

Registered number: 04270448
Charity number: 1088174

LONDON CITIZENS
(A company limited by guarantee)

MANAGEMENT COMMITTEE REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2005

LONDON CITIZENS

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LONDON CITIZENS

LEGAL AND ADMINISTRATIVE INFORMATION For the year ended 31 March 2005

Management Committee	Reverend Paul Regan, Chair Mr. Marvin Alstott, Treasurer Mr. Muslehuddin Faradhi Ms. Mary Grisdale Mr. Richard Zipfel Mr. Anthony Ogunniyi Mr. Sher Khan Ms. Jean Geldart Dharmachari Jnanavaca Reverend Paul Nicolson Reverend Stephen Sichel Ms. Evelyn Mulhern (resigned 07/12/2004) Mr. Trenton Oldfield Mr. Adewale Adenekan (appointed 07/12/2004) Ms. Deborah Littman (appointed 07/12/2004) Father Edward Perera (appointed 07/12/2004) Father Claro Conde (appointed 07/12/2004)
Company Registered Number	04270448
Charity Registered Number	1088174
Registered Office	112 Cavell Street London E1 2JA
Secretary	Julie Kuku
Auditors	Gotham Erskine Chartered Accountants & Registered Auditors Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ
Bankers	HSBC 349 Green Street Upton Park London E13 9AS

LONDON CITIZENS

MANAGEMENT COMMITTEE'S REPORT For the year ended 31 March 2005

The Management Committee members, who are directors of the charity for the purposes of the Companies Act and Trustees for charity law purposes, submit their annual report and the financial statements of London Citizens (the company) for the year ended 31 March 2005. The Management Committee members confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000.

Method of appointment or election of Management Committee Members

The management of the company is the responsibility of the Management Committee which is elected and co-opted under the terms of the Articles of Association. There are a minimum of six Trustees who are elected from the members at the AGM for a three year term.

The membership comprises organisations supporting the objects of the organisation.

The organisation works closely with the Citizen Organising Foundation developing the objects of that charity in the London area.

Constitution policies and objectives

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15 August 2001.

London Citizens was formerly known as The Greater London People's Organisation (GLPO). A decision at the AGM in December 2002 was made to change the name to London Citizens and this was confirmed by the Charity Commission in January 2003.

The object of the company is to benefit the public by developing the capacity and skills of the members of the socially and economically disadvantaged communities of Greater London in such a way that members are better able to identify, help meet their needs, to participate more fully in society and assist by directly promoting the more effective working of local charitable community capacity building organisations designed to pursue that aim.

In this memorandum "socially and economically disadvantaged communities" signifies communities each of which;

- * comprises a section of the public
- * is established in a defined geographical area specified in the minutes of the Company
- * is, and continues to be shown - objectively to be disadvantaged by reference to accepted and authoritative economic and social criteria which are appropriate to demonstrate the needs of that community.

Review of Activities

'Also seek the peace and prosperity of the city to which I have carried you into exile. Pray to the Lord for it because if it prospers you too will prosper'. Jeremiah 29;7.

Steady progress been made this year on building the UK's largest and most diverse community organisation. Trustees vision of LONDON CITIZENS becoming an organisation with the power to initiate action and promote ideas is being realised. In November LONDON CITIZENS 'Olympic Charter' of ethical guarantees for economic improvement were included in London's bid to host the Olympic Games in 2012 and in March 2005 the Mayor announced the 'official' Living Wage figure for London of £6.70 an hour.

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MANAGEMENT COMMITTEE'S REPORT (continued) For the year ended 31 March 2005

Other highlights were;

1800 members attending the largest Assembly of the Mayoral campaign; LONDON CITIZENS Mayoral Accountability Assembly was held in Westminster Central Hall on May 4th as the culmination of a nine month 'governance campaign' which involved 50,000 Londoners in setting out an 'Agenda for Action' which was put to and agreed by all the four main candidates for Mayor.

