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**Citizens UK Charity and Subsidiary  
(a company limited by guarantee)**

**Trustees' Report and Financial Statements for  
the year ended 31<sup>st</sup> March 2016**

Registered Charity 1107264

Registered Company number 05268071

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## Reference and Administrative details

The directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The charity has three Trustees who are elected annually by the Members of the company at the Annual General Meeting.

### Reference and administrative information

Charity name	Citizens UK Charity
Working name	Citizens UK
Website address	<a href="http://www.citizensuk.org">www.citizensuk.org</a>

Charity registration number:	1107264
Company registration number:	05268071

Registered office and Operational address:	112 Cavell Street London E1 2JA
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### Members of the Board of Trustees

Bishop Eric Brown	
Revd Paul Regan	Acting Chair until 26/01/16
Nicholas Thomas	Treasurer
Helen Black	
Dr Steve Mowle	Vice Chair as of 27/01/16
Fr Michael Copps	
Dr Kaneez Shaid	Chair as of 27/01/16
Saleem Kidwai	
The Rt Rev'd Adrian Newman	
Meriel Barclay	
Ranjit Sondhi	
Rosamund McCarthy	
Farooq Murad	
David Canham	
John Battle	Appointed 14/07/16
Noeleen Cohen	Appointed 14/07/16
Cynthia Masiyiwa	Resigned 11/05/15
Dr Manazir Ahsan MBE	Resigned 09/07/15
Mark Wasserberg	Resigned 09/07/15
Rosanne McMullen	Resigned 19/01/16

### Company Secretary

Molly Carew-Jones

### **Key Management Personnel**

The following served for part or all of the year ended 31 March 2016:

- N Jameson (Executive Director, not appointed by the Board of Trustees)
- C Weatherup
- C Macleod
- R Moore
- S Vero
- M Bolton
- K Chapman
- J Cox

### **Auditor**

Scrutton Bland  
Chartered Accountants and Statutory Auditor  
820 The Crescent  
Colchester Business Park  
Colchester  
Essex CO4 9YQ

### **Bankers**

The Cooperative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester M60 4EP

### **Solicitors**

K & L Gates LLP  
110 Cannon Street  
London EC4N 6AR



## Report of the Executive Director and Trustee Board

The trustees are pleased to present their report, together with the audited financial statements for the year ended 31st March 2016.

The legal and administrative information set out on pages 2 and 3 form part of this report. The Trustees confirm that the financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice (SORP) and Accounting and Reporting by Charities (issued in March 2015) and FRS102.

### **Structure, Governance, and Management**

The Organisation is a charitable company limited by guarantee, incorporated on 25th October 2004 and registered as a charity on 14th December 2004. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

### ***Recruitment and Appointment of Members of the Board of Trustees***

The directors of the company are also charity trustees for the purpose of charity law, and under the company's Articles of Association are known as members of the board of trustees. Under the requirements of the Articles, one third of the members of the board of trustees are required to retire annually at the Annual General Meeting. The minimum number of members of the Board is five and the maximum is twenty. Under the rules of the new Articles agreed by the Board in 2015 the Board has also expanded the Objects of Citizens UK (see Objects and Significant Activity).

### ***Trustee Induction and Training***

All 'elected' Trustees are expected to attend Citizens UK's six-day National Training and 'nominated' Trustees are encouraged to do so, or attend the two-day Introduction to Leadership.

### ***Risk Management***

The trustees have formally assessed business risks. This has involved assessing the types of risks facing the charity, prioritising them in terms of the potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the trustees have assessed the adequacy of the charity's internal controls and the costs of operating particular controls relative to benefits obtained. The key areas identified are: Financial risk- loss of donations, Security risk- loss of data and Operational risk- loss of key personnel.

### ***Trustee Indemnity Insurance***

The charity took out an indemnity insurance to cover its Trustees for 2015/16. The premium was £1,250 for the year.

## **Organisational Structure**

Citizens UK ("CUK") trustees are responsible for policy setting and the charity's overall strategy. They have delegated the day to day management and running of Citizens UK to Neil Jameson, the Executive Director. During the year, Neil was assisted by the Executive which includes; Matthew Bolton - Deputy Director and Lead for London Citizens and Jonathan Cox - also Deputy and Lead in Wales, Caroline Macleod - Director of Finance and Operations, and Katherine Chapman - Director of the Living Wage Foundation. Jawed Neshat, the new Operations and Finance Director was appointed in September 2016. In setting the pay and remuneration of the charity's key management personnel, consideration is given to prevailing market rates within the sector

## **Related Parties**

Citizens UK now includes the four alliances of London Citizens (north, south, east, west), Citizens:MK in Milton Keynes, Nottingham Citizens (and now Maun Valley Citizens, founded in May 2015), Citizens UK Birmingham, Wales Citizens (founded in October 2014 under the banner of Citizens Cymru Wales), Leeds Citizens (founded on July 7<sup>th</sup> 2015) and Tyne and Wear Citizens (founded in December 2015). A new Regional Alliance has been initiated across Greater Manchester and, often as a result of the Refugees Welcome movement initiated by CUK in September 2015, new groups/alliances/affiliates are at early stages of being built in a number of areas, including Taunton and Crawley. The Living Wage Foundation, Safe Passage UK and Good Jobs Campaign are all initiatives of Citizens UK and operate under the authority and oversight of Citizens UK Trustees.

## **Public Benefit**

Trustees have considered the obligations of the Charities Act 2011. We are satisfied that Citizens UK complies with this Act and with Section 4 of this Act concerning 'public benefit', and pays due regard to the public benefit guidance issued by the Charity Commission.

## **Objects and Significant Activity**

The (new) declared objects of Citizens UK are for the benefit of the public:

- to develop the capacity and skills of the members of socially and economically disadvantaged communities in such a way that such members are better able to identify and help meet their needs and to participate more fully in society;
- to assist by directly promoting the more effective working of charitable community capacity building organisations designed to pursue that aim;
- to advance the voluntary sector;
- to advance physical and mental health;
- to relieve poverty, unemployment, or those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;
- to advance environmental protection or improvement and sustainable development;
- to advance the arts, culture, heritage or science; and
- to further such exclusively charitable objects according to the laws of England and Wales as the Trustees in their absolute discretion from time to time determine.

Sustainable development means "developments" which meets the needs of the present without compromising the ability of future generations to meet their own needs

This means that Citizens UK's job is to develop the capacity of the 'organised' people of the UK to participate more effectively in public life, and to strengthen their institutions in the process. We are obliged and privileged to work with and for civil society and to focus on the vital 'mediating institutions' of education, faith, trade union, and voluntary association. Such institutions are critical to sustaining democracy and teaching people how to work together for the common good.

***'For years we have fooled ourselves into thinking that charity and politics are separate. Yet I have found that civil society plays an increasingly important role in politics at all levels, from the very local to global governance, pursuing issues that matter to communities. A new generation of active citizens with political savvy are needed now more than ever'. Dr Danny Sriskandarajah, Secretary General, CIVICUS, World Alliance for Citizen Participation. 2016.***

### **Key Strategic Developments in 2015/16.**

After celebrating its 25th Anniversary in 2014, Citizens UK Trustees amended the **Articles of Association** in response to the growth of Citizens UK Alliances across the UK whilst ensuring our own governance is effective and fit for the responsibilities and resources we carry. These changes were anticipated in last year's Report and have begun to be implemented over this twelve-month period. London Citizens has been dormant since 1<sup>st</sup> April 2014 with all assets being transferred to Citizens UK.

The first meeting of the new **Citizens UK Board of Trustees** was hosted at KPMG's offices on June 24th 2014 with Rev Paul Regan as Acting Chair. The new **Citizens UK Local Leadership Groups**, which oversee the resources and performance of each Citizens UK Chapter, had all been appointed by each Chapters Delegates Assemblies in March 2014. They spent the next twelve months adjusting to their new responsibilities for overseeing both delegated budgets and the performance of the local Citizens UK staff under their Lead Organiser. It has to be said that these crucial Leadership Groups are still finding their feet as our own Accounting system becomes more effective and can provide them with regular and ready financial information.

The **Citizens UK Council** was launched formally on April 29th 2014 with the primary focus on crafting and agreeing a radical Manifesto for Civil Society ready for the 2015 General Election. This first meeting was followed by a two-day retreat on May 1st and 2nd to draft and agree Citizens UK's first UK-wide Manifesto. The Citizens UK Council is responsible for the external affairs and 'politics of Citizens UK, and five delegates from each Chapter are elected by their Chapter Delegates Assembly. The Council is expected to come into its own particularly around national election time or in the event of a UK-wide crisis or challenge.

An Executive comprising two delegates from each chapter and two co-chairs was appointed to meet in between full Council Meetings – with the additional responsibility of relating to the Prime Minister and their senior Ministers. The CUK Council delivered on May 3<sup>rd</sup> 2015 when they organised both the Citizens Manifesto for Civil Society and the General Election Assembly at the Methodist Central Hall.

**Trustees are very grateful to Charlotte Wood (Nottingham Citizens) and Pastor Des Figueirido (South London Citizens) who have been Co-Chairs of the Council for this period and helped this new body get off to a powerful start.**

**Citizens UK's Refugees Welcome** movement has had the most significant effect on CUK during this period. It is reflecting the international refugees' crisis/challenge which started in the summer of 2015 and led to the Prime Minister agreeing to accept 20,000 Syrian Refugees in the UK over the course of Parliament

CUK's ability to work quickly and respond to members concerns with alacrity was tried, tested and not found wanting. Our '2015 Manifesto for the Election' included the proposal that the government should double the number of refugees legally allowed to come to the UK from 750 to 1500. A radical proposal in the political climate, but a relatively small number. In March 2015 CUK in Birmingham focussed on this issue and proposal at a large Assembly in the city attended by national and local politicians and religious leaders. Both of these events gave us democratic legitimacy to then respond quickly to the escalating refugee crisis across Europe in the summer of 2015. Our New Citizens Organising Team ("NCOT") led by George Gabriel toured the country in September to set up local voluntary groups of people who wanted to act to help refugees (87 groups established by October 2015). Two significant Vigils were held one in September on the steps of Westminster RC Cathedral and one outside Parliament in November – calling on the government to resettle at least 1,000 Syrians by Christmas.

A working relationship was established with Richard Harrington MP, Minister for Syrian Refugees and CUK also set up a National Refugees Welcome Board (Co-Chaired by Bishop Paul Butler, Bishop of Durham; Zrinka Bralo from Migrants Organise and Rabbi Danny Rich, Head of Liberal Judaism). The aim of this group was to coordinate the efforts, passion and voice of Civil Society for action to help the refugees. Early on in this development the Board was very impressed by an aspect of the Canadian Immigration system where, since 1979, groups of people and faith communities could sponsor refugees and offer them a home and hospitality as part of that country's overall Immigration practice.

CUK has championed the development and opportunity of **Community Sponsorship** throughout 2016 – as both a great development in UK Immigration Policy but also an excellent challenge for civil society groups like CUK members and others.

Another very significant development for NCOT was the plight of refugees in 'The Jungle' in Calais particularly unaccompanied children. Many visits by staff, Trustees and members to Calais gave us the evidence and urgency for action. A new team called **Safe Passage UK** was established in January 2016, focussing specifically on getting unaccompanied children with families in the UK into Britain using a clause called the Dublin III regulation, which states that such children do not have to seek asylum in the country they are in but can do so once in the UK provided they have family who can house and care for them. Despite the difficulties, CUK was able to reunite four young people with their families. Although this initiative proved to be very expensive it also raised our profile, proved very popular and also raised substantial funding from Avaaz and 38Degrees members, plus individuals and Foundations.

#### **CUK Cymru Wales Citizens holds first Welsh Accountability Assembly: 17<sup>th</sup> March 2016.**

This was another significant step for CUK having only arrived in Cardiff and The Valleys in 2014. Jonathan Cox and CUK's Team in Wales effectively organised a cross Wales Assembly (bi-lingually) with all but two of the constituencies represented. The leaders of the four main political parties attended and responded to Citizens Agenda on Living Wage, Refugees, Social Care and Jobs and all agreed to work with Cymru Wales Citizens in the next four years of the new administration.

#### **The Centre for Community and Theology (CTC)**

The particular role of **Rev Dr Angus Ritchie** and his staff at CTC needs recognition for the part that they play as a key strategic partner for Citizens work, particularly in London.

Angus is one of CUK's longest serving and most experienced leader and partner – initially as a young Anglican Curate based in a member Church in Plaistow, Newham in 2004. He played a central role in persuading the banks, particularly Barclays to go Living Wage. He set up CTC a few years later to offer theological reflection and congregational development training for the Christian member groups of Citizens UK – and others interested in social justice and action. Always a practitioner he has worked as a priest in at least three Citizens member churches in East London. He has also been a Chaplain to an Oxford College. He and CTC are now based at St Georges in the East, Anglican Church in Tower Hamlets. His influence and encouragement of colleague clergy to not just act on their values through various campaigns but, more importantly to use Community Organising tools and method to develop and grow their congregation cannot be underestimated. The alignment with the leadership development mission of CUK with the mission of most faith communities has been well served and supported by CTC for which we are very grateful.

