

Our annual report and accounts 2014/15

**citizens
advice**

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Trustees' report

Introduction from the Chair

It has been my privilege to be the Chair of the Citizens Advice Trustee Board for six years now. In 2015 I will reach the end of my allowed term and will hand over to my successor.

We celebrated 75 years as a service in 2014/15 and our success is down to us constantly improving to meet our clients' needs. Every one of my six years as Chair has been exciting. For me, 2014/15 stands out not just because it was my last full year, but also because we set the foundation for changes which will greatly extend our reach and influence in the years to come.

During my time as Chair, the national organisation and the 316 local charities have learnt how to work together much more closely. This is making it much easier to find new ways of working that are practical and effective and which can be put in place quickly across the service.

We have made great progress with our plans to help more people through phone, email and webchat services, and to make our web services much easier to use. We have strengthened our influence, speaking more clearly and effectively on behalf of clients to make things fairer – a goal which has been close to my heart throughout my career.

It has been an enormous pleasure to work with so many people – trustees, directors, staff and volunteers – who have such commitment to the Citizens Advice service and the ambition and enthusiasm to make it better all the time. I was also delighted that our Patron, HRH The Princess Royal, was able to join us at our 75th anniversary celebration dinner at the annual conference last September and I would like to express our thanks for her ongoing support to the service.

This report sets out our achievements over the last year and our vision for the future.

Although I will be taking my leave, Citizens Advice has my heartfelt best wishes.

John Gladwin
Chair of Trustees

An overview from the Chief Executive

Citizens Advice is a charity that helps people to solve problems and changes lives. In 2014/15 we undertook research that for the first time evaluated the impressive impact we make. We help two in three people to resolve their problem and for every £1 spent on Citizens Advice we are worth £8.74 to society, we save the taxpayer £1.51 and our clients benefit by £10.94.

Our local Citizens Advice network provides support to people from more than 2,500 locations across England and Wales. The national charity, Citizens Advice, provides vital support and training for the local Citizens Advice network to ensure a high quality service can be delivered throughout England and Wales. We continue to develop and modernise our service so that we can meet the increasing demand for our services. In 2014/15 we made further improvements to our national phone service, upgraded our much used website and we now provide advice via webchat and email. We also secured two major new services to help more people: Pension Wise, providing face to face pension guidance; and the Witness Service to support witnesses giving evidence in court.

This year saw us firmly establish ourselves as the consumer champion, expanding our role by also taking on new responsibility for consumers of energy and postal services in England and Wales. We have also continued to use our evidence to achieve important changes on issues including payday loans, energy costs, scams and discrimination.

The volunteers, staff and trustees at every local Citizens Advice (each one an individual charity), and in the national charity, work tirelessly to help people find a way forward. Without their commitment, energy and enthusiasm the Citizens Advice service would not exist.

We have over 75 years' experience of helping people and we are proud of what we have achieved. We know from experience that we must constantly improve to meet our clients' changing needs. There is always more that we could do and that means we must be imaginative, ambitious and determined about the risks and challenges we face. We will widen and deepen our services, we will be creative and persuasive in finding sources of funding and we will continue to build and develop good relationships with partners. Above all, we will always put our clients at the heart of everything we do.

This Annual report provides more information about our work and the challenges and risks we face. I hope it also gives you a sense of our excitement and enthusiasm for what we do, and of our ambition to help more people.

Gillian Guy
Chief Executive

Achieving our mission

I do feel that I am able to make an improvement in people's lives. I see the needs that people have and being at CAB means I can do something about it and not feel helpless.

***Philip, Generalist Adviser,
Citizens Advice Southwark***



Our vision

Our vision is that everyone will be able to access free advice to find a way forward.

Our mission

Our charitable mission is to provide advice that helps people to overcome their problems and come together to campaign on big issues when their voices need to be heard.

Our charitable objects

Citizens Advice's objects are to promote any charitable purpose for the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

In carrying out its objects and in all aspects of its work, Citizens Advice is committed to promoting equality and diversity, preventing prejudice and discrimination, ensuring equal access and promoting good relations between all sections of the community.

Our approach

Over the last two years we have worked to transform our service to meet the needs of clients, both now and in the future. We have a clear direction and over the last year we have worked to improve our advice, influence and effectiveness. We have finalised our five year strategy for the Citizens Advice service as a whole and have agreed the overarching strategic objectives which will guide our work to 2020 and beyond.

Our strategic objectives

- We will make it easier to get advice.
- We will be more influential.
- We will work together as one service.
- We will become more sustainable and effective.
- We will be a stronger equality champion.

What we do

Over the last 75 years the Citizens Advice service has helped tens of millions of people to solve their problems. We help people to develop the skills they need to help themselves, and we campaign on the issues that our clients face to bring about policy changes that benefit everyone.

Our service is made up of 316 local Citizens Advice members, who are all individual charities, along with the national Citizens Advice charity.

Our Citizens Advice network delivers advice services from 600 local Citizens Advice premises and over 2,000 community centres, doctor's surgeries, courts and prisons across England and Wales.

CAB performs a unique service. I feel privileged to have the chance to contribute.

Keith Burn, Adviser and Campaigner, Citizens Advice Derbyshire Districts



Key elements of the Citizens Advice service in 2014/15

Table 1 sets out key elements of the public-facing Citizens Advice service. These are what we are best known for. The national Citizens Advice charity raises funds from a variety of sources.

We deliver some of our services by funding local Citizens Advice, usually in the form of grants. These services are shown in white in the table. The light blue areas show services that we deliver directly, and the services in darker blue are funded locally through the efforts of each local Citizens Advice, from sources such as local authorities and other charitable foundations.

This Annual report covers the activities and achievements of the national charity. We have produced a separate Impact report called *The value of the Citizens Advice service: Our impact in 2014/15* which covers the Citizens Advice service as a whole.

Table 1

National campaigns
Policy and research
Online services
Consumer services
Consumer advocacy and education
Adviceline (phone advice service)
Email and webchat
Money advice and education
Energy advice and education
Housing advice
Other advice
Employment advice
Local campaigns
Welfare benefits advice

Our support for local Citizens Advice

As a national infrastructure organisation, we are funded to provide a range of support for our local members, as shown in Table 2 opposite.

We work closely with the whole Citizens Advice network to support the growth and sustainability of the Citizens Advice service. We provide support for local fundraising, specialist information services to enhance the quality of our advice delivery and research for the service to use in its influencing and campaigning work. We also provide a range of infrastructure services to support the smooth running of the Citizens Advice service.

We set and monitor the quality standards and oversee delivery to make sure that all our clients get the same high standards of service.

Table 2

HR advice and support

Volunteer support

Training

Quality assurance

Expert advice to advisers

Branded materials

Membership services and complaints management

Bidding support for local fundraising

Data capture and impact measurement

IT support

National support and development

Advice content

National partnerships and service development

Services management

Finance management support

Operational support for service delivery

Income generation

Campaigns and policy support

Transforming our service

Building on our successes over 75 years, we continue to search out better ways of doing things. Over the last 18 months we have been working together with the local Citizens Advice network to look at ways we can improve our service.

Through the development of our new One Service Strategy which will be launched in 2015, we have worked to understand:

- our clients' current and future needs
- the changing environment our service will be working in
- the practical things we must do to make our advice brilliant and our campaigning influential.

To make the strategy a reality, we have developed a programme of work which will help meet the changing needs of our clients. Table 3 shows the main components of the programme.

Table 3

Co-design and development of a new advice framework¹

Co-design and development of a new performance and quality framework

Consultation on a new membership package

Expanding and improving our telephone services

Organisation changes in Citizens Advice

Updating and improving our technology

Developing and improving our online services

Developing a new client record management system

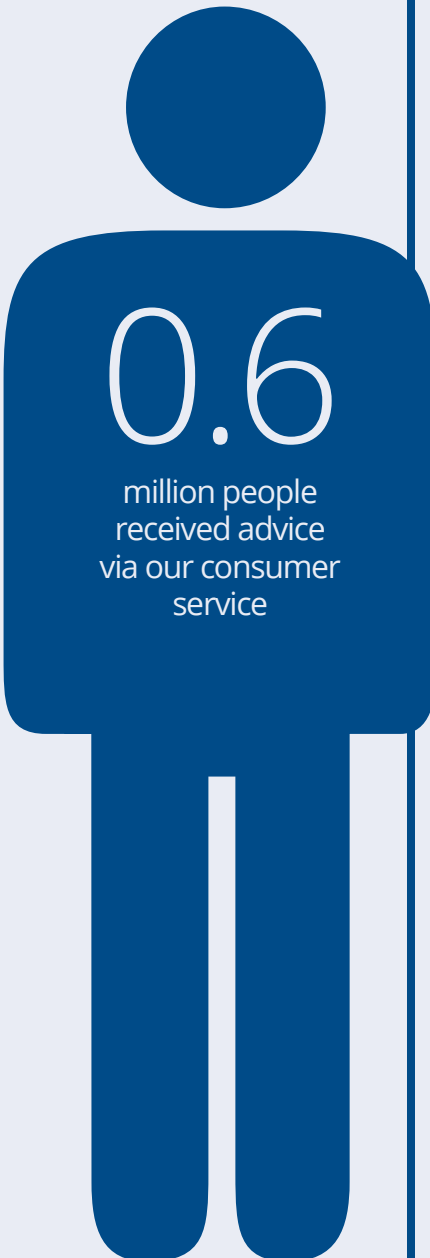
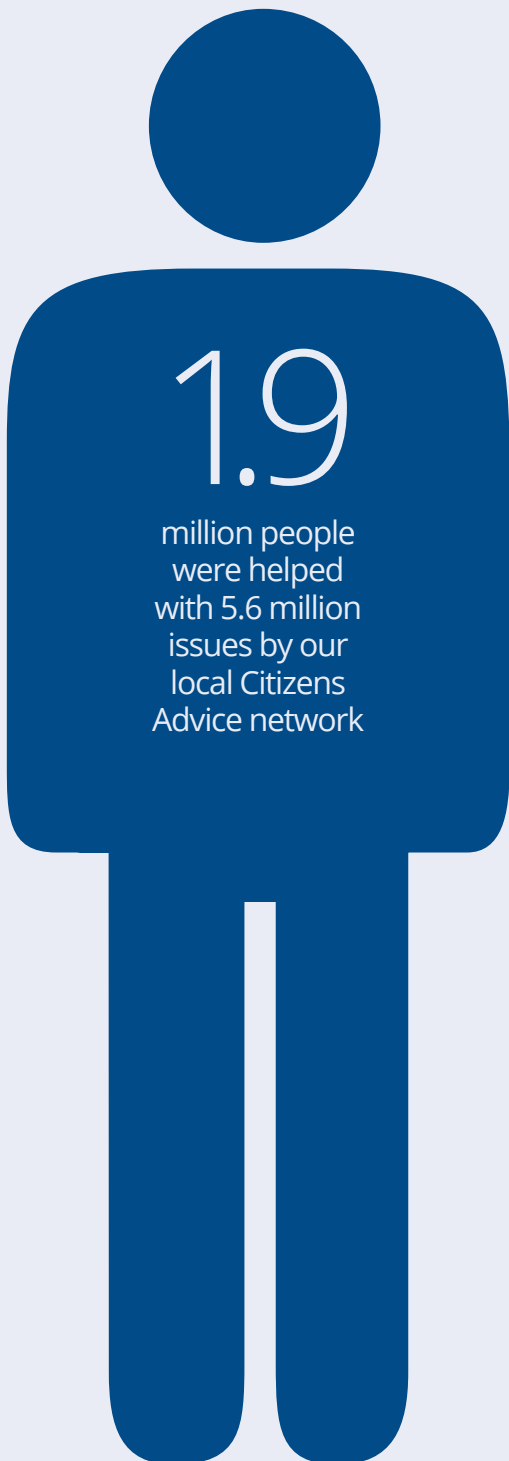
Enhancing campaigns and influencing

