
CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

TRUSTEES REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2022



Registered Number: 03028957
Charity Number: 104599

CITIZENS ADVICE HILLINGDON LTD
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LEGAL AND ADMINISTRATIVE INFORMATION
For the year ended 31 March 2022

Trustees

James Michelson, Treasurer
Richard Ashaye
Doug Bird
Simon Boddis Chair
Felicity Cooper
Simon Quince – resigned 27.6.2022
Steven Jones – resigned 17.2.2022
Noreen Sumra
Kirpal Tahim
Mark Beese Jarvis – appointed 13.4.2022
Hemali Patel – appointed 22.4.2022
Anthony Burles -appointed 28.10.2022

Management Team

Rick Jensen – Director Appointed 17.01.2022
David Sewell – Finance Manager
Jasminder Nagra – Advice Services Manager

Company Registered Number

03028957

Charity Registered Number

1045991

Registered Office

The Colonnade, Civic Centre, High Street, Uxbridge, Middlesex, UB8 1UW

Financial Conduct Authority Authorisation Number

FRN: 617635

Auditors

Parker Cavendish, 28 Church Road, Stanmore, Middlesex HA7 4XR

Bankers

Unity Trust Bank, 9 Brindley Place, 4 Oozells Square, Birmingham, B1 2HB

CITIZENS ADVICE HILLINGDON LTD

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TRUSTEES' REPORT (continued)

For the year ended 31 March 2022

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity Citizens Advice Hillingdon Ltd (HCA 'the charity') for the year ending 31 March 2022 which are also prepared to meet the requirements for a trustees' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Summary of objects

The principal objects of the company are to promote any charitable purpose for the benefit of communities in the London Borough of Hillingdon and in neighbouring boroughs, "the area of benefit" by the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

The charity's main function is to provide a high quality advice and information service which is free, confidential, independent and impartial. The two aims of the service are: To ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities or of the services available to them or through an inability to express their needs effectively; and equally, to exercise a responsible influence on the development of social policies and services, both locally and nationally.

Aims of the charity/mission statement

The charity specifically aims to serve the needs of people who live in the London Borough of Hillingdon and neighbouring areas for reliable, high quality advice and information on their rights and responsibilities. As an independent charitable organisation, it aims to work in partnership with other voluntary, statutory and private agencies for the benefit of its clients.

HCA aims to provide free, confidential, independent and impartial advice to people regardless of their race, religion, age, disability or gender.

The objectives of the charity are put into practice through providing generalist advice at bureaux in Hillingdon, a telephone advice line and, in addition, a variety of specialised services for vulnerable groups in the community and people in debt.

Main objectives for the year

HCA's main objectives for the year, in line with its commitment to playing a full part in the implementation of the Five Year Strategic Plan of national Citizens Advice, were as follows:

- Responding to the changing needs of Hillingdon residents for advice
- Increasing access to advice and information generally
- Service development
- People development through training and support

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TRUSTEES' REPORT (continued)
For the year ended 31 March 2022

OBJECTIVES AND ACTIVITIES (continued)

Strategies for achieving objectives

HCA has a resources strategy as detailed in its Strategic Business Development Plan (SBDP) for 2020-23 covering funding and fundraising, staff and volunteer recruitment and training, premises, equipment and IT, the implementation of which aims to ensure that all necessary inputs are in place to enable HCA to achieve its objectives.

Significant activities contributing to achievement of stated objectives

The unrestricted grant of £280,000 from the London Borough of Hillingdon (LBH) for 2021-22 enabled HCA to provide a high quality free, confidential, impartial and independent advice and information service throughout Hillingdon. However, the global pandemic and lockdowns meant that services had to be provided differently for the second half of this year. Rather than being mainly provided face to face at bureaux located in Uxbridge and Hayes, most services were provided by telephone, webchat and email. Our business continuity plan was triggered and staff were redeployed to home working. This meant that clients could still contact us to obtain the advice they needed throughout the pandemic. Since Covid-19 restrictions have ended we have returned partially to face to face working

Eight funders in total provided various grants to fund additional advice for the general public, projects and specialist services to targeted groups and communities as detailed below.

Mental Health Needs: funding of £55,753 was received from London Borough of Hillingdon to provide another year of welfare benefits and debt advice service for users of mental health services.

Universal Credit Help to Claim: a grant of £219,328 was received from Citizens Advice to deliver the service from April 2021 to March 2022.

Debt Free London: grant funding of £51,555 was received from Toynbee Hall to provide debt advice in Hillingdon, continuing the service throughout 2021-22.

Potentiality Plus: the project to enhance the gateway assessment service at the Hayes CAB was granted renewed funding from Hillingdon Community Trust of £20,000 from April 2021 to March 2022. The project was due to end in March 2022 but a further grant of award of £45,000 has secured some ongoing provision for the following year.

