



CROYDON CITIZENS ADVICE BUREAUX LIMITED

A Company Limited by Guarantee

Company Number 02197919

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2021

CROYDON CITIZENS ADVICE BUREAUX LIMITED

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CROYDON CITIZENS ADVICE BUREAUX LIMITED

Report of the Trustees for the year ended 31 March 2021

The Trustees present their report and the financial statements for the year ended 31 March 2021

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES at the date of this report

Ian Collins	Chair (appointed 01 July 2021)
Joseph Chapman	
James Daglish	
Davina Hehir	
Pat Knight	
Homer Taylor	
Nilani Sritharan	
Caroline Rogers	
Charmaine Lartey	Treasurer elect from 08 December 2020

TRUSTEES who have served during the year

Gilli Driver	resigned 07 December 2020
Ian Collins	resigned as Chair and Trustee 07 December 2020
Wendy Love	resigned as Treasurer and Trustee 07 December 2020
Rekha Gomes	resigned as Chair and Trustee 30 June 2020

**Ian Collins re-joined the Trustee Board and was re-elected Chair, following the departure of Rekha Gomes*

REGISTERED OFFICE

48 - 50 Portland Road
South Norwood
London SE25 4PQ

REGISTRATION NUMBERS

Company No 02197919
Charity No 298761

CHIEF EXECUTIVE AND COMPANY SECRETARY

Claire Keetch

BANKERS

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling, Kent
ME19 4JQ

INDEPENDENT EXAMINER

P D Mills ACA CTA
Palmer McCarthy
Chartered Certified Accountants
Suite 70, Capital Business Centre
22 Carlton Road, South Croydon,
Surrey CR2 0BS

CROYDON CITIZENS ADVICE BUREAUX LIMITED

Report of the Trustees (continued) for the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Croydon Citizen Advice Bureaux Limited is a company limited by guarantee, having no share capital, and is registered as a charity.

Croydon Citizen Advice Bureaux Limited was registered at Companies House on 24 November 1987 under registration number 02197919, and the charity is registered with the Charities Commission under reference number 298761.

Croydon Citizens Advice Bureaux Limited is governed by its Memorandum and Articles of Association as amended on 26 April 2016.

Trustees

Trustees, who are also directors of the company, are elected from the local community and generally reside or work in the borough of Croydon or the surrounding area.

New Trustees are recruited through personal contacts or advertising campaigns.

Trustees are elected by the Members at the Annual General Meeting. A Trustee has to retire after three years following the Annual General meeting where they were appointed. Trustees can be appointed during the year but must then be elected at the subsequent Annual General Meeting.

The Trustees have no beneficial interest in the charity other than as members. All Trustees are members of the charity and guarantee to contribute £1 in the event of it winding up.

New Trustees are inducted into the workings of the charity through informal discussions with staff and volunteers, together with mentoring from established Trustees. An induction pack is provided which includes copies of the Memorandum and Articles of Association, the most recent Statutory Accounts and minutes of the last Board meeting.

Organisational Structure

Croydon Citizens Advice Bureaux Limited is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of the charity and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet as a minimum quarterly and delegate the day-to-day operation of the organisation to the CEO. The Trustee Board is independent from management. A register of members' interests is maintained at the Central Administration Office, and is available to the public on request.

The remuneration of key management personnel is determined by the Trustee Board, based on the performance of the personnel and of the charity as a whole.

Croydon Citizens Advice Bureaux Limited also co-operates and liaises with a number of other advisory services, local charities and local authority departments on behalf of clients. Where one of the Trustees holds the position of trustee/director of another charity they may be involved in discussions regarding that other charity but not in the ultimate decision-making process.

Croydon Citizens Advice Bureaux Limited is a member of Citizens Advice, the operating name of the National Association of Citizens Advice Bureaux, and must conform to the aims and principles of Citizens Advice in the conduct of its activities, 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 Croydon Citizens Advice Bureaux Limited in order to fulfil its charitable objects and comply with the national membership requirements.

CROYDON CITIZENS ADVICE BUREAUX LIMITED

Report of the Trustees (continued) for the year ended 31 March 2021

Chief Executive

Claire Keetch, Chief Executive, has responsibility for the executive management of Croydon Citizens Advice Bureaux Limited and for the line management of the staff team and volunteers.

Risk management

The Board of Trustees, who meet at three monthly intervals, are responsible for ensuring that Croydon Citizens Advice Bureaux Limited has the systems and means to provide reasonable assurance against inherent risks. A risk register covering governance, operational, financial, compliance and external risks is regularly reviewed at each Finance Committee and Trustee Board meeting. Major risks have been reviewed. Systems and procedures have been established to manage those risks.

OBJECTIVES AND ACTIVITIES

Croydon Citizens Advice Bureaux Limited objects are to promote any charitable purpose for the benefit of people living and working in the London Borough of Croydon and surrounding areas ("the area of benefit") by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

Croydon Citizens Advice Bureaux Limited aims to:

- Provide the advice people need for the problems they face;
- Improve the policies and practices that affect people's lives.

