



**CROYDON CITIZENS ADVICE BUREAUX LIMITED**

**A Company Limited by Guarantee**

**Company Number 02197919**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**for the year ended**

**31 March 2022**

## **CROYDON CITIZENS ADVICE BUREAUX LIMITED**

<b>Index</b>	<b>Page</b>
Report of the Trustees	<b>1 to 9</b>
Independent Examiners Report	<b>10</b>
Statement of Financial Activities	<b>11</b>
Balance Sheet	<b>12</b>
Statement of Cash Flows	<b>13</b>
Notes to the Financial Statements	<b>14 to 23</b>

# **CROYDON CITIZENS ADVICE BUREAUX LIMITED**

## **Report of the Trustees for the year ended 31 March 2022**

The Trustees present their report and the financial statements for the year ended 31 March 2022

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **TRUSTEES at the date of this report**

Ian Collins	Chair (appointed 01 July 2021)
Gillian Lyons	Treasurer (appointed 25 April 2022)
Davina Hehir	Vice Chair
James Daglish	
Pat Knight	
Homer Taylor	
Nilani Sritharan	
Stephen Bahooshy	(appointed 06 December 2021)
Cheryl Gowar	(appointed 06 December 2021)

#### **TRUSTEES who have served during the year**

Charmaine Lartey	(resigned as Treasurer and Trustee 25 April 2022)
Joe Chapman	(resigned 06 December 2021)
Caroline Rogers	(resigned 06 December 2021)
Rekha Gomes	(resigned as Chair and Trustee 30 June 2021)
Bernadette Millier	(appointed 06 December 2021 and resigned 25 July 2022)

#### **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 2022**

### ***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.

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.

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 2022**

### ***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.

### **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.

### ***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***

The office at Portland Road has remained closed since March 2020 following the outbreak of the Coronavirus pandemic. Throughout the year, the organisation has continually reviewed how best to offer services, protect staff and volunteers whilst navigating the changing threat of the COVID virus. All service delivery has remained online and via telephony channels, with all staff and volunteers working from home.

## CROYDON CITIZENS ADVICE BUREAUX LIMITED

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

<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>
<b>Benefits &amp; Tax Credits</b>	√	√	√	√				
<b>Benefits Universal Credit</b>	√	√	√					
<b>Consumer goods and services</b>	√	√	√					
<b>Debt</b>	√	√	√	√				
<b>Discrimination</b>	√	√	√					
<b>Education</b>	√	√	√					
<b>Employment</b>	√	√	√					
<b>Financial services &amp; capability</b>	√	√	√					
<b>Health &amp; community care</b>	√	√	√					
<b>Housing</b>	√	√	√	√	√			
<b>Immigration &amp; asylum</b>	√	√	√					
<b>Legal</b>	√	√	√					
<b>Other</b>	√	√	√					
<b>Relationships &amp; family</b>	√	√	√					
<b>Tax</b>	√	√	√					
<b>Travel &amp; transport</b>	√	√	√					
<b>Utilities &amp; communications</b>	√	√	√					

*\*Legal Aid services offered via partnership agencies*

### **Additional Services**

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

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

## CROYDON CITIZENS ADVICE BUREAUX LIMITED

### **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.

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 has reduced since the outbreak of COVID and the organisation is more grateful than ever to the small, but dedicated number who have continued to work from home, ensuring that as many clients as possible receive high quality advice. The service we offer would not be possible without the time and commitment given freely by each of them, always willing to go that extra mile to support people in need.

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

*The calculated public value of volunteering for 2021/22 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

# CROYDON CITIZENS ADVICE BUREAUX LIMITED

## ACHIEVEMENTS AND PERFORMANCE

### Key Statistics

During the year, the service has:

**Supported 4,627 clients**

**Dealt with 26,278 advice problems**

**Achieved £7.3 million in financial outcomes for clients**

### 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.



£1.5 million managed debt written off/rescheduled



£325,876 saved to the NHS

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.