EU Settled Status: funding of £12,509 was received from the Home Office via Citizens Advice Barnet to assist vulnerable EU citizens in making applications for settled status in the UK.

CITIZENS ADVICE HILLINGDON LTD (A Company limited by guarantee)

TRUSTEES' REPORT (continued) For the year ended 31 March 2022

OBJECTIVES AND ACTIVITIES (continued)

National Lottery: a grant of £42,444 was received from national Citizens Advice for volunteer training, gateway and employment advice.

Trust for London: a grant of £47,352 was received for generalist advice

Citizens Advice: a grant of £7,625 was received during the year towards the cost of the Kickstart project where a short term post was funded.

29th May 1961 Charitable Trust: a grant of £4,000 for Core activities

The Archer Charitable Trust: a grant of £1,000 for equipment for volunteers

£3,660 from the Clothworkers Foundation for additional laptops for volunteers to support our recruitment programme

£1,000 from the Austin and Hope Pilkington Trust for homelessness advice

We also received confirmation of large grants for 2022 onwards from the Henry Smith Charity for benefits advice. This will assist us to increase advice provision when demand increases as emergency measures such as furlough are phased out.

Use of volunteers

This was an unprecedented year for the Citizens Advice Service in many ways, not least the impact on our volunteers. Many of our volunteers took a break during the pandemic and most services were provided by paid staff for the majority of the year. However, as restrictions eased we were delighted to welcome our volunteers back into a wide variety of roles which included gateway assessors, benefit form fillers, research & campaigns and administrative workers. Our trustees continued to meet online during the pandemic.

This has left a knock on effect of reduced volunteer staff. We are in an ongoing process of recruiting new volunteers.

ACHIEVEMENTS AND PERFORMANCE

Review of performance against objectives

We were delighted to have been rated good in all areas of performance by Citizens Advice central office in our three-yearly review in February 2021. This means that our membership of Citizens Advice and our Advice Quality Standard is renewed for three years.

Results from our nineteenth annual Client Feedback Survey showed that public satisfaction has been sustained at a high level despite the constraints imposed by Covid-19. 99.2% of service users were very or

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TRUSTEES' REPORT (continued)
For the year ended 31 March 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

fairly happy with our service overall; 88.9% reported reduced stress or improved health and wellbeing and 90.1% felt more confident to deal with problems.

Advisers dealt with 21,276 enquiry issues from Hillingdon residents in 2020-21 in the course of handling 12,210 client contacts with 4,762 residents. During the course of 2020-21 clients were given assistance with debts totalling £2,886,715.

The additional income gained for clients in Hillingdon as a direct result of advice given in 2020-21 totalled £1,616,289 - above the target of £1.3 million in the Specific Aims of our Corporate Grant from LBH.

STATEMENT ON PUBLIC BENEFIT

The objectives and activities, and achievements and performance sections of this report clearly set out the activities which HCA undertakes for the public benefit.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity. In the interest of transparency, the Trustees make the following observations on the two key principles of public benefit.

Principle 1: The must be an identifiable benefit or benefits

1a It must be clear what the benefits are

The clear benefits provided by HCA are delivered through the various service areas which are described in the Significant Activities and Achievements and Performance sections of this report and reflected in the disclosure of charitable expenditure in the Statement of Financial Activities.

1b The benefits must be related to the aims

HCA's aims are to provide the advice that people need for the problems they face and to improve the policies and practices that affect people's lives. The Trustees review the activities of the charity against its aims on an ongoing basis and are satisfied that all activities continue to be related to the aims.

1c Benefits must be balanced against any detriment or harm

No specific issues of detriment or harm arising from the work of HCA have been identified.

Principle 2: Benefit must be to the public or a section of the public

2a The beneficiaries must be appropriate to the aims

Ultimately society as a whole will benefit from HCA's activities.

2b Where the benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions; or by the ability to pay any fees charged.

CITIZENS ADVICE HILLINGDON LTD (A Company limited by guarantee)

TRUSTEES' REPORT (continued) For the year ended 31 March 2022

STATEMENT ON PUBLIC BENEFIT (continued)

As outlined above there are no restrictions on benefits. As outlined in the body of this report significant numbers of people benefit from the activities and the opportunity to do so is open to a still wider group.

2c People in poverty must not be excluded from the opportunity to benefit

As outlined above there are no restrictions on benefits and people in poverty are at the heart of what the Charity does.

2d Any private benefits must be incidental

A number of private benefits do necessarily arise from the activities of the charity. In particular, the charity finds it essential to employ and remunerate staff. These private benefits are, however, incidental as they are a necessary by-product of carrying out the charity's aims.