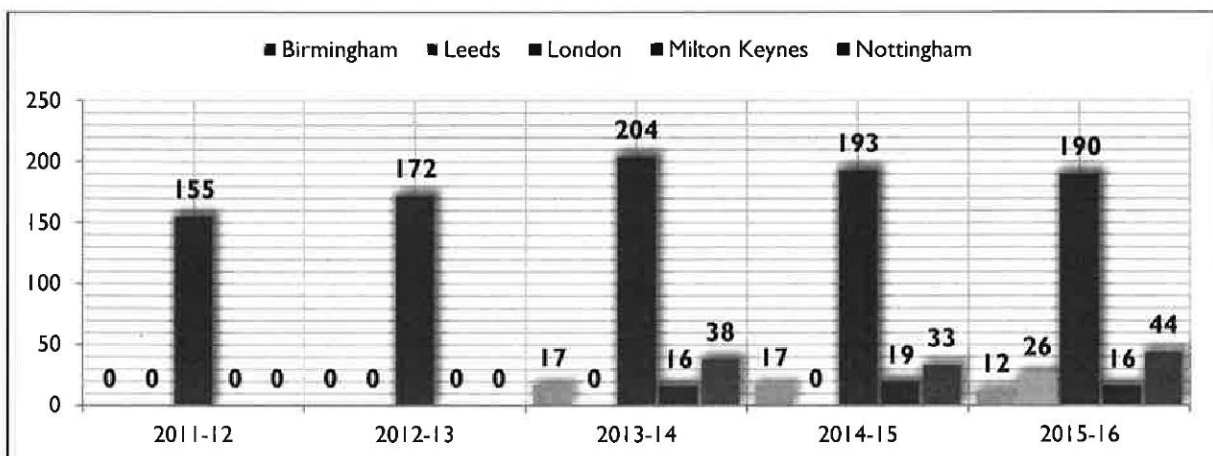
### Membership and Strengthening the Key Institutions of Civil Society.

This dynamic strategy and re-structuring has led to some growth in **Citizens UK's institutional membership in 2015/16**. This had plateaued at 275 diverse institutions in 2013/14 and dipped to 262 in 2014/15 across the UK. In 2015/16 this grew to 288 member institutions, together raising £321,629 in membership dues, of which £210,000 was from London Citizens members alone. London Citizens had 190 institutions in members (small drop from 2014/15 when it was 193). The next largest Chapter is Nottingham Citizens with 42 members.

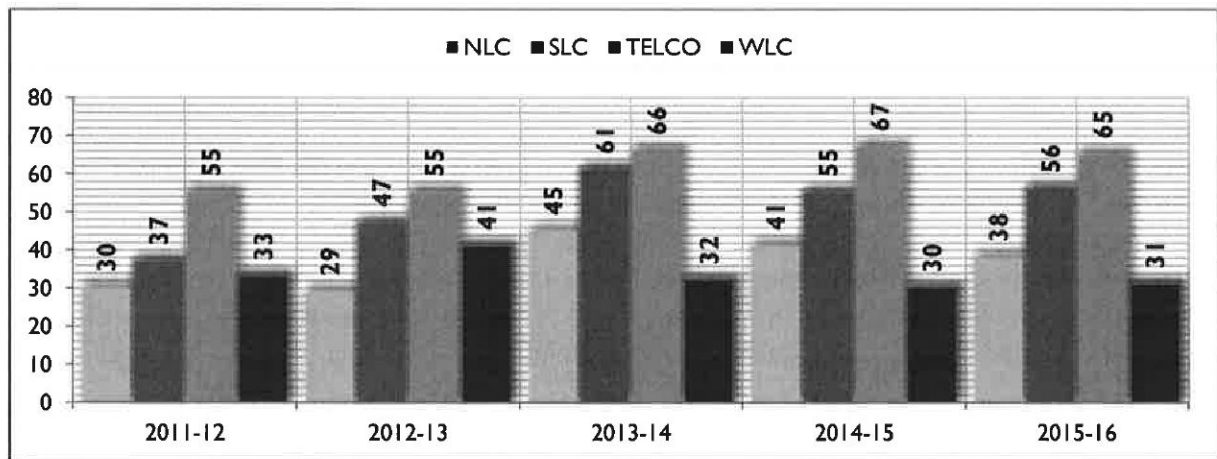
The growth in recruiting larger institutions which pay higher dues or 'dues plus' has continued as has the drive for Principal or Founding Partners paying an average of £10k a year. This was particularly marked first with Cardiff Citizens then with Leeds and now with Tyne and Wear Citizens with Founding Partner grants from the Anglican and RC Dioceses, the Quakers, Newcastle University and a local Foundation. Seed money to set up Greater Manchester Citizens in this financial year has similarly come from a diverse partnership of The RC Diocese, UNISON, OXFAM, Royal College of Nursing; the Jesuits, Human Appeal and two Trusts.

The growth in political education, cementing of new relationships and substantial leadership development as our membership grows and new areas invite CUK to support their ambition to build a broad based Citizens Alliance cannot be underestimated and fits well with our charitable objectives.

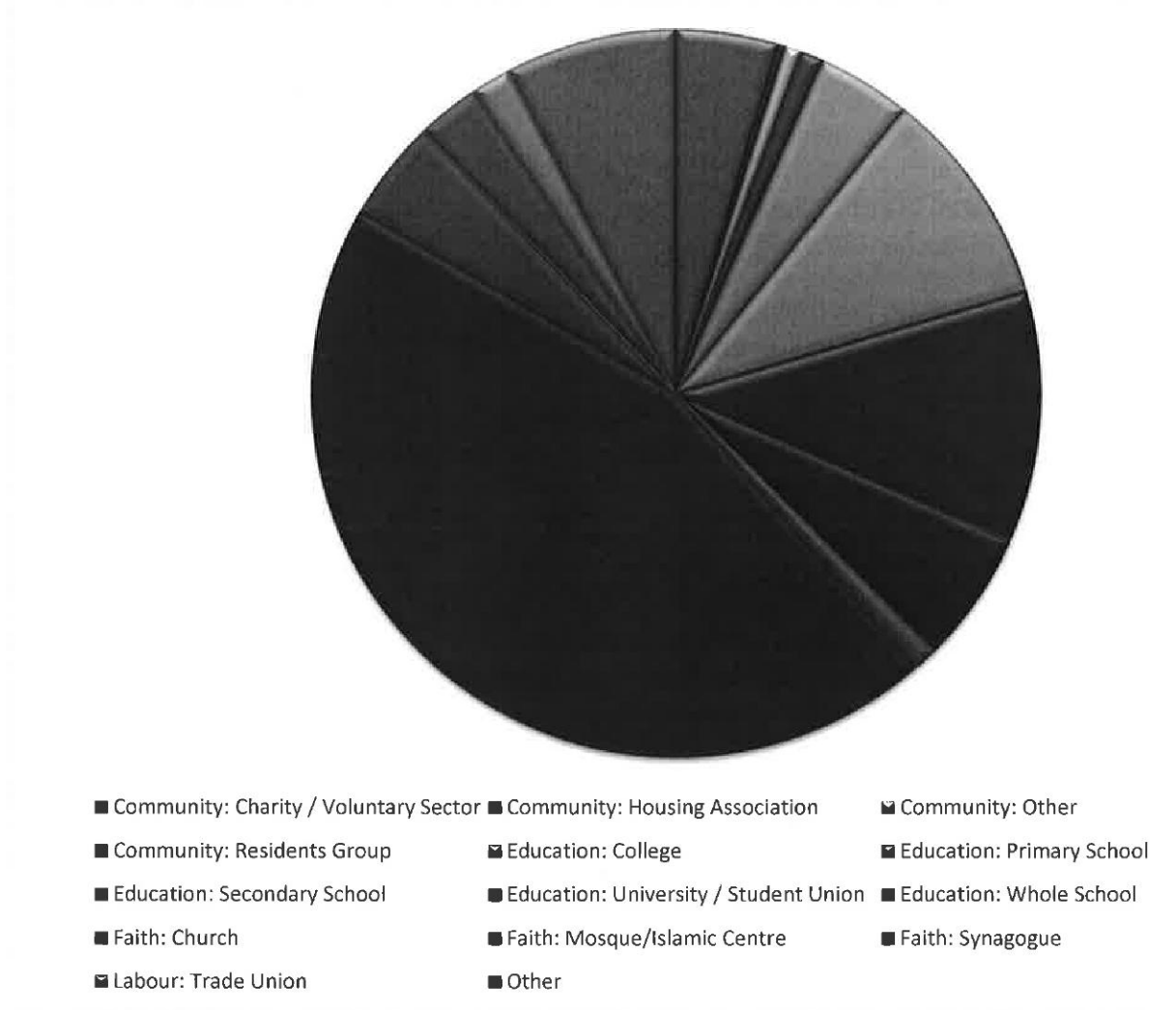
### Citizens UK Membership Growth



### London Citizens Membership Growth

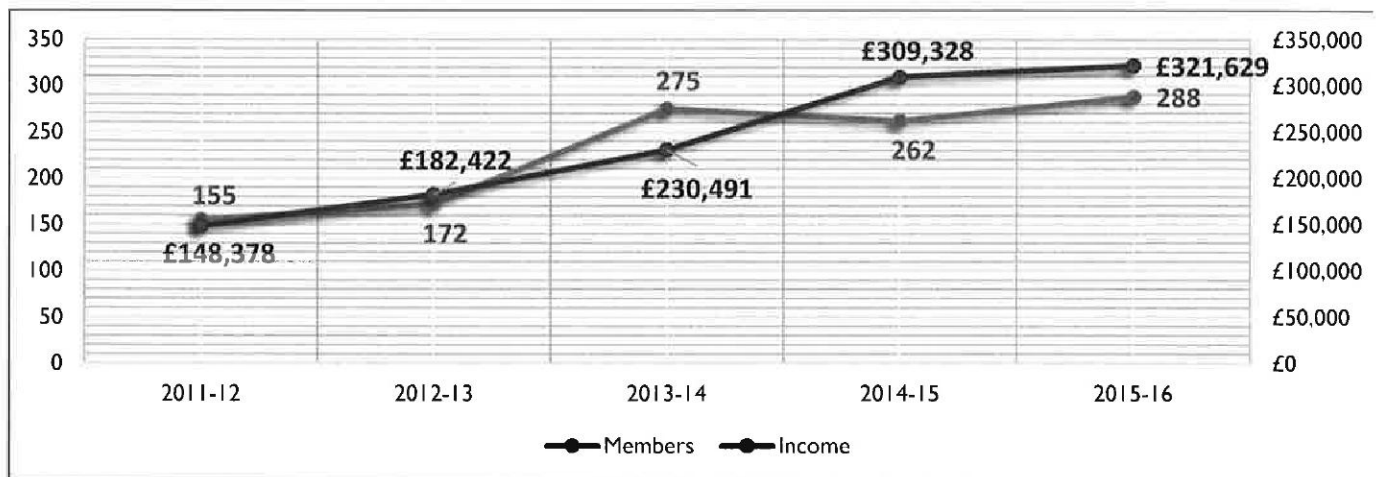


### Citizens UK Membership Diversity





## Citizens UK Membership and Income Growth



### Citizens UK and Developing the Capacity of the People of the UK to Participate in Public Life.

#### The Governance of the Nation.

The Founding Assembly of The East London Communities Organisation (TELCO) was held in York Hall, Bethnal Green at a standing room only event of 1200 organised citizens in November 1996. It was attended by the late Cardinal Basil Hume and other faith and civic leaders both national and regional. The Archbishop of Canterbury, George Carey sent his apologies but sent a warm message of support;

*"I believe it is important to human dignity to play a part in the common life. It is good that apathy, social fragmentation and fatalism should be challenged through collaborative citizen action and that decision making, which sometimes can become concentrated in a few hands and partly concealed, should be held up to the light of public-spirited citizens groups. I hope that your work to strengthen the civic society of East London and make more of its people count for something in influencing its affairs will be richly blessed".*

That was 20 years ago, and on March 9<sup>th</sup> 2017 TELCO plan a major Anniversary Assembly to celebrate 20 years of action, relationship building and working together for the common good.

The second **Citizens UK Civil Society Summit** was held on 24<sup>th</sup> July 2014 and was led by both the new Citizens UK Board of Trustees and the Citizens UK Council, who together launched the '**Citizens UK Manifesto 2015**'. It was attended by 230 key Citizens UK leaders and organisers with the main guest being the then newly appointed Parliamentary Under-Secretary of State for Childcare and Education, Sam Gyimah MP.

Citizens UK's core focus on the **Governance of the UK** after the Summit was dominated by promoting and then refining the eight proposals which the Council and our membership had agreed would provide the framework for the Manifesto for Civil Society 2015: Governance of the UK, Improved Social Care, a Healthy Start for Every Child, More Permanently Affordable Housing, Dignity for Families Seeking Sanctuary, Improved Employment and Training Opportunities, Just Money, and progress with The Living Wage.