8 in 10 people said their problem was solved following advice

9 in 10 people said we helped them find a way forward

### Plans for the Future

The organisation's 3-year Information and Advice contract commissioned by Croydon Council comes to an end in March 2023, and the authority has confirmed that it will not be seeking to renew this contract. This decision was part of a wider decision by Croydon Council not to re-commission any services funded through the Community Fund, in addition to its withdrawal of many other contracts across the voluntary sector. Having issued a new Section 114 notice in November 2022, Croydon Council is undergoing a major re-shape of its own service offer as it battles to balance its budget and achieve financial sustainability.

Having provided Citizens Advice Croydon's core funding since the organisation was established in 1939, the loss of support from the Council is a huge blow to the organisation. Trustees are considering options for service delivery and sustainability into the future, and are realistic that in the immediate future this will result in a much reduced service for clients.



## CROYDON CITIZENS ADVICE BUREAUX LIMITED

A key priority for the remainder of 2022 and 2023/2024 is to find other sources of funding to re-build the service offer and achieve longer term financial stability for the organisation. Citizens Advice Croydon will continue to work with Croydon Council, other statutory partners and local VCS organisations in order to re-build services to Croydon.

### **FINANCIAL REVIEW**

#### **Financial position**

Incoming resources in the year were £477,589 (2020/21 £615,145). Of this £159,588 (2020/21 £221,044) related to project restricted activities. This represents a 22.4% decrease in overall income on 2020/21.

An operating surplus (before the remeasurement of the defined benefit pension liability) of £2,424 was made in the year (2020/21 an operating surplus of £138,308). As at 31<sup>st</sup> March 2022 net current assets totalled £365,005 (2021: £358,019). Total funds, after the provision for the defined benefit pension liability, totalled a deficit of £258,426 (2021: £260,580 deficit). The overall deficit position is a result of the £628,000 defined benefit pension deficit, recognised as a liability on the balance sheet. An agreed approach with Croydon Council requires an annual payment of £6,000 to reduce the defined benefit pension liability, and thereby reducing the overall deficit position.

There were no restricted reserves as at 31 March 2022.

#### **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:** 3 month's operating costs, plus outstanding redundancy liability.

At 31 March 2022 £138,496 has been provided (2021: £142,936)

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:

**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 2022 £30,000 has been provided to this fund (2021: £30,000).

**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 2022 £50,000 has been provided to this fund (2021: £50,000).

**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 2022 £30,000 has been provided to this fund (2021 £30,000).

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

## CROYDON CITIZENS ADVICE BUREAUX LIMITED

- Trust for London

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.

### ***Going concern***

The charity's three-year Information and Advice contract with Croydon Council will end in March 2023, following the Mayor of Croydon's announcement in October 2022 that no organisations funded through the Community Fund would be re-commissioned. Since that announcement, Croydon Council's financial position has worsened, and the authority issued a Section 114 Notice in November 2022.

The contract with Croydon Council had provided in the region of 60% of the charity's incoming resources in recent years. As detailed in the "Plans for the future" paragraph above, the loss of support from the Council is a huge blow to the organisation.

The Trustees therefore consider that there are material uncertainties that cast significant doubt on the charity's ability to continue as a going concern.

Given this outlook Trustees are due to take decisions in December 2022 that will:

- reduce the charity's staffing pool
- reduce the charity's service offer

thus enabling the charity to continue to effectively operate, albeit in a much reduced capacity.

At the same time the charity will continue to make applications for funding from trust funds and other external funders, look to maximise individual giving options as well as continue to work with statutory and other partners in Croydon as the borough undergoes its significant re-shaping, and the Council fulfils its ambition to "reset" its relationship with the voluntary sector.