The service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

The success of the charity is measured by the key statistics outlined under "Achievements and Performance".

Public benefit entity

The Trustees confirm that the charity complies with being a public benefit entity as defined by FRS 102 as: 'an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members'. The Trustees have had regard to the Charity Commission's guidance on public benefit entities.

The year in review

Citizens Advice Croydon provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

Description of Service

Due to the outbreak of the Coronavirus pandemic and subsequent national lockdown, the Portland Road premises closed in March 2020. Since that time, all service delivery moved to online and telephony channels, with all staff and volunteers working from home.

The following table shows the level of services offered across enquiry areas:

CROYDON CITIZENS ADVICE BUREAUX LIMITED

<i>Enquiry Type</i>	<i>Initial Check</i>	<i>Assessment</i>	<i>Generalist Advice</i>	<i>Specialist Casework</i>	<i>Legal Aid</i>	<i>Pro Bono</i>	<i>Tribunal Representation</i>	<i>Comment</i>
Benefits & Tax Credits	√	√	√	√				
Benefits Universal Credit	√	√	√					
Consumer goods and services	√	√	√					
Debt	√	√	√	√				
Discrimination	√	√	√					
Education	√	√	√					
Employment	√	√	√					
Financial services & capability	√	√	√					
Health & community care	√	√	√					
Housing	√	√	√	√	√			
Immigration & asylum	√	√	√					
Legal	√	√	√					
Other	√	√	√					
Relationships & family	√	√	√					
Tax	√	√	√					
Travel & transport	√	√	√					
Utilities & communications	√	√	√					

Additional Services

In addition to the advice services described above, Citizens Advice Croydon offers some targeted, externally funded services as follows:

Service	Target client/Project focus	Funder	Comments
Macmillan Welfare Benefits Advice	Individuals with a cancer diagnosis, their family or carers	Macmillan	Funded to Dec 2024
Help to Claim Service	Clients making a UC claim; support to first, correct payment	DWP	Funded to March 2022
Housing First Aid Service	Development of a Housing First Aid approach, supporting partners to deliver First Aid and make casework referrals	Trust for London	Funded to May 2024

Research and Campaigns

Research and campaigning work is shaped by evidence gathered from Croydon residents. It provides insight into the policies and practices that negatively impacts the community and we use it to advocate for change by raising awareness and influencing people who have the power to improve life for local people.

CROYDON CITIZENS ADVICE BUREAUX LIMITED

During the year evidence forms were submitted to Citizens Advice in support of campaigns to change policy and practice affecting people's lives.

Contribution of volunteers

Citizens Advice Croydon's volunteers undertake a variety of important roles from admin, research and campaigns to fundraising and client facing roles as receptionists, assessors, form fillers and advisers. The service we offer would not be possible without the time and commitment given freely by each and every one of our volunteers and each is uniquely valued.

Volunteering also has tangible benefits for volunteers and society, through happier, healthier and more productive citizens.

The calculated public value of volunteering for 2020/21 has been calculated at £370,281.



All volunteers gain at least one practical skill through volunteering



8 in 10 of our unemployed volunteers believe they are overcoming barriers to employment



9 in 10 have increased sense of purpose and self esteem



Over half of our retired volunteers say they feel less at risk of social isolation



3 in 4 volunteers identifying as having a mental health condition felt better able to manage their condition

ACHIEVEMENTS AND PERFORMANCE

Key Statistics

During the year, the service has:

Supported 5,255 clients

Dealt with 26,262 advice problems

Achieved over £3.7 million in financial outcomes for clients

CROYDON CITIZENS ADVICE BUREAUX LIMITED

The effects of the Coronavirus pandemic had an impact on the types of enquiries coming to the service. With many thousands of people furloughed from their jobs and seeking support from the benefits system, employment and welfare benefits alone accounted for 58% of our work during the year.

Impact of our service

We work with some of those most in need. Local Citizens Advice clients are almost five times as likely to live on a low income than an average member of the England and Wales population. This could lead to not having enough money to eat healthily, maintain adequate accommodation and fully participate in society.

Why people need us



Over 1 in 2 clients reported that their problem was brought about by, or affected by, the pandemic



1 in 2 clients with a physical medical condition reported that their problem was making it worse



Around 7 in 10 clients are disabled or report a long term health condition.

CROYDON CITIZENS ADVICE BUREAUX LIMITED



Around 1 in 5 clients are not confident using the internet, including to search for information or fill in application forms online.

All data from Citizens Advice National Impacts & Outcomes Research 2020.

Timely, high-quality advice has a significant impact for our clients, improving their lives by reducing stress and the positive effect this has on health and wellbeing and improving finances through maximising income and managing debts.

Plans for the Future

The organisational Business and Development Plan for 2021– 2024 sets out a set of Strategic Priorities as follows:

1. To implement a flexible service model
2. To increase the volunteer capacity of the organisation
3. To develop a strong advice partnership for Croydon
4. To implement a flexible organisational model
5. To improve the organisation's infrastructure to support service and organisational models
6. To secure alternative premises to support the new service and organisational model
7. To diversify and broaden the organisational funding base

FINANCIAL REVIEW

Financial position

Incoming resources in the year were £615,145 (2019/20 £452,657). Of this £221,044 (2019/20 £177,562) related to project restricted activities. This represents a 36.1% increase in overall income on 2020/21.