FINANCIAL REVIEW

Our acquisition and retention of new sources of funding has continued to mitigate our reliance on the unrestricted grant from LBH which represented 37% of total grant income in 2021-22 compared with 41% in 2020-21, and 40% in 2019-20. One other project funded by LBH brought total funding from the Borough to 44% compared to 48% in 20-21 and 48% in 2019-20.

HCA (like most Local Citizens Advice services) is largely dependent on funding from statutory agencies, however grants from Charitable Trusts and Corporate Responsibility giving made up 53% compared with 51% in 2020-21 and 38% in 2020-21 of overall funding.

HCA participates in the Local Government Pension Scheme. The valuation of the pension scheme is dependent on the performance of the stock market and any surplus/deficit must be viewed in the long term and hence have little near term effect unless the Charity were to withdraw from the scheme. Trustees have no intention to do so. The Charity has sufficient cash flow to meet its current obligations, and, despite the pension deficit situation increasing in 2020-21 (having fallen in 2019-20), is continuing to make increased contributions in line with the LBH annual reviews to ensure that the scheme overall will not be under-funded over its lifetime. This year liabilities have decreased on the pension fund.

Reserves policy and going concern

The reserves policy of the charity, following its annual review of this policy in 2021-22 and taking into account the requirements of the Citizens Advice Membership Scheme introduced in April 2017, is to work towards holding reserves that represent a minimum of four months projected expenditure of the organisation which is expected to be equivalent to £244,423 at the start of 2022-23. The review of the reserves policy in 2021-23 will continue to take into account the need for four months projected expenditure for a 'green' financial health rating from national Citizens Advice, together with any changed demands on the funds of the charity, for example, a Pension Fund liability provision.

The total level of reserves held is £(115,224). There were no restricted funds not available for general purposes at the end of the reporting period. As at 31 March 2022, the Charity's unrestricted reserves, including designated funds of £196,083 but excluding the Pensions liability, were £465,774.

The designated funds of £196,083 were made up as follows:

- Pilot Schemes - £20,000 - to enable HCA's involvement in otherwise unfunded pilots that may give the charity an edge in securing future funding streams in the post-Covid-19 environment
- IT Modernisation – £20,000 – this is for costs, including consultancy and IT support, associated with developing our IT for the new ways of working as a result of Covid-19, improved business efficiency, continuity and service delivery.

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TRUSTEES' REPORT (continued) For the year ended 31 March 2022

- Project Over-run - £10,000 - to enable projects that lose funding to withdraw their services to the public in an ethical manner safeguarding the interests of ongoing clients
- End of Contracts Contingency - £20,000 – to cover losses from penalty clauses and non- receipt of final payments should contracts be ended in contentious circumstances
- Hayes Contingency - £15,000 - to enable short-term continuation of service delivery at current levels in the event of any significant reduction in overall funding, or changes to ways of working as a result of Covid-19
- Covid-19 Response - £14,000 – this is to provide against the impact of Covid-19 pandemic on our operations including expected difficulty in meeting targets and consequent potential clawback from funders.
- Pension Deficit - £97,083 – held against any potential requirement for the organisation to make a substantial contribution towards its part of the Hillingdon Local Government Pension Scheme deficit

The charity had no commitments not provided for as liabilities as at 31 March 2022 and no functional assets of value which it considered to represent a commitment of the reserves held.

The FRS102 valuation for HCA as at 31st March 2022 indicated a pension deficit of £581,000, compared to £894,000 at 31st March 2021, as shown in these accounts. A marked decrease in market confidence during 2020-22, changes to actuarial assumptions and costs have resulted in a £313,000 decrease in the deficit situation reported last financial year.

The trustees have reviewed the circumstances of the charity and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The cash flow is in good position with no cash flow issues forecast for the next 12 months. There was a deficit of £25,347 for the current year. The charity has cash at bank of £551,776 and net current assets of £447,040 as at 31 March 2022. The trustees are of the view that the charity is a going concern.

Investment policy and performance

Under the Memorandum and Articles of Association, the Charity has the power to deposit or invest funds in any manner having regard to the suitability of investments and the need for diversification. At the present time the trustee's policy is to maintain such monies on deposits earning a market rate of interest.

PLANS FOR THE FUTURE

Aims and objectives are unchanged and activities are planned to continue with improvements in access to advice and information remaining the top priority.