This journey included a roundtable with the Prime Minister on 26<sup>th</sup> February 2015; a UK-wide campaign to persuade hundreds of Parliamentary candidates to sign up to the Citizens Commitment (for better social care and the end to indefinite detention for immigration purposes); two workshops on the opportunities provided by the Localism Act for local groups to take more power at a local level; and a series of breakfast meetings with policy specialists and advisers to ensure our Manifesto proposals were sound and winnable.

This period of action was followed by four major Citizens UK Assemblies focusing on specific aspects of the Manifesto. This included the **Citizens UK General Election Assembly** on May 4<sup>th</sup> 2015 attended by Sajid Javid for the Conservatives and Ed Miliband for Labour, Nick Clegg for the Liberal Democrats and, along with 2,500 Citizens members and guests. Together these Assemblies were attended by over 7,000 well informed and engaged citizens, several senior politicians and hundreds of Citizens leaders giving testimony, charring and often speaking for the first time in public.

On May 8<sup>th</sup> 2015, the day after the General Election, both Ed Miliband and Nick Clegg resigned as leaders of their parties following both parties' significant defeat and the Conservatives were elected with a majority of 12 MPs.

Citizens UK's focus on the role played by civil society in the governance of the UK remains as solid as ever and the non-partisan position we have always adopted means that we continue to seek a solid and mutually beneficial working relationship with the Conservative Government until the next Election.

The very positive relationship with the Conservative London Mayor Boris Johnson, forged since 2008, is a great example of how our approach to (non-partisan) politics and governance has worked for our members. London Citizens members met with Mayor Johnson or his senior colleagues regularly throughout this time. The first Community Land Trust site, as well as positive and active support for our Strangers into Citizens, CitySafe, Good Jobs and Living Wage Campaigns came from this mutually respectful relationship.

*In January 2014 Citizens UK was invited to a gathering of over one hundred Newcastle citizens who were seeking a way of tackling injustices like poverty and discrimination, whilst also binding the disparate communities of Gateshead and Newcastle together. This has led to the 'contract' for Citizens UK to build a broad based Citizens Alliance there. **We have found fellow travellers and support from the first Chamber of Commerce to be launched in the North East – in 1814. Their aim and tactics of their founders was not dissimilar to Citizens UK's – 'for the attainment of objects the exertions of individuals may be less adequate to accomplish'.***

### **Citizens Commission on Islam, Participation and Public life**

A final significant development in this period for Citizens UK was the growing anxiety amongst our membership about the growing hostility towards Islam across Europe and specifically in the UK. The growth and threat of Daesh combined with terrorist or extremists atrocities in Woolwich, Paris, Tunisia, Yemen and threats elsewhere compounded the challenge for Citizens UK's Muslim leadership and member institutions to participate in UK public life.

Driven by evidence that the UK's Muslim communities were the most generous yet the poorest and least participating, Citizens UK Trustees agreed to build on previous experiences of initiating a Citizens Commission to conduct research and drive significant changes in attitude, legislation and practical assistance by the major power players of the state, market and civil society itself.



We were delighted when the former Attorney General, Rt Hon Dominic Grieve MP, QC agreed to Chair the '*Citizens Commission on Islam, Participation and Public Life*' along with a diverse and distinguished group of Commissioners. We owe a major debt to Sir Stephen O'Brien CBE (former Citizens UK Trustee) and Dr Mohammad Abdul Bari (former Secretary General of Muslim Council of Britain and now member of Citizens UK Council) for their leadership and inspiration behind this significant challenge.

The Commission was launched on September 10<sup>th</sup> 2015 and has since held Hearings in London, Nottingham, Manchester, Cardiff, Croydon, Leeds and Birmingham with Hearings planned for Portsmouth, Newcastle, Leicester and Glasgow – alongside groups of Commissioners meeting with Muslim Women; the Business Community and other key players with solutions to the challenge the Commission has taken on.

Trustees are very grateful to Dominic Grieve MP as Chair and Jenny Watson as Vice Chair for their time and commitment – and to Esmat Jeraj CUK's Organising Secretary and driver of this very important initiative.

### **Achievements and Performance in 2015/16**

#### **Teaching the principles and art of politics through Community Organising with community leaders and their institutions from a growing and diverse UK alliance**

##### ***Citizens UK Training in Community Organising***

The core training opportunity for CUK members is in the formal, residential opportunity of the six day 'National Training'. Members also have access to regular 2 day Introductory Training which is organised at Chapter level several times a year.

In 2015/16 135 primary leaders attended the three National Training opportunities – in June 2015 hosted by The Open University at Milton Keynes (51 leaders); October 2015 hosted by Salvation Army, Camberwell (54 leaders) and March 2016 hosted by St Michael's College, Cardiff (30 leaders).

The performance of the Organising Team in each Chapter is tested by the expectation that they will be able to regularly send new primary leaders on this National Training to ensure that the expertise of their leadership groups is sustained and new leaders developed throughout the year; The breakdown of numbers attending the three National Training sessions in 2015/16 is;

TELCO (25); SLC (18); NLC and MK (14 each); Nottingham, Birmingham and Cymru Wales (8 each); WLC (6); Manchester (4); Leeds (3) and Tyne and Wear (1).

It is much appreciated that 4 CUK Trustees attended National Training in this period. 7 new staff attended also as part of their induction.

The academic partnership with Newman University who now accredit both the CUK Trainers and then the Trainees was piloted in this period led by Jonathan Cox and Mike Seal from Newman's. Trainees pay £200 to register and for the expenses of their certificate and also agree to undertake at least 50 hours organising work after the Training. Collecting and justifying the extra £200 proved a challenge but overall the feedback from most Trainees was positive. The standard and performance of the CUK Trainers also improved considerably with greater discipline, forward planning and regular mentoring.

The Summer Academy in July 2015 was organised by Sotez Chowdhury from the TELCO team, and involved six novice organisers focused mainly on organising low-paid staff in Government Departments and running listening campaigns on housing issues across our London member communities.

### ***Citizens UK Guild of Community Organisers and the International Network***

Citizens UK's 'Guild of Community Organisers' has met three times over this period, focused on learning the craft and skill of professional Community Organising. A group of experienced leaders from our Anglican membership (Rev Adam Atkinson, Fr Simon Cuff, Rev Angus Ritchie) attended one and shared their experience of membership and their core self-interest and mission, Sr Judy Donovan from our North American sister organisation, the Industrial Areas Foundation (IAF), led another. Some organisers have also met monthly in a book club studying a variety of articles and books relevant to this vocation.

Also, following the Internal Review and Business Plan which was confirmed in July 2015 the CUK monthly Team Meetings were reviewed, extended from a two-and-a-half-hour morning session to a five-hour session which includes a 'training session' and cohort groups for Organisers and HQ staff.

Links with the Deutsches Institut für Community Organizing (DICO) in Germany, IAF in the USA and Canada, and Sydney Alliance in Australia remain strong and deep. Exchanges of leaders and organisers sustain us.

Citizens UK in association with the Centre for Theology and Community hosted 25 colleague leaders and Organisers from this network (plus some from Denmark and New Zealand) in London in April 2016 at the time of the London Mayoral Assembly from April 25<sup>th</sup> to 30<sup>th</sup>. **The theme of this International Symposium was 'Building Powerful Communities in a Global World'** and responsibility for workshops and teaching was shared across the attendees. Much fellowship and learning took place, addresses exchanged and the universal nature of the work we are doing was recognised and endorsed. The highlight for most was the theory and practice coming together on the evening of April 28<sup>th</sup> at the Copper Box London Citizens Mayoral Assembly.

**Sr Judy Donovan from IAF South West** came to the UK for 11 days in May 2015 which included a Guild Day on 11<sup>th</sup> May; the Election Assembly and Rehearsal on 3<sup>rd</sup> and 4<sup>th</sup> May; and a major evaluation of the first twelve months of the Citizens UK Council on 12<sup>th</sup> May. She also visited in October and again in March 2016 from 6<sup>th</sup> to 12<sup>th</sup> to support the Senior Organisers in their work and development.

During this period Citizens UK has been visited by interested guests from the USA, Sweden, Denmark and Hong Kong. A contract was agreed with Citizens Sweden and Carina Crawford-Rolt and Neil Jameson attended the first combined training for Swedish leaders in **Stockholm** from 5<sup>th</sup> to 8<sup>th</sup> March 2015. Neil and Charlotte Fischer also visited for four days in October 2015 and this session included delegates from a developing Citizens group from **Copenhagen, Denmark**.

Our colleagues in Denmark led by Andreas Lloyd successfully raised enough funding to employ 2 Organisers in early 2016 and have also established a formal contract with CUK for support and training.

Sadly, the initial enthusiasm of colleagues in Sweden has waned without funding and any one person focussed on the task of building a broad based Community Organisation.

Rev Angus Ritchie continues to support the fledgling **Hong Kong Citizens** and we were visited by Joy Lam our former CUK Organiser now working in Hong Kong in June 2016.

### **Professional Training: MA, Postgraduate Certificate and other opportunities for professional development**

The **Masters course in Community Organising** run by Professor Jane Wills at Queen Mary University of London entered its fifth year in September 2014 with a smaller mix of full- and part-time students, the support of a full-time organiser sponsored by Queen Mary (Yasmin Aktar), and a full-time Citizens UK Organiser dedicated to Tower Hamlets, Sotez Chowdhury.

In addition, Professor Jane Wills (Queen Mary) and Jonathan Cox (Citizens UK) co-operated in offering a new part-time **Postgraduate Certificate (PGCert)** in Community Organising. This has proved more popular since it was a step towards a Masters and also added to the skills of practitioners, whilst the MA was proving less popular as the anticipated vacancies for trained Community Organisers did not materialise and the career choice was thus less obvious. The Masters will not run from September 2015 as Professor Wills reviews the various options. Relations with Newman University in Birmingham meanwhile have been strengthened, as they have with Birmingham University (both are Founding Partners of Citizens UK Birmingham).

Most CUK Chapters have now established mutually beneficial relationships with their local University – this includes a significant grant from the University, placements for students and opportunities for research and study by the University. For Citizens UK, this provides us with interns and access to rooms, research and researchers, plus the support of academics as 'leaders' and the energy that students bring to an issue or activity. This 'special relationship' applies with Cardiff, Birmingham, Newman, Trinity, Trent, Nottingham, Newcastle Universities and in London - Queen Mary, Kings College, UEL, UCL and Imperial, plus the Open University.

In September 2014 Dr Anna Rowlands moved to Durham University to join the Centre for Catholic Studies in the Theology Department there. She is also supporting the development of Tyne and Wear Citizens.

In 2015 Dr Luke Bretherton, formerly a leader in West London Citizens and academic at Kings College, but now at Duke University in North Carolina, published his book 'Resurrecting Democracy: Faith Citizenship and the Politics of a Common Life'. Much of the book is based upon his experience and analysis as a leader in London Citizens from 2008 to 2014. Edge Hill University and Citizens UK co-sponsored a visit and lecture by Dr Bretherton on July 10<sup>th</sup> 2015 and hosted by the London Muslim Centre. The book concludes:

*'A healthy body politic involves a dynamic interplay between homeostasis and morphogenesis so as to live and act as a contingent, historical, time-bound form of shared life caught betwixt and between continuity and change. Analogous to an immune system, democratic politics is partially constituted by that which it opposes: that is, undemocratic and often vicious people inhabiting undemocratic and often dictatorial institutions. Democracy's paradox is that its pathogens are the source of its new life.'*

*Community Organising embodies a means through which such pathogens as antipolitical and antagonistic friend-enemy relations can be metabolized into a faithful, hopeful and neighbourly politics of a common life'.*

**Developing the Citizens UK Network – committed to using the tools of democracy, relationship-building and power which strengthen and encourage communities to work together for the common good**

*'Power, properly understood, is the ability to achieve purpose. It is the strength required to bring about social, political or economic changes. In this sense power is not only desirable but necessary in order to implement the demands of love and justice. One of the greatest problems of history is that the concepts of love and power are usually contrasted as polar opposites.'* Dr Martin Luther King Jr

**London Citizens**

- With the London Mayoral election being held in May 2016, London Citizens formed a Leadership Group of 20 leaders from across the four chapters of East, West, South and North London. This group decided to initiate a listening campaign, with housing as the key focus.
- Teams were trained across the London Citizens membership to listen and to build capacity ready for a campaign to influence the Mayoral candidates. This culminated in the biggest Assembly Citizens UK has ever put on, with 6000 people set to gather at the Copper Box Arena on April 28<sup>th</sup> 2016.
- Through the Summer and Autumn we met all the front-running candidates to secure their attendance at the Assembly.
- Through the Autumn we held borough workshops to share the results of the listening and policy groups to sound out experts about housing. Over 120 people attended an Issues Workshop to debate and form the proposals and then 800 people attended Delegates Assemblies in each of the four Chapters to democratically vote on the housing proposals and pledge turnout for the Assembly.
- By the end of 2015-16, we had had successful negotiations with the two front-running candidates and were gearing up to turnout 6,000 people and conduct public deals with Zac Goldsmith and Sadiq Khan.

