

Company number: 00825036
Charity number: 313164

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 10
Independent Auditors' Report on the Financial Statements	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 40

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS

Trustees	Astrid Wissenburg (Chair) David Bogle David Oswell (appointed 17 March 2020) William Duncan Jan Juillerat (appointed 17 March 2020) Roger Eccleston (appointed 17 March 2020) Susan Fleet Indi Seehra (resigned 18 June 2019) Gabriel Silberman
Company registered number	00825036
Charity registered number	313164
Registered office	22 Signet Court Swann Road Cambridge CB5 8LA
Chief executive officer	Clare Viney
Independent auditors	Haysmacintyre LLP Chartered Accountants 10 Queen Street Place London EC4R 1AG
Bankers	HSBC Bank Plc St Johns Innovation Park Cambridge CB4 0DS
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
Investment Managers	Westminster Wealth Management 3rd Floor Reception Chronicle House 72-78 Fleet Street London EC4Y 1HY
Pension Scheme Actuary	First Actuarial 182 High Street Tonbridge Kent TN9 1BE

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 April 2019 to 31 March 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of 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 (FRS102) (second edition of the Charities SORP October 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

CRAC provides research, intelligence and innovation services for all those who support the career development of people of all ages and in all sectors.

We work in partnership with government agencies, education providers and organisations, employers and professional bodies.

CRAC's aim is to encourage and support career learning and active career development at all ages, to help people make well-informed career decisions and manage their careers positively.

The Trustees confirm that they have complied with the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

The Charity Commission in its 'Charities and Public Benefit' Guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: first, there must be an identifiable benefit and, secondly, that the benefit must be to the public or a section of the public. The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on to achieve those aims, meet these principles.

CRAC exists to support individuals in their career development and career-related learning. Our activities contribute to public benefit by helping individuals to achieve and realise their full potential, which impacts positively on their personal economic and social health and wellbeing which, in turn, contributes to wider societal and economic benefit. Our recent activities and achievements are summarised in the review of activities below. We also set out our plans for next year explaining how we aim to further develop our services and continue to deliver the public benefit we provide.

ACHIEVEMENTS AND PERFORMANCE

a. Review of activities

CRAC has delivered a range of activities to support its high-level objectives providing research intelligence and innovation for all those who support career development for people of all ages and in all sectors. This year we worked in partnership with government agencies, education organisations and providers, and employers and professional bodies.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

We continue to develop and deliver activities and programmes for researchers (who are in higher education and public research institutes) under the Vitae name in addition to certain activities under the CRAC brand itself.

Vitae is the global leader in supporting the professional development of researchers, experienced in working with higher education institutions as they strive for research excellence, innovation and impact. Vitae membership enables over 200 organisations with a stake in realising the potential of researchers to build capacity in developing excellent researchers, bringing benefits to research outputs, innovation, society and the economy. We continue to help support and equip researcher developers for the possible future challenges and responsibilities ahead.

The Concordat to Support the Development of Researchers has filtered through many conversations in 2019/20 and has affirmed its relevance in so many contexts. Vitae provided a critical insight into the views of both researchers and those with a stake in managing them. A great deal of this detail and analysis has been included in the recently published, revised Concordat. In the last 12 months Vitae has announced several new initiatives including three member Working Groups. The groups that have now been established focus on: researcher careers and professional development; wellbeing and mental health; and continuous professional development (CPD) for researcher developers. They aim to influence the research environment by giving members an opportunity to engage in the policy and practice of researcher development and, so far, there have been some very interesting discussions on target topics.

With the new Concordat a significant step forward in the employment conditions, environment, and professional development opportunities available to researchers can be taken. In the next 12 months, Vitae will play a continued role in advocating for the professional development needs of researchers and sharing good practice on improving wellbeing and mental health, research integrity and equality, diversity and inclusion. The development and accumulation of research and intelligence continues to underpin Vitae's programme of activities, the advancement of which has often positioned Vitae at the forefront in realising and informing trends in the sector, creating a healthy and positive environment in which all researchers can thrive and flourish.

We continue to build on our international reputation and have expanded our work training researchers, and providing expertise, research and consultancy in this area, across a growing international footprint. Outside the UK, we continued to work with partners in Australia, Ireland, Japan, Poland and Spain on a range of projects to develop and deliver high impact professional development interventions to support researcher careers and build research capacity. Through the CIRCLE programme we continue to work with 9 countries across Africa supporting 29 institutions to build institutional capacity and support researcher development. A number of partnerships with European institutions were developed in order to support bids for funding from the European Commission, embedding researcher development in research training schemes or for discrete career or development-related activity.