1. We use the term co-design to describe the joint working between the national charity and local Citizens Advice network

2. Statistics relate to delivery of services by both the local Citizens Advice network and the national charity. A breakdown of achievements for activities funded by the national charity is shown under the next section 'Our progress'

Citizens Advice service headlines²

Last year, the Citizens Advice service helped 2.5 million people with 6.2 million issues:



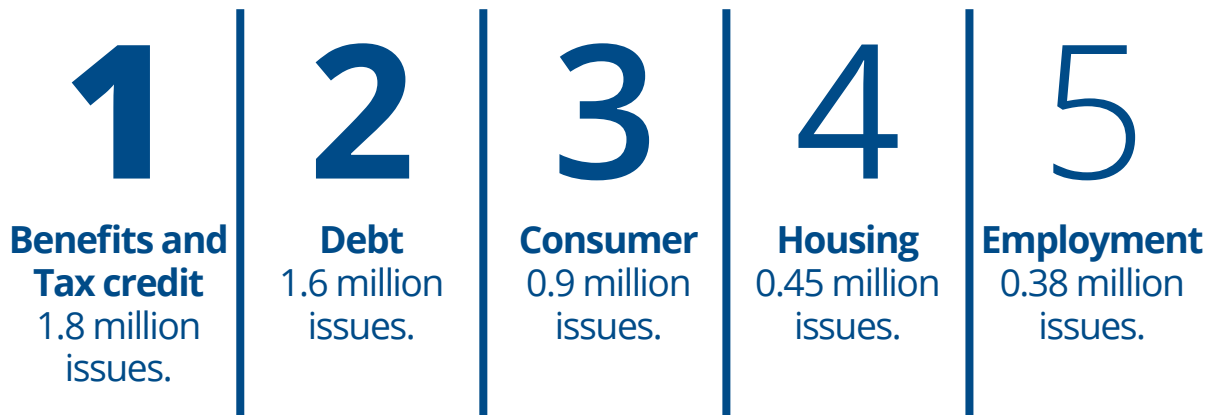
We deal with enquiries through various channels:

48%
face to face

45%
by phone

7%
by email or webchat

The top five issues were:



A further 20.7 million people were assisted via our website:

- 
-  **47 million pages were viewed including:**
 -  **Consumer**
12.6 million page visits.
 -  **Benefits and tax credits**
8.5 million page visits.
 -  **Employment**
7.2 million page visits.
 -  **Debt**
4.7 million page visits.
 -  **Relationships and family**
4.6 million page visits.

Our value to society

Our help not only makes our clients' lives better but also creates a benefit to society through the way we deliver our services. Our social value covers:

- the benefits for volunteers
- our support for local communities and our national network.

It covers what is unique about our service, and the extra value that would be lost to society if our service and core work suddenly stopped.

We invest and provide training for volunteers, which enables them to make a fantastic contribution to the service. Working with local Citizens Advice, volunteers gain new skills and personal development, wellbeing and a sense of community. This has an additional value for society through the advantages and savings associated with happier, healthier and more productive people.

Each local Citizens Advice plays an integral role within its local community. Their extensive and trusted insight enables us to understand, respond and adapt to local needs. They work with others to develop the partnerships and services that make local communities stronger.

Together, we are greater than the sum of our parts. Each local charity benefits from being part of a national brand that the public knows and trusts. Our network enables us to come together to do more, whether that is:

- campaigning on big issues
- informing national policy
- connecting people with society.

Our local reach helps us to understand the issues affecting people all over England and Wales, while our national network means we have the clout to really change things.

We use our clients' experiences, stories and evidence to research and campaign for positive change within both the public and private sectors.

As well as helping millions of people to solve their problems, we help people develop the skills and confidence they need to help themselves.

Across the service, over 21,600 volunteers contribute nearly 7 million hours to the Citizens Advice service. We estimate that time is worth £109 million each year.

By helping people to solve problems, we change lives. This in turn represents considerable value for communities, the public purse and society as a whole.

For every £1 invested in the Citizens Advice service³



£1

the Government saves **£1.51** through reductions in health service demand, local authority homelessness services and out-of-work benefits.

£8.74 of wider economic and social benefits is achieved, such as improvements in health, wellbeing, participation and productivity.

our clients benefit by **£10.94** through income gained in benefits, debts written off and consumer problems resolved.

³. Data from 'The value of the Citizens Advice service: Our impact in 2014/15'. Available at: citizensadvice.org.uk/about-us/difference-we-make/impact-of-citizens-advice-service/all-our-impact

Our progress



 **Ian Wilson**
@tweet

@CitizensAdvice My son works as a volunteer for CAB. Turned his life round. He is disabled. Great charity to work for.



 **Follow**



Louise Tennuci
@lvtennuci

@CitizensAdvice I have cerebral palsy and volunteered for CAB for 3 yrs highly recommend it. Helps me & at the same time I can help others



 **Follow**

Money advice and education

Debt has been one of the main issues for our clients for a long time, but the nature of debt issues has been changing. We see fewer people worried about credit and borrowing and more people with problems around household bills. We have seen a shift in the issues our service deals with, away from problems repaying credit, such as mortgages and loans, towards more people struggling to pay essential household bills like rent, council tax, fuel and water. Our approach is to:

- support clients with their immediate debt problems
- help them to develop the skills, knowledge and confidence to manage their finances effectively and move to a more sustainable financial position.

We run a range of targeted programmes aimed at improving financial capability, such as the Energy Best Deal programme and Financial Skills for Life, which have helped our clients to make positive changes in managing their money and find better deals for services. During 2014/15 we made good progress in improving the way we help people with money problems, including:

- setting up a centralised Debt Relief Order unit
- piloting a common triage process in a third of our network, to help diagnose clients' money problems as quickly as possible
- expanding our telephone debt advice services
- giving debt advice through webchat.

I paid a debt management company a monthly fee to pay my debtors. After a few years I realised they were paying the bare minimum so my debt did not decrease. With the help of CAB I was able to get a DRO making me debt and stress free.

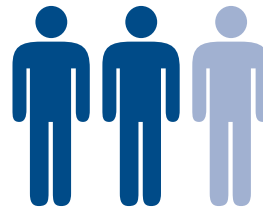
In 2014/15
(where financial outcomes were recorded):

the average amount of debt per client written off was

£19,000

the average income gain per client was

£5,000



two out of three debt clients reported they had more money to spend or more control over their finances after taking our advice.

we saw **112,000** clients funded through the Money Advice Service, of whom nearly 100,000 had a face to face appointment.

we saw a total of **402,000** clients with debt issues.

Helping consumers

This year, as the final part of the Government's consumer landscape changes, Consumer Futures became part of Citizens Advice and Citizens Advice Scotland (CAS). This means we now have legal responsibilities and powers to represent consumers of energy and postal services, which has made a big difference to our ability to speak on behalf of consumers. By taking on this new responsibility and the expert policy staff from Consumer Futures, we can deliver better advice, stronger evidence and more powerful advocacy for consumers in these markets. This role is funded by consumers through levies raised from energy firms and Royal Mail.

As the UK's leading consumer champion we, together with CAS are at the forefront of giving advice and information to consumers. Our evidence, analysis and influence place the consumer experience at the heart of policymaking. Our goal is to give consumers a stronger voice.

We do this through:

- **Advice** – we make sure that consumers get the information and support that they need to enforce their rights when they encounter problems.
- **Education** – we help consumers to understand how to avoid problems, how to get a better deal, and where to go for more help.
- **Research and campaigns** – we change markets to make them fairer and give consumers more power.
- **Supporting enforcement** – we provide valuable intelligence to enforcement agencies so they can take action when consumers are treated unfairly.

Our consumer education programmes include:

- **Energy Best Deal** – we check tariffs and help people to switch suppliers, saving an average of £150 per year for each person who took action.
- **Big Energy Saving Week** – ensuring people check tariffs, switch where necessary, insulate their homes and apply for schemes such as ECO and Warm Home Discount to help cut fuel bills.

- **Scams Awareness** – we work with Trading Standards to help people avoid being ripped off by dishonest traders.

- **Consumer Empowerment Partnerships** – working locally with Trading Standards to educate consumers and enforce rights.