**West London Citizens**

- A disciplined and effective Delegates Assembly was held, leading to our biggest ever commitment as a broad-based alliance to bring 1200 West London Citizens leaders to the London Mayoral Assembly from 34 institutions
- Five leaders sit on the London Citizens leadership group, and are poised to chair the Assembly at the Copper Box Arena and negotiate with mayoral candidates in advance of the event and on stage
- There has been continued success for our Living Wage campaign in Whitehall including the Department of Education and DEFRA raising the pay of their cleaners to the London Living Wage, and successfully ending the disciplinary proceedings initiated against FCO cleaners
- London Borough of Hammersmith and Fulham became an accredited Living Wage employer and London Borough of Ealing introduced a business rate relief scheme to incentivise new accreditations. We continued to campaign for Heathrow Airport to pay its cleaners the Living Wage.

- Organising with residents in North Kensington led to a local assembly of 170 people on housing and regeneration issues and an agreement with Royal Borough of Kensington and Chelsea to establish a Regeneration Charter
- Commitments from RBKC's Tenant Management Organisation to introduce an online system and SMS service to inform tenants about repairs, worth £250,000
- We won a decision from RBKC to raise the zebra crossing outside one of our member schools and commit to create an extra informal crossing, to increase road safety for local school children

### ***North London Citizens***

- Membership is currently at 39 institutions, with a number of local trainings held and 14 leaders attending the 6 National Training.
- 200 young people were trained, with some scheduled to speak at the London Mayoral Assembly in front of 6000 people asking the Mayoral candidates for an Office of Citizenship and Integration. Others have also conducted interviews with national media outlets. Over 20 of these young people have learnt how to teach leadership training and are training up fellow young leaders in becoming active citizens to make this world more just.
- From across North London, over 1600 leaders have pledged to attend the London Mayoral Assembly at the Copper Box Arena, with a number of leaders preparing for prominent roles on stage and off.
- Local actions have been focussed on the Living Wage – persuading both members and large employers to adopt the Living Wage, alongside further establishing City Safe Havens and resettling refugee families. North London holds the first Conservative borough (Barnet) to agree to house refugee families, with an agreement to take 50.

### ***South London Citizens***

- New membership includes several schools, and numerous churches. The number of member institutions has remained steady, growing from 55 to 56 but our amount of dues has increased significantly from £46,834 in 2014/15 to £58,854 in 2015/16 to an estimated £70,000 in 2016/17. Our dues plus arrangements remain the same.
- Peckham Citizens officially launched with eight founding partners at a 300 strong assembly in Rye Lane Chapel.
- Numerous local trainings have taken place at borough and institution level including a two-day training for primary leaders at St Barnabas Church Dulwich. 18 leaders have also undertaken the 6 day national training.
- Alongside a broad range of local actions, we have also organised refugee welcome actions with local councils ensuring Lewisham, Lambeth, Southwark and Greenwich will take at least 50 Syrian refugees.
- South London Citizens committed to bring 2000 people to the Copper Box for the London Mayoral Assembly.
- The Good Jobs campaign celebrated training over 60 people in South London, a staggering 50% of these found employment.



- Lewisham Citizens got their site for a Community Land Trust agreed and subject to planning will be building approximately 15 affordable homes on Brasted Close in Sydenham.
- The PACT project (Parents and Communities Together) continues to impact the Camberwell area through organising around issues of early intervention. The team have now set up over 3 *MumSpace* groups to tackle isolation and encourage wellbeing.
- Funding from Southeastern continues, and new supporters include Southbank Employers Group who are sponsoring and co creating the Southbank Living Wage Zone, and the London Community Land Trust that is supporting 3 Community Land Trust campaigns in Lewisham, Croydon and Southwark.

### ***The East London Communities Organisation (TELCO)***

- Membership now stands at 69 member institutions across 5 boroughs - up from 65 in 2015 - and membership dues have increased from £74,300 to £89,673.
- A number of local trainings have been held, and 25 have attended the 6 day National Training.
- TELCO is gearing up to bring 2500 leaders to the Copper Box Arena on April 28<sup>th</sup> 2016.
- 6 TELCO institutions have completed the first Congregational Development Programme at the Centre for Theology and Community.
- TELCO secured £20,000 from London CLT for campaigns in Redbridge and on the Olympic Park.
- 15 Barts Health Stars have completed apprenticeships during the pilot project
- Tower Hamlets Citizens are ready to celebrate the first 23 families moving into St Clements Community Land Trust (CLT)– the first in London!
- Leaders in Redbridge won agreement from Redbridge Council to significantly scale-up their commitment to 250 CLT homes
- After 2 years of campaigning, Newham Citizens Boleyn Ground campaign won 300 affordable homes worth nearly £100m
- This year, we celebrate 5 years of the Living Wage for over 150 cleaners and catering staff at the University of East London
- Waltham Forest welcomed two new members – Leyton Sixth Form College and CBHA/Peabody
- Good progress has been made on expanding TELCO into Barking and Dagenham

### ***Leeds Citizens***

- Following a successful launch and Founding Assembly in 2015, Leeds Citizens has grown to 27 members from the faith, education and community sectors, in addition to 6 Principal Partners.
- Actions on mental health have led to more culturally sensitive care for the elderly and a developing pilot programme for mental health navigators in primary care. Leeds Citizens members joined with other Citizens UK chapters to secure the inclusion of navigators in the NHS England Five Year Forward View for Mental Health.
- Actions on public transport have led to a new Bus Covenant with the city's largest bus operator, half price bus fares for 16-19 year olds and improved maps and passenger information at bus stops.
- Over 100 people turned out and 7 organisations hosted actions to celebrate our first Living Wage Week, including 60 business pledging to promote the Living Wage to their sectors.

- A number of local actions around the city have been held to tackle litter, improve road safety, promote credit unions and build relationships with businesses which have developed the organising skills of our members.
- 120 people attended local training workshops in the last year and 3 attended the Citizens UK residential National Training.

### ***Nottingham Citizens***

- Nottingham Citizens membership now stands at 42.
- Over 150 leaders have been trained locally and 8 have completed the 6 day National Training.
- A core team of 150 leaders have been involved in listening & campaign teams throughout the year.
- Ahead of the Police & Crime Commissioner Elections in May 2016, we organised an assembly that saw 800 leaders attend alongside Councillors and the PCC Candidates.
- Nottingham Citizens organised a public hearing for the Citizens Commission on Islam, Participation and Public Life with strategy teams focused on Street Harassment, Diversity, Sanctuary, Care & Loneliness and Mental Health.
- The roll out of misogyny as a new classification of hate crime followed on from the Hate Crime Commission we held and was broadly covered by press around the world.

### ***Maun Valley Citizens***

- This year has seen Maun Valley Citizens grow to 18 member institutions and raising sufficient funds in order to employ an Organiser full time.
- We are now established in both Mansfield & Ashfield with appetite for further growth across the Maun Valley.
- The Accountability Assembly saw more than 400 leaders attend, with commitments from the County Council Leader and Mayor on jobs, prosperity, safety and loneliness including developing a safe road crossing outside a local school following the death of a woman in the local church.
- We have also received a commitment from the local radio station to make Maun Valley Citizens their "Charity of the year".

### ***Citizens UK Birmingham***

- Membership has increased to 22 institutions, with new members including our first Mosque, more UNISON branches, schools, a social enterprise and a national charity.
- 70 leaders have undertaken local two-day training with 8 going on National Training.
- Actions have included a major Police Commissioner and Local Elections Accountability Assembly with pledges on increasing Syrian refugee resettlement total to further 500, the piloting of CitySafe advice surgeries in Primary Schools and cross party pledges on Living Wage.
- We have been fortunate to have had Mosese Dakunivosa join the Staff team as an intern and support our local work.
- Funds have been raised from Sisters of Mercy UK, principal partners, membership dues and Barrow Cadbury Trust.

### ***Citizens Cymru Wales (Cardiff Citizens & Vale of Glamorgan Citizens)***

- A delegation of 120 attended the Citizens UK General Election Accountability Assembly in May 2015, and signed up all the elected MPs in Cardiff and the Vale of Glamorgan to the Citizens UK Commitment.
- 600 leaders from 36 of Wales' 40 constituencies attended the first ever Governance of Wales Accountability Assembly in March 2016, where the leaders of the 4 main political parties agreed to work with us on our Citizens' Priorities if elected.
- Raised £78,000 in hard money, and secured two major new strategic partners - Cardiff University and the Royal College of Nursing (Wales).
- 8 leaders attended the 6 day National Training, and a further 15 have participated in a new modular version of the training piloted with Newman University.
- Local action highlights include the Gurnos Zebras winning a zebra crossing in Merthyr Tydfil, and the campaigns to get Cardiff Council and the Welsh Government to accredit as Living Wage employers.

### ***Citizens:MK (Milton Keynes)***

- 20 member institutions, up from 19 last year with 40% of funding from membership dues, up from 33% last year.
- 43 leaders from seven institutions attended eight two-hour training sessions, and 14 attended national 6-day training.
- The number of MK-registered accredited Living Wage employers rose from 12 to 21.
- More than 1,000 conversations were had in nine Weaving Trust actions involving 180+ individuals from 11 member institutions, Community Energy and Refugees Welcome campaigns were launched, and Southwood Primary School got re-engineered car parking at the back gate.
- Milton Keynes Council agreed in its 2016-2020 Plan to 'support the development of an agreed set of proposals each year with Citizens:mk to be proposed at their annual assembly'.

### **Projects and Campaigns**

#### ***New Citizens Organising Team (NCOT)***

- 138 parliamentary candidates from the three main political parties, including three government ministers, signed our pledge to support the call for an end to indefinite detention before the General Election.
- We obtained a commitment to end indefinite detention in the Labour Party manifesto and get their support to resettle Syrian refugees.
- As an immediate response to the refugee crisis in September 2015 hundreds of people gathered outside the Westminster Cathedral to pray and commit to working together to Welcome Refugees launching the Refugee Welcome Movement.
- Over 80 local groups across the country were built and supported by organisers to get local councils to commit to resettle Syrian refugees.
- 1200 leaders took part in 40 local and national Refugee Welcome trainings.
- Five NCOT leaders attended the 6-day National Training in Community Organising in Cardiff.
- The #1000b4Xmas action in Trafalgar Square managed to secure a public commitment from the government to resettle at least 1000 people before Christmas 2015, and contributed towards David Cameron's commitment to increase the UK quota to 20,000 people over five years.



## ***Governance of the Nation***

The overall narrative of this report is intended to stress the central role and interest we have in Citizens UK playing a key part in the governance of the UK.

We organise to negotiate on the issues and concerns of our members and their families. We train to build a new and sophisticated leadership who are informed, determined and enthusiastic, so that they can play a role in the governance of their institution, their neighbourhood, their city or borough, and their country. We act partly to put our training into practice and partly to promote and defend our interests. We are proud of our multi-issue agendas since they reflect the diversity of the membership and the many matters and injustices in which we have an interest.

This is particularly so when the State needs our consent to govern at election times. For the first time the UK government has a fixed term and we knew that there would be a General Election on May 7th 2015, unless the government fell before then.

Since the EU Referendum on June 23<sup>rd</sup> 2016 this certainty is already looking less certain following David Cameron's resignation on 24<sup>th</sup> June and Theresa May becoming PM. We also know that elections for the new Regional Mayors proposed by George Osborne and scheduled for May 4<sup>th</sup> 2017 will take place. The reluctance of many councils to pursue a regional Strategy and bury their differences has meant that the original 'certainty' is less, so, presently it looks like only Greater Manchester, the West Midlands and Merseyside will have such election.

However, we also know when and where the local and other elections, such as those for Police and Crime Commissioners, will take place. These are all opportunities to make public relationships and deals.

The course of action we have refined over the last 25 years includes: building a multi-issue agenda or manifesto through a disciplined listening campaign, gaining consent for this agenda from our membership, taking this agenda to the streets and the various political camps to debate and inform them of our proposals and seek their support, and finally holding a Citizens Assembly where the main candidates react to the Citizens proposals and are invited to work with us.

The period covered by the first few months of this report (April to June 2015) was dominated by the listening campaign focussed on UK wide issues, the formation of the Council, the building of the Manifesto for Civil Society, gaining the consent of the different local alliances, and building campaign teams for the eight social justice proposals in the Manifesto. Hundreds of leaders met parliamentary candidates across the UK to talk about Citizens UK and gather signatures to support our proposals for social care and the end to indefinite detention. We hosted national themed Assemblies in Nottingham (on Social Care, turnout 2,400) on March 24<sup>th</sup> and Birmingham (on Sanctuary, turnout 650 citizens, a Youth Assembly (jobs and skills training, turnout 250), and other local assemblies in Croydon, Brent, Milton Keynes, Islington and Haringey. We registered over 10,000 people to vote, meet the Prime Minister on February 26<sup>th</sup>, and of course held the most diverse Assembly of the whole Election period on May 4<sup>th</sup> at Central Hall with 2,250 of our members and the leaders of the Labour and Liberal Democrat parties, plus the now Business Secretary Sajid Javid.

Each Assembly also fulfilled the important internal governance action of electing the new Local Leadership Groups and Citizens UK Council members, who joined the various bodies established by Citizens UK's new Articles of Association in June 2013, coming into operation from April 2014.