We are at the heart of a community of 40,000 researchers who access our expert resources including programmes for researchers and research leaders and have added to the extensive information and resources that are available online to those with Vitae membership. Vitae continues to support the career development of those who support researcher development and has been consulting with the community to investigate ways to recognise and support their professional practice.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED

Trustees' Report and Financial Statements

For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

In addition, CRAC has continued to provide a range of expertise and activities in other career sectors, including contract research, evaluation and consultancy services to organisations including the Department for Education, Research England/UKRI, the Office for Students, the Royal Society, Royal Academy of Engineering, Wellcome and the Arts Council. This portfolio of work has continued to build CRAC's reputation for research-based expertise and knowledge in relation to career decision-making, transitions into and from higher education, careers information provision, graduate employability, STEM (Science, Technology, Engineering and Mathematics) and graduate careers, and internationalisation of education. Evaluation work has become a major emphasis of the research work undertaken. Specific projects undertaken during 2019/20 included:

- Evaluations of a range of early-career fellowship schemes run by major academies in the UK
- Evaluation of a programme through which higher education institutions are developing innovative approaches to improve the mental health of postgraduate researchers, for Research England
- Evaluation of an Office for Students-funded programme of activities by universities to improve the career outcomes of their local graduates
- Underpinning research to support development of a new toolkit to help organisations in the arts and cultural sector to diversity their workforces, for the Arts Council
- Research with alumni of a specialist institution in the performing arts to understand their career pathways and experiences
- A study with disabled scientists to understand barriers to their progression in the academic science workforce, for the Royal Society
- Expert assistance to a leading research institute to underpin its application for accreditation for an equality and diversity award

FINANCIAL REVIEW

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

b. Financial review

Full details of income and expenditure are set out in the statement of financial activities (SOFA) on page 14.

During the year, total incoming resources were £1,525,129 compared with £1,856,524 in the year ended 31 March 2019. The income profile has been changing in recent years due to the transition from much of CRAC's researcher development work being funded by a single Research Councils UK contract (tapering towards its end in March 2015) to more diversified income streams. These include a membership scheme for institutions, contract work in the UK for a variety of research funders and substantial growth of delivery of training, research and consultancy in Europe and the rest of the world. Vitae membership was launched in January 2015. Total resources expended was £1,536,901 (£1,633,999 in 2019).

Covid-19 pandemic situation marginally affected the Charity towards the end of March 2020, all contracted and confirmed activity took place before year end despite the CRAC office being closed and staff working from home from 23 March 2020, as per Government advice.

In April 2014 the Pension Scheme secured a 'buy-in' insurance policy which delivers income to the Scheme guaranteed to correspond to the level of benefit payments required for its pensioner members, which reduces the total level of liability in the Scheme by around two thirds.

The Charity and Pension Scheme Trustees have agreed the Scheme's funding position following its triennial valuation at 31st March 2019, which found the scheme to be in deficit by £299,000. To eliminate this shortfall in the Scheme's assets, CRAC has agreed to pay additional contributions of £25,000 per year to the Scheme over a period of 9 years and 6 months.

There were no charitable or political contributions made during the year.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

c. Risk management and principal risks

Major risks to which the charity is exposed have been reviewed and systems established to mitigate those risks. Responsibility for management of risk is overseen by the Trustees. It regularly considers the risks (including financial and reputational risks) which may affect the activities of the organisation, assesses the impact of those risks and ensures that appropriate controls are in place as follows:

- comprehensive strategic planning, budgeting and management accounting
- detailed review by the Board (or those delegated such as the Board) of significant capital projects or new ventures before they are approved. Internal approval by senior management of all new projects irrespective of size, which includes assessment of any reputational risk
- clear authorisation approval levels and segregation of duties
- appropriate contractual arrangements for all work undertaken

The Board like those overseeing many other charities is concerned about the effects that Brexit, policy changes or an economic downturn may have on CRAC's ability to obtain funding and continues to monitor CRAC's finances and CRAC's contingent strategic plan closely. The risk register is continually updated and presented at each Board meeting.

Since it's March Board meeting Trustees and SMT have met monthly to monitor financial progress, including cash flow, and activity. Trustees are working with SMT to support the charity to adapt and respond to the current Covid-19 pandemic situation and where applicable provide feedback from the community and stakeholders, and operational support. The organisation quickly pivoted face to face learning and development to online. A revised budget was approved by Trustees for 2020/21 in May 2020. This anticipates that we will run a deficit this year, but that this is affordable. It allows the organisation to maintain the current staffing level and expertise so that we are as well positioned for securing new business and the future as we can be.

A selection of the key risks are shown below:

Risk	Impact	Mitigation
Government and other stakeholders shift priorities resulting in weakened support for careers work	CRAC struggles to maintain activity, or ceases it	Monitor funding and government priorities closely. Especially in light of economic and societal impact of Covid-19. Review regularly CRAC's ability to deliver its charitable remit. Continue to expand funding base beyond government funding to other non-government funders and organisations globally. Keep in close touch with key stakeholders and clients and gauge likely impact early
Competitor organisations offer a more compelling package of services/products to universities, or European initiatives offer 'free at point of use' services to institutions	CRAC's Vitae Programme loses buy-in; reduction of demand for products and services	Monitor competitor products and emerging offers. Continue to innovate and review own products to ensure relevance and needs of offering. Adapt and pivot offering in light of Covid-19 and restricted face to face training, increase technology capacity and capability
Lack of resources, capability, speed or agility to capitalise on potential future business opportunities and at the required levels to cover staff costs and other overheads	CRAC is not able to secure a sustainable stream of business and is therefore not able to meet its charitable objectives and/or financial overheads	The Executive Team focus continues to be on business development and staff responsiveness, working closely with stakeholders and clients. Forward planning sets clarity about direction to ensure we have appropriate resource and capacity to meet demand