Key priorities will be to

a) manage the gradual re-opening of services in a Covid-secure manner

b) widen access to initial advice and information by recruiting and training additional volunteer and paid telephone gateway staff

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TRUSTEES' REPORT (continued) For the year ended 31 March 2022

PLANS FOR THE FUTURE (continued)

c) offering additional benefits advice and casework and, for the first time, offering employment advice in-house.

d) broadening our range of partnerships and outreach locations, making advice more accessible to the most vulnerable in our community

STRUCTURE AND GOVERNANCE

Constitution and organisational structure

Meetings of the Trustees as a Management Committee govern the organisation. Relevant matters are delegated to a Finance & Fundraising Sub-Committee and a Staffing & Resources Sub-Committee, who then report to the Management Committee. The Management Committee meets quarterly and the Sub-Committees meet four times a year. The Director of the organisation and two Managers who form the management team manage the day to day operation of the service.

Finance & Fundraising	James Michelson (Chair for Finance and Fundraising meetings) Doug Bird Simon Quince (resigned 22.6.2022) Kirpal Tahim Simon Boddis
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Staffing & Resources	Felicity Cooper Doug Bird Noreen Sumra Richard Ashaye
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The organisation is related to national Citizens Advice through membership. Arrangements for setting the pay and remuneration of the charity's key management personnel (and all employees) are decided locally by the Finance & Fundraising Sub-Committee with inflation increases being given annual consideration (with these mostly being 1-2% in recent years).

In view of the nature of the charity the Finance & Fundraising Sub-Committee takes into account the typical pay levels for local Citizens Advice roles in Outer London and, if recruitment has proven difficult a market addition is also paid provided it is reasonable and within the means of the charity.

Recruitment and appointment of Trustees

Trustees are recruited through various forms of publicity (e.g. website, displays, leaflets) in the area of operation. Trustees are elected and co-opted under the terms of the Articles of Association. In accordance with these, the minimum number of trustees in office at any time must be four and up to the maximum number of fifteen. All elected Trustees shall retire from office at the third annual general meeting at which they were elected but may be re-elected.

Induction and training of Trustees

HCA implements standard Citizens Advice procedures for induction and training which are regularly reviewed. Training needs are regularly assessed following a skills audit of Trustees. Training opportunities are publicised to all Trustees so that skills and knowledge can be updated and augmented.

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TRUSTEES' REPORT (continued)
For the year ended 31 March 2022

Risk Management

Major risks to which the organisation is exposed, as identified by the Trustees, are regularly reviewed by the Board and, as necessary, appropriate action is taken by reviewing funding, personnel, policy procedures and all control systems to mitigate such risks. The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial viability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity.

Attention has also been focused on non-financial risks arising from fire, health and safety of employees and clients. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Impact of Covid-19

We have come out of the Covid-19 restrictions from 2021 to 2022. The service responded well and has adapted over the following years.

Impact remains in limited volunteer hours and some staff feeling unsafe in public settings. However, our online/remote element has continued to be successful and ensures continuity of service with limited office hours. We are now open to the public for limited hours with further hours to be decided in the future.

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TRUSTEES' REPORT (continued)
For the year ended 31 March 2022

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of Citizens Advice Hillingdon for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

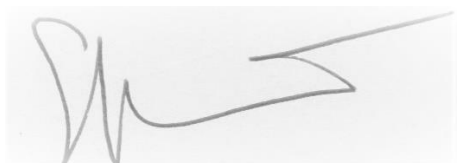
In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

In 2021, in accordance with our policy of reviewing auditors every five years our previous auditors, Moore Kingston Smith resigned and Parker Cavendish were appointed in their place

This report was approved by the Trustees on 15 December 2022 and signed on its behalf, by:



Simon Boddis, Chair

CITIZENS ADVICE HILLINGDON LTD
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CITIZENS ADVICE HILLINGDON LTD

Opinion

We have audited the financial statements of Citizens Advice Hillingdon Ltd ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities incorporating the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CITIZENS ADVICE HILLINGDON LTD

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CITIZENS ADVICE HILLINGDON LTD

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**CITIZENS ADVICE HILLINGDON LTD
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CITIZENS ADVICE HILLINGDON LTD**

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



Marco Gazza (Senior statutory auditor)
For and on behalf of Parker Cavendish

Date: 15 December 2022

28 Church Road
Stanmore
Middlesex
HA7 4XR

Parker Cavendish is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure account) For the year ended 31 March 2022

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOMING RESOURCES					
<i>Income and endowments from:</i>					
Donations		-	2,909	2,909	1,433
Investment income					
Interest receivable		-	204	204	221
Income from charitable activities	2,3	481,810	280,000	761,810	677,045
Total Incoming Resources		481,810	283,113	764,923	678,699
EXPENDITURE					
<i>Charitable activities</i>					
Advice and information	4	481,810	308,460	790,270	703,883
Total expenditure		481,810	308,460	790,270	703,883
Net income/(expenditure)		-	(25,347)	(25,347)	(25,184)
Actuarial (loss)/gain on defined benefit pension scheme	13	-	370,000	370,000	(317,000)
Net movement in funds		-	344,653	344,653	(342,184)
Fund balances brought forward at 1 April 2021		-	(459,877)	(459,877)	(117,693)
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2022		-	£ (115,224)	£(115,224)	£(459,877)

All the above results are derived from continuing activities.