The work on Governance by London Citizens was particularly impressive and comprehensive and had a good impact in London. London Citizens then capitalised on this experience from June 2015 to April 2016 with the detailed and thorough organising that took place in preparation for the biggest and most ambitious Assembly in CUK's history – on April 28<sup>th</sup>, the London Citizens Mayoral Assembly (referred to throughout this Report).

We are very grateful to the wide range of academics and policy specialists who attended the several themed workshops in the autumn of 2014, hosted by our allies in the new **Citizens UK Corporate Supporters Group (Linklaters, Aviva, Herbert Smith Freehills, KPMG)**. These included workshops on homelessness, housing, governance, immigration, money, and public health. The same pattern with even more support from academics and Housing specialists took place over the Autumn of 2015 and 2016 New Year in anticipation of the London Mayoral Election on May 7<sup>th</sup>.

Thanks to all who made this core activity on the Governance of the Nation and Governance of London possible.

### **Financial Review**

The charity's total consolidated incoming resources for the year to 31st March 2016 were £3,578,998. Resources expended amounted to £3,217,375 giving a net surplus for the year of £361,623. The, unrestricted reserves at 31st March 2016 amounted to £108,022 and total reserves amounted to £434,952.

We are very grateful to the growing and diverse number of funders without whom the Citizens UK team would not be sustained let alone be growing and planning for the future. Principal grants allocated to financial year 2015/16 and their purposes can be seen in Note 2 (Grants and Donations) of the accounts.

We particularly appreciate the generosity of our 299 member institutions and the growing number of Founding and Principal Partners across the country who pay annual dues, dues plus and annual grants for their membership.

### ***Reserves policy***

Trustees intend for the charity's unrestricted reserves to represent at least three months' wind down costs, but that we should aim in the longer term for six months. At this level the trustees feel that they can continue to run the present activities of Citizens UK for a period in the event of a significant drop in income. Trustees hope to raise an additional £50,000 of unrestricted reserves during the 2015-16 financial year.

### ***Pro Bono Services***

The charity benefits from pro bono legal services from KPMG and K&L Gates and Ashurst Lovells. Advice on Diversity and being an Inclusive Employer from Jenny Barrow at the Financial Conduct Authority. Our work with Refugees Welcome would not be possible without considerable pro bono help from various law firms and individuals – to name the brilliant staff at the Islington Law Centre as one.

- Our work with young people has grown rapidly. The Voter Registration drive led by young leaders got 25,000 people to register to vote, many of them with global roots.
- Over 150 young people from a migrant or refugee background were trained in community organizing and involved in actions and campaigns on housing, safety and tackling racism and inequality.
- NCOT leaders laid foundations for creating private sponsorship as a route to safety.
- The Safe Passage partnership with Doughty Street Chambers, Islington Law Centre and Bhatt Murphy Solicitors was developed, the outcome was that three Syrian children arrived safely creating a precedent which led to dozens more arriving safely to be welcomed by their families.

### ***Living Wage Campaign***

- The Living Wage Foundation has had another excellent year of growth. At the end of April, there were 2,500 accredited Living Wage employers committed to paying their own staff and subcontractors the Living Wage. The accredited network now includes a third of FTSE 100 companies and this year has seen major breakthroughs in retail with big wins including IKEA, Oliver Bonas and Majestic Wines. We are also delighted that IKEA and Oxfam have joined as Principal Partners of the Living Wage Foundation, providing financial and strategic support to the Foundation's work.
- The announcement in summer 2015 of the Government's 'National Living Wage' was a significant milestone for the Living Wage campaign. The result of 15 years of campaigning led to this welcome increase in the legal minimum, benefitting millions of workers.
- In January, the Living Wage Commission was set up, drawn from leading Living Wage accredited employers, trade unions, civil society and independent experts, to oversee an initial review of the methodologies underpinning the Living Wage rates. The Commission will provide robust governance and will advise on the Living Wage calculation each year to produce robust and sustainable Living Wage rates.
- We continue to strengthen the business case for the Living Wage and this year published a guide to good jobs in retail setting out how to implement the Living Wage in retail and service sector employers in a way that maximises benefits for employers and employees.
- Alongside the employer accreditation, the Living Wage Service Provider Recognition scheme continues to grow and change the landscape of low pay in the Facilities Management industry; there are now over 70 leading cleaning, catering and security companies signed up.
- We have more than doubled the number of Living Wage Friendly Funders to support charities to pay the Living Wage through their grant-making and there are ambitious growth plans in place for 2016-17.

### ***Housing***

- Housing has been a top priority for Citizens UK in the last year, particularly in London where it was the main issue raised in the lead up to the London Citizens Mayoral Accountability Assembly.
- A number of specific asks were established as part of the London Housing Manifesto; these included developing a London Living Rent, a Rogue Landlords Taskforce, working with Citizens UK to deliver good, affordable developments across the capital and increasing the pipeline of genuinely and permanently affordable community land trust (CLT) homes.
- The London Community Land Trust – formerly East London Community Land Trust and set up by Citizens UK as an 'arm's length' Friendly Society to deliver genuinely and permanently

affordable homes – launched applications for the 23 homes at St Clements, first CLT site in London. The successful candidates are scheduled to move in later this year.

- We have received a number of commitments from London Council's pledging to find suitable sites for a further 400 CLT homes. In order to deliver these homes, London CLT has run a community share offer that has raised over £500,000 of investment from people across the country, many of whom are part of Citizens UK institutions.

### ***Good Jobs Campaign***

- The Good Jobs Campaign has completed the pilot year of its training programmes. These programmes built partnerships with 6 key schools and college partners and 6 organisations: JP Morgan, Barts Health Trust, Atkins Engineering; OMD International, Wieden + Kennedy, UCLH Health Trust, City of Westminster, Mulberry School for Girls, Sir George Monoux Sixth Form, Clapton Girls Academy and City and Islington College.
- Through these programmes 136 students received high quality training opportunities delivered by industry professional and were given the opportunity to apply for work experience, apprenticeship, and internship roles with those employers.
- The Good Jobs Campaign is dedicated to:
  - Tackling gender, race and class disadvantage by providing clear routes from London's diverse communities into high skilled industries
  - Creating genuine debt-free alternatives to university for young people and challenging the perception of the university route as the only viable pathway to a career
  - Highlighting the quality issues associated with apprenticeships and training opportunities and creating new high quality training pathways that meet the needs of businesses and young people
- In our second year we are continuing our work with existing partners and with new education institution partners Leyton Sixth Form College and Green Spring Academy.

### ***Social Care Campaign***

- Social Care was voted top of the agenda for Citizens UK going into the General Election and we held 'tea party' events and negotiations around the country to secure the support of parliamentary candidates.
- In spring 2015, the National Institute for Clinical Excellence issued guidance to reduce the number of 15 minute visits, a key part of the Citizens UK Social Care Charter.
- In the Budget announced in July 2015, two further significant wins were gained on social care: firstly, the 'national living wage' which will see 700,000 care workers receive a pay rise; and secondly, the Council Tax precept for social care which could bring up to £2bn additional funds into the system. Again, pay and funding were two key parts of the Social Care Charter. In order to drive home the success around funding, we organised several delegations to Local Authorities encouraging them to take advantage of the Council Tax precept.
- We also continued work at a local level engaging with Councils and Clinical Commissioning Groups around standards and also paying the real Living Wage, above the new statutory minimum.

## **Trustee and Internal Governance Review**

The effect of the new governance structure of Citizens UK from 1<sup>st</sup> April 2014 was to spread the power and responsibility of the membership from one national board of eight people, the London Citizens board of 22 leaders, loosely formed 'Advisory Groups' in other cities, and no overall 'parliament' to agree national actions or reactions. From April 2014 this structure was replaced by a national board of 18 people relating to a growing number of elected Leadership Groups (ten local alliances at present) composed of over 60 veterans, trained leaders. This is complemented by a vibrant and active Citizens UK Council of 45 elected and trained leaders who meet regularly and have already overseen the first national listening campaign and authentic manifesto ready for the 2015 General Election. In 2015/16 the Council also responded to the worsening refugee crisis, commissioning action as well as handling the Referendum and Brexit crisis – calling a special meeting of members after the vote to discuss both our reaction to the referendum decision and the consequent rise in hate crime incidents across the country.

The Trustees Board, has elected members: Rev Paul Regan (Acting Chair, Methodist and TELCO friend), Dr Steve Mowle (VC Royal College of GPs and South London Citizens friend), Bishop Eric Brown (New Testament Church of God and North London Citizens friend), Helen Black (Unison and Nottingham Citizens friend), Dr Ranjit Sondhi CBE (Council member of Birmingham University and friend for Citizens UK Birmingham), Saleem Kidwai (Muslim Council of Wales and friend of Citizens Cymru Wales); Ros McMullen (Headteacher and friend of Leeds Citizens) and as appointed members: Kaneez Shaid (Sir George Monoux College, Waltham Forest), Bishop Adrian Newman (Bishop of Stepney), Farooq Murad (Former Secretary General of Muslim Council of Britain), Fr Michael Copps (Franciscan priest and TELCO friend), Rosamund McCarthy (charity lawyer, Bates Wells and Braithwaite), Meriel Barclay (retired accountant), David Canham (Aviva risk specialist), and Nick Thomas (KPMG, co-opted as Treasurer), with another three possible places to fill. During this period Mark Wasserberg stood down when he moved away from Milton Keynes as did Ros McMullen when she moved from Leeds. Trustees co-opted John Battle, retired MP for Leeds West (to replace Ms McMullen as the Leeds link and friend) and also welcomed Noeleen Cohen Chair of Alyth, North Western Reform Synagogue, at their July 2016 Board meeting.

In January 2016 Dr Kaneez Shaid MBE was nominated as Chair with Dr Steve Mowle as Vice Chair. Dr Shaid has been involved in Citizens UK for fifteen years initially through her College, Sir George Monoux Sixth Form College, Walthamstow where she is Director of External Affairs. She was a Trustee on the London Citizens Board and has been involved in many of our major campaigns, leading on Living Wage and now Refugees Welcome.

I would like to thank all the members of the new Board and Paul Regan especially for their shared commitment to our task and Mission, the time and energy they have already given to this challenge through the sub-committees, retreats and formal meetings. Citizens UK is in very safe and very competent hands. I particularly appreciate the personal support and wisdom they have shown to me and the challenge we share.

## **Personnel Review**

Internally, the business of Citizens UK is managed by an Executive Management Team which includes Neil Jameson, Executive Director; Matthew Bolton, Deputy Director; Caroline Macleod, director of Finance and Operations; and Jonathan Cox, Deputy and Lead for Wales and New Citizens, and Katherine Chapman, Director Living Wage Foundation. Jawed Neshat our new director of Finance and Operations joined in September 2016.



The Senior Management Team (SMT) includes Stefan Baskerville, George Gabriel, Carina Crawford-Rolt, Dan Firth, Peter Brierley, Emmanuel Gotor, Sarah Vero, Gillian Owen, and Saeed Haque as well as the Executive. They were joined by Lydia Rye, Charlotte Fisher and Tess Lanning from March 2016. The SMT meets monthly and oversees the overall work and performance of Citizens UK's professional and administrative staff.

We welcomed Caroline Macleod as our new Operations and Finance Director in September 2015. She joined us with considerable experience of both of these key functions having worked in Uganda for several years overseeing a major HIV project. She has been able to expand and strengthen the HQ Team to include the new post of Financial Controller and a part time HR post. She has also ensured that many of our HR/Health and Safety Policies were updated and absent ones added. Unfortunately, Caroline left to work for an International charity. We welcome Jawed Neshat, our new Director of Finance and Operations, who joined us in September 2016.

During this financial year we bid farewell to the following colleagues some of whom were honoured and recognised in the previous Report – Colin Weatherup and Sophie Stephens. After four years as the Founder and Director of The Living Wage Foundation Rhys Moore moved in March 2015 to be Campaigns Director at the National Housing Federation. During his time at the Foundation Rhys set up the accreditation process; appointed an excellent team of colleagues; supported the Advisory Group and saw the number of accredited LW employers rise from zero to 2,000. He leaves a great legacy for Citizens UK and low paid workers everywhere. Sadly, his Deputy who acted up for a period on his departure, Sarah Vero, also left in March 2016 to pursue a career in acting. She too did an excellent job – sustaining the rise in accreditation and profile of the logo and LW brand.

Tom Henderson, our Events Coordinator and Office Manager, left in October 2015 to pursue further academic study He did an outstanding job overseeing the major Civil Society Summit in June 2014 and then the May 2015 General Election Assembly plus producing various publications and events.

Thanks too to Farhana Begum who left in December 2015 as Operations Organiser for the new Good Jobs Company. She joined us in 2013 and performed a similar professional job with our Tech City Stars project, transferring her skills and enthusiasm to the even more ambitious Good Jobs Company when funding for the first project expired.

After six great years; initially as a Masters Student studying Community Organising, then as one of the builders of Shoreditch Citizens and then as the main Organiser in Tower Hamlets; Sotez Chowdhury decided to move on. Sotez had the particular challenge of managing the politics of Tower Hamlets and supporting London Citizens largest Borough Alliance which he did with humour, skill and passion.