### ***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:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 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

## CROYDON CITIZENS ADVICE BUREAUX LIMITED

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 **05 December 2022** and signed on their behalf by

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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 2022, 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 draw your attention to the Trustees Report and Note 24 to the financial statements, indicating that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

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.



7.12.2022

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 2022**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2022 £	2021 £
<b>INCOME</b>						
Donations	2	996	-	-	996	774
Charitable activities	3	317,005	-	159,588	476,593	614,268
Investments	4	-	-	-	-	103
<b>TOTAL INCOME</b>		<b>318,001</b>	<b>-</b>	<b>159,588</b>	<b>477,589</b>	<b>615,145</b>
<b>EXPENDITURE</b>						
Fund raising	5	-	-	-	-	-
Charitable activities	6	288,729	-	186,436	475,165	476,837
<b>TOTAL EXPENDITURE</b>		<b>288,729</b>	<b>-</b>	<b>186,436</b>	<b>475,165</b>	<b>476,837</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>29,272</b>	<b>-</b>	<b>(26,848)</b>	<b>2,424</b>	<b>138,308</b>
<b>OTHER GAINS AND LOSSES</b>						
Remeasurement of net defined benefit liability	23	-	-	-	-	-
<b>Transfer between funds</b>	17	<b>(22,408)</b>	<b>(4,440)</b>	<b>26,848</b>	<b>-</b>	<b>-</b>
<b>NET MOVEMENT OF FUNDS</b>		<b>6,864</b>	<b>(4,440)</b>	<b>-</b>	<b>2,424</b>	<b>138,308</b>
<b>Total funds brought forward</b>	17	<b>(513,786)</b>	<b>252,936</b>	<b>-</b>	<b>(260,850)</b>	<b>(399,158)</b>
<b>Total funds carried forward</b>	17	<b>(506,922)</b>	<b>248,496</b>	<b>-</b>	<b>(258,426)</b>	<b>(260,850)</b>

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 2022**

	Note	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible Assets	13	4,569	9,131
<b>Current Assets</b>			
Debtors	14	30,234	21,947
Cash held as investment	15	76,114	76,114
Cash at bank and in hand		278,625	280,755
		384,973	378,816
<b>Creditors: amounts falling due within one year</b>	16	19,968	20,797
<b>Net current assets</b>		365,005	358,019
<b>Total assets less current liabilities</b>		369,574	367,150
<b>Provision for defined benefit pension liability</b>	23	(628,000)	(628,000)
<b>Net Liabilities</b>		(258,426)	(260,850)
<b>Unrestricted funds</b>			
General funds	17	(506,922)	(513,786)
Designated funds	17	248,496	252,936
<b>Restricted funds</b>	17	-	-
<b>Total Funds</b>		(258,426)	(260,850)

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 2022

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 5 December 2022 and signed on their behalf by

Ian Collins  
Chair

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*Ian Collins*  
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Gillian Lyons  
Treasurer

DocuSigned by:  
*Gillian Lyons*  
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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 2022**

	2022 £	2021 £
<b>Net cash provided by (used in) operating activities (Note 19)</b>	(2,130)	143,315
<b>Cash flows from investing activities</b>		
Investment income	-	103
Purchase of fixed assets	-	(13,689)
<b>Cash provided by (used in) investing activities</b>	-	(13,586)
<b>Increase (decrease) in cash and cash equivalents at the end of the year</b>	(2,130)	129,729
<b>Cash and cash equivalents at the beginning of the year</b>	356,869	227,140
<b>Cash and cash equivalents at the end of the year</b>	354,739	356,869
<b>Reconciliation to cash and cash equivalents at the end of the year per the Balance sheet:</b>		
Cash held as investment	76,114	76,114
Cash at bank and in hand	278,625	280,755
<b>Total cash and cash equivalents at the end of the year per the Balance sheet</b>	354,739	356,869

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 2022****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. However, the Trustees consider that there are material uncertainties that cast significant doubt on the charity's ability to continue as a going concern (see the Trustees Report and Note 24).