No other organisation has our depth and breadth of understanding, using data and evidence from personal experience to help consumers and influence decision makers.

Our national consumer service:

.....

answers nearly **900,000** contacts per year across England and Wales.

.....

deals with **600,000** consumer advice issues.

.....

12.6 million consumer advice pages were viewed on the Citizens Advice website.

.....

83% of survey respondents said they found the Consumer Service easy to access.

.....

300,000 consumer advice issues are dealt with through the local Citizens Advice network.

More ways for people to get help

Our services are focussed on good client care and we continually try to improve. Our work has centred on improving access to our services to better meet demand. We continue to strengthen our potential to deliver services via the Government's 'assisted digital' commissioning framework by:

- ensuring that our face to face ('in person assistance') and telephone / email / webchat ('remote assistance') services are integrated with our digital services
- providing digital services (such as advice content, case management and advice tools) to advisers so they can focus on meeting clients' needs and give great advice more quickly and easily
- developing and delivering effective digital services that encourage clients who can and prefer to use digital tools and content to help themselves, so that our valuable face to face services are preserved for those who need them most.

Our priority has been to develop our national phone service so that it can better meet current and future client demand and so it aligns with our digital and face-to-face channels. We've worked collaboratively to design and deliver a national webchat and email service, so that people who want to access our help online can do so. Our future plans include further expansion and testing new ways of working on phones, email and webchat. All of this will help us to give clients the service they need, and will add to the huge evidence base we use for our campaigning work.

We have been busy upgrading our systems and redesigning the look and feel of our websites to bring them in line with what the majority of public users expect from a website – that it works on mobile devices, is easy to use and quickly gives them the information they are looking for:

- All our advice, campaigns, corporate and research information is now on a single website.
- All advice content is accessible straight from the homepage of citizensadvice.org.uk



Our national Adviceline phone service answered over **547,000** calls.

We helped an additional **161,000** people via recorded information and transfers to trusted partners from our Adviceline service.

Over **80** local Citizens Advice charities worked with us to design and deliver a webchat and email service, which will have helped more than 100,000 people by the end of March 2016.

83% of survey respondents said they found the consumer service easy to access.

97% of survey respondents said they were satisfied or very satisfied with the service received from Adviceline.

New services

In 2014/15 we successfully secured two major Government services.

The new **Pension Wise** service provides information and guidance on the options available to people when approaching retirement. **Pension Wise** was developed following the new pensions freedoms announced by the coalition government. Citizens Advice was successful in securing a grant to provide the face to face guidance element of the **Pension Wise** service.

During 2014/15 we have worked with local Citizens Advice charities to develop this service which will be delivered in over 500 locations across our local network from 1 April 2015. We will pass on a further £13.5 million in grants to local Citizens Advice to deliver the service in 2015/16.

We were also successful in extending our service to include the **Witness Service** – funded by the Ministry of Justice to provide support for witnesses giving evidence in court.

The Citizens Advice service has many years experience providing practical and emotional support for clients at key points in their lives and this service is a natural fit with our other services. During 2014/15 we ran a major project to manage the transition of the Witness Service into the Citizens Advice service and began delivery on 1 April 2015.

For both these services we want to continue to develop new ways of reaching more people and ensuring we offer wraparound services that best meet clients' needs.

During 2014/15 we:

successfully secured the Pension Wise face-to-face service

co-designed the Pension Wise service in partnership with The Pensions Advisory Service (TPAS), HM Treasury and other partners

secured the Witness Service from April 2015 – March 2017 with an option to extend to a third year

transferred 277 Witness Service staff and over 2,000 volunteers to Citizens Advice, and recruited a management team to deliver the service.

Making things fairer

In recent years we have made more impact with our policy and influencing work. We now have a professionalised and flexible policy function with the skills we need to secure policy change at the highest levels. When we spot patterns in the issues we are seeing across the country, or see new scams emerging, we try to fix the policies or practices that cause these problems. In some cases, for example our work on payday loans and credit brokers, this means working with regulators to better protect consumers. In others, such as capping bills from stolen mobile phones, it means securing change from national Government departments.

Our policy research is rooted in the problems our clients face. By aggregating our data, we can speak with unrivalled authority on issues across England and Wales. By drilling down into our data, we can look at specific issues or geographies, helping councillors or MPs work to improve outcomes in their local areas.

Our policy work takes different forms, from evidence reports to parliamentary briefings to the oral evidence we often provide to select committees. In 2014/15, we produced reports on a range of topics from Universal Credit, to the mobile phone market, to people's experiences of using GPs.

It is through relationships [with Citizens Advice] that the FCA is able to gather vital intelligence and information in relation to the issues affecting consumers. Ultimately this enables us to better shape our regulatory work to mitigate any consumer detriment these issues may cause. FCA

In 2014/15 our work has led to:

the regulation of credit brokers

greater protection for mobile phone customers

an increase in support for parents with the cost of childcare

22 commitments reflecting our priorities in political Manifestos across all political parties

increased support for low income parents on Universal Credit

a legal end to retaliatory evictions for private renters

stronger protections for those with prepayment meters

tighter controls over payday lenders, with the issues we see on payday loans nearly halving after tougher action from the Financial Conduct Authority

an independent review of competition in the energy market

positive changes to 67% of proposals to change local Post Offices

millions of pounds being given back to energy consumers through our referrals to Ofgem.

In the coming year we will build on these successes with work on issues including domestic abuse, misleading broadband adverts, self-employment and support for energy customers. We are committed to being even more influential in the future.

Strengthening our capability

People

During 2014/15 we have been redesigning the national charity to better meet the needs of our clients, local network, partners and funders. We are strengthening our capabilities by investing in our people, nurturing their talent and developing career paths for both staff and volunteers. Our People strategy sets out how we plan to achieve efficiencies and increase effectiveness so that we manage change and keep the right skills in our organisation. This will further develop an inventive, responsible and generous culture and ensure that equality, diversity and inclusion drive everything we do.

Technology and systems

We have developed a new Information Services strategy which will inform and guide our work over the next three years. Over the last year we have made major changes in our strategic approach to digital services and technology including moving to cloud based services and away from reliance on external contractors. These changes will improve collaborative working and help control the costs of supporting the network. We have also been deciding how best to develop our in-house capability so that we can flexibly respond to changing needs. We have introduced new systems to give us better reporting capability so that we can better use our management information to underpin decision making. In 2014/15 this included a major update of our core finance system, a new procurement system and a new HR management system. Our focus moving forward will be continuing to embed new systems and processes to support the delivery of the new One Service Strategy.

Finance

The finance team has successfully supported the organisation with the financial analysis required to secure existing and new sources of funding. As the organisation continues to grow and diversify its income and expenditure, effective financial analysis and reporting are essential to support decision making and to meet the reporting requirements of our funders and we are continuing to invest in this capability. This has been helped by the upgrade of our core finance system, the new procurement system and, in 2015/16, we will be rolling out a new expenses system which will make the processing and monitoring of claims more efficient and effective. We have also made good progress with the implementation of a new business planning framework and have continued to develop our risk management processes and roll these out across the organisation.

Sustainability

We have made great progress in operating sustainably. We have moved our Head Office to new premises and expect to realise savings of at least £1.07 million over the next 15 years. Our new offices use energy from green sources, allowing a significant reduction to our carbon footprint. We have also introduced new ways of working, with flexible desking, an increasingly paperless office environment and increased recycling facilities. This has resulted in reduced costs for office supplies of 20% and has increased our recycling rate to 85%. We will be reviewing premises across the Citizens Advice estate in line with our Accommodation strategy during 2015/16 and will also look to ensure we are doing all we can to operate in a sustainable way.

Working with and supporting our local network

A team of development managers and a helpdesk provide day to day support and we also provide advice on financial and people management. We run a complaints handling service and we analyse complaints carefully to make our service better.

During 2014/15 we:

dealt with 4,700 enquiries from the network

worked directly with every local charity in the network at least once during the year

helped the service to win £15.3 million of funding

delivered 1,466 training courses and events to 17,571 delegates

awarded grants totalling £30.2 million across the network to deliver current services and design new services.

During 2014/15 we also worked with our network to develop a modern performance and quality framework and updated membership package which:

- reflected our new approach and ways of working together as one service
- enabled local Citizens Advice charities and consortia to assure themselves and their clients, funders, regulators and Citizens Advice that they are well run and delivering high quality services
- helped local Citizens Advice charities and consortia to achieve continuous improvement and make the journey from 'good' to 'great'.

Our focus in 2015/16 will be to continue our consultation on the new framework, finalise our plans and complete the transition to our new ways of working.

During 2014/15 we have also worked to develop and finalise our new brand. Our broad plan is to implement the brand across the network in a phased way over the next two financial years. This will include updating our visual identity across our physical locations, print, web and digital profiles.

Our 75th anniversary year focused on celebrating the role of our volunteers, without whom we could not run our service. To be successful in delivering the One Service Strategy objectives, we all need to:

- know what 'good' looks like
- have clarity about what we are accountable for
- be confident that we can draw on the necessary support to deliver on our ambitions.

Citizens Advice Cymru

Although all of our services are delivered across England and Wales, we have a team in Wales which:

- makes sure we have a good relationship with the Welsh Government and other organisations in Wales
- influences legislation and policy in Wales, responds to consultations, gives evidence to scrutiny Committees and influences on a wide range of issues
- wins and manages Wales specific grants and services.

In 2014/15 we gave advice to more than 128,000 people in Wales on over 373,000 issues.

Welsh Government funded advice and financial capability in Communities First areas:

delivered advice to **14,740** clients
with over **53,000** advice issues.

recorded confirmed income gains of over
£7 million

managed or wrote off personal debts of
£8.75 million

Money Advice Service Cymru delivered



6,265
face-to-face Money Advice sessions

Better Advice Better Lives continued to:

deliver advice services to **18,750** people
on over **41,600** advice issues.

achieve a client satisfaction rate of
94%

deliver **£19.4 million**
of financial gains.