TELCO held three Assemblies in this period - two focussed on the development of teams of leaders in each of TELCO's 35 member communities and one was the organisation's first Emergency General Meeting. On 23rd September 300 people attended a Delegates Assembly in Stratford Town Hall, where apart from launching the 'internal action' of team building LONDON CITIZENS proposals for building in economic guarantees to the London Olympic bid was fully discussed - a decision to support the bid was postponed until 21st October and an EGM when further assurances had been received from Lord Coe's team. On 23rd February 2005 a further 280 people attended a second Delegates Assembly to affirm the new teams.

The Founding Assembly of SOUTH LONDON CITIZENS took place in Goldsmith's Great Hall in Deptford on November 18th. This had been preceded by a Delegates Assembly in St. Martin's School in Tulse Hill on September 23rd. 500 people from 30 plus institutions attended the Founding Assembly - and 20 joined and paid their dues on the evening. Three campaigns were launched in November - one a team building internal action and listening campaign; another concerning the need for public toilets in Brixton and the most ambitious was a CITIZENS Enquiry in the Immigration and Nationality Directorate based at Lunar House in Croydon. In February SLC's first full time Organiser joined the London team. Jordan Estevao joins us with several year's organising experience in Chicago.

Trustees decided to focus on the three West London Boroughs of Kensington and Chelsea, Hammersmith and Fulham and Ealing for the initial membership of West London Citizens (WLC). From June onwards Catherine Howarth, our Lead Organiser in West London was full time on the task of building the organisation from scratch. In this period she undertook over 400 one to one meetings - and spearheaded two two day training sessions for 80 people mainly from potential member communities in West London. WLC pioneered 'community dialogues' in London, bringing together 60 people from 15 institutions in Kensington and Chelsea in the New Year and the same in Hammersmith and Fulham in February. WLC's first delegates Assembly is scheduled for September 28th when the first membership dues will be invited and groups decide if they will become founding members.

LONDON CITIZENS team of professional Organisers was strengthened in the year by the arrival of Jordan Estevao who joined Bernadette Farrell in South London; Andrew Crossley completed a solid second year with us and plays an increasingly significant part in overall planning and training. Mike Bold - a veteran leader from TELCO (Homerton Hospital UNISON) filled the gap left by Catherine Howarth when she moved to WLC. Mike became our part time Organiser working in Hackney and with the unions from April 2004; we said goodbye and thanks to Basia Rysiowska our ASF volunteer from Poland and also Monica Grey of temporary Schools Organiser (December 2003 to August 2004) and Mannie Stewart who worked part time in South London. In July we ran a three week Summer Academy for three student Organisers. Camille Makunganya was one of the students for the second year running. She became a very able Associate Organiser mainly supporting SLC from September onwards.

LONDON CITIZENS

MANAGEMENT COMMITTEE'S REPORT (continued) For the year ended 31 March 2005

Regular trips to City Hall have become regular for leaders and Organisers during the period. Mayor Livingstone's public commitment to work with LONDON CITIZENS meant that there was a significant round table consultation with his key cabinet members on September 23rd and fifteen LC leaders. On 9th November 60 leaders marched on City Hall behind a Jazz Band to attend the Mayor's Press Conference and witness the signing of the Deal proposed by LC for making the London Olympic Bid ethical. Gregory Nichols, a Sixth Form Student from St. Bonaventure's School represented LC at this weighty event. On 16th December LC held a Carol Concert outside City Hall whilst 15 leaders were inside meeting with the Mayor on various issues - particularly pressing him for more details on when the Living Wage might be announced. The Mayor joined the CITIZENS revellers after the meeting and announced that the expected date for the Living Wage announcement was March 31st 2005. In February 2005 when the International Olympic Committee visited London, Gregory Nichols (LC student leader) was the only person outside of MP's and councillors to meet with them try to convince them to back the London bid.