An operating surplus of £138,308 was made in the year (2019/20 £186). As at 31st March 2021 current net assets totalled £358,019 (2020: £228,842). Total funds, after the provision for the defined benefit pension liability, totalled a deficit of £260,850 (2020: £399,158 deficit). The overall deficit position is a result of the £628,000 defined benefit pension deficit, recognised as a liability on the balance sheet.

CROYDON CITIZENS ADVICE BUREAUX LIMITED

Reserves policy

Trustees reviewed and revised the reserves policy during the year:

The reserves policy requires the charity to designate a portion of its unrestricted funds to cover the organisation's liabilities in the event of the wind up of the company:

Wind Up Reserve: This funds is provided to cover 3 month's operating costs, plus redundancy costs, in the event of the wind up of the company. The increase of this fund in the year is due to a reassessment of the estimated overhead costs that would be payable in the event of winding up.

At 31 March 2021 £142,936 has been provided (2020 £98,289)

To better plan to meet the charity's priorities as determined by its Business and Development Plan and to safeguard against an increasing volatile funding environment, Trustees agreed to set up the following Designated Reserve Funds in the year:

IT Infrastructure Fund: For the purchase of modern IT software and hardware to ensure that Citizens Advice Croydon has the appropriate infrastructure for the delivery of services and effective operation of the organisation.

At 31 March 2021 £30,000 has been provided to this fund.

Service Development Fund: This fund can support projects solely delivered by Citizens Advice Croydon, or initiatives delivered with other LCA's or external partnerships.

At 31 March 2021 £50,000 has been provided to this fund.

Premises Fund: The fund can support costs relating to any dilapidations becoming effective at the end of the lease term, premises alterations/maintenance/moving costs.

At 31 March 2021 £30,000 has been provided to this fund.

Amounts allocated to each of these funds will be reviewed annually, after the calculation of the Wind Up Reserve.

Funding and Fundraising

The Trustees extend their gratitude to Croydon Council which has continued to support services during the year. Other funding has been received from:

- Macmillan Cancer Support
- DWP
- National Lottery Community Fund

The Coronavirus pandemic has had a significant impact on the type of fundraising activities usually undertaken by the Friends and Fundraising Committee, but any donations from individuals and clients are much valued.

CCAB did not have any borrowings from either providers of funding or other sources at the Balance Sheet date.

Investment policy

As required in its Memorandum paragraph 4.15, in furtherance to its objects, and for no other purposes, the charity has the power to invest or deposit funds in any lawful manner whilst having regard to the suitability of investments and the need for diversification.

CROYDON CITIZENS ADVICE BUREAUX LIMITED

Going concern

The charity's three-year Information and Advice contract with Croydon Council is due to end in March 2023.

Following Croydon Council's issue of a Section 114 Notice back in the autumn of 2020, the authority is reviewing all its services and, grants and contracts as part of the Croydon Renewal Programme. At this time it is not clear what impact this programme will have on the Information and Advice contract. The Trustees consider that this uncertainty does not represent a reason for the charity to not be a going concern.

The charity ceased as an employer in the London Borough of Croydon pension fund, which crystallised the pension deficit in the year ended 31st March 2020. Croydon Council had previously agreed that they would take a pragmatic approach to the deficit. As such the Trustees consider that the pension deficit does not represent a reason for the charity to be not be a going concern.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENT

Company Law requires the charity trustees to prepare financial statements for each 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, for that period. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles in the Charities SORP;
- c. make judgments and estimates that are reasonable and prudent;
- d. state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e. 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity. 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Approved by the Trustees on **06 December 2021** and signed on their behalf by

DocuSigned by:

Ian Collins

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Ian Collins

Chair

CROYDON CITIZENS ADVICE BUREAUX LIMITED

Independent examiner's report to the Trustees of Croydon Citizens Advice Bureaux Limited

I report on the Accounts of the company for the year ended 31st March 2020, which are set out on pages 11 to 23.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the charity's trustees (and also the directors of the company for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and 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.



15/12/2021

P D Mills ACA CTA

Palmer McCarthy

Chartered Certified Accountants

Suite 70, Capital Business Centre

22 Carlton Road

South Croydon, Surrey

CR2 0BS

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Statement of Financial Activities
(Including the Income & Expenditure Account)
for the year ended 31 March 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2021 £	2020 £
INCOME						
Donations	2	774	-	-	774	2,228
Charitable activities	3	393,224	-	221,044	614,268	450,171
Investments	4	103	-	-	103	258
TOTAL INCOME		394,101	-	221,044	615,145	452,657
EXPENDITURE						
Fund raising	5	-	-	-	-	1,500
Charitable activities	6	243,425	-	233,412	476,837	450,971
TOTAL EXPENDITURE		243,425	-	233,412	476,837	452,471
NET INCOME/(EXPENDITURE)		150,676	-	(12,368)	138,308	186
OTHER GAINS AND LOSSES						
Remeasurement of net defined benefit liability	23	-	-	-	-	(195,000)
Transfer between funds	17	(167,015)	154,647	12,368	-	-
NET MOVEMENT OF FUNDS		(16,339)	154,647	-	138,308	(194,814)
Total funds brought forward	17	(497,447)	98,289	-	(399,158)	(204,344)
Total funds carried forward	17	(513,786)	252,936	-	(260,850)	(399,158)

There were no other gains or losses other than those dealt with in the Statement of Financial Activities

The above amounts relate to continuing activities.