We wish them all well.

In spite of several colleagues moving on the staff Team has continued to grow and is now almost 70 full and part time. In the period covered by this report we appointed 25 new staff – 12 Organisers (for Wales, South London, Birmingham and Nottingham), 1 as Organising Secretary for the new Citizens Commission, 5 for the Living Wage Foundation including the new Director, Katherine Chapman, 4 for HQ staff and 4 for the new Strengthening Babies (PACT) project working with Imogen Moore. Two colleagues took Maternity Leave in this period, Gillian Owen (Head of Media) and Promise Campbell (NCOT and North London Citizens) – Promise has since decided not to return to the job so

resigned in March 2016. In July 2016 we welcomed back in from Maternity Leave our Senior Colleague Marzena Cichon – Balcerowicz to the new post of Deputy in the NCOT team.

Thanks also to my two Deputies, Jonathan Cox and Matthew Bolton.

Jonathan, after only two years, has managed to organise practically every corner of Wales with a good but small team of four-part time colleagues. He also carries responsibility for the quality and extent of our National Training programme and Organiser Development work and mentoring. He has done an outstanding job in bringing a discipline and professionalism to the National Training – with clear targets and support for the Guild of Organisers who need to perfect the curriculum and their teaching style and stories. He has also negotiated with Newman University the first formal accreditation for those attending National Training and then giving 50 hours to a local Community Organising challenge.

Matthew Bolton who had played an invaluable role in building up the power and resources of Citizens UK outside of London, especially in Milton Keynes, Birmingham and Leeds took on responsibility for London Citizens in January 2015. He has done an excellent job in reorganising London Citizens in anticipation of the London Mayoral Election in May 2016. He built a new Leadership Team of over 20 primary leaders to drive this process and then deliver the most ambitious and largest Citizens Assembly yet. On April 28<sup>th</sup> over 6,000 citizens packed the Copper Box on the Olympic Park to hold accountable the two main Mayoral Candidates – Zac Goldsmith and Sadiq Khan. Few will ever forget this outstanding political celebration and drama! He continues to manage the work in Leeds and Nottingham and play a very significant part in raising resources for the organisation.

Matthew Bolton – with a small team of Organiser colleagues also led on the Internal Review and Business Plan for Citizens UK which was initiated in June 2015; piloted over the summer and then implemented through various staff led working groups from the Autumn of 2015. One of the major recommendations of this Review was the new post of Operations and Finance Director to support the delegated budgets and funding expectations laid on Chapters and their Leadership groups. Another strap line for Citizens UK was also accepted; ‘Putting Civil Society at the heat of democracy in the UK’. The involvement and participation of the CUK staff team was crucial to the ownership and implementation of the proposals.

Meanwhile Neil Jameson has focussed on his national role – whilst also building and supporting Community Organisations outside of London – overseeing Cymru Wales Citizens and CUK in Birmingham, plus the Living Wage Foundation and the new Alliances in Tyne and Wear (with Carina Crawford Rolt) and, since April 2016, in Greater Manchester. Neil’s 27 years’ vocation with Citizens UK was recognised in the 2016 New Year’s Honours when he was awarded a CBE for ‘Service to Community Organising and Social Justice’.

Finally, Trustees would like to thank all the staff for their hard work and commitment in 2015/16 and look forward to all that the future has to offer.

### **Plans for the future**

The Trustees appreciate the hard work of all staff and Local Leadership Groups in ensuring that this financial year is the second for three years which ends in credit. It is hoped that the new systems of financial accountability and monitoring initiated and managed by our new Director of Operations and Finance, Jawed Neshat will lead to even better information and management which will sustain us into the future.

Trustees appreciated the energy and accountability shown at CUK's first Annual General Meeting which was hosted by Aviva on January 24<sup>th</sup>. This was the first time under the new arrangement that delegates from our nine Chapters, the Guild and Trustees had met to review the previous year, eat together and plan ahead.

The additional role of the Leadership Groups and Annual Meetings in each Citizens UK Alliance plus delegated powers and budgets to Lead Organisers and their colleagues mean that there is much more information about our financial challenges than ever before. More organisers are taking responsibility for submitting applications for small (and some large) grants, we have been able to start more initiatives and develop new local alliances with a sustainable funding base built in from the start. There is a growing interest from the NHS in the way Citizens UK's model of community organising promotes wellbeing, and the accreditation of Living Wage Employers is now providing a subsidy for generic organising and contributing to the core costs of Citizens UK. All this means that Citizens UK's financial position is more stable than in the past.

We propose to hold our third Civil Society Summit on 17<sup>th</sup> February 2017 hosted by the Royal College of Nursing. The aim of this event is to further cement our relationships with our core partners – faith, higher education, NHS, Foundations and LW Employers. Good practice and case studies of joint working will be shared in anticipation of many of the guests agreeing to be Strategic Partners with us into the future. This is particularly important if CUK is awarded a major Big Lottery Grant to help us grow into other parts of the UK.

It is hoped that the Leadership Groups in each Chapter that oversee the resources and the performance of the CUK Organisers will rise to the challenge with better information and advice from HQ. It is also hoped that the Citizen UK's Council will grow in stature and responsibility in response to the very volatile political climate, including the weak Opposition Party and exit from Europe.

CUK is well placed to organise a West Midlands Citizens Mayoral Assembly on 29<sup>th</sup> March 2017 and the Great Hall at Birmingham University is already booked. The same is now proposed for the Greater Manchester Region with a Citizens Assembly booked in The Lowry on May 1<sup>st</sup> 2017. Both are challenges we welcome since these are such important opportunities to strike a relationship with the new Regional Mayor and ensure some of the issues of the Chapter are on their Agenda. In Manchester this is a particular challenge since we have no 'members' there yet – but this is a great opportunity to recruit some. In the West Midlands we also have the challenge of expanding our work to the other Local Authorities like Coventry and Wolverhampton and ensuring that their voice is heard on March 29<sup>th</sup> and that new Chapters follow.

Titus Alexander's new book 'Practical Politics; Lessons in Power and Democracy' (which features CUK as a major case study of good practice) summarises the political challenges faced;

**'Politics in the 21<sup>st</sup> Century is far from 'normal' and the list of disruptive factors is long – the challenge of fundamentalism (and not just the Islamic variety), shading at its extremes into terror; the alleged "hollowing out" of the traditional political parties (the impact of the growth of Labour's youthful membership is still to be judged); the loss of membership in both trade unions and most religious organisations (apart from Islam); the erosion of older forms of solidarity and rise of new and more febrile identities; the still unresolved crisis of corporate governance exposed so sharply by the 2008 banking crisis (but also the collapse of Kids Company); the challenge of new technologies, social media and cyber worlds and the most recent shock waves of the UK's decision to leave the European Union'.**



All of the above should be the concern of CUK's most experienced leaders and many of them should be participating in the CUK Council during the next twelve months.

A development which is likely to dominate aspects of our UK wide work in 2016-17 is the decision by trustees to establish the Citizens Commission on Islam, Participation and Public Life. This very diverse Commission will continue to travel to most of the UK major cities with Muslim populations to hear the stories and testimonies of the local communities, produce an account of this evidence and propose a Compact for Civil Society, the State and the business community to follow, which will tackle some of the major obstacles to participation and rely on the muscle and energy of our various Alliances to promote good practice.

In 2016 the build up to the Referendum and the reaction to the vote to leave the EU led to a serious rise in hate crime, much of it aimed at the Muslim Communities – increasing the urgency for the *Citizens Commission on Islam, Participation and Public Life* to complete its job by the Spring of 2017 and present its recommendations and Compact to CUK Trustees (for CUK Chapters to take forward) and then to the Government and Business Community.

We will work hard to ensure our organising work across the UK leads to a sustainable funding strategy which will ensure more security for our excellent staff team and the growth of our Citizens UK network of broad based community organisations. The role of the 87 Refugee Welcome Groups across the UK, plus the criteria of any successful Big Lottery Grant will likely ensure that the work and CUK's influence grows incrementally and carefully. Already there is interest in funding and building Citizens Groups in Lancashire; Bristol; Taunton, Exeter and the South West as well as Barking and Dagenham, Merton, Kingston, Harrow and Richmond.

Such growth is only safe and possible with a stronger and experienced Senior Management. It is likely that the Executive will review the present structure during this period and seek a more Regional Strategy and Management Structure to sustain such incremental growth and the development and career/vocation of our Team of Organisers – supported by a committed and professional HQ Team.

The future of The Living Wage Foundation will be decided in the next twelve months as we compete for recognition and progress with both major parties promotion of their higher minimum wage. One way of winning this battle for recognition and growing the number of accredited employers is for CUK members to redouble our efforts to take the Campaign to every significant employer in our area of interest (including our own members). It is expected that Living Wage Campaigning will become more central to our mission in the next twelve months and CUK winning more accredited employers will be seen as one logical answer to the Brexit voters across the country.

Some of the major FTSE 100 Companies who are accredited LW employers have also pressed the Foundation to initiate a pilot for a Global Living Wage strategy. Thanks to KPMG and Mike Kelly particularly for organising several round table meetings of major businesses and civil society leaders in capitals across the world in 2015 – and these proved there was both an appetite and enthusiasm for CUK and our Living Wage Foundation to lead on the proposed 'Global Living Wage' movement.

Trustees also expect the new structure and Board members to settle during the next 12 months, thereby ensuring better husbandry of the resources that our member groups, major UK foundations and corporations, and a growing number of generous individuals entrust to us. We expect to add creative fundraising strategies to the various income budget heads in the budgets of all the local Citizens alliances.

Overall it has been a great 27 years, many lessons learned, money raised (and spent) and a loyal and effective Guild of Community Organisers established.

All this will support the challenge for the next 25 years: to build and develop civic leadership, to serve and protect the needs and interests of civil society, to reweave the fabric of UK society, and to use the tools and opportunities of democracy for civil society groups to work together for the common good.

### **Responsibilities of the Board of Trustees**

Company law requires the board of trustees to prepare financial statements for each financial period which provides a true and fair picture of the state of affairs of the charitable company – up to the date of the balance sheet. We are also required to report on incoming resources and application of resources, including income and expenditure, for the financial period in accordance with applicable law and Generally Accepted Accounting Practice. In preparing those financial statements, the board of trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the 'going concern' basis unless it is inappropriate to assume that the company will continue on that basis.
- prepare accounts which show a true and fair view

The board of trustees is also responsible for maintaining adequate accounting records which disclose, with reasonable accuracy, at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The board of trustees is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board of trustees is responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### ***Members of the Board of Trustees***

Members of the board of trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the period and up to the date of this report, are set out on page 2.

In accordance with company law, as the charitable company's directors, we certify that:

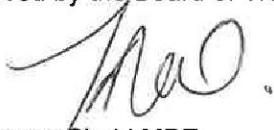
- So far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- As the directors of the charitable company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### **Auditors**

The Charity's auditors, Scrutton Bland, were appointed by the Board of Trustees in January 2015.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies' subject to the small companies' regime.

Approved by the Board of Trustees and signed on their behalf on 24/10/16.



Dr Kaneez Shaid MBE  
Chair of Trustees

## Independent auditors' report to the members of Citizens UK Charity

We have audited the group and parent company financial statements (the "financial statements") of Citizens UK Charity for the year ended 31 March 2016 on pages 33 to 50. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Responsibilities Statement of the Trustees' Annual Report, the Trustees (who are also the directors of Citizens UK Charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Board of Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2016 and of the Group's 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 properly prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

*Scrutton Bland*

Scrutton Bland  
Chartered Accountants and Statutory Auditor  
Senior Statutory Auditor: Timothy O'Connor  
820 The Crescent  
Colchester Business Park  
Colchester  
Essex CO4 9YQ

*31/10/16*

Consolidated Statement of Financial Activities  
(Incorporating Consolidated Income and Expenditure Account)  
For the year ended 31 March 2016

		Unrestricted funds	Restricted funds	Total funds	total funds
		2016 £	2016 £	2016 £	2015 £
	Notes				
<b>Income from:</b>					
<b>Donations and legacies</b>	2	209,578	2,402,085	2,611,663	1,675,878
<b>Donations and grants in kind</b>		87,973	-	87,973	120,894
<b>Charitable activities:</b>					
Membership dues		424,705	-	424,705	309,328
Training services		18,898	-	18,898	17,010
<b>Other trading activities:</b>					
Projects and other income		435,450	-	435,450	264,652
<b>Investments</b>		309	-	309	308
<b>Total income</b>		<u>1,176,913</u>	<u>2,402,085</u>	<u>3,578,998</u>	<u>2,388,070</u>
<b>Expenditure on:</b>					
	3				
<b>Raising funds:</b>					
Fundraising costs for grants and donations		161,107	-	161,107	154,350
<b>Charitable activities:</b>					
Capacity building for community organising		981,113	2,075,155	3,056,268	2,147,859
<b>Total expenditure</b>		<u>1,142,220</u>	<u>2,075,155</u>	<u>3,217,375</u>	<u>2,302,209</u>
<b>Net income</b>	4, 5	34,693	326,930	361,623	85,861
<b>Net movement in funds</b>		34,693	326,930	361,623	85,861
Fund balances at 1 April 2015		73,329	-	73,329	(12,532)
<b>Fund balances at 31 March 2016</b>	16	<u>108,022</u>	<u>326,930</u>	<u>434,952</u>	<u>73,329</u>

The Statement of Financial Activities includes all gains and losses for the year. All incoming resources and resources expended derive from continuing activities.