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

d. Investment policy and performance

The investments of the charity are the responsibility of the Board after taking appropriate advice, having due regard for charity law. In 2016 the Board agreed that the investments should be transitioned to a new investment manager, Westminster Wealth, which manages the funds in a range of asset classes, with the aim to minimise market volatility and to preserve capital. The overall objective is to produce a dividend yield while preserving the level of capital. It also aims to achieve positive returns which are significantly greater than the return on cash. There are no specific restrictions as to the nature of the investments of the charity. In the year ended 31 March 2020, like many investment portfolios the charity made a loss due to the Covid pandemic. The loss was £89,547, compared with a gain of £35,539 in 2019. The investments have since recovered and exceeded pre-Covid valuation levels and are at a level of £1,403,828 in September 2020 which is mid-way through the year.

e. Reserves policy

The Trustees have reviewed the reserves policy in the light of major risks to the organisation. The Trustees consider that free reserves are necessary to meet current commitments when income streams are unpredictable. These commitments include contracted direct programme expenditure, staff costs and other essential overheads such as premises. The Trustees also need to ensure that in the event of sudden loss of income or exceptional expenditure it has sufficient funds for an orderly winding up in the event that the charity ceases operations.

The level of total reserves for the Charity at 31 March 2020 was £455,220 (2019: £620,539) and free reserves, being the total unrestricted funds less net book value of tangible fixed assets, were £370,158 (2019: £521,517). Although no additional payments were made to CRAC's defined benefit Pension Scheme this year, as recorded in note 23, the valuation for the Scheme is a deficit in 2019 of £874k (2019: £792k). This is despite the Scheme being fully funded on the basis of a valuation in March 2016.

f. Fund accounting

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

Restricted funds are designated funds which are exclusively related to the grants received from the European Commission Horizon 2020 - Research and Innovation Framework Programme for a specific agreed programme of work. The fund is for the Responsible Research and Innovation Networked Globally (RRING) project which is due to continue to 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

CRAC Limited (known as CRAC: The Career Development Organisation) is a private company limited by guarantee incorporated on 29th October 1964. It is a registered charity. The company is governed by a Memorandum and Articles of Association. This was amended in April 2009 to remove the requirement to hold future Annual General Meetings. The Trustees took the view that as the main business of the AGM was to approve the accounts, the accounts could equally be placed before the Trustees at an appropriate Board meeting.

Board Members are Directors for the purpose of company law and Trustees for the purpose of charity law. In the event of the charity being wound up members of the Board of Trustees as set out on page 1 are required to contribute an amount not exceeding £10.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

b. Methods of appointment or election of Trustees

During 2019/20 during an open recruitment process three new Trustees were appointed with skills and experience that complimented the current Trustees. A skills audit was undertaken, and a role description devised. The role was advertised, shortlisting and interviews took place to select the most suitable candidate for the role. An induction pack for new Trustees has been established for a number of years. On appointment each new Trustee is given an induction pack containing a range of information such as the Memorandum and Articles of Association, statutory accounts and key meeting dates. A series of meetings is also arranged to introduce them into the organisation. The Board of Trustees meets at least three times a year. Detailed financial and management matters are delegated by the Board. Day to day management of the charity is delegated to the Chief Executive and staff.

c. Remuneration policy for key management personnel

The principles and framework for the 'key management personnel disclosure' for the executive team (the Chief Executive and Director, Research & Intelligence) were approved by the Board, which includes the base salary and benefits which form part of the remuneration package. The responsibility for determining their pay is delegated to the Remuneration Committee which sets the pay by monitoring performance and assessing remuneration trends across the sector.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED

Trustees' Report and Financial Statements

For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

PLANS FOR FUTURE PERIODS

CRAC's strategic aims for 2020/21 and beyond continue to focus on supporting the career development of individuals, principally through provision of innovation, expertise and research to those with whom they interact in relation to career learning during their education and employment. The current COVID-19 situation brings lots of uncertainty. CRAC has set out to reassure clients and the community that we are focusing on keeping our colleagues safe and maintaining service levels. Since March 2020 the CRAC/Vitae offices have been physically only open to staff for essential purposes, with all staff working entirely from home with access to our secure and confidential remote working infrastructure. Trustees and the Senior Management Team are monitoring the evolving situation via monthly online meetings and there is regular communication to staff and engagement with clients and the wider community. Trustees and SMT are considering more broadly on Vitae's overall strategy, challenging some of the fundamental questions around purpose, future vision, values and strategic priorities out to 2025. Although the work has slowed during Covid-19, we continue to build the case to demonstrate the place, value and relevance of researcher development in the UK and beyond.

Vitae, on behalf of the sector, has surveyed doctoral researchers and early career research staff in UK universities about the impact of the COVID-19 restrictions on their working lives. With the Department for Business, Energy and Industrial Strategy (BEIS), CRAC/Vitae, supported by UKRI and Universities UK, we have gathered evidence around the implications of the COVID-19 pandemic on the activities of researchers and research groups. This evidence has already informed BEIS's consideration and design of potential interventions to help protect researchers, research institutions and facilities.

Through the Vitae Programme we will continue to work collaboratively with higher education institutions, research funders and other key organisations, and in other formal or informal partnerships, working with institutions as they strive for research excellence, innovation and impact. Work in the UK will be complemented by our international reach, enabling all those working in research to benefit from improved career development and in turn building global research capacity.