The notes on pages 14 to 23 form part of these financial statements.

CROYDON CITIZENS ADVICE BUREAUX LIMITED**Company No. 02197919****Balance Sheet****as at 31 March 2021**

	Note	2021 £	2020 £
Fixed Assets			
Tangible Assets	13	9,131	-
Current Assets			
Debtors	14	21,947	34,873
Cash held as investment	15	76,114	76,022
Cash at bank and in hand		280,755	151,118
		378,816	262,013
Creditors: amounts falling due within one year	16	20,797	33,170
Net current assets		358,019	228,842
Total assets less current liabilities		367,150	228,842
Provision for defined benefit pension liability	23	(628,000)	(628,000)
Net Liabilities		(260,850)	(399,158)
Unrestricted funds			
General funds	17	(513,786)	(497,447)
Designated funds	17	252,936	98,289
Restricted funds	17	-	-
Total Funds		(260,850)	(399,158)

The directors have taken advantage of the exemption conferred by section 477 not to have these financial statements audited and confirm that no notice has been deposited under section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2021

The directors acknowledge their responsibility for ensuring the company keeps accounting records which comply with section 386 of the Act, and for preparing accounts which give a true and fair view of the state of affairs of the company at the end of its financial year, and of its income and expenditure for the financial year in accordance with sections 394 & 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006, and in accordance with the Charities SORP (FRS102) and were approved by the Trustee Board on 6 December 2021 and signed on their behalf by

DocuSigned by:

Ian Collins
 Ian Collins
 Chair

DocuSigned by:

Charmaine Lantry
 Charmaine Lantry
 Treasurer

The notes on pages 14 to 23 form part of these financial statements.

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Statement of Cash Flows
for the year ended 31 March 2021

	2021 £	2020 £
Net cash provided by (used in) operating activities (Note 19)	143,315	(56,966)
Cash flows from investing activities		
Investment income	103	258
Purchase of fixed assets	(13,689)	-
Cash provided by (used in) investing activities	<u>(13,586)</u>	<u>258</u>
Increase (decrease) in cash and cash equivalents at the end of the year	129,729	(56,708)
Cash and cash equivalents at the beginning of the year	<u>227,140</u>	<u>283,848</u>
Cash and cash equivalents at the end of the year	<u><u>356,869</u></u>	<u><u>227,140</u></u>
Reconciliation to cash and cash equivalents at the end of the year per the Balance sheet:		
Cash held as investment	76,114	76,022
Cash at bank and in hand	<u>280,755</u>	<u>151,118</u>
Total cash and cash equivalents at the end of the year per the Balance sheet	<u><u>356,869</u></u>	<u><u>227,140</u></u>

There are no cash and cash equivalent balances that are not available for use by the company.

CROYDON CITIZENS ADVICE BUREAUX LIMITED**Notes to the Financial Statements
for the year ended 31 March 2021****1 ACCOUNTING POLICIES****a Basis of preparation**

These financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The Charitable Company is a public benefit entity for the purposes of FRS102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS102 Charities SORP 2019), the Companies Act 2006 and the Charities Act 2011. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts within these financial statements are rounded to the nearest pound, with the exception of note 23, which is rounded to the nearest thousand pounds.

b Company information

The company is a private company limited by guarantee and was incorporated in England and Wales under company number 02197919. The company is a registered charity under charity number 298761. The company's principal activity and operations are that of providing advice to residents of the London Borough of Croydon on a charitable basis. The registered office address is 48-50 Portland Road, South Norwood, London SE25 4PQ.

c Going concern

These financial statements have been prepared on a going concern basis. The Trustees consider that the defined benefit pension deficit does not represent a reason for the charity to not be a going concern (see the Trustees Report).

d Incoming Resources

Grants received are recognised in the Statement of Financial Activities in the period to which the grant relates. If any amount received is conditional upon the performance by the charity, and this has not been completed by the date of the Financial Statements, then a proportioned amount has been carried forward as deferred income.

Donations are recognised when received.

Bank interest and Gift Aid is accounted for when received.

The charity receives help in the way of voluntary assistance in advising the public but the value of these services has not been included in the Financial Statements. The value to the charity has been estimated and disclosed in the Trustees' Report.

e Resources Expended

Resources expended in respect of unrestricted activities are included in the Statement of Financial Activities on an accruals basis. Costs directly associated to any restricted project are accounted for when paid.