South London CITIZENS launched our Enquiry into the IND at Lunar House in an old synagogue in Spitalfields on February 7th. We are very grateful to Bishop Charles Henderson, Eleanor Sharpston QC, Peter Morris, Canon Nick Sagovsky, Ifath Nawaz and Bishop Eric Brown for agreeing to be the people's Commissioners and oversee this Enquiry until the Autumn of 2005. On March 5th the Commission held their first Public Hearing for staff and users of Lunar house in Croydon Town Hall - and heard several harrowing stories of lost documents, confusion and low staff morale. The second Hearing is scheduled for June 30th when the government and IND staff will be called to respond. The report is expected to be published on October 24th. This is a particularly ambitious campaign for LONDON CITIZENS since the target is a large government bureaucracy and the groups we aim to support (Civil servants and Immigrants) were sadly not great vote winners in the May election.

LONDON CITIZENS Trustees met five times formally during this period and the sub committees twice. A successful AGM was held on December 7th hosted by the London Muslim Centre in Whitechapel. A free curry was provided for all as a way of saying thanks to TELCO leaders who helped get the land on which the LMC is built in 1998. Four new Trustees were elected - Deborah Littman, Fathers Claro Conde and Edward Perera and Adewale Adenekan bringing in more representation from member groups in South London. Thanks to Paul Regan and Trustees for the time and commitment they have given to oversee the increasingly complex and exciting work of the organisation.

LONDON CITIZENS primary campaigns include the Olympic Charter and IND Enquiry as well as the four main issues put to the Mayoral Candidates on May 4th - Living Wage; a Youth Summer Work programme; Affordable Housing through a Community Land Trust and Safer Neighbourhoods/Community Policing. Mixed progress on all fronts which is the nature of politics! Living Wage has made most progress with HSBC agreeing to pay a Living Wage on May 14th, just before their AGM. The Mayor has set a Living Wage Unit and they did produce a forty page analysis and report by March 31st. The IPPR think tank has become the first voluntary sector organisation to be a Living Wage employer. There is even talk of a kite mark. The Mayor's new local police teams were rolled out across most Boroughs over this period with Tower Hamlets becoming the first Borough to have a team of five officers in every ward. LC has set up a six monthly 'monitoring group' of LC leaders, the Met and the Mayor's office. The Youth Programme gained a name - Capital Xperience and a keen team of young leaders - but no money. This will need some pressure and creative thinking to persuade the London Development Agency (LDA) to take this on. Two feasibility studies have focussed on the Community Land Trust proposal and no decision has yet been made about sites etc. It is hoped that this will happen for the proposed pilot of 100 homes in 2006.

LONDON CITIZENS

MANAGEMENT COMMITTEE'S REPORT (continued) For the year ended 31 March 2005

This report started with biblical text from Jeremiah about the need for a city to prosper for its people to prosper. London is a wonderful city and rich in diversity. London's bid for the Olympics is built on the diversity of the capital and its world status. However LONDON CITIZENS is very aware of the big divide that there is between the very rich and the vast and growing underclass of mostly migrants who are cleaning and protecting the city. The Mayor's report on the Living Wage estimated that 1 in 5 workers are paid poverty wages - below the Living wage. These are CITIZENS people and many are CITIZENS members - and if they are not, we are determined to try and organise them into a union that might make them a member. Humanising and containing the market so that family life and neighbourhood life do not suffer remains one of our greatest challenges as we face a future of less regulation, more lawyers, bigger developers, conglomerates and fractured communities struggling to survive and know each other. This year has proved that, by organising through London Citizens it is possible to make politics work for CITIZENS - how much more might we do in coming years provided we remain focussed, attract and train greater member groups and professional organisers and have the resources to make it all happen.

Reserves policy

Trustees recognise the need for a reasonable reserves base to protect the charity from fluctuations in funding and sudden emergencies. Trustees have agreed a basic reserve of £18,000 in 2002/03 and made a commitment to try and add to this each financial year. Ideally, London Citizens would like a reserve which represents three months of the annual expenditure. Considering the current financial situation, Trustees propose to renegotiate the reserve base with COF Trustees in 2005/06 and expect to show a developing reserve base by March 2006. Affiliation with The Citizen Organising Foundation does include possible access to the (larger) reserve base of COF as London Citizens continues to accrue its own level.