Our plans include:

- Campaign to demonstrate the place, value and relevance of researcher development and Vitae membership for UK higher education institutions and other organisations already in membership
- Extending Vitae membership to additional higher education institutions, other research-performing and -focused organisations in the UK and beyond
- Continuing our focus on professional development support through the Researcher Development Framework (RDF) and provision of resources, training and events including the Vitae International Researcher Development Conference
- Facilitating monitoring and coordination of the UK's progress in implementation of the Researcher Development Concordat and schemes to recognise institutions' success in doing so.
- Increasing the deployment of our expertise through partnership projects and work with research funders and partners, consolidating and increasing our work building research capacity within developing economies across the rest of world

In other career sectors, CRAC will continue to provide research, evaluation, intelligence and innovation services on themes of strategic interest. The Trustees considered the future strategy of CRAC. In order to better reflect the synergies and opportunities across the organisation, we have evolved the way that we view the organisation the Trustees agreed to change the way we financially report our activities, from two main areas being researcher development and research and intelligence into three new key areas:

1 Informing Strategy and Policy - Advocate for effective evidence-based policy and environments, through research and intelligence, evaluating impact and leading change.

2 Enhancing provision - Create and recognise excellent provision through knowledge exchange, collaborative networks and co-development, promoting good practice, and translating knowledge into innovative and practical outputs.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

TRUSTEES' REPORT (CONTINUED)

3 Enabling individuals - Engage individuals in their career development through recognition of their professional competence and promoting access to opportunities that nurture talent.

The accounts for year end 31 March 2019 have been restated into the new agreed format. There were no changes to the financial figures, the change being a reallocation of activities to demonstrate the shift to the new areas.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf on 30th September 2020
by:



Astrid Wissenburg
Chair

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAREERS RESEARCH AND
ADVISORY CENTRE (CRAC) LIMITED**

Opinion

We have audited the financial statements of The Careers Research and Advisory Centre (CRAC) Limited (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAREERS RESEARCH AND
ADVISORY CENTRE (CRAC) LIMITED (CONTINUED)**

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAREERS RESEARCH AND
ADVISORY CENTRE (CRAC) LIMITED (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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.



Richard Weaver (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP
Chartered Accountants
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 29 October 2020

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	As Restated Total funds 2019 £
INCOME FROM:					
Charitable activities	4	-	1,507,376	1,507,376	1,839,716
Investments	5	-	17,753	17,753	16,808
TOTAL INCOME		-	1,525,129	1,525,129	1,856,524
EXPENDITURE ON:					
Charitable activities	6	8,616	1,528,285	1,536,901	1,633,999
TOTAL EXPENDITURE		8,616	1,528,285	1,536,901	1,633,999
Net (losses)/gains on investments		-	(89,547)	(89,547)	35,539
NET MOVEMENT IN FUNDS BEFORE					
OTHER RECOGNISED GAINS/(LOSSES)		(8,616)	(92,703)	(101,319)	258,064
Other losses			(64,000)	(64,000)	(144,000)
NET MOVEMENT IN FUNDS		(8,616)	(156,703)	(165,319)	114,064
RECONCILIATION OF FUNDS:					
Total funds brought forward		73,348	547,191	620,539	506,475
Net movement in funds		(8,616)	(156,703)	(165,319)	114,064
TOTAL FUNDS CARRIED FORWARD		64,732	390,488	455,220	620,539

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

The notes on pages 17 - 40 form part of these financial statements.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020
Company Number 825036

BALANCE SHEET
AS AT 31 MARCH
2020

	Note	£ 2020	£ 2019
FIXED ASSETS			
Tangible assets	10	20,330	25,674
Investments	11	1,248,201	1,311,389
		<u>1,268,531</u>	<u>1,337,063</u>
CURRENT ASSETS			
Debtors	12	412,558	451,844
Cash at bank and in hand		222,121	124,528
		<u>634,679</u>	<u>576,372</u>
Creditors: amounts falling due within one year	13	(573,990)	(500,896)
		<u>60,689</u>	<u>75,476</u>
NET CURRENT ASSETS			
		<u>60,689</u>	<u>75,476</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,329,220	1,412,539
Defined benefit pension scheme liability	23	(874,000)	(792,000)
TOTAL NET ASSETS		<u>455,220</u>	<u>620,539</u>
FUNDS			
Restricted funds	14	64,732	73,348
Unrestricted funds			
General funds		1,244,158	1,313,517
Designated funds	14	20,330	25,674
Unrestricted funds excluding pension liability		<u>1,264,488</u>	<u>1,339,191</u>
Defined benefit pension scheme liability	23	(874,000)	(792,000)
Unrestricted funds including pension liability		<u>390,488</u>	<u>547,191</u>
TOTAL FUNDS	14	<u>455,220</u>	<u>620,539</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Astrid Wissenburg



Chair

Date: 30th September 2020

The notes on pages 17 to 40 form part of these financial statements.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

**STATEMENT OF CASH FLOWS FOR
THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	16	112,638	16,763
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		17,753	16,808
Purchase of tangible fixed assets		(4,271)	(21,412)
Purchase of investments		(132,802)	(154,846)
Disposal of investments		104,275	884
NET CASH USED IN INVESTING ACTIVITIES		(15,045)	(158,566)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		97,593	(141,803)
Cash and cash equivalents at the beginning of the year		124,528	266,331
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17,18	222,121	124,528

The notes on pages 17 to 40 form part of these financial statements

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

**ACCOUNTING POLICIES NOTES TO THE
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2020**

1.