Support costs are allocated to charitable activities based on the time spent on each activity. Where appropriate an allocation is made to fundraising and governance.

VAT not recoverable, where applicable, is included with the resource expenditure.

f Fixed Assets

Fixed assets costing less than £2,000 are not capitalised and are written off in the year of purchase. Other items are depreciated over three years on a straight line basis.

g Debtors

Debtors are recorded at transaction price.

h Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held with banks.

i Liabilities

Expenditure approved for payment but not paid is recorded as a liability on the balance sheet. Current liabilities consist of amounts expected to be settled within 12 months of the balance sheet date.

CROYDON CITIZENS ADVICE BUREAUX LIMITED

Notes to the Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES (continued)

j Redundancy

Redundancy costs are accounted for on the accruals basis, and are initially shown as an expense within to Unrestricted Reserve. A transfer for the same amount is then made to the General Unrestricted Reserve from the Designated Reserve.

k Pension schemes

Pension contributions payable are accounted for in the period to which they relate. The Charity makes contributions to a defined benefit multi-employer pension scheme (see note 23 of the accounts). The assets of the scheme are held separately from those of the charity in independently administered funds. The charity has early-adopted the Amendments to FRS102: Multi-employer defined benefit plans. This was first adopted in the financial statements for the year ended 31st March 2019.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets at the balance sheet date.

The defined benefit obligation has been estimated by an independent actuary.

The fair value of the plan assets is measured in accordance with the FRS102 fair value hierarchy.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to "other gains and losses" on the Statement of Financial Activities. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "remeasurement of net defined benefit liability".

The cost of the defined benefit plan, recognised within "Expenditure" on the Statement of Financial Activities, comprises:

- a) the increase in pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit charges, curtailments and settlements

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised within "Expenditure" on the Statement of Financial Activities, and is further disclosed within "Charitable Activities" as "Finance expense".

l Leases

Rental costs under Operating Leases are charged to the Income and Expenditure Account in equal amounts over the period of the lease.

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Notes to the Financial Statements (Continued)
for the year ended 31 March 2021

	Note	Unrestricted £	2021 Restricted £	Total £	2020 Total £
2 DONATIONS					
Donations					
Sundry donations		774	-	774	2,228
		<u>774</u>	<u>-</u>	<u>774</u>	<u>2,228</u>
3 CHARITABLE ACTIVITIES		£	£	£	£
Croydon Council - Local Government Grant		367,307	-	367,307	269,625
Macmillan Benefits Advice Services		-	85,071	85,071	90,692
Universal Credit		-	71,252	71,252	62,345
Big Lottery Funding		-	64,721	64,721	-
Citizens Advice		25,860	-	25,860	1,484
Henry Smith Charitable Funding		-	-	-	24,525
Pensionwise		-	-	-	750
Others		57	-	57	750
		<u>393,224</u>	<u>221,044</u>	<u>614,268</u>	<u>450,171</u>
4 INVESTMENTS		£	£	£	£
Bank interest		103	-	103	258
5 FUND RAISING EXPENDITURE		£	£	£	£
Support cost allocation	8	-	-	-	1,500
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
6 CHARITABLE ACTIVITIES EXPENDITURE		£	£	£	£
Direct staff costs	11	154,795	140,861	295,656	253,148
Direct professional fees (legal aid work)		17,198	17,013	34,211	-
Other direct costs		(1,867)	3,730	1,863	800
Governance costs	7	2,441	2,900	5,341	7,228
Support cost allocation	8	70,858	68,908	139,766	189,795
Finance costs	23	-	-	-	-
		<u>243,425</u>	<u>233,412</u>	<u>476,837</u>	<u>450,971</u>

CROYDON CITIZENS ADVICE BUREAUX LIMITED**Notes to the Financial Statements (Continued)**
for the year ended 31 March 2021

	Note	Unrestricted	2021 Restricted	Total	2020 Total
		£	£	£	£
7 GOVERNANCE EXPENDITURE					
Independent examiner		951	1,129	2,080	3,340
Trustee expenses	12	157	187	344	60
Legal & professional fees		1,333	1,584	2,917	-
Support cost allocation	8	-	-	-	3,828
		<u>2,441</u>	<u>2,900</u>	<u>5,341</u>	<u>7,228</u>
8 SUPPORT COSTS EXPENDITURE		£	£	£	£
Staff costs	11	32,738	31,437	64,175	132,968
Staff and volunteer expenses		1,563	2,415	3,978	5,229
Premises and establishment costs		15,274	12,736	28,010	9,181
Office administration costs		21,159	22,198	43,357	43,917
Other support costs		124	122	246	3,828
		<u>70,858</u>	<u>68,908</u>	<u>139,766</u>	<u>195,123</u>
Allocated to:		£	£	£	£
Fund raising	5	-	-	-	1,500
Charitable activities	6	70,858	68,908	139,766	189,795
Governance	7	-	-	-	3,828
		<u>70,858</u>	<u>68,908</u>	<u>139,766</u>	<u>195,123</u>

9 TAXATION

The company was registered as a charity on 24 November 1987 and is exempt from corporation tax on its charitable activities.