Embedding equality in everything we do

We are committed to challenging discrimination, promoting equality and valuing diversity as we campaign for a fairer society. We work with our local network and others to achieve more equality for our clients and communities. Our Equality Committee advises the Trustee Board and the service on equality and diversity issues relating to all aspects of the service's work. The service-wide Stand up for equality strategy helps us to make a practical difference for clients facing serious disadvantage and chronic inequality.

In 2014/15 we provided resources, tools and training that helped the network achieve these successes:

- 115 local Citizens Advice became hate crime reporting centres
- 72 improved their services to British Sign Language users
- 41 improved services for Gypsy and Traveller communities.

Challenge discrimination through advice

We rolled out the ASK Routine Enquiry programme to empower people experiencing gender violence and abuse:

- 45 local Citizens Advice became early adopters of ASK
- 24% of clients disclosed gender violence and abuse issues.

We ran an EU-funded Solutions for Equality and Growth project to help small and medium employers to support their staff to reach their potential.

We set up the Front-line Discrimination Advice service in Wales, which:

- helped over 400 clients with specialist discrimination advice
- delivered seven discrimination awareness training sessions.

Champion equality through research and campaigns

We highlighted equality issues throughout our research and campaigns work on welfare and debt. Two reports: *Controlling money, controlling lives* and *Domestic abuse victims: struggling for support* showed how more needs to be done to support victims and to tackle financial abuse, an often hidden form of domestic abuse.

Value diversity as an employer and volunteer agency

We embedded equality throughout our People strategy, providing a strategic approach to diversity management. This included:

- training and development on unconscious bias and equality leadership
- funding and development of our networks of disabled, BAME and LGB staff and volunteers.

Strategic report

Financial review

Our strategic approach

In 2014/15 we focussed on four key financial goals:

1	Maintaining a diverse and resilient funding base so we continue to meet our charitable objectives and expand our services to clients.
2	Maximising the funding available to the local Citizens Advice network either directly by securing funding which we pass on in the form of grants, or by supporting local bidding activities and initiatives.
3	Using our resources as efficiently as possible to support the network, clients and consumers.
4	Investing in new channels, particularly digital services and phones, to deliver services to clients in the ways that they need.

We have been successful in achieving these goals in what continues to be a challenging financial environment:

- We have maximised existing funding sources and extended our funding base, following the successful launch of Consumer Futures and have secured two high profile new services from major government departments: Pension Wise (from HM Treasury) and the Witness Service (from the Ministry of Justice).
- We have been able to significantly increase (by 20%) the grants that we are able to pass to the local Citizens Advice network to £30.2 million (2014: £25.1 million).
- We have delivered efficiency savings through accommodation changes, better procurement arrangements and changes to our organisation structure and ways of working.
- We have made good progress in expanding our phone capacity and trialling email and webchat services. We have developed our new website with new content ready for launch in 2015/16.

Summary of financial performance

Within a tough public sector funding environment we have continued to increase our overall level of funding and to broaden our range of funders. The table below summarises our funding sources and how these have changed over the last five years.

Funding sources and trends over five years

Our overall income in 2014/15 has increased to £88.2 million (2014: £77.2 million). The main changes in the year include an additional £6.1 million for the delivery of our Consumer Futures role, an increase in Money Advice funding to £23.3 million (2014: £19.5 million) and £9.3 million in transition funding for setting up the Pension Wise service and Witness Service (within 'Other public sector funding'). This is also our first year of Consumer Futures funding from BIS which, together with the Consumer Service funding, represents a significant income stream for the charity.

Looking at the trend over the past five years, the table shows that we are still largely dependent on public sector funding to support us, but we have made good progress in diversifying funders across a range government departments including HM Treasury, the Ministry of Justice and the Welsh Government ("Other public sector funding"). A number of our grants are also for more than one year, which reduces some of the uncertainty around annualised funding and helps future planning and financial stability.

Our "Other income" (including corporate and individual donations and some trading income) has declined slightly over the past five years. This reflects the increasingly difficult and competitive challenge in securing this funding outside the public sector. We will continue to focus on increasing this as we look to the sustainability of our funding base.

Overall, across all funds we achieved a surplus of £5.8 million (2014: £7.4 million). These surpluses are either ring-fenced for restricted activities or are committed to infrastructure investment and ongoing projects and programmes.

	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m
BIS core	19.7	18.9	19.0	22.1	22.3
BIS consumer	0	0	9.1	9.3	15.1
BIS projects	0	10.1	12.9	8.3	0
Financial inclusion fund/ Money Advice	19.3	17.9	17.9	19.5	23.3
Other public sector	10.9	3.6	5.1	6.1	15.7
Other income (corporates, charities, donations, trading)	12.4	12.2	13.6	11.9	11.8
Total income	£62.3m	£62.7m	£77.6m	£77.2m	£88.2m

Income

The chart below illustrates our main sources of income for 2014/15 in more detail.

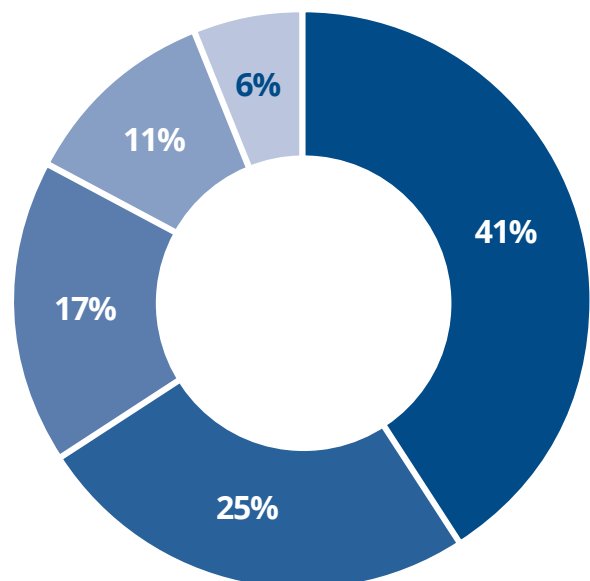
Our overall income in 2015 increased to £88.2 million (2014: £77.2 million), including £22.3 million funding from BIS for our core charitable purposes (2014: £22.1 million). BIS were not able to offer project funding as they did in previous years but as we further developed our role as consumer champion we have received £15.1 million from BIS for the Citizens Advice consumer service and the first year of delivering our Consumer Futures role. In addition to this, we have benefitted from Ofgem awarding income from fines on energy companies which we have been able to use to help consumers to engage with the energy markets through our Energy Best Deal programmes.

Other important areas of income include funding from Welsh Government of £4.9million (2014: £3.9 million) and an increase in the Money Advice Service funding to £23.3 million (2014: 19.5 million).

We were also successful in securing two new major service grants to run support services for witnesses through the Witness Service (funded by the Ministry of Justice) and Pension Wise, providing pension guidance, funded by HM Treasury. We have been developing, transitioning and setting up these new services to start delivery from April 2015 and in the year ended 31 March 2015 this generated £9.3 million in grant income.

Income for 2014/15

- 41% | Project grants
- 25% | BIS unrestricted grants
- 17% | Consumer advice
- 11% | New services
- 6% | Trading and other



Expenditure

During 2014/15 Citizens Advice spent £82.5 million on activities in support of our charitable objectives, an increase of 18% on our 2014 expenditure (2014: £69.7 million). The increase in spending reflects the increase in the activities created by the new funding that we have received, particularly the set up of Pension Wise ready for the April 2015 launch, the expansion of our Money Advice Service and the delivery of our Consumer Futures work.

Our expenditure is broken down between the four key types of activity as set out in the chart below.

Advice and advocacy

Our expenditure on advice and advocacy has increased by just over 88% to £11.3 million in 2014/15. This is mainly due to the additional resources which came with the transfer of Consumer Futures in April 2014. The other expenditure on policy and campaigning is in line with 2014.

Delivering information and advice

We spent £15.6 million on the direct delivery of information and advice in 2015 (2014: £16.1 million). The main areas of expenditure are our consumer service and the investment in our online services, with improved content, information and advice for clients. The remainder of funds was spent on technology operating costs (mainly through our outsourced contract), enhancing our specialist support offer by investing in a new team of advice experts and improving our digital services.

Strengthening the network

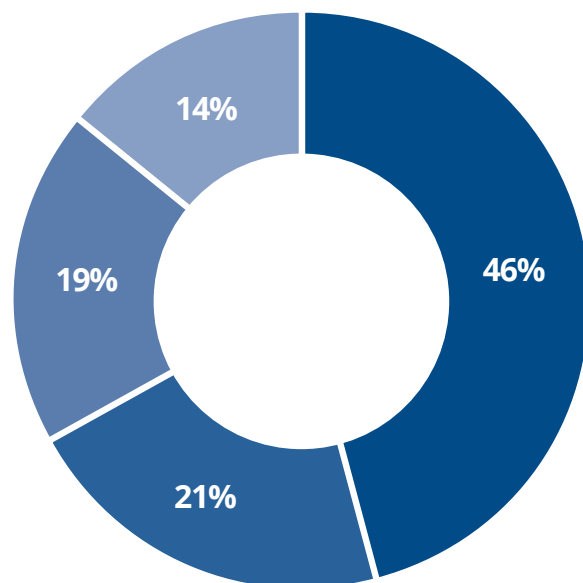
In 2015 we spent £17.1 million on direct support to the local Citizens Advice network (2014: £18 million). This includes our core network support services, Information Services (IS) and systems support, training and quality assurance.

Delivering through partnerships

This remains our single biggest area of expenditure and 2015 saw a substantial increase of 30% to £38.3 million (2014: £29.4 million). This is primarily in the form of grants paid to the local Citizens Advice network to deliver national services. Money Advice remains the largest single advice area (supported by funding from the Money Advice Service) and we have been able to secure increases in support for services in Wales from the Welsh Government, as well as the Pension Wise service which will also be delivered locally.

Expenditure for 2014/15

- 46% | Delivering through partnerships
- 21% | Strengthening the network
- 19% | Delivering information and advice
- 14% | Advice and advocacy



Balance sheet

Our balance sheet remains strong and we also benefit from a strong cash flow supported by our funders. The total cash balances at the year end were £32.8 million (2014: £14.7 million). Total funds increased to £35.8 million (2014: 29.9 million), of which £25.0 million is restricted and only available to be spent on specified activities, in accordance with the funders' requirements.