**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 2022**

#### **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 2022**

	Note	Unrestricted £	2022 Restricted £	Total £	2021 Total £
<b>2 DONATIONS</b>					
Sundry donations		996	-	996	774
		<u>996</u>	<u>-</u>	<u>996</u>	<u>774</u>
<b>3 CHARITABLE ACTIVITIES</b>		£	£	£	£
Croydon Council - Local Government Grant		313,975	-	313,975	367,307
Macmillan Benefits Advice Services		-	74,554	74,554	85,071
Universal Credit		-	55,409	55,409	71,252
Trust For London		-	29,625	29,625	-
Citizens Advice		-	-	-	25,860
Big Lottery Funding		-	-	-	64,721
DWP Access To Work Grant		3,030	-	3,030	-
		<u>317,005</u>	<u>159,588</u>	<u>476,593</u>	<u>614,211</u>
<b>4 INVESTMENTS</b>		£	£	£	£
Bank interest		-	-	-	103
<b>5 FUND RAISING EXPENDITURE</b>		£	£	£	£
Support cost allocation	8	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>6 CHARITABLE ACTIVITIES EXPENDITURE</b>		£	£	£	£
Direct staff costs	11	189,023	116,464	305,487	295,656
Direct professional fees (legal aid work)		20,194	14,018	34,212	34,211
Other direct costs		-	2,362	2,362	1,863
Governance costs	7	4,420	3,032	7,452	5,341
Support cost allocation	8	75,092	50,560	125,652	139,766
Finance costs	23	-	-	-	-
		<u>288,729</u>	<u>186,436</u>	<u>475,165</u>	<u>476,837</u>

**CROYDON CITIZENS ADVICE BUREAUX LIMITED****Notes to the Financial Statements (Continued)  
for the year ended 31 March 2022**

	Note	Unrestricted	2022 Restricted	Total	2021 Total
		£	£	£	£
<b>7 GOVERNANCE EXPENDITURE</b>					
Independent examiner		1,370	940	2,310	2,080
Trustee expenses	12	-	-	-	344
Legal & professional fees		3,050	2,092	5,142	2,917
Support cost allocation	8	-	-	-	-
		<u>4,420</u>	<u>3,032</u>	<u>7,452</u>	<u>5,341</u>
<b>8 SUPPORT COSTS EXPENDITURE</b>		£	£	£	£
Staff costs	11	37,863	25,143	63,006	64,175
Staff and volunteer expenses		3,121	2,175	5,296	3,978
Premises and establishment costs		16,701	11,243	27,944	28,010
Office administration costs		17,309	11,999	29,308	43,357
Other support costs		98	-	98	246
		<u>75,092</u>	<u>50,560</u>	<u>125,652</u>	<u>139,766</u>
Allocated to:		£	£	£	£
Fund raising	5	-	-	-	-
Charitable activities	6	75,092	50,560	125,652	139,766
Governance	7	-	-	-	-
		<u>75,092</u>	<u>50,560</u>	<u>125,652</u>	<u>139,766</u>

**9 TAXATION**

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

<b>10 NET INCOME/(EXPENDITURE)</b>	2022 £	2021 £
This is stated after charging:		
Independent examiners remuneration	2,310	2,080
Operating leases - Premises	22,500	22,500
Operating leases - Equipment	1,944	1,944
Pensions - defined contribution	13,243	11,980
Depreciation	<u>4,562</u>	<u>4,558</u>

**CROYDON CITIZENS ADVICE BUREAUX LIMITED****Notes to the Financial Statements (Continued)  
for the year ended 31 March 2022**

	Note	2022 £	2021 £
<b>11 STAFF COSTS</b>			
Salaries and wages		328,686	323,742
Social security costs		26,564	24,109
Pensions - defined benefit		-	-
Pensions - defined contribution		13,243	11,980
Redundancy		-	-
		<u>368,493</u>	<u>359,831</u>
Staff costs are analysed as:			
Direct staff costs	6	305,487	295,656
Support staff costs	8	63,006	64,175
		<u>368,493</u>	<u>359,831</u>

No employee received emoluments of more than £60,000 (2021: Nil).