10 NET INCOME/(EXPENDITURE)	2021 £	2020 £
This is stated after charging:		
Independent examiners remuneration	2,080	3,340
Operating leases - Premises	22,500	22,500
Operating leases - Equipment	1,944	1,896
Pensions - defined contribution	11,980	10,607
Depreciation	<u>4,558</u>	<u>-</u>

CROYDON CITIZENS ADVICE BUREAUX LIMITED**Notes to the Financial Statements (Continued)
for the year ended 31 March 2021**

	Note	2021 £	2020 £
11 STAFF COSTS			
Salaries and wages		323,742	324,230
Social security costs		24,109	23,309
Pensions - defined benefit		-	4,226
Pensions - defined contribution		11,980	10,607
Redundancy		-	23,744
		<u>359,831</u>	<u>386,116</u>
Staff costs are analysed as:			
Direct staff costs	6	295,656	253,148
Support staff costs	8	<u>64,175</u>	<u>132,968</u>
		<u>359,831</u>	<u>386,116</u>

No employee received emoluments of more than £60,000 (2020: Nil).
The remuneration of key management personnel was £54,855 (2020: £50,500)

The average number of employees during the year was

Full time employees	9	6
Part time employees	4	7
	<u>13</u>	<u>13</u>

The full time equivalent posts at the end of the financial year was

Charitable purposes	10.8	6.0
Management and administration	1.4	4.4
	<u>12.2</u>	<u>10.4</u>

12 TRUSTEE EXPENSES

	£	£
Travel costs reimbursed	-	60
Other costs	<u>344</u>	<u>-</u>
	<u>344</u>	<u>60</u>

No Trustees were reimbursed for expenses in the year (2020: two).
No Trustee received any remuneration or fees for professional services.

13 FIXED ASSETS

	Equipment	
Cost	£	£
Balance brought forward	-	-
Acquired during the year	<u>13,689</u>	<u>-</u>
Balance at 31 March 2021	<u>13,689</u>	<u>-</u>
Depreciation		
Balance brought forward	-	-
Provided during the year	<u>4,558</u>	<u>-</u>
Balance at 31 March 2021	<u>4,558</u>	<u>-</u>
Net balance		
31 March 2021	<u>9,131</u>	<u>-</u>
31 March 2020	<u>-</u>	<u>-</u>

14 DEBTORS

	£	£
Trade debtors	19,345	30,898
Prepayments	<u>2,602</u>	<u>3,975</u>
	<u>21,947</u>	<u>34,873</u>

There are no debtors due after more than one year.

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Notes to the Financial Statements (Continued)

for the year ended 31 March 2021

	2021 £	2020 £
15 CASH HELD AS INVESTMENT		
Scottish Widows	76,114	76,022

Cash at bank not used to meet short term cash commitments

16 CREDITORS : Amounts falling due within one year	£	£
Social security and other taxes	-	-
Accruals	18,549	30,012
Deferred Income	-	-
Other creditors	2,248	3,158
	<u>20,797</u>	<u>33,170</u>

17 MOVEMENTS IN FUNDS

	Balance 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 March 2021 £
Unrestricted funds					
General Funds	(497,447)	394,101	243,425	(167,015)	(513,786)
Designated Funds					
Wind Up Reserve	98,289	-	-	44,647	142,936
IT Infrastructure Fund	-	-	-	30,000	30,000
Service Development Fund	-	-	-	50,000	50,000
Premises Fund	-	-	-	30,000	30,000
<i>Subtotal: Designated Funds</i>	<u>98,289</u>	<u>-</u>	<u>-</u>	<u>154,647</u>	<u>252,936</u>
Total Unrestricted Funds	<u>(399,158)</u>	<u>394,101</u>	<u>243,425</u>	<u>(12,368)</u>	<u>(260,850)</u>
Restricted funds					
Macmillan Benefits Advice Services Project	-	85,071	85,071	-	-
Universal Credit	-	71,252	83,620	12,368	-
National Lottery Community Fund	-	64,721	64,721	-	-
	<u>-</u>	<u>221,044</u>	<u>233,412</u>	<u>12,368</u>	<u>-</u>
Total balance	<u>(399,158)</u>	<u>615,145</u>	<u>476,837</u>	<u>-</u>	<u>(260,850)</u>

	Balance 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 March 2020 £
Unrestricted funds					
General Funds	(349,991)	275,095	469,909	47,358	(497,447)
Designated Funds					
Wind Up Reserve	145,647	-	-	(47,358)	98,289
<i>Subtotal: Designated Funds</i>	<u>145,647</u>	<u>-</u>	<u>-</u>	<u>(47,358)</u>	<u>98,289</u>
Total Unrestricted Funds	<u>(204,344)</u>	<u>275,095</u>	<u>469,909</u>	<u>-</u>	<u>(399,158)</u>
Restricted funds					
Henry Smith Charitable Funding	-	24,525	24,525	-	-
Macmillan Benefits Advice Services Project	-	90,692	90,692	-	-
Universal Credit	-	62,345	62,345	-	-
	<u>-</u>	<u>177,562</u>	<u>177,562</u>	<u>-</u>	<u>-</u>
Total balance	<u>(204,344)</u>	<u>452,657</u>	<u>647,471</u>	<u>-</u>	<u>(399,158)</u>