Pensions

Citizens Advice is a member of a defined benefit multi-employer pension scheme which closed to future accrual in March 2008. The other employers in the scheme are local Citizens Advice charities. The total deficit of the scheme as at 31 March 2015 was £56.5 million (2014: £38.9 million). Citizens Advice currently pays annual contributions into the scheme of £1.1 million. Citizens Advice remains committed to meeting its obligations in relation to the scheme and works closely with the Pension Scheme Trustee Board and its actuarial advisers and in 2014/15 we made an additional contribution of £600,000 towards the deficit.

The scheme actuary has confirmed that it is not possible to allocate assets and liabilities between the employers on a reasonable and consistent basis. Accordingly, as required by Financial Reporting Standard (FRS) 17 Retirement Benefits, the scheme is treated as a defined contribution scheme. This means that no liability has been included on the balance sheet and that all disclosures, as required by FRS 17, have been provided in Note 22 of the Accounts.

A new Financial Reporting Standard (FRS 102) has been introduced and will apply to accounting for future contributions to the scheme and will be included in our balance sheet.

Reserves policy

The reason for holding unrestricted reserves is to protect Citizens Advice from the immediate impact of shortfalls in forecast income and to provide cover for unforeseen essential expenditure. Taking into account the size of the organisation, our financial commitments and an assessment of the risks we are managing, the Trustee Board considers that the minimum level of unrestricted reserves should be maintained at £3.5 million.

Our unrestricted reserves were £10.8 million as at 31 March 2015 (2014: £7.2 million). The excess above the minimum level represents a designated reserve which has been ring-fenced for planned information systems investment over the following three years in line with our Technology strategy.

Restricted reserves were £25.0 million as at 31 March 2015 (2014: £22.7 million) and represent the balance of ongoing funding and projects. These balances can only be applied in accordance with the funders' conditions and therefore are not covered by our reserves policy.

Investment policy

As required in its Memorandum, Citizens Advice has the power to invest monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

All surplus funds are held in interest bearing accounts. Our first priority continues to be the security and availability of our funds and we then ensure that funds are invested at the best interest rates attainable. In line with our policy, we hold our funds with UK-based institutions with strong credit ratings and we review the policy each year in the light of changes to the financial climate.

Going concern

Citizens Advice is well placed to manage the business risks we face. This position is supported by a strong cash flow, a sufficient level of reserves, a good relationship with our key funders and proven ability to secure new services. We therefore have a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of Citizens Advice to continue as a going concern. Our planning processes, including financial projections, take into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We acknowledge our pension fund obligations and have a clear strategy to recover the deficit over the next 19 years, subject to continued discussion and agreement with the Pension Scheme Trustee Board.

Efficiency savings

We continue to focus on identifying efficiency savings and reducing costs wherever possible.

Accommodation changes are delivering significant savings, with the recent London move on track to deliver savings of over £1 million over the lease term. We have also relocated our Cardiff office to provide better value and higher quality, flexible accommodation. We are reviewing other accommodation as lease ends or breaks allow us to ensure that all our accommodation is in the right locations and that offices provide flexible and effective working space for all our people.

During the year we began implementing our new technology strategy. This will allow us to make much more use of cloud-based technology and will, we believe, allow us to realise significant savings as we come to the end of the outsourced contract with our current provider. The first step in this will be the move to Google Apps early in 2015/16. We are deliberately using external expertise to prepare the organisation for these changes and to provide much needed specialised knowledge and capacity but we are also building our in-house capability to ensure it is sustainable and affordable.

Risk management and internal controls

The trustees are responsible for the effective management of risk, including ensuring that internal controls are in place and are operating as designed.

Our risks are identified and managed in the following ways:

- In line with the agreed Risk management strategy, the Corporate risk register is reviewed by the Trustee Board and the Audit and Risk Committee at each of their meetings (quarterly) and by the Executive Team on a monthly basis.
- Regular reviews are performed by each risk owner in order to assess the likelihood, impact and relevance of risks, the strategies for managing them and the strength of those strategies. The residual risk is identified and action plans are created to further mitigate risk.
- The Executive Team continually monitors external developments that may impact upon the organisation.
- The findings from the external and internal audit functions are considered and taken into account.
- Budgeting systems and financial reporting which indicate financial performance against the budget and forecast are reviewed and agreed by the Trustee Board.
- The Citizens Advice internal audit function is outsourced to KPMG LLP and is informed by an analysis of the risks to which the organisation is exposed. Annual audit plans are based on this analysis. A database of all audit recommendations is held and progress is monitored by the Audit and Risk Committee.
- Risk management is fully incorporated into our project methodology. The largest projects are overseen by a dedicated Programme Management Office to ensure delivery risk is managed, assessed and reported through project status reports.

Plans for the future

Our One Service Strategy sets out our ambitions for the next five years. It builds on the momentum for change which we have already created during 2014/15. The strategy is already focusing all of our work on these objectives:

- Making it easier to get advice.
- Being more influential.
- Working together as one service.
- Becoming more sustainable and effective.
- Continuing to be a strong equality champion.

An overarching theme in the strategy is to use technology that will make it easier for clients to get our help. This will need investment. The trustees have considered the costs and benefits of the strategy carefully and have decided that it will be appropriate and prudent to use some of the charity's reserves to provide the needed investment. Over the five year life of the strategy, we forecast that changes to the way that we provide technology – and particularly more use of cloud-based services – will substantially reduce our overall technology costs as well as bringing benefits to millions of clients.

We will also continue to focus on the financial goals which are fundamental to our continuing success:

- A diverse and resilient funding base – we will look to extend current funding agreements, and find new sources of income. Public sector sources are the most likely target, but we will also actively seek other funding, as long as the funder's goals do not present a serious conflict with our ethos and goals.
- Sustaining the local Citizens Advice network – we will look for opportunities to secure funding that can be passed on, usually in the form of grants, in return for local Citizens Advice delivery of services. We will also continue to help local Citizens Advice in their own bidding and competition for income.
- Efficiency – we will improve our financial controls, systems and behaviours so that we can identify opportunities to improve efficiency, maximise our resources and take fast, effective action.

Our key risks and uncertainties

The Trustee Board considers the following to be the key risks that Citizens Advice needs to focus on:

Demand. Demand for our services continues to increase. We helped millions of people in 2014/15, but we still do not have enough capacity for face-to-face help or for phone advice for the people who need it. We have an ambitious programme of change underway and its purpose is to help us meet more demand, by developing or improving our services and by helping us to operate more efficiently and effectively.

Sustainable funding. The uncertain economic climate and continuing public sector funding pressures pose significant risks for both Citizens Advice and the network. A serious loss of funding for either the national charity or for local Citizens Advice charities could force us to reduce or withdraw some of our services.

We continue to strengthen our internal controls and to operate tight budget setting and budget management processes with a focus on efficiency saving and controlling costs.

This year we have made considerable progress in securing new sources of income and will continue to diversify our funding sources and explore new ways of generating sustainable sources of income as an integral part of our current and longer term planning for the future.

The pension scheme deficit. We need to ensure that we manage the financial implications of the pension scheme deficit. The current shortfall on the closed scheme requires a substantial, but currently affordable, annual payment. We have a clear strategy to recover the deficit over the next 19 years and we continue to work closely with the pension scheme trustees and actuarial advisers to monitor the financial performance of the scheme and we will explore alternative strategies to manage the scheme deficit.

Data protection. The national charity is a data controller in its own right and also provides advice to local Citizens Advice charities on data protection matters. We pay close attention to data protection risks across the whole service, as a reflection of our concern for clients and for the reputation of the Service.

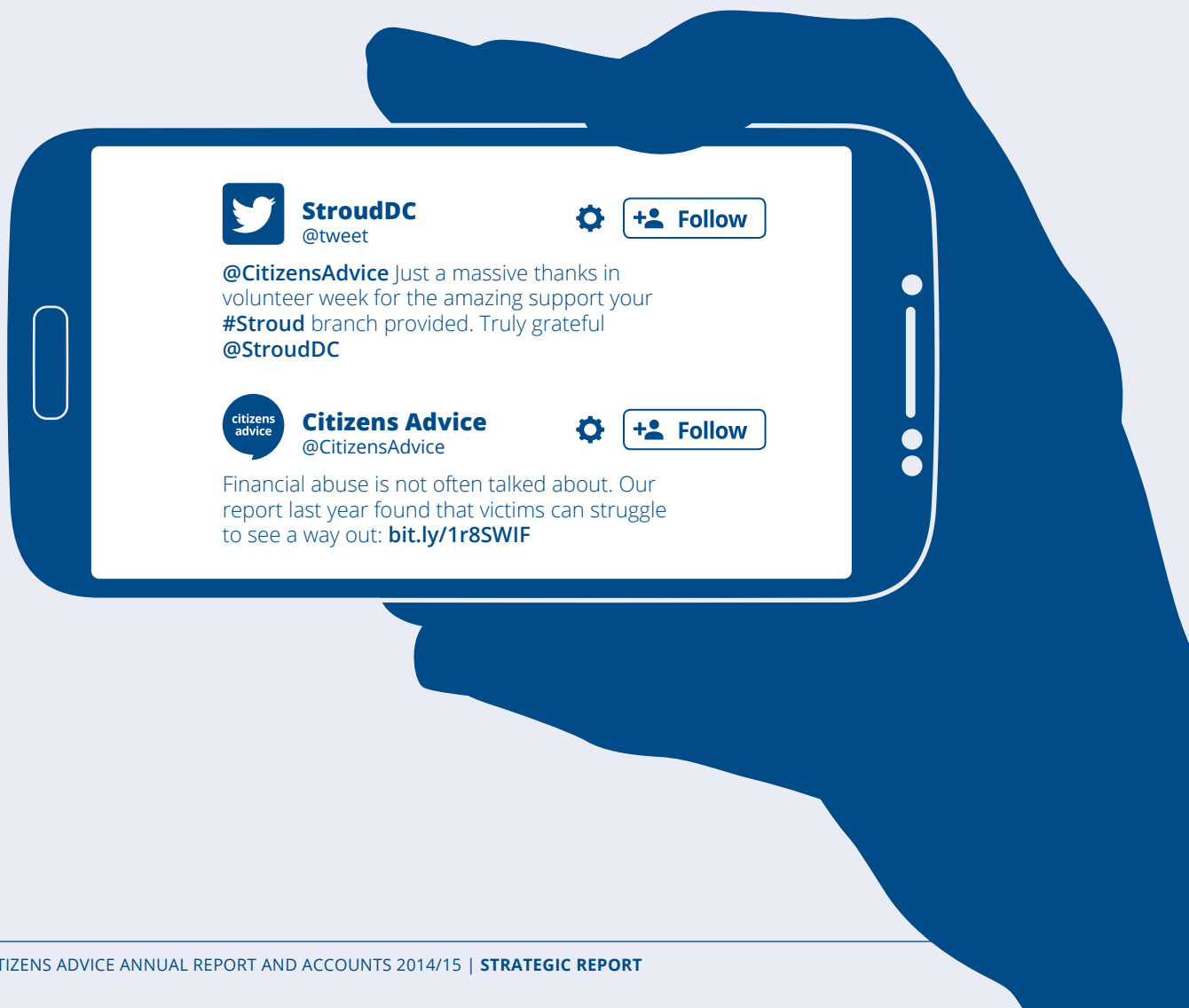
We will continue to monitor compliance with legal requirements and to provide support to our members to ensure confidentiality remains a foundation of the trust for which the Service is renowned.