The notes on pages 18 to 29 form part of these financial statements.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

Company number:03028957

BALANCE SHEET
As at 31 March 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	7		18,755		32,618
CURRENT ASSETS					
Debtors	8	52,599		67,572	
Cash at bank		551,776		399,005	
		<u>604,375</u>		<u>466,577</u>	
CREDITORS: amounts falling due within one year	9	<u>(157,354)</u>		<u>(65,072)</u>	
NET CURRENT ASSETS			<u>447,019</u>		<u>401,505</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			465,774		434,123
Pension Scheme Deficit	13		(581,000)		(894,000)
TOTAL NET LIABILITIES	12		<u>£(115,224)</u>		<u>£(459,877)</u>
CHARITY FUNDS					
Restricted Funds			-		-
Unrestricted funds					
Designated funds	11		196,083		196,083
General funds - General	11		269,693		238,040
- Pension reserve	11		(581,000)		(894,000)
			<u>£(115,224)</u>		<u>£(459,877)</u>

The notes on pages 18 to 29 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 December 2022.



Simon Boddis
Chair



James Michelson
Treasurer

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

STATEMENT OF CASH FLOWS
For the year ended 31 March 2022

	2022	2021
	£	£
Cash flow from operating activities		
Net cash inflow from operating activities	152,567	40,511
Cash flows from investing activities		
Interest income	204	221
Cash flows from financing activities:		
Net cash used in financing activities	-	(32,737)
Change in cash and cash equivalents in the year		
Cash and cash equivalent at the beginning of the year	399,005	391,010
Cash and cash equivalent at the end of the year	<u>551,776</u>	<u>399,005</u>
	=====	=====
	2022	2021
	£	£
Net income/(expenditure) for the year	31,652	(25,184)
Adjusted for:		
Depreciation	13,863	6,956
Defined benefit pension scheme cost less contribution (note 13)	-	39,000
Defined benefit pension scheme finance cost (note 13)	-	-
Investment income	(204)	(221)
Decrease/(increase) in debtors	14,973	(13,067)
(Decrease) in creditors	92,283	33,027
Net cash provided by operating activities	<u>152,567</u>	<u>40,511</u>
	=====	=====
	2022	2021
	£	£
Cash in hand and at bank	551,776	399,005
Total cash and cash equivalents	<u>551,776</u>	<u>399,005</u>
	=====	=====

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS102) (Effective 1 January 2015) - (Charities SORP (FRS102) and the Companies Act 2006. Citizens Advice Hillingdon meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated.

b) Preparation of the accounts on a going concern basis

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and at least twelve months from the date of approval of these financial statements, despite the recent challenges presented by Covid-19 and the economy generally. This expectation is based on budgets and forecasts supported by secured funding, and a strong cash position. In addition, whilst being fully cognisant of our part in the Hillingdon Local Government Pension Scheme deficit, HCA continues to be in a position to fully co-operate with the Council's plans to address the deficit over a number of years and ensure the Scheme's sustainability through enhanced contribution rates. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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

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

1.4 Income

All income is included in the Statement of Financial Activities (SOFA) when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified the income is to be expended into a future period.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between the expense headings on the basis of time spent.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and are allocated to activities on a consistent basis.

Governance costs are those incurred in connection with enabling the Charity to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture, fittings and equipment - 33.3% straight line

1.7 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA as incurred.

1.8 Pensions

The company is a member of a defined benefits pension scheme and the pension charge is based on the actuarial valuation. Full actuarial valuations are obtained triennially and are updated at each balance sheet date. The valuation was carried out by an officer of the group. The assets of the scheme are held separately from those of the charity. The contributions to the scheme are charged to the statement of financial activities so as to spread the cost of pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining working lives of current members in the scheme.