The remuneration of key management personnel was £55,153 (2021: £54,855)

The average number of employees during the year was

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

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

Charitable purposes	10.1	10.8
Management and administration	1.4	1.4
	<u>11.5</u>	<u>12.2</u>

**12 TRUSTEE EXPENSES**

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

No Trustees were reimbursed for expenses in the year (2021: none).

No Trustee received any remuneration or fees for professional services (2021: none)

**13 FIXED ASSETS**

	Equipment	
Cost	£	£
Balance brought forward	13,689	-
Acquired during the year	-	13,689
Balance at 31 March 2022	<u>13,689</u>	<u>13,689</u>
<b>Depreciation</b>		
Balance brought forward	4,558	-
Provided during the year	4,562	4,558
Balance at 31 March 2022	<u>9,120</u>	<u>4,558</u>
<b>Net balance</b>		
31 March 2022	<u>4,569</u>	<u>9,131</u>
31 March 2021	<u>9,131</u>	<u>-</u>

**14 DEBTORS**

	£	£
Trade debtors	25,083	19,345
Prepayments	5,151	2,602
	<u>30,234</u>	<u>21,947</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 2022**

<b>15 CASH HELD AS INVESTMENT</b>	2022 £	2021 £
Scottish Widows	76,114	76,114

Cash at bank not used to meet short term cash commitments

<b>16 CREDITORS : Amounts falling due within one year</b>	£	£
Social security and other taxes	-	-
Accruals	8,161	18,549
Deferred Income	9,875	-
Other creditors	1,932	2,248
	<u>19,968</u>	<u>20,797</u>

**17 MOVEMENTS IN FUNDS**

	Balance 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 March 2022 £
<b>Unrestricted funds</b>					
<b>General Funds</b>	(513,786)	318,001	288,729	(22,408)	(506,922)
<b>Designated Funds</b>					
Wind Up Reserve	142,936	-	-	(4,440)	138,496
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>252,936</u>	<u>-</u>	<u>-</u>	<u>(4,440)</u>	<u>248,496</u>
<b>Total Unrestricted Funds</b>	<u>(260,850)</u>	<u>318,001</u>	<u>288,729</u>	<u>(26,848)</u>	<u>(258,426)</u>
<b>Restricted funds</b>					
Macmillan Benefits Advice Services Project	-	74,554	84,327	9,773	-
Universal Credit	-	55,409	55,536	127	-
Trust For London	-	29,625	46,573	16,948	-
	<u>-</u>	<u>159,588</u>	<u>186,436</u>	<u>26,848</u>	<u>-</u>
<b>Total balance</b>	<u>(260,850)</u>	<u>477,589</u>	<u>475,165</u>	<u>-</u>	<u>(258,426)</u>

	Balance 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 March 2021 £
<b>Unrestricted funds</b>					
<b>General Funds</b>	(497,447)	394,101	243,425	(167,015)	(513,786)
<b>Designated Funds</b>					
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>
<b>Total Unrestricted Funds</b>	<u>(399,158)</u>	<u>394,101</u>	<u>243,425</u>	<u>(12,368)</u>	<u>(260,850)</u>
<b>Restricted funds</b>					
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>
<b>Total balance</b>	<u>(399,158)</u>	<u>615,145</u>	<u>476,837</u>	<u>-</u>	<u>(260,850)</u>