Managing change. We need to ensure that we are alert to the risk of taking on more change than we can manage successfully. We are an ambitious organisation and, for several years now we have sustained a demanding programme of improvement. The trustees review all major change activities and assure themselves that the demands of these, both individually and in total, are sustainable.

Technology underpins and powers much of our advice and education delivery across a geographically distributed service. Our reliance on this is increasing as more users self-serve using our website and demand a more integrated service. Like many organisations, we have a range of legacy applications that require modernisation. Transitioning from these to a lower cost, more reliable, user-need driven and intuitive technology infrastructure is both an important focus of our work and an important corporate risk we are managing carefully.

Our organisation

My husband and I 'downsized' our business, and my children and grandchildren have all flown the nest. I had time on my hands and wanted to give something back for all the times I have needed help during my life. I enjoy feeling a part of a 'family'. I value the opinions and general banter from other staff and I have made some wonderful friends whilst being privileged to work as part of such an amazing organisation.
Frances Lindsay, Outreach Worker at Citizens Advice Coventry



#CABLIVE is a quarterly week-long national Twitter event organised by Wychavon CAB aimed at giving an insight into the daily life of a bureau. By tweeting about what is going on in your bureau and using the hashtag #CABLIVE we can collect a unique record of what is happening in bureaux from all over the country. It's a great way to share information and ideas and it's fascinating to see the differences and similarities in what we are all dealing with on a daily basis.



Our organisation and governance

Our Trustee Board provides strategic direction and vision for Citizens Advice. The Board is made up of 12 individuals who are trustees under charity law and directors of the charitable company. Our Chief Executive, working with the Executive Team, is responsible for delivering the Board's vision and day to day operations.

Trustees

John Gladwin (Chair) retired as Bishop of Chelmsford after a long career in the Church of England during which he championed issues of justice and equality. As a member of the House of Lords he has spoken often on these issues. He was Chair of Christian Aid and the founding Chair of Traidcraft, the largest Fair Trade social enterprise in the UK. He also has grassroots experience, for example working with homeless people in Sheffield.

Sacha Deshmukh (Deputy Chair) is the founding Chief Executive of Smart Energy GB, the body created by government to deliver nationwide public engagement during the roll-out of gas and electricity smart meters across Great Britain. Sacha was previously a Senior Partner of the Engine Group, the UK's largest independent marketing services group and an Interim Executive Director of Strategy at the Parliamentary and Health Service Ombudsman.

Mark Washer (Treasurer) is Group Finance Director and a Board member of Affinity Sutton Group, one of the largest housing groups in the country. He is responsible for all aspects of Affinity Sutton's finances and IT, with a focus on financial strategy. Mark is a Chartered Accountant, having qualified with Deloitte in London and is a Board member and Deputy Chair of the National Housing Federation.

Jonathan Rees is a Non-Executive Director of Ombudsman Services, the Lending Standards Board and the Personal Finance Society, as well as a Director and Trustee of the Employers Network on Equality and Inclusion. He was a civil servant for 35 years, including working as adviser to two prime ministers, spells in the Cabinet Office, Foreign Office and European Commission and five years as Director-General of the Government Equalities Office. He spent five years leading on consumer and competition policy, including sponsoring Citizens Advice and setting up Consumer Direct.

Mark Gamsu is a visiting professor at Leeds Beckett University focusing on the relationship between citizenship, inequality and wellbeing. He is a lay member on the Governing Body of Sheffield Clinical Commissioning Group and he works on a freelance basis supporting local commissioners and the voluntary sector to work together more effectively. Mark is on the Board of Sheffield Citizens Advice Bureau and a number of other voluntary organisations in that city.

John Woodman is the non-executive Chairman of BATS Trading Ltd, a member of Northumberland County Council and a lay member of the Upper Tribunal, Tax and Chancery Chamber. He is also a Trustee of the Institute of Chartered Accountants in England and Wales pension fund and of two local charities in Northumberland. John is Trustee of Northumberland Citizens Advice Service.

Annie Hedge is joint founder of Equality Works, a consultancy and training company which she set up with her partner, Jane Farrell, in 1992. Equality Works specialises in diversity within an organisational development approach and has done considerable work in the NHS, in various parts of the criminal justice system, local authorities, government departments and many national agencies. Annie has a PhD in organisational psychology and is a qualified executive coach, long-term supporter of Stonewall and Chair of Rights of Women.

Fran Keene has almost 20 years' experience of public policy and organisational development across local government, health and culture sectors. Until recently, she was Head of Diversity at the Audit Commission. She worked previously for the National Lottery Charities Board and established a successful Council for Voluntary Service and Volunteer Bureau in East Devon. She currently supports public, private and not for profit organisations in community and organisational wellbeing as an independent adviser.

Anne Stephenson is a Chartered Fellow of the Institute of Personnel and Development. She retired in 2010 after a 30 year career in the Civil Service in Wales, including periods in Brussels and Whitehall. She was heavily involved in social justice policy at the Welsh Assembly Government and worked closely with the third sector, including Citizens Advice Cymru. She is a Member of the Council of the University of Bristol.

Warren Buckley is Global Head of Contact Centres for HSBC Retail Banking and Wealth Management. Warren has over 25 years' international experience in the telecommunications and financial services industries, with expertise in service and sales

operations, programme management and product delivery. His previous companies include BT, Orange and Vodafone. Warren is also Chair of the Board at the Business Disability Forum.

Lucy Inmonger has a background in social investment and community regeneration. Lucy is the Treasurer at Respect, a charity working to end domestic violence. She has recently worked for Big Society Capital, a financial institution set up to develop the social investment market in the UK.

Paul Nicholls has worked in the Citizens Advice service since 1983 and is currently Chief Executive of Cheshire West Citizens Advice Bureau. He was previously a director of the Citizens Advice service during the 1990s, when he served in a wide range of capacities, including as Chair of the Equal Opportunities Advisory Committee.

Our Scheme of Delegation of Trustee Board Authority outlines decision-making responsibilities across Citizens Advice, listing issues reserved for the Board and areas which can be delegated to the Executive Team. The Standing Financial Instructions form the basis of the delegation of financial functions by the Citizens Advice Trustee Board to staff and the Procurement policy sets out authority levels for purchasing decisions.

The Trustee Board delegates responsibility to a number of committees as set out opposite. Terms of reference explain roles, responsibilities and practical arrangements for each committee and are published on our intranet site (CABlink). Each committee includes at least one Trustee Board member who reports back to each Trustee Board meeting.

Governance structure



Roles and members of our Trustee Committees

Chair's Committee

The Chair's Committee acts as a sounding board for the Chair of the Trustee Board, fosters good governance, advises the Chair and Chief Executive regarding the appointment, appraisal and remuneration of the Chief Executive and executive directors and reviews Trustee Board effectiveness.

John Gladwin (Chair)

Trustee Board representative

Warren Buckley

Trustee Board representative

Sacha Deshmukh

Trustee Board representative

Paul Nichols

Trustee Board representative

Mark Washer

Trustee Board representative

Doris Jamieson

Membership and Standards Committee

Audit and Risk Committee (ARC)

The Audit and Risk Committee advises the Trustee Board on management of risk, internal controls, external audit and financial reporting.

Mark Washer (Chair)

Trustee Board representative

Annie Hedge

Trustee Board representative

Jonathan Rees

Trustee Board representative

Alan Edwards

Co-opted member

Richard Mackay

Co-opted member

Pat Russell

Co-opted member

Nina Cope

Co-opted member

Equality Committee

The Equality Committee provides leadership, expertise and guidance on equality, diversity and human rights to the Citizens Advice service and Trustee Board, ensuring that promoting equality and tackling discrimination on behalf of clients is at the heart of the service's advice and policy work.

John Gladwin (Chair)

Trustee Board representative

Annie Hedge

Trustee Board representative

Fran Keene

Trustee Board representative

Clive Bassant

Disabled People Creating Change

Carl Cover

National Black Workers Group

Salli Edwards

National Lesbian, Gay and Bisexual Workers Group

Craig Lane

Newport CAB

Dale Maskell

Trafford CAB

Arpita Dutt

Stewarts Law LLP

Lindsay Judge

Human rights specialist and CPAG

Cymru Committee

The Cymru Committee draws up and reviews the Citizens Advice Cymru strategy, advises on social policy and advocacy priorities for Wales and reviews the application of Welsh Language legislation.