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Notes to the Financial Statements (Continued)
for the year ended 31 March 2021

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2021		
	Unrestricted	Restricted	Total
	General	Designated	
	£	£	£
Fund balance as at 31 March 2021 is represented by			
Tangible fixed assets	9,131	-	9,131
Cash balances	123,278	252,936	356,869
Debtors	2,602	-	21,947
Current liabilities	(20,797)	-	(20,797)
Provision for defined benefit pension liability	(628,000)	-	(628,000)
	(513,786)	252,936	(260,850)

19 RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net movement in Funds	138,308	(194,814)
Add: defined benefit actuarial adjustments recognised as an expense (note 23)	-	4,000
Loss/(gain) on defined benefit pension scheme (note 23)	-	195,000
Less: employer contributions to defined benefit pension scheme (note 23)	-	(10,000)
Add: depreciation charge	4,558	-
Less: investment income	(103)	(258)
Decrease (increase) in debtors	12,926	(7,329)
Increase (decrease) in creditors	(12,373)	(43,566)
Net cash provided by (used in) operating activities	143,315	(56,966)

20 PURPOSES OF RESTRICTED AND DESIGNATED FUNDS

Macmillan Cancer Support

Macmillan Cancer Support funds a welfare benefits service for individuals with a cancer diagnosis, their family and carers.

Universal Credit

These funds have been provided by the DWP for the provision of universal credit advice services.

National Lottery Community Fund

These funds are to support the charity's work with community organisations in Croydon to reach clients needing advice who have difficulties in accessing remote services.

Henry Smith Charitable Funding

Henry Smith had been funding the provision of a debt and welfare benefits advice service since 2017. The funding ended at the end of the 2019 calendar year.

Designated Funds

Wind Up Reserve

These funds have been provided to cover three months expenditure on routine bills and direct redundancy costs for all staff members, excluding any normal notice period.

IT Infrastructure Fund

These funds have been provided for the purchase of modern IT software and hardware to ensure that Citizens Advice Croydon has the appropriate infrastructure for the delivery of services and effective operation of the organisation.

Service Development Fund

This fund can support projects solely delivered by Citizens Advice Croydon, or initiatives delivered with other LCA's or external partnerships.

Premises Fund

The fund can support costs relating to any dilapidations becoming effective at the end of the lease term, premises alterations/maintenance/moving costs.

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Notes to the Financial Statements (Continued)
for the year ended 31 March 2021

21 OPERATING LEASES

	Property £	2021 Equipment £	Total £	2020 Total £
Future minimum lease payments due				
within one year	22,500	1,896	24,396	24,396
between 1 and 5 years	45,000	3,792	48,792	75,838
more than 5 years	-	-	-	-
	<u>67,500</u>	<u>5,688</u>	<u>73,188</u>	<u>100,234</u>

22 RELATED PARTIES

London Borough of Croydon

The charity receives a grant from Croydon Council to fund the core operating capacity and the housing advice service.

The charity has entered into a lease agreement to occupy premises in South Norwood from Croydon Council. The rent payable is £22,500 pa.

23 PENSIONS

Defined Benefit Pension Scheme

The disclosures below relate to the funded liabilities within the London Borough of Croydon Pension Fund ("the Fund") which is part of the Local Government Pension Scheme which is a defined benefit pension scheme.

Croydon Citizens Advice Bureaux Limited ("CCAB") ceased as an employer in the Fund on 20th September 2019. An independent actuary was commissioned by Croydon Council to carry out an actuarial valuation to determine the liabilities that will remain within the Fund on cessation, and the final contribution due from CCAB. The independent actuary determined the indicative final contribution ("cessation deficit") due from CCAB as at 20th September 2019 to be £634,000. This was reported to CCAB in the independent actuary's report dated November 2019 ("cessation report"). CCAB subsequently contributed £6,000, resulting in an indicative deficit as at 31st March 2020 of £628,000. No communication has been received from the Fund since the cessation report. No contributions have been by CCAB made since 31 March 2020. As noted below, it is anticipated that the indicative deficit will be paid to the Fund over many years, and is subject to final actuarial assessment. The Trustees consider it appropriate to continue to account for the indicative deficit as a "Provision for defined benefit pension liability" as at 31 March 2021.

The most recent formal actuarial valuation of the Fund was carried out by the Fund actuary, as at 31st March 2016. The indicative cessation deficit and the deficit as at 31st March 2019 have been estimated by an independent actuary. This deficit represents the excess of the defined benefit obligation above the fair value of the pension plan's assets.

In accordance with Financial Reporting Standard No. 102 (FRS 102) disclosure of certain information concerning assets, liabilities, income and expenditure related to the pension plan is required within these accounts. These disclosures are set out within this note, having made assumptions as detailed in the below paragraph. All figures contained within these disclosures are rounded to the nearest thousand pounds.