1.1 GENERAL INFORMATION

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 825036) and a charity registered in England and Wales (charity number: 313164). The Charity's registered office address is: 22 Signet Court, Swanns Road, Cambridge, CB5 8LA.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.3 PUBLIC BENEFIT ENTITY

The Careers Research and Advisory Centre (CRAC) Limited meets the definition of a public benefit entity under FRS 102.

1.4 GOING CONCERN

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees have considered the charity's forecasts and projections and have taken account of pressures on income, particularly in the light of the impact of the COVID-19 pandemic which occurred before these financial statements were approved. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, these accounts have been prepared on the going concern basis.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.5 FUND ACCOUNTING

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds which are related to the grant received for the Responsible Research and Innovation Networked Globally (RRING) project which is due to continue to 2021. Designated funds have been established to represent the monies invested in Tangible Fixed Assets net of depreciation.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.6 INCOME

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The charity's policy is to recognise contract funding for activities which fall within its charitable objects as unrestricted, even though in certain circumstances minor restrictions exist, due to the complexity of the conditions and the delivery of the projects. This income is treated as unrestricted and the balances received in advance for the following period are treated as deferred income as it is used to match the project costs.

Income received in advance of the provisions of a specified service or activity is deferred until the criteria for income recognition is met.

Subscriptions are accounted for on an accruals basis. Subscriptions relating to a later period are therefore carried forward to that period and treated as deferred income in the balance sheet.

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

1.7 EXPENDITURE

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable activities. Direct charitable expenditure includes all expenditure related to the objects of the charity. Support costs are separately identified under note 6 and are also costs incurred in achieving the charity's objects. Direct costs are allocated to the programmes on an actual basis. Overhead and support costs such as premises and related staff costs are allocated on the basis of income received.

1.8 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

1.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

1.11 SHORT TERM BENEFITS

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

1.12 EMPLOYEE TERMINATION BENEFITS

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

1.13 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% straight line
Office equipment	-	33% straight line
Computer equipment	-	25% straight line

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.14 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.15 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.16 FINANCIAL INSTRUMENTS

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term. The operating lease in respect of land and buildings is a three-year lease which expired in February 2020.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.18 PENSIONS

The Company operates a group personal pension scheme (defined contribution) managed by Aviva. The costs are charged to the SOFA as they become payable. Details of the scheme are set out in note 20 to the accounts.

The Company also operates a defined benefit scheme which was closed to future accrual in September 2007 and staff in that scheme then transferred to the Aviva scheme. The scheme is currently fully paid on an actuarial basis where CRAC with agreement with the pension scheme Trustees made a payment in 2014 to eliminate the deficit. The level of future contributions will change following the 31 March 2019 valuation which resulted in a £299,000 deficit. Contributions of £25,000 per annum, have been agreed, the first contribution is payable by 31 March 2021. CRAC made no additional contributions during the year ended 31 March 2020 (2019: £Nil). The scheme is a defined benefit scheme in accordance with section 28 of the FRS 102. Service costs, curtailments, settlement gains and losses, net financial returns and rereasurement gains and loss are included in the Statement of Financial Activities in the year to which they relate.

Changes in assets and liabilities of the scheme in the year are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme.

Pension finance charges arising from similar changes are recognised as outgoing resources.

Remeasurement gains and losses arising are recognised as other recognised gains and losses.

1.19 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Designated funds have been established to represent the monies invested in tangible fixed assets net of depreciation.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs 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. The Responsible Research and Innovation Networked Globally (RRING) fund is in relation to a grant received for a project which is due to continue in 2021.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. As tangible fixed assets are no significant variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically no changes have been required.

Pensions:

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 23.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. RESTATED INCOME AND EXPENDITURE

The trustees performed a review of the activities of the charity and set up some new departments to facilitate this. This has resulted in a reanalysis of the 2019 income and expenditure comparatives. The total income and expenditure remains unchanged.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020	Total funds 2020
	£	£
Informing policy	437,028	437,028
Enhancing provision	494,985	494,985
Enabling individuals	575,363	575,363
TOTAL 2020	1,507,376	1,507,376
	As Restated Restricted funds 2019	As Restated Unrestricted funds 2019
	£	£
Informing policy	-	291,955
Enhancing provision	185,971	506,922
Enabling individuals	-	854,868
TOTAL 2019	185,971	1,653,745

5. INVESTMENT INCOME

	Unrestricted funds 2020	Total funds 2020
	£	£
Dividend income (from UK Listed investments)	17,353	17,353
Bank interest	400	400
TOTAL 2020	17,753	17,753

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. INVESTMENT INCOME (CONTINUED)

	Unrestricted funds 2019 £	Total funds 2019 £
Dividend income (from UK Listed investments)	16,477	16,477
Bank interest	331	331
TOTAL 2019	16,808	16,808