Management committee's responsibilities

Company and charity law applicable to charities in England/Wales requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements the Management Committee have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

The Management Committee have overall responsibility for ensuring that the company has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

LONDON CITIZENS

MANAGEMENT COMMITTEE'S REPORT (continued) For the year ended 31 March 2005

Auditors

A resolution proposing that Gotham Erskine be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Management Committee on 15 September 2005 and signed on its behalf, by:

Reverend Paul Regan, Chair

LONDON CITIZENS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON CITIZENS

We have audited the financial statements of London Citizens for the year ended 31 March 2005 which comprise the Statement of Financial Activities and Balance Sheet, with the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out therein. This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE AND AUDITORS

As described in the Statement of Management Committee's Responsibilities the Management Committee is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in October 2000. We also report to you if, in our opinion, the Management Committee's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Management Committee's remuneration and transactions with the company is not disclosed.

We read the Management Committee's report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Management Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as amended.

Gotham Erskine
Chartered Accountants
& Registered Auditors

Friendly House
52 - 58 Tabernacle Street
London EC2A 4NJ

Date:

LONDON CITIZENS

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) For the year ended 31 March 2005

	Note	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
INCOMING RESOURCES					
Donations, legacies and similar incoming resources	2	108,767	9,782	118,549	119,843
Activities in furtherance of the charity's objects		-	38,396	38,396	20,486
Bank interest		-	351	351	251
TOTAL INCOMING RESOURCES		108,767	48,529	157,296	140,580
RESOURCES EXPENDED					
<i>Charitable expenditure:</i>					
Costs of activities in furtherance of the charity's objects:					
Staff Costs		101,824	16,406	118,230	93,192
Operating costs		58,270	3,780	62,050	55,238
Resources expended on managing and administering the charity		-	2,820	2,820	2,350
TOTAL RESOURCES EXPENDED		160,094	23,006	183,100	150,780
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		(51,327)	25,523	(25,804)	(10,200)
Transfers between Funds	8	37,605	(37,605)	-	-
NET INCOMING RESOURCES / (RESOURCES EXPENDED)		(13,722)	(12,082)	(25,804)	(10,200)
NET MOVEMENT IN FUNDS FOR THE YEAR		(13,722)	(12,082)	(25,804)	(10,200)
TOTAL FUNDS AT 1 APRIL 2004		16,881	(3,966)	12,915	23,115
TOTAL FUNDS AT 31 MARCH 2005		£ 3,159	£ (16,048)	£ (12,889)	£ 12,915

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 10 to 14 form part of these financial statements.

LONDON CITIZENS

BALANCE SHEET As at 31 March 2005

	Note	£	31 March 2005 £	£	31 March 2004 £
CURRENT ASSETS					
Debtors	5	-		146	
Cash at bank		45,229		48,962	
			<u>45,229</u>	<u>49,108</u>	
CREDITORS: amounts falling due within one year	6	(58,118)		(36,193)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(12,889)</u>		<u>12,915</u>
NET (LIABILITIES)/ASSETS	9		<u>£ (12,889)</u>		<u>£ 12,915</u>
CHARITY FUNDS					
Restricted Funds	8		3,159		16,881
Unrestricted - General Funds	8		(16,048)		(3,966)
			<u>£ (12,889)</u>		<u>£ 12,915</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the management committee on 15 September 2005 and signed on their behalf, by:

Reverend Paul Regan, Chair

The notes on pages 10 to 14 form part of these financial statements.

LONDON CITIZENS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000, applicable accounting standards and the Companies Act 1985.

1.2 Company status

The company is a company limited by guarantee. The members of the company are organisations that support the objects of London Citizens. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

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

1.4 Incoming resources

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

1.5 Resources expended

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

1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

LONDON CITIZENS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

1. ACCOUNTING POLICIES (continued)

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the organisation in an independently administered fund. The company has no liability under the scheme other than for the payment of those contributions.

1.8 Affiliation fees

Each year London Citizens attempts to raise a donation towards the costs of 'The Citizen Organising Foundation'. Any amount outstanding to them at the end of the year is not shown as a creditor in the accounts as it is not a legally binding agreement but rather a moral commitment.