Trystan Pritchard (Chair)

Chief Executive, St David's Hospice, Llandudno

Erika Helps (Vice-Chair) (until December 2014)

Chief Executive of Rhondda Cynon Taff Citizens Advice

Dafydd Ifans (Vice-Chair)

Retired Welsh Government Senior Civil Servant and Chief Executive

Mark Gamsu (joined 2015)

Trustee Board representative

Anne Stephenson

Trustee Board representative

Carol Adams

Freelance Consultant

Janice Boland

Cardiff and Vale Citizens Advice

Eifion Pritchard

Retired Police Officer

Gaynor Roberts

Chief Officer Wrexham Citizens Advice

Mike Spencer

Semi retired Assistant Director of Health Board

Michael Trickey

Freelance Policy Adviser

Membership and Standards Committee

The Membership and Standards Committee seeks to uphold quality standards amongst local Citizens Advice and members through guidance, monitoring and audit. The committee also makes recommendations to the Trustee Board for changes to the Membership Scheme.

Doris Jamieson (Chair)

independent co-opted member

Hilary Watkins (Vice Chair)

independent member (previously bureau volunteer member)

Paul Nicholls

(joined February 2015)

Trustee Board representative

John Woodman

Trustee Board representative

Carol Adams

Wales Committee representative

Cathy Barnes

Independent co-opted member

Simon Ellington (until November 2014)

Paid bureau staff member

Harriet Hall

Paid bureau staff member (previously bureau volunteer member)

Andy Taylor

Paid bureau staff member

James Willan

Independent co-opted member

Trustee Recruitment Committee

The Trustee Recruitment Committee aims to ensure that those recruited to the Trustee Board have the requisite skills, knowledge and experience to successfully carry out their roles, while reflecting the diversity of the people the service helps.

John Gladwin (Chair)

Trustee Board representative

Anne Stephenson

Trustee Board representative

Norma Corkish

Chair of Citizens Advice Surrey

Simon Harris

CEO of Staffordshire North and Stoke-on-Trent CAB

John Wyles

Chief Strategy Coordinator and Acting Director of Studies at the European Policy Centre

Remuneration Committee

On 3 June 2015 the Trustee Board agreed a change in the governance structure of Citizens Advice to include a specific Remuneration Committee which will be responsible for monitoring and providing feedback on pay and reward strategy. It will also advise the Chair on the appointment, appraisal and remuneration of the Chief Executive and executive directors. (This role was previously carried out by the Chair's Committee.) The membership of this committee will be finalised in 2015/16.

Technology Committee

This committee was set up during the year with an advisory role to oversee the implementation of the new Technology strategy and investment in this area. Membership will be finalised in 2015/16.

Recruitment, induction and training of trustees

The Trustee Recruitment Committee uses national and social media, recruitment agencies and our local Citizens Advice network to find talented individuals who have the skills and perspectives we need so the Trustee Board can provide good leadership and make sound decisions.

New trustees receive a full induction, where they meet the Chair, agree their role and meet key members of staff. Trustees also visit local Citizens Advice to get a better understanding of the service and the vital work they do. Inductions are tailored to trustees' individual needs and interests. Trustees are volunteers and claim for reasonable out of pocket expenses, for example travel costs to attend meetings.

There are at least six formal Trustee Board meetings a year, plus less formal meetings and events for trustees to conduct business and develop as a team.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with applicable law.

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

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

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

- In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Executive Team

Our Executive Team is responsible for delivering the Trustee Board's vision and for the day-to-day operation of Citizens Advice.

Gillian Guy CBE, Chief Executive

Strategic direction and leadership of Citizens Advice.

Alistair Cromwell, Director of Finance and Transformation

Financial strategy and management, business planning and performance, risk management, business change, accommodation and facilities.

Mike Dixon, Assistant Chief Executive

Strategy, external and internal communications, including public affairs and government relations, digital services and information technology.

Adam Scorer, Director of Consumer Futures

Representing consumers of energy and post services.

Steve Whitehead, Director of People and Equality

People services, payroll, equality and diversity, learning and development, and information assurance.

Sue Wigley, Director of Operations

Service delivery, support and advice for local Citizens Advice, quality assurance, service development and income generation.

Our staff and volunteers

None of our work would be possible without the dedication, commitment and hard work of volunteers and staff. Citizens Advice has a paid workforce of 485 full time equivalent staff across England and Wales alongside the staff and 21,600 volunteers who support the local Citizens Advice charities.

At Citizens Advice we define 'talent' as the unique contribution that each individual makes that has a positive impact on organisational performance. Beyond this, we want people to realise their full potential, be that in their current role or in a future one with us, and to attract and retain the people we need to succeed.

We are working to:

- embed a modern and aligned learning environment and offer that facilitates the delivery of great results for our clients and our people
- develop a flexible, attractive and modern volunteering offer with access to training and development opportunities.

Our funders

Citizens Advice enjoys support from a wide and diverse range of funders. We take great care to ensure that we obtain the maximum value for every penny we spend. We would like to take this opportunity to say thank you to all of the organisations that have funded Citizens Advice during 2014/15 and we look forward to working with you all in future years.

Government grants

Department for Business, Innovation and Skills
The Cabinet Office
Department for Communities and Local Government
Department for Energy and Climate Change
Government Equalities Office
HM Revenue and Customs
HM Treasury
Ministry of Justice
Welsh Government

Other public bodies

Devon County Council
Money Advice Service
The Insolvency Service

Other

European Commission
Advice Services Alliance
Big Lottery Fund
British Gas
British Sign Language
EDF Energy
First Utility Ltd
Grant Thornton
HSBC Group
Martin Lewis Charitable Fund
Money Advice Trust
Partnership Services Ltd
Prudential plc
SSE (Scottish and Southern Energy)
Scottish Power
Shelter
UK Power net
Utility Warehouse
Wessex Water

Legal and administrative details

Legal status

Citizens Advice is a registered charity and a company limited by guarantee. All independent local Citizens Advice are members of the national Citizens Advice charity and there are no other full members. The maximum liability of each member is limited to £1. Citizens Advice is governed by its Memorandum and Articles of Association as amended in October 2000, September 2009 and September 2010.

The registered name of the Charity is The National Association of Citizens Advice Bureaux, and from 6 January 2003 the Charity has used the operating name of Citizens Advice. The Charity was incorporated as a company limited by guarantee on 13 July 1979.

The Charity has a trading subsidiary, Citizens Advice Limited (formerly Advice Services Information Limited). Consolidated accounts have been prepared. The basis of consolidation is set out in the accounting policies note.

Advisers

Independent auditor:

Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Internal auditor:

KPMG LLP
Canada Square
Canary Wharf
London E14 5GL

Bankers:

Barclays Bank PLC
1 Churchill Place
London E14 5HP

Solicitors:

Bates, Wells and Braithwaite
2-6 Cannon Street
London EC4M 6YH

Veale Wasbrough Vizards
42 Bedford Row
London WC1R 4JL

Company Secretary

Joanne Hampton
(to: 19 May 2015)
Steven Whitehead
(from: 20 May 2015)

Authorisation

This Annual report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 29 July 2015, including approving in their capacity as company directors the Strategic report, and is signed as authorised on the Board's behalf by:

John Gladwin
Chair of Trustees

Financial statements

Independent auditor's report to the Members of National Association of Citizens Advice Bureaux.

Year ended 31 March 2015

We have audited the financial statements of National Association of Citizens Advice Bureaux for the year ended 31 March 2015 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which requires a specific treatment for multi-employer pension schemes that is set out and explained in the Trustees' report and note 22 of the financial statements.

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 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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Trustees' Annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor, London
10 August 2015

Consolidated statement of financial activities

Year ended 31 March 2015

Incorporating an income and expenditure account

	Note	Unrestricted		Restricted		Total	Total
		2015	2014	2015	2014	2015	2014
		£'000	£'000	£'000	£'000	£'000	£'000
Incoming resources							
Incoming resources from generated funds:							
Voluntary income	2	145	55	—	—	145	55
Bank interest		169	170	32	69	201	239
Incoming resources from charitable activities:							
Grants	3	22,304	22,068	60,453	49,216	82,757	71,284
Delivery of services		3,371	3,346	489	974	3,860	4,320
Training and support		672	750	184	245	856	995
Other incoming resources		366	76	57	248	423	324
Total incoming resources		27,027	26,465	61,215	50,752	88,242	77,217
Resources expended							
Costs of generating funds	6	39	66	—	—	39	66
Charitable activities							
Delivering information & advice	6	5,299	5,781	10,316	10,327	15,615	16,108
Advice and advocacy	6	6,108	5,896	5,221	102	11,329	5,998
Strengthening the bureau network	6	10,878	12,426	6,192	5,560	17,070	17,986
Partnerships	6	897	826	37,417	28,574	38,314	29,400
Governance costs	6,8	213	213	—	—	213	213
Total resources expended		23,434	25,208	59,146	44,563	82,580	69,771
Net incoming resources before transfers	10	3,593	1,257	2,069	6,189	5,662	7,446
Transfers		—	313	—	(313)	—	—
(Losses)/gains on investment assets		—	—	177	(23)	177	(23)
Net movement in funds		3,593	1,570	2,246	5,853	5,839	7,423
Reconciliation of funds							
Fund balance brought forward	17	7,200	5,630	22,751	16,898	29,951	22,528
Fund balance carried forward		10,793	7,200	24,997	22,751	35,790	29,951

All activities derive from continuing operations.