1.9 VAT

The charity is not registered for VAT. In common with many other charities, Citizens Advice Hillingdon expenses include VAT incurred, which cannot be recovered.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

2. COMPARATIVE —2021 STATEMENT OF FINANCIAL ACTIVITIES

	Restricted Funds	Unrestricted Funds	Total Funds 2021
	£	£	£
<i>Income and endowments from:</i>			
Donations	-	1,433	1,433
Investment income			
Interest receivable	-	221	221
Income from charitable activities	397,045	280,000	677,045
Total Income	397,045	281,654	678,699
EXPENDITURE			
<i>Charitable activities</i>			
Advice and information	397,045	306,838	703,883
Total expenditure	397,045	306,838	703,883
Actuarial (loss)/gain on defined benefit pension scheme	-	(317,000)	(317,000)
Net movement in funds	-	(342,184)	(342,184)
Reconciliation of Funds			
Fund balances brought forward	-	(117,693)	(117,693)
FUND BALANCES CARRIED FORWARD	£-	£(459,877)	£(459,877)

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITY	Total	Total
- ADVICE AND INFORMATION	Funds	Funds
	2022	2021
	£	£
Unrestricted		
London Borough of Hillingdon - LBH	280,000	280,000
Other income	2,909	1,433
	-----	-----
	282,909	281,433
	=====	=====
Restricted		
Mental Health Money Advice	55,753	55,753
EUSS Grant	12,509	6,383
BEIS	-	16,035
Universal Credit Help to Claim	219,328	205,155
HMPT Grant	-	6,000
BESN	-	5,500
Capitalise Debt Advice	51,555	75,468
Potentiality Plus	20,000	24,040
Middlesex Masonic Charity	-	2,710
National Lottery grant	42,444	-
London Covid Response	47,352	-
Kickstart	7,625	-
HART/Shanley	1,000	-
Austin, Hope & Pilkington	1,000	-
29 th May 1961 Charitable Trust	4,000	-
Riverside NHS Trust	9,106	-
A P Taylor Trust	750	-
Arnold Clark	1,000	-
Cloth workers Foundation	3,660	-
The Archer Trust	2,400	-
The Veterans foundation	2,329	-
	-----	-----
	£481,810	£397,044
	=====	=====

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

RESOURCES EXPENDED

	2022	2021
	£	£
Direct costs - Advice and information	683,070	619,028
Support costs - Advice and information	107,200	84,855
	£790,270	£703,883
	£790,270	£703,883

SUPPORT COSTS COMPRISE OF:

	2022	2021
	£	£
Support staff costs	27,800	26,373
Premises costs	17,203	16,933
Office costs	47,309	26,359
Governance costs	14,888	15,190
	£107,200	£84,855
	£107,200	£84,855

Support costs are costs of central management. These costs are allocated to activities as above based on staff costs.

5. NET EXPENDITURE

	2022	2021
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	13,863	6,956
Auditors' remuneration		
- audit fees (excluding VAT)	6,600	7,248
Pension costs (plus additional contributions)	104,734	96,732
	104,734	96,732

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

6. STAFF COSTS AND NUMBERS	2022	2021
	£	£
Staff costs were as follows:		
Wages and salaries	524,967	483,192
Social security costs	42,254	42,960
Pension costs	104,734	96,732
Staff expenses	9,975	531
	<u>£681,930</u>	<u>£623,415</u>

The average number of employees employed by the charity during the year was as follows:

	No.	No.
Advice and information	21	14
Support	2	1
	<u>23</u>	<u>15</u>

No employee received remuneration amounting to more than £60,000 in the year (2021: £nil).

The key management personnel of the charity comprise the Director, Advice Services Manager and Finance Manager. The total employee benefits of the key management personnel of the charity were £138,769 (2021: £139,092).

During the year, the Trustees didn't receive any remuneration but were reimbursed £26 for expenses (2021: £26).

There were no related party transactions requiring disclosure in the year (2021: none).

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

		Furniture fittings and equipment
7. TANGIBLE FIXED ASSETS		£
Cost		
At 1 April 21		86,918
Additions		-
		<hr/>
At 31 March 2022		86,918
		<hr/>
Depreciation		
At 1 April 2021		54,300
Charge for the year		13,863
		<hr/>
At 31 March 2022		68,163
		<hr/>
Net book value		
At 31 March 2022		18,755
		<hr/> <hr/>
At 31 March 2021		32,618
		<hr/> <hr/>
8. DEBTORS	2022	2021
	£	£
Due within one year		
Trade debtors	17,065	55,753
Accrued income	35,534	11,819
	<hr/>	<hr/>
	£52,599	£67,572
	<hr/> <hr/>	<hr/> <hr/>
9. CREDITORS: amounts falling due within one year	2022	2021
	£	£
Trade creditors	421	211
Accruals and deferred income	126,301	40,420
Taxation and Social Security	13,371	14,227
Pensions	17,260	10,214
	<hr/>	<hr/>
	£157,354	£65,072
	<hr/> <hr/>	<hr/> <hr/>
10. NET DEFERRED INCOME	2022	2021
	£	£
Amount deferred in the year	86,058	28,602
	<hr/> <hr/>	<hr/> <hr/>

The deferred income relates to funds received in advance and specifically instructed to be used in the next financial period.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