As no communication has been received from the Fund in the year, the below reconciliation of the opening and closing balances of the defined benefit obligation and the fair value of the pension plan's assets, shows no movement in the indicative deficit since 31 March 2020. CCAB has assumed that any such movements, if they do exist, would be immaterial relative to the size of the overall deficit, and consequently that this approach provides a materially accurate disclosure of the deficit for the purpose of these accounts.

Please refer to the company's financial statements for the prior year (note 23) for assumptions that were made last year in relation to the Reconciliation of scheme assets and liabilities: year to 31st March 2020 (as is disclosed below).

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Notes to the Financial Statements (Continued)
for the year ended 31 March 2021

Net pension liability

	Year to 31st March 2021 £	Year to 31st March 2020 £
Present value of the defined benefit obligation	1,960,000	1,960,000
Fair value of the plan assets	(1,332,000)	(1,332,000)
Net defined benefit liability	<u>628,000</u>	<u>628,000</u>

**Reconciliation of scheme assets and liabilities:
Year to 31st March 2021**

	Assets £	Liabilities £	Total £
At 1st April 2020	1,193,000	(1,632,000)	(439,000)
Current service cost	-	-	-
Interest income / (expense)	-	-	-
Contributions by scheme participants	-	-	-
Employer contributions	-	-	-
Benefits paid	-	-	-
Changes in financial assumptions	-	-	-
Return on assets excluding amounts included in interest income	-	-	-
At 31st March 2021	<u>1,193,000</u>	<u>(1,632,000)</u>	<u>(439,000)</u>

Year to 31st March 2020

	Assets £	Liabilities £	Total £
At 1st April 2019	1,193,000	(1,632,000)	(439,000)
Current service cost	-	(4,000)	(4,000)
Interest income / (expense)	-	-	-
Contributions by scheme participants	1,000	(1,000)	-
Employer contributions	4,000	-	4,000
Benefits paid	(35,000)	35,000	-
Changes in financial assumptions	-	(358,000)	(358,000)
Return on assets excluding amounts included in interest income	163,000	-	163,000
At 20th September 2019 (cessation)	1,326,000	(1,960,000)	(634,000)
Employer contribution post cessation	6,000	-	6,000
At 31st March 2020	<u>1,332,000</u>	<u>(1,960,000)</u>	<u>(628,000)</u>

Amounts recognised in the Statement of Financial Activities

	Year to 31st March 2021 £	Year to 31st March 2020 £
Charitable activities		
Current service cost	-	4,000
Net Interest expense	-	-
Total defined benefit cost recognised within "Expenditure":	<u>-</u>	<u>4,000</u>

	Year to 2021 £	Year to 2020 £
Other gains and losses		
Charges in financial assumptions	-	(358,000)
Return on assets excluding amounts included in net interest	-	163,000
Total remeasurement recognised within "Other gains and losses"	<u>-</u>	<u>(195,000)</u>

CROYDON CITIZENS ADVICE BUREAUX LIMITED
Notes to the Financial Statements (Continued)
for the year ended 31 March 2021

Employer membership statistics

The table below summarises the pension scheme membership data, as at 20th September 2019 for members receiving funded benefits.

	Number	Total Salary / Pension	Average age
Actives	0	n/a	n/a
Deferred pensioners	3	£2,000	53
Pensioners	14	£79,000	68

The service cost for the year ended 31st March 2021 is calculated using an estimate of the total pensionable payroll during the year. The scheme had no active members and therefore the total pensionable payroll during the year is Nil (2020: £14,000).

The major categories of plan assets as a percentage of total plan assets

The company ceased to be an employer in the London Borough of Croydon Pension Fund on 20th September 2019, and as such it is not considered necessary for the estimated percentage asset allocation of the scheme for the year ended 31st March 2021 to be disclosed in these accounts.

The most recent estimated percentage asset allocation of the scheme (which was for the year ended 31st March 2019) was as follows:

	Year to 31st March 2019
Equities	61%
Bonds	23%
Property	14%
Cash	2%

Principal actuarial assumptions

The latest actuarial valuation of the London Borough of Croydon Pension Fund and CCAB's liabilities took place on 31st March 2016. Liabilities have been estimated by the independent qualified actuary. The principal assumptions used by the independent actuary in the cessation report, and in the report for the year ended 31st March 2019, were:

	Cessation 20th Sept 2019	Year to 31st Mar 2019
Pension increase rate (CPI)	2.1%	2.5%
Salary increase rate	n/a	3.0%
Discount rate	1.0%	2.4%

Life expectancy

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the independent actuary's assessment of future life expectancies at age 65 is summarised below:

	Males	Females
Current pensioners	23.3 years	24.9 years
Future pensioners	25.6 years	27.1 years

Contributions for future years

Croydon Council has confirmed to CCAB that it will take a pragmatic approach to this deficit such that CCAB will continue in the short term with the arrangement of making an annual payment of £6,000 towards the deficit.