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Informing policy	-	437,791	437,791
Enhancing provision	-	625,435	625,435
Enabling individuals	8,616	465,059	473,675
	8,616	1,528,285	1,536,901
	Restricted funds 2019 £	Unrestricted funds 2019 £	As restated Total funds 2019 £
Informing policy	-	292,865	292,865
Enhancing provision	114,356	505,329	619,685
Enabling individuals	-	721,449	721,449
	114,356	1,519,643	1,633,999

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support and governance costs 2020 £	Total funds 2020 £
Informing policy	335,277	102,514	437,791
Enhancing provision	509,179	116,256	625,435
Enabling individuals	338,540	135,135	473,675
TOTAL 2020	1,182,996	353,905	1,536,901

	Activities undertaken directly 2019 £	Support and governance costs 2019 £	As restated Total funds 2019 £
Informing policy	228,806	64,059	292,865
Enhancing provision	508,457	111,228	619,685
Enabling individuals	533,877	187,572	721,449
TOTAL 2019	1,271,140	362,859	1,633,999

Analysis of direct costs

	Informing policy 2020 £	Enhancing provision 2020 £	Enabling individuals 2020 £	Total funds 2020 £
Direct staff costs	160,014	222,151	146,317	528,482
Direct costs	175,263	287,028	192,223	654,514
TOTAL 2020	335,277	509,179	338,540	1,182,996

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs (continued)

	Informing policy	Enhancing provision	Enabling individuals	As restated Total funds
	2019 £	2019 £	2019 £	2019 £
Direct staff costs	95,223	211,606	222,184	529,013
Direct costs	133,583	296,851	311,693	742,127
TOTAL 2019	228,806	508,457	533,877	1,271,140

Analysis of support costs

	Informing policy 2020 £	Enhancing provision 2020 £	Enabling individuals 2020 £	Total funds 2020 £
Staff costs	50,465	68,736	48,251	167,452
Premises and other costs	47,137	41,948	80,407	169,492
Governance costs	4,912	5,572	6,477	16,961
	102,514	116,256	135,135	353,905

	Informing policy 2019 £	Enhancing provision 2019 £	Enabling individuals 2019 £	As restated Total funds 2019 £
Staff costs	27,276	47,360	79,867	
Premises and other costs	33,798	58,684	98,963	191,445
Governance costs	2,985	5,184	8,742	16,911
	64,059	111,228	187,572	362,859

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

8. AUDITORS' REMUNERATION

	2020	2019
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	9,950	9,950
Fees payable to the Company's auditor in respect of:	2,700	4,350
All non-audit services not included above	12,650	14,300

9. STAFF COSTS, KEY MANAGEMENT PERSONNEL AND TRUSTEES' REMUNERATION AND EXPENSES

	2020	2019
	£	£
Wages and salaries	586,226	567,689
Social security costs	58,630	55,204
Pension costs	51,078	60,623
	695,934	683,516

The average number of persons employed by the Company during the year was as follows:

	2020	2019
	No.	No.
Direct charitable activities	10	10
Support	3	3
	13	13

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. STAFF COSTS, KEY MANAGEMENT PERSONNEL AND TRUSTEES' REMUNERATION AND EXPENSES (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
	No.	No.
In the band £60,001 - £70,000	-	1
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

Employer pension costs paid to defined contribution schemes in respect of the above 2 staff were £17,449 (2019: 3 staff paid £23,018). The number of staff above that are deferred members and accruing benefits under the defined benefit scheme are Nil (2019: Nil).

The key management personnel of CRAC comprises of the members of the senior team in Director level posts. The total remuneration of the senior team, which includes benefits in kind was £221,091 (2019: £291,410).

During the year, no Trustees received any remuneration or benefit in kind.

During the year 6 Trustees received reimbursement of expenses or had expenses paid directly to a third party on their behalf totalling £2,470 (2019: 5 Trustees reimbursed £1,115).

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Office equipment	Computer equipment	Total
	£	£	£	£
COST OR VALUATION				
At 1 April 2019 Additions	41,929	4,242	204,105	250,276
	-	-	4,271	4,271
At 31 March 2020	<u>41,929</u>	<u>4,242</u>	<u>208,376</u>	<u>254,547</u>
DEPRECIATION				
At 1 April 2019	38,814	2,239	183,549	224,602
Charge for the year	1,097	1,413	7,105	9,615
At 31 March 2020	<u>39,911</u>	<u>3,652</u>	<u>190,654</u>	<u>234,217</u>
NET BOOK VALUE				
At 31 March 2020	<u>2,018</u>	<u>590</u>	<u>17,722</u>	<u>20,330</u>
At 31 March 2019	<u>3,115</u>	<u>2,003</u>	<u>20,556</u>	<u>25,674</u>

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

11. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 April 2019	1,311,389
Additions	103,013
Disposals	(103,996)
Revaluations	(89,547)
Movement in cash deposit	27,342
AT 31 MARCH 2020	1,248,201
NET BOOK VALUE	
AT 31 MARCH 2020	1,248,201
<i>AT 31 MARCH 2019</i>	<i>1,311,389</i>

All investments are held in the UK.