**CROYDON CITIZENS ADVICE BUREAUX LIMITED****Notes to the Financial Statements (Continued)  
for the year ended 31 March 2022****18 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted		2022 Restricted	Total
	General	Designated		
	£	£	£	£
Fund balance as at 31 March 2022 is represented by				
Tangible fixed assets	4,569	-	-	4,569
Cash balances	131,326	248,496	(25,083)	354,739
Debtors	5,151	-	25,083	30,234
Current liabilities	(19,968)	-	-	(19,968)
Provision for defined benefit pension liability	(628,000)	-	-	(628,000)
	<u>(506,922)</u>	<u>248,496</u>	<u>-</u>	<u>(258,426)</u>

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

	2022 £	2021 £
<b>Net movement in Funds</b>	2,424	138,308
Add: defined benefit actuarial adjustments recognised as an expense (note 23)	-	-
Loss/(gain) on defined benefit pension scheme (note 23)	-	-
Less: employer contributions to defined benefit pension scheme (note 23)	-	-
Add: depreciation charge	4,562	4,558
Less: investment income	-	(103)
Decrease (increase) in debtors	(8,287)	12,926
Increase (decrease) in creditors	(829)	(12,373)
<b>Net cash provided by (used in) operating activities</b>	<u>(2,130)</u>	<u>143,317</u>

**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.

**Trust For London**

These funds have been provided to fund the provision of housing advice as well as the provision of services to local voluntary sector organisation to recognise housing issues.

**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. This funding ceased in the 2021 financial 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 2022**

**21 OPERATING LEASES**

	Property £	2022 Equipment £	Total £	2021 Total £
Future minimum lease payments due				
within one year	22,500	1,896	24,396	24,396
between 1 and 5 years	22,500	1,896	24,396	48,792
more than 5 years	-	-	-	-
	<u>45,000</u>	<u>3,792</u>	<u>48,792</u>	<u>73,188</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 2022.

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 year ended 31 March 2020 (note 23) for assumptions that were made in that year in relation to the Reconciliation of scheme assets and liabilities.

**CROYDON CITIZENS ADVICE BUREAUX LIMITED**  
**Notes to the Financial Statements (Continued)**  
**for the year ended 31 March 2022**

**Net pension liability**

	Year to 31st March 2022 £	Year to 31st March 2021 £
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	628,000	628,000

**Reconciliation of scheme assets and liabilities:**  
**Year to 31st March 2022**

	Assets £	Liabilities £	Total £
At 1st April 2021	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 2022	1,193,000	(1,632,000)	(439,000)

**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	1,193,000	(1,632,000)	(439,000)

**Amounts recognised in the Statement of Financial Activities**

	Year to 31st March 2022 £	Year to 31st March 2021 £
<b>Charitable activities</b>		
Current service cost	-	-
Net Interest expense	-	-
Total defined benefit cost recognised within "Expenditure":	-	-

	Year to 31st March 2022 £	Year to 31st March 2021 £
<b>Other gains and losses</b>		
Charges in financial assumptions	-	-
Return on assets excluding amounts included in net interest	-	-
Total remeasurement recognised within "Other gains and losses"	-	-



**CROYDON CITIZENS ADVICE BUREAUX LIMITED****Notes to the Financial Statements (Continued)****for the year ended 31 March 2022****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 2022 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 (2021: Nil).

**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 2022 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 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.

**24 GOING CONCERN**

The organisation's 3-year Information and Advice contract commissioned by Croydon Council comes to an end in March 2023, and the authority has confirmed that it will not be seeking to renew this contract. This contract represented c.60% of the charity's incoming resources. Please refer to Trustees Report for further information, in particular how the Trustees plan to make decisions that should enable the charity to continue to operate, albeit in a much reduced capacity.

The Trustees acknowledge that the financial stability of the charity will require other sources of funding to be sourced.

Given the current situation, the Trustees consider that there are material uncertainties that cast significant doubt on the charity's ability to continue as a going concern.

In light of the arrangement with Croydon Council to maintain the annual payment of £6,000 towards the pension deficit, the Trustees do not consider that the pension deficit itself is a reason for the charity to not to be a going concern.