Responsibilities of Trustees and Examiner

The Trustees (who are also the directors of Hounslow Citizens Advice Bureaux Service for the purposes of company law) are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Chartered Governance Institute.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report


My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records;
- they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- in my opinion there is any matter which should be drawn to the attention of the reader to gain a proper understanding of the accounts.

I 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.



.....
Robert Markless ACG
t/a Charity Advisory Services
88 Deacon Road
Kingston KT2 6LU

Date: 3/7/20

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2020

	Notes	Unrestricted Funds £	Restricted Funds	Total 2020 £	Total 2019 £
Income					
Donations	2	19,424	-	19,424	19,269
Charitable activities	2	365,000	248,059	613,059	493,240
Total		<u>384,424</u>	<u>248,059</u>	<u>632,483</u>	<u>512,509</u>
Expenditure on:					
Charitable activities	3	<u>333,077</u>	<u>214,926</u>	<u>548,003</u>	<u>487,210</u>
Net income/(expenditure)		51,437	33,133	84,480	25,299
Fund balances brought forward		<u>97,771</u>	<u>5,964</u>	<u>103,735</u>	<u>78,436</u>
Fund balances carried forward		<u>149,208</u>	<u>39,097</u>	<u>188,215</u>	<u>103,735</u>

The notes on pages 13 to 21 form part of these financial statements

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE
(company limited by guarantee no. 3727129, charity no. 1075210)

BALANCE SHEET
as at 31 March 2020

		<u>2020</u>		<u>2019</u>	
	Notes	£	£	£	£
Current assets					
Cash at bank and in hand		295,886		207,663	
Debtors	6	2,347		21,264	
			298,233		228,927
Creditors					
Amounts falling due within one year	7		10,300		20,075
Net current assets/Total assets less current liabilities			287,933		208,852
Creditors: Amounts falling due after more than one year	8		99,718		105,117
Total net assets			188,215		103,735
Funds of the charity					
Unrestricted funds			149,118		97,771
Restricted funds			39,027		5,964
Total funds			188,215		103,735

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

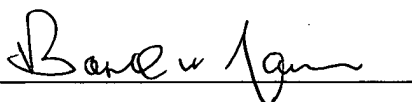
The trustees, as directors of the charitable company, acknowledge their responsibilities for

- (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.

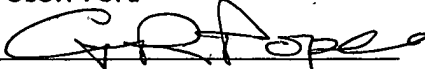
These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Small Entities (effective April 2008).

ON BEHALF OF THE BOARD

CHAIR – BASIL MANN

Signature 

TREASURER – GEOFF POPE

Signature 

Approved by the Board on 3/7/2020

The notes form part of these financial statements

HOUNSLOW CITIZENS ADVICE BUREAUX SERVICE
(company limited by guarantee no. 3727129, charity no. 1075210)

CASH FLOW STATEMENT
as at 31 March 2020

	2020	2019
	£	£
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	88,223	7,507
Net increase/(decrease) in cash:	88,223	7,507
Cash at bank and in hand less overdrafts at beginning of the year	207,663	200,155
Cash at bank and in hand at end year	295,886	207,663
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income /(expenditure) (as per the statement of financial activities)	84,480	24,299
(Increase)/Decrease in debtors	18,917	(11,194)
Increase/(Decrease) in creditors	(15,174)	(6,598)
Net cash provided by (used in) operations	88,223	7,507

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**

1. ACCOUNTING POLICIES

1.1 General information and basis of preparation of financial statements

Hounslow Citizens Advice Bureaux Service is a charitable company limited by guarantee registered in England; its registered office is as shown on page 6. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 6 of these financial statements. The nature of the charity's operations and principal activities are the running of 2 Citizens Advice Bureaux in the London Borough of Hounslow.

The charity constitutes a public benefit entity as defined by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared in accordance with 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) issued on 16 July 2014, as updated on 2 February 2016 (SORP 2016), FRS 102, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donated facilities are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP 2016. Further detail is given in the Trustees' Report.

The charity receives government grants to help run its advice bureaux. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is all categorised under the heading of charitable activities which relates to the running of the charity's advice bureaux. In the view of the trustees no material amounts are expended on raising funds or other activities.

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.6 Tangible fixed assets

The trustees do not consider that there is a material amount of fixed assets.

1.7 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

1.9 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

As explained in Note 8 the charity operates 2 pension schemes. All current staff are enrolled in a defined contribution scheme and contributions are charged to the statement of Financial Activities in the period to which they relate. The other scheme is a defined benefit scheme which qualifies as a multi-employer scheme because the charity cannot identify its share of the assets and liabilities. As there are no current staff in membership there are no current contributions payable but the charity has a liability to make payments to help reduce the deficit on the scheme as explained in Note 8 and a liability is accrued based on the discounted payments agreed with Citizens Advice, the manager of the scheme.