11. STATEMENT OF FUNDS	Brought forward £	Incoming resources £	Resources expended £	Pension gain/(loss) £	Transfers in/(out) £	Carried forward £
DESIGNATED FUNDS						
Covid-19 Response	14,000	-	-	-	-	14,000
Pilot Schemes	20,000	-	-	-	-	20,000
IT Modernisation	20,000	-	-	-	-	20,000
Project Over-run	10,000	-	-	-	-	10,000
End of Contracts	20,000	-	-	-	-	20,000
Hayes Contingency	15,000	-	-	-	-	15,000
Pension Deficit	97,083	-	-	-	-	97,083
Subtotal	196,083	-	-	-	-	196,083
GENERAL FUNDS						
Pension funds	(894,000)		(57,000)	370,000	-	(581,000)
General funds	238,040	283,113	(251,460)		-	269,693
Subtotal	(655,960)	283,113	(308,460)	370,000	-	(311,307)
Total unrestricted funds	£(459,877)	£283,113	£(308,460)	£370,000	-	£(115,224)

Pilot Schemes - £20,000 - to enable HCA's involvement in otherwise unfunded pilots that may give the charity an edge in securing future funding streams in the post-Covid-19 environment

IT Modernisation – £20,000 – this is for costs, including consultancy and IT support, associated with developing our IT for the new ways of working as a result of Covid-19, improved business efficiency, continuity and service delivery.

Project Over-run - £10,000 - to enable projects that lose funding to withdraw their services to the public in an ethical manner safeguarding the interests of ongoing clients

End of Contracts Contingency - £20,000 – to cover losses from penalty clauses and non- receipt of final payments should contracts be ended in contentious circumstances

Hayes Contingency - £15,000 - to enable short-term continuation of service delivery at current levels in the event of any significant reduction in overall funding, or changes to ways of working as a result of Covid-19

Covid-19 Response - £14,000 – this is to provide against the impact of Covid-19 pandemic on our operations including expected difficulty in meeting targets and consequent potential clawback from funders.

Pension Deficit - £97,083 – held against any potential requirement for the organisation to make a substantial contribution towards its part of the Hillingdon Local Government Pension Scheme deficit

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

11. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS	Brought forward £	Incoming resources £	Resources expended £	Transfers in/(out) £	Carried forward £
Mental Health Money Advice	-	55,753	(55,753)	-	-
EUSS Grant	-	12,509	(12,509)	-	-
Debt Free Advice	-	51,555	(51,555)	-	-
Potentiality Plus	-	20,000	(20,000)	-	-
Universal Credit Help to Claim	-	219,328	(219,328)	-	-
National lottery	-	42,444	(42,444)	-	-
London Covid response	-	47,352	(47,352)	-	-
Riverside NHS	-	9,106	(9,106)	-	-
Various grants	-	23,933	(23,933)	-	-
Total	-	£481,810	£(481,810)	-	£-

Mental Health Money Advice

This project provides a welfare benefits and debt advice service for users of mental health services.

EUSS Grant

This project provides assistance for EU citizens wanting to settle.

Debt Free London

This project provides debt advice, primarily face-to-face, as part of London's Debt Free London partnership with funding received from the Money Advice Service via Toynbee Hall.

Potentiality Plus

This project provides advice and information in response to needs arising from the national welfare reform programme for residents in the six wards in the south of the Borough of Hillingdon, funded by Hillingdon Community Trust.

Universal Credit Help to Claim

This is a grant received from Citizens Advice to provide assistance to people claiming Universal Credit up until they receive their first payment.

National Lottery

A 3 year grant to cover Hillingdon Helpers

Trust for London- London Covid response

This grant covered one full time and one part time advisor re Covid.

Riverside NHS: grant to provide a mental health and well being advisor for 6 months

Various grants: funding of £23,933 was received.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

11. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS	Brought forward £	Incoming resources £	Resources expended £	Pension movement £	Transfers in/(out) £	Carried forward £
Designated funds	196,083	-	-	-	-	196,083
General funds:						
- general	238,040	283,113	(251,460)	-	-	269,693
- pension	(894,000)	-	(57,000)	370,000	-	(581,000)
	<u>(459,877)</u>	<u>283,113</u>	<u>(308,460)</u>	<u>370,000</u>	<u>-</u>	<u>(115,224)</u>
Restricted funds	-	481,810	(481,810)	-	-	-
Total funds	<u>£(459,877)</u>	<u>£764,923</u>	<u>£(790,270)</u>	<u>£370,000</u>	<u>-</u>	<u>(115,224)</u>

The transfers represent reallocations agreed by Trustees

12. ANALYSIS OF NET ASSET BETWEEN FUNDS

	Restricted Funds £	Unrestricted Funds £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	-	18,755	18,755	32,618
Current assets	86,058	518,317	604,375	466,577
Creditors due within one year	(86,058)	(71,296)	(157,355)	(65,073)
Pension – liability	-	(581,000)	(581,000)	(894,000)
	<u>£-</u>	<u>£(115,224)</u>	<u>£(115,224)</u>	<u>£(459,877)</u>

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

13. PENSION COMMITMENTS

Citizens Advice Hillingdon participates in the Local Government Pension Scheme which is a defined benefit arrangement. It is administered in accordance with the Local Government Pension Scheme Regulations 1197, as amended. It is contracted out of the State Second Pension Scheme and is a funded pension scheme. It is a multi-employer scheme. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2019.