1.9 Dues

Member organisations pay dues to London Citizens each year. Dues are treated on a received basis with no adjustments made to subscriptions due at the year end for outstanding subscriptions as the members are not legally bound to renew.

2. DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
Westway Development Trust	30,000	-	30,000	5,000
CPF Central Fund	22,500	-	22,500	30,000
Tudor Trust	20,833	-	20,833	-
Wates Foundation	17,333	-	17,333	22,333
Execution Charitable Trust	16,667	-	16,667	-
Citizen Organising Foundation	-	5,000	5,000	20,000
Persula Foundation	1,434	-	1,434	3,000
Bridge House Estates	-	-	-	19,000
Unison Trust	-	-	-	16,475
Sundry donations	-	4,782	4,782	4,035
	<u>108,767</u>	<u>9,782</u>	<u>118,549</u>	<u>119,843</u>
Donations, legacies and similar incoming resources	£ 108,767	£ 9,782	£ 118,549	£ 119,843

3. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2005 £	2004 £
Auditors' remuneration statutory audit	2,820	2,350
	<u>2,820</u>	<u>2,350</u>

During the year, no Management Committee member received any remuneration, benefits in kind, or the reimbursement of expenses (2004 - £NIL).

LONDON CITIZENS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

4. STAFF COSTS AND NUMBERS

Staff costs were as follows:

	2005 £	2004 £
Wages and salaries	102,927	81,097
Social security costs	9,323	7,838
Pension costs	5,981	4,257
	<u>£ 118,231</u>	<u>£ 93,192</u>

The average monthly number of employees during the year was as follows:

	2005 No.	2004 No.
	<u>5</u>	<u>4</u>

No employee received remuneration amounting to more than £50,000 in either year.

5. DEBTORS

	2005 £	2004 £
Due within one year		
Prepayments and accrued income	£ -	£ 146
	<u>£ -</u>	<u>£ 146</u>

6. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	1,517	-
Other creditors	793	369
Accruals	8,196	2,879
Deferred income (see note 6)	47,612	32,945
	<u>£ 58,118</u>	<u>£ 36,193</u>

LONDON CITIZENS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

7. GRANTS IN ADVANCE

	2005 £	2004 £
Balance at 1 April 2003	32,945	5,278
Amount transferred in the year	(32,945)	(5,278)
Amount deferred in the year	47,612	32,945
	£ 47,612	£ 32,945

8. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
UNRESTRICTED FUNDS					
General Funds	(3,966)	48,529	(23,006)	(37,605)	(16,048)
RESTRICTED FUNDS					
Citizenship Education Programme	11,435	-	(8,276)	-	3,159
West London Organisers Salary Fund	2,737	40,417	(67,481)	24,327	-
South London Other Programmes	-	39,167	(45,086)	5,919	-
	2,709	27,750	(37,818)	7,359	-
	-	1,433	(1,433)	-	-
Subtotal	16,881	108,767	(160,094)	37,605	3,159
Total of Funds	£ 12,915	£ 157,296	£ (183,100)	£ -	£ (12,889)

The Citizenship Education Programme is to help 16-19 year olds in East London.
The West London Fund provides funding for a community organiser in West London.
The Organisers Salary Fund provides funding for the organiser of London Citizens.
The South London Citizens Fund provides funding for a community organiser in South London.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
Current assets	50,771	(5,541)	45,230	49,105
Creditors due within one year	(47,612)	(10,507)	(58,119)	(36,190)
Total	£ 3,159	£ (16,048)	£ (12,889)	£ 12,915

LONDON CITIZENS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

10. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the company to the fund and amounted to £5,981 (2004 £4,257). Contributions totalling £776 (2004, £366) were payable to the fund at the balance sheet date and are included in creditors.