1.10 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.11 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes and

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**

no tax is payable on the results for the year.

1.32 Judgements and key sources of estimation uncertainty

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies and there are no key sources of estimation uncertainty other than regarding the liability for pension deficit reduction where the interest rates used to discount the liabilities at 31.3.18, 31.3.19 and 31.3.20 are as advised by Citizens Advice.

2. ANALYSIS OF INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:				
Donations				
Individual donations	4,424	-	4,424	4,269
Premises provided by the LB Hounslow at no cost	15,000	-	15,000	15,000
Total Donations	19,424	-	19,424	19,269
Charitable activities				
LB Hounslow Lots 1,2,3, (General, Legal, Disability)	365,000	-	365,000	365,000
L&Q Housing Association Pound Advice	-	-	-	7,425
EU Settlement Scheme	-	38,509	38,509	-
LBH Debt Advisory Services	-	-	-	37,516
CAB Universal Help to Claim	-	122,756	122,756	9,549
Big Lottery Grant	-	-	-	10,000
Thames Water Trust	-	33,244	33,244	33,250
London Catalyst	-	1,500	1,500	4,000
City Bridge Trust	-	52,050	52,050	26,500
Total Charitable Activities	365,000	248,059	613,059	493,240
TOTAL INCOME	384,424	248,059	632,483	512,509
Income from charitable activities 2019	391,694	120,815	512,509	

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

3. **ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total 2019
	£	£	£	£
Direct Charitable activities – CAB running costs				
Salaries and social security costs	271,759	175,359	447,118	398,283
Premises provided by the LB Hounslow at no cost	9,117	5,883	15,000	15,000
Citizens Advice subscriptions	3,663	2,363	6,026	6,176
Reference material	639	412	1,052	1,322
Printing and stationery	2,812	1,815	4,627	5,082
Postage	1,137	734	1,871	440
Telephone	6,331	4,085	10,416	6,881
Travelling	1,728	1,115	2,842	3,582
Training	498	322	820	520
Total Direct costs	297,684	192,088	489,771	437,286
Support Costs				
Payroll services	775	500	1,275	1,274
Hounslow AGM	285	184	469	347
Citizens Advice conference	277	179	457	254
Bank charges	77	50	127	347
Consultancy	255	165	420	-
Independent examiners Fee	577	373	950	925
Repairs and maintenance	2,097	1,353	3,450	1,900
Hounslow Removal Costs	-	-	-	7,695
Rent and service charges Hounslow office	68	44	112	14,250
Rent and service charges Chiswick office	7,417	4,786	12,203	9,132
Insurance	1,106	713	1,819	1,803
IT software	227	146	373	306
IT equipment	9,559	6,168	15,727	233
IT Support	5,957	3,844	9,801	3,382
Office equipment	958	618	1,576	959
Recruitment	278	179	458	1,337
Cleaning	2,394	1,545	3,940	3,221
Sundries	3,068	1,980	5,048	2,442
Trustees Expenses	17	11	28	27
Total Support costs	35,393	22,838	58,232	49,924
TOTAL RESOURCES EXPENDED	333,077	214,926	548,003	487,210

4. **TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

Trustees' expenses

Trustees expenses paid are as shown in note 3.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**

5. ANALYSIS OF STAFF COSTS

	2020	2019
	£	£
Salaries and wages	411,124	355,429
Social security costs	33,000	33,149
Pension costs – current	8,393	5,670
Pension costs – deficit reduction (see below)	(5,399)	4,035
	<u>447,118</u>	<u>398,283</u>

during the year we had up to 18 (15 the previous year) staff members on our books. There were no employees who earned £60,000 or more in the year.

The trustees regard key management personnel (KMP) for the purposes of FRS 102 to be the trustees and the Chief Executive. Total remuneration, including pension contributions, paid to the KMP in the year amounted to £58,128 (2019: £51,041).

6. DEBTORS

	2020	2019
	£	£
Deposit held	230	230
Accrued income	1,125	20,225
Prepayments	991	809
	<u>2,346</u>	<u>21,264</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Accounts payable	172	558
Accrued expenses	1,017	1,117
PAYE & NI	9,111	18,340
	<u>10,300</u>	<u>20,075</u>

8. PENSION SCHEMES AND CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

The Charity participates in two pension schemes. The first of these, a defined benefit, multi-employer scheme detailed below, is closed to new entrants and all current staff are members of the second scheme, a defined contribution scheme operated by Aviva.