The charitable company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Statement of Financial Activities.

The notes on pages 38 to 50 form part of these financial statements.

**Citizens UK Charity and Subsidiary**  
**Registered number: 05268071**

**Balance Sheets**  
**as at 31 March 2016**

	Notes	The Group		The Company	
		2016	2015 (Restated)	2016	2015 (Restated)
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	9	13,866	78	13,866	78
Investments	10	-	-	100	100
		<u>13,866</u>	<u>78</u>	<u>13,966</u>	<u>178</u>
<b>Current assets</b>					
Debtors	11	757,946	422,389	739,330	428,813
Cash and cash equivalents		554,181	504,515	539,338	479,170
		<u>1,312,127</u>	<u>926,904</u>	<u>1,278,668</u>	<u>907,983</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>799,134</u>	<u>753,222</u>	<u>765,775</u>	<u>734,401</u>
<b>Net current assets</b>		<u>512,993</u>	<u>173,682</u>	<u>512,893</u>	<u>173,582</u>
<b>Total assets less current liabilities</b>		<u>526,859</u>	<u>173,760</u>	<u>526,859</u>	<u>173,760</u>
<b>Creditors: amounts falling due after more than one year</b>	13	<u>91,907</u>	<u>100,431</u>	<u>91,907</u>	<u>100,431</u>
<b>Net assets</b>	15	<u>434,952</u>	<u>73,329</u>	<u>434,952</u>	<u>73,329</u>
<b>Charity funds</b>	16				
Designated funds		-	78	-	78
General funds		108,022	73,251	108,022	73,251
<b>Total unrestricted funds</b>		<u>108,022</u>	<u>73,329</u>	<u>108,022</u>	<u>73,329</u>
<b>Restricted funds</b>		<u>326,930</u>	<u>-</u>	<u>326,930</u>	<u>-</u>
<b>Total funds</b>		<u>434,952</u>	<u>73,329</u>	<u>434,952</u>	<u>73,329</u>

Under the Companies Act 2006, s454, on a voluntary basis, the Directors can amend these financial statements if they subsequently prove to be defective.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies' subject to the small company's regime.

The financial statements were approved and authorised for issue by the Trustee Board on 21/10/16



Dr Kaneez Shajid  
Chair of the Board of Trustees

The notes on pages 38 to 50 form part of these financial statements.



**Citizens UK Charity and Subsidiary**

Statement of Changes in Equity

Year ended 31 March 2016

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
<b>Group</b>			
At 1 April 2014	(12,532)	-	(12,532)
Net income for the year	85,861	-	85,861
At 31 March 2015	73,329	-	73,329
Net income for the year	34,693	326,930	361,623
At 31 March 2016	108,022	326,930	434,952

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
<b>Charity</b>			
At 1 April 2014	(12,532)	-	(12,532)
Net income for the year	85,861	-	85,861
At 31 March 2015	73,329	-	73,329
Net income for the year	34,693	326,930	361,623
At 31 March 2016	108,022	326,930	434,952

## Citizens UK Charity and Subsidiary

### Statement of Cash Flows

As at 31 March 2016

	The Group		The Company	
	2016 £	2015 £	2016 £	2015 £
<b>Cash flows from operating activities</b>				
Net movement in funds	361,623	85,861	361,623	85,861
Depreciation of tangible assets	2,281	671	2,281	671
Interest income	(309)	(308)	(309)	(308)
Interest costs (FRS 102 pension)	2,837	3,070	2,837	3,070
Increase in debtors	(335,557)	(140,061)	(310,517)	(152,633)
Increase in creditors	37,388	284,155	22,850	275,389
<b>Net cash generated from operating activities</b>	<b>68,263</b>	<b>233,388</b>	<b>78,765</b>	<b>212,050</b>
<b>Cash flows from investing activities</b>				
Interest income	309	308	309	308
Purchase of tangible fixed assets	(16,069)	-	(16,069)	-
<b>Net cash used in investing activities</b>	<b>(15,760)</b>	<b>308</b>	<b>(15,760)</b>	<b>308</b>
<b>Cash flows from financing activities</b>				
Interest costs (FRS 102 pension)	(2,837)	(3,070)	(2,837)	(3,070)
<b>Net cash used in financing activities</b>	<b>(2,837)</b>	<b>(3,070)</b>	<b>(2,837)</b>	<b>(3,070)</b>
<b>Increase in cash and cash equivalents in the year</b>	<b>49,666</b>	<b>230,626</b>	<b>60,168</b>	<b>209,288</b>
<b>Cash and cash equivalents brought forward</b>	<b>504,515</b>	<b>273,889</b>	<b>479,170</b>	<b>269,882</b>
<b>Cash and cash equivalents carried forward</b>	<b>554,181</b>	<b>504,515</b>	<b>539,338</b>	<b>479,170</b>

## Notes to the Financial Statements for the year ended 31 March 2016

### 1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 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) and the Charities Act 2011.

The financial statements include the results of the Company and its wholly owned subsidiary, Centre for Civil Society Limited made up to 31 March 2016. Intra group transactions are eliminated on consolidation.

Information about the subsidiary undertaking is provided in note 19 to the accounts.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in pounds sterling.

This is the first year in which the financial statements have been prepared under FRS 102. The date of transition is 1 April 2014. Please refer to note 19 for an explanation of how the transition to FRS 102 has affected the reported financial performance.

#### **Going concern**

As at March 2016 the group had net assets of £434,952 (2015: net assets of £73,329). Having considered the group's forecasts and projections, the Trustees are satisfied that the group has adequate resources to continue in operational existence for the foreseeable future, and for a period of at least 12 months from the date of approving these financial statements. For this reason, the Trustees continue to adopt the going concern basis in preparing the accounts.

#### **Consolidation**

The consolidated financial statements incorporate the financial statements of the charitable company and its wholly owned subsidiary. The results of the subsidiary undertaking are consolidated on a line by line basis. As a consolidated statement of financial activities is published, a separate statement of financial activities for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

#### **Fund accounting**

"Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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 Note 16 to the financial statements. Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each fund is set out in Note 16 to the financial statements."

## **Income**

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants and donations are included in full in the statement of financial activities when receivable. Dues receivable from member organisations are recognised when payment is requested.

Income from investments is included when receivable.

## **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds are those costs incurred by the charity in generating income, and is comprised principally of staff time spent on preparing and submitting grant applications, and maintaining relationships with funders.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage, as set out in Note

## **Tangible fixed assets and depreciation**

Assets with a cost of less than £350 are expensed. Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated so as to write down to estimated residual value the cost of all other tangible fixed assets over their estimated useful lives as follows:

Short term leasehold property improvements	Term of the lease (currently no formal lease in place)
Office & IT equipment	25% straight line

## **Operating leases**

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

## **Investments**

Investments are stated at cost less provision for any diminution in value.

## **Cash and cash equivalents**

Cash equivalents are recognised as such and included with other cash balances where they represent short term, highly liquid investments that are readily convertible to known amounts of cash without being subject to a significant change in value.

**Pension costs**

The Company participates in the Pensions Trusts Growth Plan (the Plan). The Plan includes both defined benefit (now closed) and defined contribution benefit structures. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The plan is funded and is not contracted out of the state scheme. Due to the nature of the Plan, being a multi-employer pension Plan, the accounting charge for the period under FRS 102 represents the employer contribution payable. An accrual has been made for deficit repayment plans that the company is liable to meet.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets or financial liabilities:

- Short term debtors (financial assets) are measured at the transaction price.
- Short term creditors (financial liabilities) are measured at the transaction price.
- Long term debtors and creditors are discounted, where required, and the discounting adjustment would be material.

**Donated goods and services**

The charity receives certain donated services which are recognised within the financial statements at the fair value of the cost of services received.

**Restatement of comparatives**

Certain comparatives have been restated where applicable for purposes of comparability. The effect of this restatement can be seen in note 19.

**Significant judgements and estimates**

The more significant adjustments and estimates involved in the preparation of the financial statements include:

Assessing the potential impact of discounting the long term pension liabilities that arise under the terms of the deficit repayment plans.

Assessing the depreciation rates applicable to tangible fixed assets and the way in which certain costs should be apportioned.

Assessing the necessity and quantum of any provision for doubtful debts in light of expected debtor recoverability.

2 Donations and grants	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>Analysis by activity:</b>				
<b>Advisory and support services</b>	209,578	2,402,085	2,611,663	1,675,878
This can be further analysed as:				
38 Degrees	-	205,000	205,000	-
Avaaz	-	177,360	177,360	-
Barrow Cadbury Trust	-	33,850	33,850	-
Bill Benjamin	-	25,000	25,000	56,600
Cabinet Office	-	40,909	40,909	61,591
City Bridge Trust	-	68,000	68,000	40,000
Comic Relief	-	25,000	25,000	-
Coutts Foundation	50,000	-	50,000	-
Esmee Fairbairn	-	53,334	53,334	79,866
Europe for Citizens	-	77,025	77,025	40,969
Guys and St Thomas	-	159,279	159,279	28,500
John Ellerman Foundation	-	30,000	30,000	30,000
J P Morgan	-	135,000	135,000	120,000
London Borough of Hackney	-	35,331	35,331	33,750
London Borough of Tower Hamlets	-	18,600	18,600	26,100
Nottingham Anglican	-	58,333	58,333	29,167
Oak Foundation	-	135,176	135,176	67,445
Paul Hamlyn Foundation	-	100,835	100,835	49,865
Peoples Health Trust	-	20,026	20,026	76,942
Prism	-	32,250	32,250	-
Queen Mary University	-	34,033	34,033	50,000
Sisters of Mercy	-	25,000	25,000	-
The Joseph Rowntree Foundation	-	110,000	110,000	92,500
Trust for London	-	80,000	80,000	80,000
Tudor Trust	-	57,292	57,292	50,625
UKCES	-	93,200	93,200	-
Unbound Philanthropy	-	80,417	80,417	65,833
Miscellaneous donations - other	159,578	491,835	651,413	596,125
<b>Total grants and donations</b>	<b>209,578</b>	<b>2,402,085</b>	<b>2,611,663</b>	<b>1,675,878</b>

Of this income, £2,402,085 is restricted (2015: £1,559,292).

### 3 Expenditure

	Fund- raising 2016 £	Community organising 2016 £	Governance 2016 £	Total 2016 £	Restated Total 2015 £
<b>Costs directly allocated to activities</b>					
Grants paid	-	171,371	-	171,371	-
Staff costs	161,107	1,699,835	11,886	1,872,828	1,450,115
Project costs	-	497,548	-	497,548	443,588
<b>Support costs allocated to activities</b>					
Staff training, recruitment and DBS checks	-	41,679	-	41,679	38,540
Premises costs	-	39,101	-	39,101	39,419
Postage, printing and stationery	-	137,782	-	137,782	31,921
Travelling, subsistence and hospitality	-	259,969	-	259,969	133,947
Equipment leasing	-	20,632	-	20,632	21,235
IT & communication costs	-	37,212	-	37,212	33,422
Accountancy	-	19,857	-	19,857	12,071
Audit fees	-	-	7,782	7,782	7,676
Legal fees	-	-	58,743	58,743	7,028
Depreciation	-	2,281	-	2,281	671
Doubtful debts	-	36,930	-	36,930	71,096
Other expenses	-	10,823	-	10,823	8,410
Interest costs arising on pension deficit	-	2,837	-	2,837	3,070
<b>Total expenditure</b>	<b>161,107</b>	<b>2,977,857</b>	<b>78,411</b>	<b>3,217,375</b>	<b>2,302,209</b>

Restricted expenditure above total £2,075,155 (2015: £1,559,292).

All grants made by the charity were paid to institutions for the purpose of community organising which is in line with the charity's objectives.

Material grants made to institutions were as follows: Islington Law Centre £35,000, Guy's & St. Thomas NHS Foundation Trust £40,324 and Europe 4 Citizens £36,828.

### 4 Net income for the year

	2016 £	2015 £
This is stated after charging:		
Depreciation of tangible fixed assets	2,281	671
Operating lease rentals - land and buildings	29,992	30,270
Operating lease rentals - other	20,632	21,235
Auditors' remuneration	7,782	7,676

### 5 Net income of the parent undertaking

	2016 £	2015 £
<b>Net income for the year of Citizens UK Charity</b>	<b>361,623</b>	<b>85,861</b>

<b>6 Staff costs and numbers</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Staff costs (including those recharged) were as follows:		
Salaries	1,586,121	1,272,540
Social security costs	150,466	123,803
Pension costs	122,793	53,772
Compensation for loss of office	13,448	-
<b>Net cost</b>	<b>1,872,828</b>	<b>1,450,115</b>
 The number of higher paid employees was:	 <b>2016</b>	 <b>2015</b>
	<b>No.</b>	<b>No.</b>
 In the band £70,000 - £80,000	 1	 1

Pension contributions for that employee in the year amounted to £7,473 (2015 - £7,993).