11. OPERATING LEASE COMMITMENTS

At 31 March 2005 the Company had annual commitments for office rental under a non-cancellable operating leases as follows:

	2005 £	2004 £
Expiry date:		
Between 2 and 5 years	8,000	-
After more than 5 years	-	5,000
	<u>8,000</u>	<u>5,000</u>

12. RELATED PARTY TRANSACTIONS

London Citizens is formally affiliated to The Citizen Organising Foundation (COF) which provide training and support for the Organisers, and advice for Trustees on overall policy and strategic actions etc. This arrangement, and the responsibilities of both parties, is summarised in a written agreement signed by both parties. This also gives London Citizens access to the COF network and the affiliated groups in other parts of the UK for joint training and possible national campaigns. London Citizens complies with the 'Accreditation' criteria of COF Trustees for a 'COF broad based community organisation'. This does not give COF any nomination rights for Trustees of London Citizens nor any veto on London Citizens activities or campaigns.

During the year COF gave a grant of £5,000 to London Citizens and London Citizens paid an affiliation fee of £12,000, rent of £8,000 and other costs of £3,680 to COF. At the year end London Citizens owed COF £920.

London Citizens is the umbrella, accountable body for the local London based affiliate organisations. In 2004/05 this included specifically TELCO (The East London Communities Organisation) and the developing South London Citizens. Funds are being sought to establish a presence in West London under the name of West London Citizens.

13. GOING CONCERN

The Trustees have stated that as the Company has no endowed funds, the level of activities in the financial year starting 1 April 2005 will depend almost entirely on its ability to secure continuing grant income. In addition the accounts show a deficit on unrestricted funds for the year. At the year end the Trustees are of the opinion that the potential cost of cessation other than already provided for in the accounts do not exceed £16,500.

LONDON CITIZENS

DETAILED INCOME AND EXPENDITURE ACCOUNT For the year ended 31 March 2005

	2005 £		2004 £
CHARITY INCOME			
Donations and similar incoming resources			
City Parochial Foundation	22,500	30,000	
Unison Trust	-	16,475	
Bridge House Estates	-	19,000	
Wates Foundation	17,333	22,333	
Tudor Trust	20,833	-	
Citizen Organising Foundation	5,000	20,000	
Westway Development	30,000	5,000	
Persula Foundation	1,434	3,000	
Sundry donations	4,782	4,035	
Execution Charitable Trust	16,667	-	
	<hr/>	<hr/>	
	118,549		119,843
Activities in furtherance of objectives			
Membership dues	30,266	20,486	
Project/Training/Sales	8,130	-	
	<hr/>	<hr/>	
	38,396		20,486
Bank interest	351	251	
	<hr/>	<hr/>	
	351		251
TOTAL CHARITY INCOME (carried forward)	<hr/>	<hr/>	
	157,296		140,580

LONDON CITIZENS

DETAILED INCOME AND EXPENDITURE ACCOUNT (continued) For the year ended 31 March 2005

	2005 £	2004 £
TOTAL CHARITY INCOME (brought forward)	<u>157,296</u>	<u>140,580</u>
LESS: CHARITY EXPENDITURE		
Staff Costs		
Salaries and wages	102,927	81,097
National Insurance	9,323	7,838
Pension scheme	5,981	4,257
	<u>118,231</u>	<u>93,192</u>
Project Costs		
National training	4,020	5,250
Living wage	-	2,000
Assembly	14,820	11,237
Summer Academy	-	6,526
	<u>18,840</u>	<u>25,013</u>
Administrative Costs		
Affiliation costs	12,000	12,000
Postage, printing and stationery	12,476	4,361
Rent	8,000	5,000
Insurance	146	444
Travel and subsistence	3,164	3,021
Telephone	913	1,224
Consultancy	1,000	3,376
Staff training and seminars	4,867	199
Auditors' remuneration statutory audit	2,820	2,350
Sundry expenditure	643	600
	<u>46,029</u>	<u>32,575</u>
TOTAL CHARITY EXPENDITURE	<u>183,100</u>	<u>150,780</u>
NET INCOME/(EXPENDITURE) FROM CHARITABLE SOURCES	<u>£ (25,804)</u>	<u>£ (10,200)</u>