The first scheme, of which the Charity is a member, is the National Association of Citizens Advice Bureaux Pension and Assurance Plan (1991) – and a number of former staff are enrolled in this scheme. Although no current contributions are needed since none of the current staff are members, the Charity is responsible for its fair share of the deficit of the scheme, as worked out by Citizens Advice (as the National Association of Citizens Advice Bureaux is now known) with the help of the scheme actuaries. Currently the Charity is required to contribute £8,400 p.a. for its share of the deficit up to the 2034 financial year. Under FRS 102 the liability for these deficit reduction payments is discounted and Citizens Advice has computed the amount of the discounted year-end liabilities as follows:

	2020	2019
	£	£
Other Creditors	99,718	105,117

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**

PENSION SCHEMES AND CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR (cont)

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 2021 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. A new schedule of contributions is likely to be agreed during the year following the completion of the actuarial valuation as at 31 March 2019. However, this has not yet been finalised.

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.

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

The major assumptions used by the actuary were (in nominal terms) as follows:

	As at 31/03/2020	As at 31/03/2019
Discount rate	2.40%	2.50%
Inflation (RPI)	2.80%	3.50%
Inflation (CPI)	2.00%	2.50%
Revaluation of deferred pensions in excess of GMP	2.00%	2.50%
Pension in payment increases of CPI or 5% p.a. if less		
Pension in payment increases of CPI or 3% p.a. if less	2.00%	2.50%
CPI inflation since retirement or 5% p.a compound	2.00%	2.50%
CPI or 3% p.a. or less	1.90%	2.30%
Commutation of pension for cash at retirement	75% of HMRC maximum	75% of HMRC maximum

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

PENSION SCHEMES AND CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR (cont)

Assumed life expectancies on retirement at age 65 are:	As at 31/03/2020	As at 31/03/2019
Retiring today - Males	21.2	22.0
Retiring today - Females	24.1	24.8
Retiring in 20 years time - Males	22.6	23.4
Retiring in 20 years time - Females	25.6	26.3
	Value at 31/03/2020 £000s	Value at 31/03/2019 £000s
Multi asset funds	61,086	66,176
Structured equity	24,279	21,952
Cash	594	753
Fair value of Plan assets	85,959	88,882
The actual return on assets over the period was:	188	7,413
Present value of funded obligations	140,310	144,378
Fair value of Plan assets	85,959	88,882
Surplus/(deficit) in funded scheme	(54,351)	(55,496)
Present value of unfunded obligations	0	0
Unrecognised actuarial gains (losses)	0	0
Adjustment in respect of asset ceiling and minimum	0	0
Net liability in balance sheet	54,351	55,496

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	31/03/2020 £000s	31/03/2019 £000s
Benefit obligation at beginning of year	144,378	125,822
Current service cost	866	629
Interest cost	3,549	3,382
Contributions by Plan participants	0	0
Actuarial (gains)/losses	(2,823)	16,264
Benefits paid and expenses	(5,660)	(3,752)
Past service cost	0	2,033
Settlements	0	0
Business combinations	0	0
Exchange rate	0	0
Benefit obligation at end of year	140,310	144,378

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

PENSION SCHEMES AND CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR (cont)**Reconciliation of opening and closing balances of the fair value of Plan assets:**

	31/03/2020	31/03/2019
	£000s	£000s
Fair value of Plan assets at beginning of year	88,882	82,672
Interest income on Plan assets	2,183	2,216
Return on assets, excluding interest income	(1,995)	5,197
Contributions by employers	2,549	2,549
Contributions by Plan participants	0	0
Benefits paid and expenses	(5,660)	(3,752)
Business combinations	0	0
Settlements	0	0
Exchange rate	0	0
Fair value of Plan assets at end of year	85,959	88,882

The amounts recognised in profit or loss:

	31/03/2020	31/03/2019
	£000s	£000s
Service cost - including current and past service costs, and settlements	0	2,033
Service cost - administrative cost	866	629
Net interest on the net defined benefit liability	1,366	1,166
Total expense	2,232	3,828

Remeasurements of the net defined benefit liability (asset) to be shown in OCI:

	31/03/2020	31/03/2019
	£000s	£000s
Actuarial (gains)/losses on the liabilities	(2,823)	16,264
Return on assets, excluding interest income	1,995	(5,197)
Changes in the effect of the asset ceiling, excluding interest income	0	0
Total remeasurement of the net defined benefit liability (asset) to be shown in OCI	(828)	(11,067)

9. SHARE CAPITAL

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be requested in the event of the charity being wound up whilst he or she is still a member.

10. LEASE COMMITMENTS

There are no significant commitments at the year end.