The investments of the charity are the responsibility of the Board after taking appropriate advice, having due regard for charity law. In 2016 the Trustees agreed that the investments should be transitioned to a new investment manager, Westminster Wealth, who manages the funds in a range of asset classes, with the aim to minimise market volatility and to preserve capital. The overall objective is to achieve capital preservation and produce a dividend yield. It also aims to achieve positive returns which are significantly greater than the return on cash. There are no specific restrictions as to the nature of the investments of the charity.

The total net losses on investments as per the Statement of Financial Activities losses comprises of unrealised losses on assets of £94,094, foreign exchange loss of £279 realised gain on disposal of holdings at £2,379 added to corporate actions of £2,446 giving a net valuation loss of £89,547.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. DEBTORS

	2020	2019
	£	£
DUE WITHIN ONE YEAR		
Trade debtors	228,293	214,697
Other debtors	7,382	3,682
Prepayments and accrued income	176,883	233,465
	412,558	451,844
	412,558	451,844

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	162,004	81,351
Other taxation and social security	43,132	38,545
Other creditors	22,931	17,521
Accruals	90,166	85,950
Deferred income	255,757	277,529
	573,990	500,896
	573,990	500,896

	2020	2019
	£	£
Deferred income at 1 April 2019	277,529	358,972
Resources deferred during the year	255,757	277,529
Amounts released from previous periods	(277,529)	(358,972)
	255,757	277,529
	255,757	277,529

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS						
General funds	521,517	1,525,129	(1,528,285)	5,344	(153,547)	370,158
Designated funds	25,674	-	-	(5,344)	-	20,330
	<u>547,191</u>	<u>1,525,129</u>	<u>(1,528,285)</u>	<u>-</u>	<u>(153,547)</u>	<u>390,488</u>
RESTRICTED FUNDS						
RRING project	73,348	-	(8,616)	-	-	64,732
	<u>73,348</u>	<u>-</u>	<u>(8,616)</u>	<u>-</u>	<u>-</u>	<u>64,732</u>
TOTAL OF FUNDS	<u><u>620,539</u></u>	<u><u>1,525,129</u></u>	<u><u>(1,536,901)</u></u>	<u><u>-</u></u>	<u><u>(153,547)</u></u>	<u><u>455,220</u></u>

Designated funds have been established to represent the monies invested in tangible fixed assets net of depreciation.

The Responsible Research and Innovation Networked Globally (RRING) fund is in relation to a grant received for a project which is due to continue in 2021.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

14. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
UNRESTRICTED FUNDS						
General funds	495,592	1,670,553	(1,509,463)	(16,704)	(118,461)	521,517
Designated funds	8,970	-	-	16,704	-	25,674
	<u>504,562</u>	<u>1,670,553</u>	<u>(1,509,463)</u>	<u>-</u>	<u>(118,461)</u>	<u>547,191</u>
RESTRICTED FUNDS						
RRING project	-	79,825	(6,477)	-	-	73,348
Euraxind project	1,913	106,146	(108,059)	-	-	-
	<u>1,913</u>	<u>185,971</u>	<u>(114,536)</u>	<u>-</u>	<u>-</u>	<u>73,348</u>
TOTAL OF FUNDS	<u><u>506,475</u></u>	<u><u>1,856,524</u></u>	<u><u>(1,623,999)</u></u>	<u><u>-</u></u>	<u><u>(118,461)</u></u>	<u><u>620,539</u></u>

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2020	Unrestricted funds 2020	Total funds 2020
	£	£	£
Tangible fixed assets	-	20,330	20,330
Fixed asset investments	-	1,248,201	1,248,201
Current assets	64,732	569,947	634,679
Creditors due within one year	-	(573,990)	(573,990)
Pension provision	-	(874,000)	(874,000)
TOTAL	<u>64,732</u>	<u>390,488</u>	<u>455,220</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Restricted funds 2019	Unrestricted funds 2019	Total funds 2019
	£	£	£
Tangible fixed assets	-	25,674	25,674
Fixed asset investments	-	1,311,389	1,311,389
Current assets	73,348	503,024	576,372
Creditors due within one year	-	(500,896)	(500,896)
Pension provision	-	(792,000)	(792,000)
TOTAL	<u>73,348</u>	<u>547,191</u>	<u>620,539</u>

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income/expenditure for the period (as per Statement of Financial Activities).	(101,319)	258,064
ADJUSTMENTS FOR:		
Depreciation charges	9,615	4,708
Dividends, interests and rents from investments	(17,753)	(16,808)
Decrease/(increase) in debtors	39,286	(147,582)
Increase in creditors	155,094	97,920
Corporate gains and foreign exchange losses	2,168	-
Losses/(gains) on investments	89,547	(35,539)
Loss on defined benefit pension scheme	(64,000)	(144,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	112,638	16,763

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash in hand	222,121	124,528
TOTAL CASH AND CASH EQUIVALENTS	222,121	124,528

18. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2019	Cash flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	124,528	97,593	222,121
	124,528	97,593	222,121

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

19. OPERATING LEASE COMMITMENTS

The charity's total future minimum lease payments under non-cancellable operating leases is as follows:

	Property	
	2020	2019
	£	£
Less than one year	-	14,673
One to five years	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>14,673</u>

The Trustees have agreed terms of a continuation lease agreement on the premises post year end which will expire in February 2023.

20. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

21. LIMITED LIABILITY STATEMENT

The company is limited by guarantee. In the event of liquidation, the Trustees of the charity have a limited liability of up to £10 each.

22. POST BALANCE SHEET EVENTS

From February 2020, like all entities in the country the charity has been and will continue to be impacted by the COVID-19 pandemic. The charity has mitigated the financial impact as optimally as it reasonably can. The Trustees have considered the likely financial impact on the charity including the uncertainty over some of the income streams. There will be a negative financial impact in the short-term but the Trustees consider the charity remains financially viable in the long-term, liquidity remains strong and consequently have concluded that the going concern basis remains applicable. The investment portfolio is readily convertible into cash and has exceeded the pre covid valuation level and is valued at £1.4m in September 2020.

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

23. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme where staff members are entitled to join once they have passed their probationary period. The scheme is managed by Aviva and contributions are paid over as they become due. CRAC contributes 10% to the scheme and staff contribute a minimum of 5%. CRAC has no commitments to the scheme beyond regular contributions. The Company had contributions totalling £6,332 outstanding at the balance sheet date (2019: £Nil).

The Company also operates a defined benefit pension scheme.

The pension scheme is a UK registered trust-based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Pension Scheme Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustees of the Scheme are required to act in the best interests of the beneficiaries of the Scheme.

There are two categories of pension scheme members:

- Deferred members: former active members of the Scheme.
- Pensioner members: in receipt of pension.

The initial results of the most recent formal actuarial valuation as at 31 March 2019 have been updated to 31 March 2020 by a qualified independent actuary. The assumptions used were as follows:

Significant actuarial assumptions:

	Year ended 31 March 2020	Year ended 31 March 2019
Discount rate	2.3% pa	2.3% pa
RPI inflation	2.5% pa	3.2% pa
CPI inflation	2.0% pa	2.2% pa

Mortality assumptions:

	Year ended 31 March 2020	Year ended 31 March 2019
Mortality	92% of S3PMA 100% of S3PFA CMI_2019_M/F [1.25%] (yob)	92% of S3PMA 100% of S3PFA CMI_2018_M/F [1.25%] (yob)

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Other actuarial assumptions:

	Year ended 31 March 2020	Year ended 31 March 2019
Pension increases	1.9% pa	2.1% pa
Revaluation of deferred pensions in excess of GMP:	2.0% pa	2.2% pa

Life expectancies (in years):

	Year ended 31 March 2020		Year ended 31 March 2019	
	Males	Females	Males	Females
For an individual aged 60 in 2020	27.2	29.1	27.1	28.9
At age 60 for an individual aged 40 in 2020	28.7	30.6	28.6	30.4

Reconciliation of scheme assets and defined benefit obligation (£'000s):

	Assets	Defined Benefit Obligation	Net position
At 1 April 2019	5,821	(6,613)	(792)
Benefits paid			
Pensions	(219)	219	0
Transfers	(109)	109	0
Other	(33)	33	0
Employer contributions	0	0	0
Member contributions	0	0	0
Current service cost	0	0	0
Administration expenses	0	0	0
Past service cost	0	0	0
Interest income/cost	130	(148)	(18)
Remeasurement gains/(losses)			
Actuarial gains/(losses): Change of basis	0	109	109
Actuarial gains/(losses): Experience	0	195	195
Return on assets excluding interest income	(368)	0	(368)
At 31 March 2020	5,222	(6,096)	(874)

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

The fair value of the assets of the Scheme were:

Asset class	Year ended 31 March 2020 £'000s	Year ended 31 March 2019 £'000s
Equities and other growth assets	1,838	2,225
Insurance Policy	3,381	3,595
Trustee Bank account	3	1
Total	5,222	5,821

The return on the assets was:

Return	Year ended 31 March 2020 £'000s	Year ended 31 March 2019 £'000s
Interest income	130	144
Return on assets less interest income	(368)	49
Total return on assets	(238)	193

Reconciliation to the statement of financial position:

	Year ended 31 March 2020 £'000s	Year ended 31 March 2019 £'000s
Market value of assets	5,222	5,821
Present value of defined benefit obligation	6,078	6,613
Funded status	(856)	(792)
Irrecoverable surplus	0	0
Pension asset/(liability) recognised in the Statement of Financial Position before allowance for deferred tax	(856)	(792)

THE CAREERS RESEARCH AND ADVISORY CENTRE (CRAC) LIMITED
Trustees' Report and Financial Statements
For year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

AMOUNTS RECOGNISED

Amounts recognised in profit and loss:

Amounts recognised in profit and loss	Year ended 31 March 2020 £'000s	Year ended 31 March 2019 £'000s
Current service cost	0	0
Administration expenses	0	0
Past service cost	0	10
(Gain)/loss on settlements	0	0
(Gain)/loss on business combinations/bulk transfers	0	0
Net interest	18	15
Amount charged/(credited) to P&L	18	25

Amounts recognised in other comprehensive income:

Amounts recognised in Other Comprehensive Income	Year ended 31 March 2020 £'000s	Year ended 31 March 2019 £'000s
Actuarial gains/(losses) on defined benefit obligation	304	(193)
Actual return on assets less interest	(368)	49
Limit on recognition of assets less interest	0	0
Amount recognised in Other Comprehensive Income	(64)	(144)