The key management personnel of the group comprise those of the charity and those of its wholly owned subsidiary, Centre for Civil Society Limited.

The total remuneration of the key management personnel was £338,663 (2015: £348,671).

The average monthly number of employees (including those recharged) during the year, calculated on the basis of full time equivalents, was as follows:

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
Executive Director and Lead Organiser	1	1
Community Organisers	46	39
Development Director	1	1
Administrators	2	2
Cleaner	1	1
	51	44

## **7 Trustee remuneration and expenses**

*No trustee received any remuneration during the year. Travel expenses of £242 (2015: £92) were reimbursed to one (2015: one) trustee during the year. No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year. The Trustees, as a body, have ultimate control of the charity.*

## **8 Taxation**

*As a registered charity, Citizens UK Charity is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objectives. No charges have arisen in the charity. The charity is registered for Gift Aid with HM Revenue & Customs under reference XT26943. The subsidiary company pays Gift Aid to Citizens UK.*



## 9 Tangible fixed assets

<i>The group and the company</i>	Leasehold improvements £	Office & IT equipment £	Total £
<b>Cost</b>			
At 1 April 2015	58,470	10,716	69,186
Additions	4,078	11,991	16,069
Eliminated on disposal	(58,470)	(10,716)	(69,186)
At 31 March 2016	<u>4,078</u>	<u>11,991</u>	<u>16,069</u>
<b>Depreciation</b>			
At 1 April 2015	58,470	10,638	69,108
Charge for the year	-	2,281	2,281
Eliminated on disposal	(58,470)	(10,716)	(69,186)
At 31 March 2016	<u>-</u>	<u>2,203</u>	<u>2,203</u>
<b>Net book value</b>			
At 31 March 2016	4,078	9,788	13,866
At 31 March 2015	<u>-</u>	<u>78</u>	<u>78</u>

No capital commitments existed at 31 March 2016.

The charity's tangible fixed assets are used to support charitable activities.

## 10 Fixed asset investments

	2016 £	2015 £
<b><i>The company</i></b>		
Shares in subsidiary undertakings	100	100
	<u>100</u>	<u>100</u>

The company owns 100% of the issued share capital of Centre for Civil Society Limited (Registered company number 07333734) a company registered in England and Wales. For the principal activity and further details of The Centre for Civil Society Limited see note 20.

## 11 Debtors

	2016 £	2015 £
<b><i>The company</i></b>		
Accounts receivable	404,075	180,942
Grant receivable	142,031	191,308
Other debtors	486	600
Amounts owed by group undertakings	141,984	40,810
Prepayments	50,754	15,153
	<u>739,330</u>	<u>428,813</u>

**The group**

Accounts receivable	534,774	215,328
Grant receivable	142,031	191,308
Other debtors	1,011	600
Prepayments	80,130	15,153

757,946	422,389
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**12 Creditors: amounts falling due within one year**

	<b>2016</b>	<b>Restated</b>
	<b>£</b>	<b>2015</b>
		<b>£</b>
<b>The company</b>		
Accounts payable	279,646	45,990
Social security and other taxation	44,242	35,931
Other creditors	167,985	33,592
Accruals	50,256	8,116
Deferred income	215,122	603,864
Pension deficit accrual	8,524	6,908
	765,775	734,401

**The group**

Accounts payable	290,766	48,318
Social security and other taxation	66,481	52,148
Other creditors	167,985	33,868
Accruals	50,256	8,116
Deferred income	215,122	603,864
Pension deficit accrual	8,524	6,908
	799,134	753,222

**13 Creditors: amounts falling due after more than one year**

	<b>2016</b>	<b>Restated</b>
	<b>£</b>	<b>2015</b>
		<b>£</b>
<b>The company</b>		
Pension deficit accrual	91,907	100,431
	91,907	100,431
<b>The group</b>		
Pension deficit accrual	91,907	100,431
	91,907	100,431

**14 Grants received in advance (deferred income)**

	<b>2016</b>	<b>Restated</b>
	<b>£</b>	<b>2015</b>
		<b>£</b>
<b>The group and the company</b>		
Deferred at 1 April 2015	603,864	314,423
Released to Statement of financial activities	(603,864)	(314,423)
Received and deferred in the year	215,122	603,864
	215,122	603,864
Deferred at 31 March 2016		

## 15 Analysis of net assets between funds

	Designated funds	General funds	Restricted funds	Endowment funds	Total funds
	£	£	£	£	£
<b>The company</b>					
Tangible fixed assets	-	13,866	-	-	13,866
Fixed asset investments	-	100	-	-	100
Net current assets	-	185,963	326,930	-	512,893
Long term liabilities	-	(91,907)	-	-	(91,907)
	-	108,022	326,930	-	434,952
<b>The group</b>					
Tangible fixed assets	-	13,866	-	-	13,866
Fixed asset investments	-	-	-	-	-
Net current assets	-	186,063	326,930	-	512,993
Long term liabilities	-	(91,907)	-	-	(91,907)
	-	108,022	326,930	-	434,952

## 16 Movement in funds

	Restated at 1 Apr 15	Incoming resources	Outgoing resources	Transfers	At 31 March 2016
	£	£	£	£	£
<b>The group</b>					
<b>Unrestricted funds:</b>					
Designated funds:					
Fixed asset fund	78	-	-	(78)	-
General funds	73,251	1,176,913	(1,142,220)	78	108,022
<b>Total unrestricted funds</b>	<b>73,329</b>	<b>1,176,913</b>	<b>(1,142,220)</b>	<b>-</b>	<b>108,022</b>
<b>Restricted funds:</b>					
Birmingham organiser	-	109,176	(106,676)	-	2,500
CitySafe organisers	-	40,000	(40,000)	-	-
East London organisers	-	98,264	(92,847)	-	5,417
Housing organiser	-	28,064	(28,064)	-	-
Jewish organiser	-	10,500	(10,500)	-	-
Jobs organisers	-	192,981	(191,314)	-	1,667
Leeds organiser	-	56,150	(56,150)	-	-
Milton Keynes organiser	-	64,492	(19,125)	-	45,367
New Citizens Organising Team (NCOT)	-	1,174,146	(922,300)	-	251,846
North London organiser	-	46,600	(46,600)	-	-
Nottingham organiser	-	61,633	(53,300)	-	8,333
South and West London organisers	-	353,073	(341,273)	-	11,800
Wales organiser	-	88,582	(88,582)	-	-
Miscellaneous	-	78,424	(78,424)	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>2,402,085</b>	<b>(2,075,155)</b>	<b>-</b>	<b>326,930</b>
<b>Total funds</b>	<b>73,329</b>	<b>3,578,998</b>	<b>(3,217,375)</b>	<b>-</b>	<b>434,952</b>

## **Purposes of funds**

All restricted grants referring to 'organiser' represent funding for community organisers in the areas shown, or for the projects named.

The fixed asset fund represented the net book value of tangible fixed assets, until this designation was removed during the year with the fund cleared to £Nil.

The New Citizens Organising Team is primarily focused on the needs of Diaspora communities. This project is mainly funded by the Esmee Fairbairn Foundation, the Paul Hamlyn Foundation and Unbound Philanthropy.

The 'Miscellaneous' fund relates to several sundry small restricted grants.

Transfers are made from unrestricted funds where expenditure on restricted projects exceeds the allocated funds.

## **17 Pension commitments (the group and the company)**

The Company participates in the Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. It is a multi-employer pension plan and the share of underlying assets and liabilities belonging to individual participating employers constantly varies according to, for example, the performance of the Plan's investments. Due to the nature of the Plan, the accounting charge for the period under FRS102 represents the employer contribution payable. The Plan includes both defined benefit (now closed) and defined contribution benefit structures (known as "Series"), and as such it has inherent guarantees that mean that the Company may need to make further contributions to meet deficits.

Following a change in legislation in September 2005, the potential debt on the Company that could be levied by the Trustees of the Plan in the event of the Company ceasing to participate in the Plan or the Plan winding up, increased substantially. More recently, certain provisions of the Pensions Act 2011 which come into force on 24 July 2014 will alter the definition of money purchase benefits in relation to Series 3 of the Growth Plan so that a liability arises to employers from past membership of any existing Series except Series 4. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to members' employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to members' employment with all the other current participating employers). The leaving employer's debt may also include a share of any 'orphan' liabilities in respect of other former participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amount of any debt can therefore fluctuate over time.

The Company has been notified by The Pensions Trust of its estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2015. As of this date the estimated employer debt for the Company was £174,733. This figure represents a decrease in the debt on withdrawal from £181,925 reported in September 2014. Whilst this contingent liability is not provided for within the accounts, the following paragraph shows the accrual that has been made in relation to the deficit as a result of the transition to FRS 102.

The Company has also been notified that additional contributions of £9,745 per annum (rising by 3.5% per annum) are payable for 10 years from 1 April 2014 in order to eliminate the Company's share of the funding deficit in the Plan. In accordance with the Company's accounting policy, this expenditure will be recognised in the accounts as the contributions become payable. A liability of £100,431 has been recognised at 31 March 2016 (2015: £107,339) in respect of the deficit repayments that the company is liable to meet, this represents amounts falling due both within , and after, one year.

At the year-end there were outstanding contributions amounting to £19,344 (2015: £8,405).

## 18 Leasing commitments (the group and the company)

At 31 March 2016 the group and the company had total commitments under non-cancellable operating leases as set out below:

	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	<b>Land &amp;</b>	<b>Other</b>	<b>Land &amp;</b>	<b>Other</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Buildings</b>	<b>Buildings</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Operating leases which expire:				
Not later than one year	5,697	12,900	30,264	20,502
Later than one year and not later than five years	-	8,661	5,697	21,561
	<u>5,697</u>	<u>21,561</u>	<u>35,961</u>	<u>42,063</u>

## 19 Transition to FRS 102

The Company transitioned to FRS 102 as at 1 April 2014. The impact of the transition to FRS 102 is as follows:

### Reconciliation of funds at 1 Apr 2014

	<b>£</b>
Funds at 1 April under previous UK GAAP	101,482
Pension deficit repayment liabilities	(114,014)
	<u>(12,532)</u>
Restated funds	

### Reconciliation of funds at 31 March 2015

	<b>£</b>
Funds at 31 March under previous UK GAAP	180,668
Pension deficit repayment liabilities	(107,339)
	<u>73,329</u>
Restated funds	

## Reconciliation of income and expenditure account for the year ended 31 March 2015

	£
Funds at 31 March under previous UK GAAP	79,186
Pension deficit repayment liabilities	6,675
Restated funds	<u>85,861</u>

The following were changes in accounting policies arising from the transition to FRS 102:

### Defined contribution pension

Under FRS 102 the Company is required to provide for liabilities falling due in respect of pension scheme deficit repayment plans where it has entered into such agreements to reduce its deficits.

Consequently, an additional accrual of £114,014 has been recognised to reflect this on transition at 1 April 2014. The accrual at 31 March 2015 had decreased to £107,339 and this decrease of £6,675 has been credited to expenditure in the year ended 31 March 2015. A further £6,908 has subsequently been credited to expenditure in the year to 31 March 2016 as the accrual continues to unwind.

As a result of the materiality of the balance, it has been necessary to discount this. Based on a discount rate of 3.5% at 31 March 2016, the effect of discounting the pension deficit over the life of the repayment plan will be to reduce the total liability by £23,488.

## 20 Subsidiary undertaking - Centre for Civil Society Limited

The mission of the Centre for Civil Society is to strengthen and support Civil Society as the 'First Sector' in Britain and Ireland. A powerful Civil Society will balance the power of the State and the market. This is necessary for a healthy democracy.

In the long term the aim of the Centre is to be the voice of Civil Society in the UK – to encourage developments which enhance Civil Society and to speak out and act on developments which undermine and threaten Civil Society.

Initially, the company will act as a delivery vehicle for developing citizens training and supporting the unique alliance of major Civil Society partners who share a primary interest in this sector and its survival and strength.

The company will, among other activities, undertake training, research and consultancy with Strategic Partners that wish to develop an 'organising' culture and approach across their membership and core institutions. The Centre will eventually include the provision of archives, advocacy and policy co-ordination, and be a focus for relevant research. It will also deliver the training objectives of Citizens UK and contribute to the strategic development of Citizens' organisations around the UK and overseas.



During 2015/16 financial year most income received by CfCS related to Living Wage Accreditation income from Living Wage Employers.

Summary income and expenditure account:	<b>2016</b> £	<b>2015</b> £
Income	429,450	261,336
Expenditure	128,276	77,526
Donations under Gift Aid to parent charity	301,174	183,810
Result for the year	<u>-</u>	<u>-</u>
Summary balance sheet:	<b>2016</b> £	<b>2015</b> £
Current assets	175,443	59,731
Current liabilities	175,343	59,631
Net assets	<u>100</u>	<u>100</u>
Share capital	100	100
Reserves	-	-
	<u>100</u>	<u>100</u>