FRS102 require disclosure of assets and liabilities as at 31 March 2022 calculated in accordance with the requirements of FRS102. They also require disclosure of the items which would appear in the statement of financial activities and in the statement of total recognised gains and losses. An actuarial valuation was carried out for the defined benefit scheme by Hymans Robertson using the projected unit method of valuation method. The major assumptions used were;

	2022	2021
	%	%
Main assumptions		
Rate of increase in salaries	3.2%	2.85%
Rate of increase in pensions in payment	3.5%	3.15%
Discount rate	2.7%	2.0%
	<u> </u>	<u> </u>

Mortality

Life expectancy is based on the Funds VitaCurves with improvements in line with the CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustments of 0.25% and a long term rate 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	22.1 years	24.5 years
Future Pensioners	22.8 years	25.5 years

Historic mortality

Life expectancy for all of the below year ends is based on the Fund's VitaCurves. The allowance for future life expectancy are in the following table:

Year ended	Current Pensioners	Future Pensioners
31 March 2022	CMI 2020 an allowance for smoothing of recent mortality experience and long term rates of 1.5% p.a.	CMI 2020 model, an allowance for smoothing of recent mortality experience and long term rates of 1.5% p.a.

Mortality assumptions used to value the Obligations in the Employer's Closing Position are different to those used to value the Obligations in the Employer's Opening Position.

Commutation

An allowance is included for future retirements to elect to take 65% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 85% of the maximum tax-free cash for post-April 2008 service.

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

13. PENSION COMMITMENTS (continued)

Changes in the fair value of planned assets, defined benefit obligation and net liability for year end 31 March 2022

		2022		2021
	Assets £'000	Obligations £'000	Net Liability £'000	Net Liability £'000
Fair value of planned assets	2,281	-	2,811	1,971
Present value of funded liabilities		3,175	(3,175)	(2,509)
Opening position	2,281	3,175	(894)	(538)
Service cost				
Current service cost*		76	(76)	(77)
Total service cost	-	76	(76)	(77)
Net Interest				
Interest income on plan assets	45	-	45	45
Interest cost on defined benefit obligation	-	64	(64)	(58)
Total net interest	45	64	(19)	(13)
Total	45	140	(90)	(90)
Cashflows				
Plan participants' contributions	11	11	-	-
Employer contributions	38	-	38	51
Benefits paid	(60)	(60)	-	-
Expected closing position	2,315	3,266	(951)	(577)
Remeasurements				
Changes in demographic assumptions	-	(190)	190	446
Changes in financial assumptions	-	(15)	15	588
Other experience	-	6	(6)	(29)
Return on assets excluding amounts included in net interest	171	-	171	286
	-	-	-	-
Total remeasurements recognised in Other Comprehensive Income (OCI)	171	(199)	370	(317)

CITIZENS ADVICE HILLINGDON LTD
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2022

13. PENSION COMMITMENTS (continued)

		2022	2021
	Assets £'000	Obligations £'000	Net Liability £'000
Fair value of plan assets	2,486	-	2,486
Present value of funded liabilities	-	3,067	(3,175)
	-----	-----	-----
Closing position	2,486	3,067	(581)
	=====	=====	=====

Analysis of projected amount to be charged to operating profit for the period to 31 March 2023

Period Ended 31 March 2022	Assets £(000)	Obligations £(000)	Net (liability)/asset £(000)	% of pay
Projected Current service cost *		71	(71)	(43.3%)
Past service cost including curtailments		-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	71	(71)	(43.3%)
Interest income on plan assets	67		67	41.1%
Interest cost on defined benefit obligation		83		(50.9%)
Total Net Interest Cost	67	83	(16)	(9.8%)
Total Included in Profit and Loss	67	154	(87)	(41.6%)

* The current service cost includes an allowance for administration expenses of 0.8% of payroll. The monetary value is based on a projected payroll of £163,000.

The contributions paid by the Employer are set by the Fund following an actuarial valuation. For further details on the approach adopted to set contribution rates for the Employer, please refer to the latest formal valuation report and Funding Strategy Statement.