Consolidated balance sheet

(Registered number 1436945)

At 31 March 2015

	Note	Group		Citizens Advice	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
Fixed assets					
Tangible assets	11	3,397	4,737	3,397	4,737
Investments	14	3,581	3,404	3,581	3,404
Current Assets					
Investments	14	1,082	1,612	1,082	1,050
Debtors	12	3,112	10,453	3,322	11,132
Cash at bank and in hand					
Capital commitments	15,21	1,310	1,764	1,310	1,764
Infrastructure funding	15,21	5,434	—	5,434	—
Other	15	26,049	12,926	25,830	12,809
		36,987	26,755	36,978	26,755
Creditors: amounts falling due within one year	13	6,845	3,739	6,836	3,739
Net current assets		30,142	23,016	30,142	23,016
Total assets less current liabilities		37,120	31,157	37,120	31,157
Provisions for liabilities and charges	16	1,330	1,206	1,330	1,206
Total assets less all liabilities		35,790	29,951	35,790	29,951
Funds of the charity					
Restricted funds	17	24,997	22,751	24,997	22,751
Unrestricted funds	17	10,793	7,200	10,793	7,200
Total funds		35,790	29,951	35,790	29,951

The financial statements were approved and authorised for issue by the Trustee Board on 29 July 2015 and signed on their behalf by:

John Gladwin
Chair

Mark Washer
Treasurer

Consolidated cash flow statement

Year ended 31 March 2015

	Reference note	2015	2014
		£'000	£'000
Net cash inflow from operating activities	A	17,843	807
Returns on investments			
Interest received		201	239
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(471)	(2,237)
Cash placed in other liquid resources	C	530	1,661
Increase in cash	B	18,103	470

Notes to the cash flow statement

A. Reconciliation of net incoming resources to net cash inflow from operating activities

	2015	2014
	£'000	£'000
Net income	5,662	7,446
Depreciation charges	1,759	1,480
Decrease/(increase) in debtors	7,341	(7,580)
Increase/(decrease) in creditors (revenue)	3,158	(685)
Increase/(decrease) in revenue provisions	124	385
Bank interest receivable	(201)	(239)
Net cash inflow from operating activities	17,843	807

B. Analysis of changes in cash during the year

	As at 31 March 2015	Movement	As at 1 April 2014
	£'000	£'000	£'000
Cash at bank and in hand	32,793	18,103	14,690

C. Analysis of other liquid resources

	As at 31 March 2015	Movement	As at 1 April 2014
	£'000	£'000	£'000
Current assets, investments	1,082	(530)	1,612

Notes to the financial statements

Year ended 31 March 2015

1. Accounting policies

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities as revised in 2005, the Charities Act (2011) and the Companies Act (2006). The principal accounting policies, which have been applied consistently, except where noted are set out below:

a) Accounting convention

The financial statements are prepared under the historical cost convention as modified to include the valuation of investments at market value.

b) Going concern

The financial statements have been prepared on the going concern basis. Financial budgets are set to ensure that the organisation can continue to operate as a going concern for at least a year. Detailed financial budgets are presented and approved by the Trustee Board on a 12 month basis. Furthermore management accounts for the parent Charity are presented at regular intervals to the Trustee Board throughout the financial year on progress against budget. Any changes in funding within the year are reflected as soon as practicable and action taken by management to ensure that the Charity spends within its available resources.

c) Fixed assets

Fixed assets are recognised in the statement of financial activities on initial acquisition, in accordance with FRS 15.

All assets, other than investments, are held at historic cost less depreciation. Assets are reviewed each year to ensure they are fit for the intended purpose.

Investments assets are held at market value. Unrealised gains and losses on revaluation and realised gains and losses on disposal are allocated to the fund to which the investments relate.

Only assets over £1,000 are capitalised. Depreciation is charged on a straight-line basis on the cost of assets less residual value over their estimated useful life. A full year's depreciation is charged in the year of acquisition.

The estimated lives of the assets are as follows:

- Office and computer equipment – three years.
- Infrastructure software – between three and eight years, depending on duration of license.
- Fixtures and fittings – five years.

d) Leases

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the periods of the leases.

e) Pension costs

The National Association of Citizens Advice Bureaux (NACAB) Pension and Assurance Plan (1991) is a multi-employer defined benefit scheme which was closed during the financial year ended 31 March 2008. Having taken advice from the scheme's actuary, Citizens Advice cannot identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The disclosures under FRS 17 in this circumstance are shown in note 22. The expected cost of providing pensions is calculated periodically by a professionally qualified actuary. The operating costs of providing retirement benefits to employees are charged to the statement of financial activities in the year in which they are incurred as required by FRS 17.

On 1 April 2005, Citizens Advice introduced a defined contribution pension. From April 2014 staff are automatically enrolled unless they opt out of the scheme. The employer's contributions are charged to the statement of financial activities in the period in which they were incurred. Consumer Futures staff transferred in April 2014 and they retain participation in the Civil Service scheme.

Notes to the financial statements

Year ended 31 March 2015

1. Accounting policies (continued)

f) Grants payable and receivable

Grants payable are made to local Citizens Advice Bureaux and other bodies, and the liability is recognised when the obligation arises although the grant may not be due.

Grants receivable are recognised when due and when any conditions for receipt are met. Any unexpended grant is carried forward in reserves.

If any grant has been provided for a stated purpose, it is carried forward as restricted funds. Any unused grants not able to be used for the purpose determined by the funder are returned in accordance with the funder agreement.

g) Deferred income

Deferred income relating to subscriptions is shown within the balance sheet. Other deferred income relates to restricted funding received in advance but where the related expenditure can only take place in a future accounting period.

h) Legacies

Legacies are recognised when they are received or when notice is given from the executor that a payment is due, whichever is sooner.

i) Delivery of services

The trading activities of Citizens Advice, mainly the bureau membership fee and the sale of information products, are exercised in the course of carrying out the primary purpose of the Charity.

The income and expenditure is shown in the Statement of Financial Activities as delivery of services and strengthening the bureau network respectively.

Any activities that are not for the primary purpose of the Charity are accounted for in Citizens Advice Limited and this subsidiary has been consolidated into the Statement of Financial Activities. The income and expenditure is also shown in the Statement of Financial Activities as delivery of services and strengthening the bureau network respectively.

j) Training and Support

The training and support activities comprise income for arranging insurance cover on behalf of bureaux in England and Wales as well as the provision of training courses in debt, employment, welfare benefits and consumer issues.

k) Other income

All other income is accounted for on an accruals basis.

l) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under the charitable expenditure activity headings with reference to activities performed in the year.

Costs of generating funds are those costs relating to fundraising for new donors or new projects.

Staff costs are all emoluments incurred. Other direct costs are non-staff costs incurred by each principal activity.

Governance costs are those incurred in connection with the administration of the Charity's constitutional and statutory duties.

Irrecoverable VAT is treated as resources expended in the principal activity that incurred the original VAT.

Support costs, including premises, fundraising, central administration, IT support, human resources costs and pertinent corporate finance costs (staff and other costs), which are not directly attributable to a particular principal activity, have been fully allocated to departments and activities based on staff numbers of the principal activity as shown in note 7.

Notes to the financial statements

Year ended 31 March 2015

1. Accounting policies (continued)

m) Reserves

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the Charity's objectives. Unrestricted funds represent funds raised or grants awarded for no specified project, where the expenditure has not yet occurred. The expenditure will arise in subsequent financial periods. Transfers to and from designated funds are subject to the approval of the trustees.

There are no carry forward restrictions on funds.

Restricted funds are awarded for a specified project, which will be declared by the funder, or restricted with their authority or with a restriction created by a legal process, although the scope of the project is still within the wider objectives of the Charity. Income may be awarded in one year for expenditure in that or a subsequent year on a specified project.

n) Provisions

Provisions for future liabilities are recognised when Citizens Advice has a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made.

o) Consolidation

Citizens Advice Ltd, a trading subsidiary controlled by Citizens Advice has also been consolidated within the accounts on a line by line basis.

The net incoming resources for Citizens Advice alone were £5,662,000 in 2014/15 (net income £7,446,000 in 2013/14).

A separate Statement of Financial Activities, or income and expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005.

Notes to the financial statements

Year ended 31 March 2015

2. Voluntary income

	2015	2014
	£'000	£'000
Legacies	110	7
Donations from private individuals	35	48
Total donations	145	55

3. Grants

a) Government grants

Funder	2015	2014	Purpose
	£'000	£'000	
Government department grants			
Department for Business, Innovation and Skills (BIS) unrestricted	22,304	22,068	Core charitable objectives
BIS restricted	15,088	17,646	Consumer advice and other restricted activities
Cabinet Office	50	—	Policy work
Department for Communities and Local Government	335	737	The National Homelessness Advice Service training
Department for Energy and Climate Change	237	46	Big Energy Saving Week
Government Equalities Office	37	—	Equality advice for SMEs
Department of Health	—	48	Voluntary sector evidence (IESD fund)
HM Revenue & Customs	251	534	Capacity building projects
HM Treasury	8,269	—	Pensions guidance
Ministry of Justice	1,021	—	Court based Witness service
Welsh Government			
Welsh Government	168	140	Better advice: better health
Welsh Government	314	940	Discrimination
Welsh Government	1,443	667	Advice service
Welsh Government	987	—	Debt and housing advice
Welsh Government	1,828	1,828	Tackling Poverty
Welsh Government		89	Equality advisers in Wales
Welsh Government	222	222	Adviceline (Wales)
European grants			
European Commission	106	—	Equality advice for SMEs
Total Government grants	52,660	44,965	

Notes to the financial statements

Year ended 31 March 2015

3. Grants (continued)

b) Grants from other public bodies

Funder	2015	2014	Purpose
	£'000	£'000	
Devon County Council	344	458	Regional welfare benefit rights
Healthwatch England	—	100	Health promotion
The Insolvency Service	134	236	Debt relief orders
Leeds City Council	—	23	Money advice
Money Advice Service	23,314	19,527	Face to face debt advice
	23,792	20,344	

c) Other grants

Funder	2015	2014	Purpose
	£'000	£'000	
Advice Service Alliance	29	—	Financial capability
Bardays Bank plc	—	139	Financial capability
Big Lottery Fund	118	—	Equality and diversity
British Gas	100	179	Energy advice projects
British sign language	10	—	Equality and diversity
Co-operative Legal Services	—	50	Family welfare information
EDF energy	2,800	306	Energy advice projects
First Utility	360	205	Financial capability
Grant Thornton	25	35	Specialist support project
HSBC Group	116	112	Financial capability
Money Advice Trust	22	37	Money advice training
Money Advice Trust	24	528	Money advice national strategy
Northern Rock Foundation	—	764	Integrated debt advice project
Npower	—	558	Energy advice projects
Partnership Services Ltd	76	—	Money advice debt toolkit
Prudential plc	385	350	Financial literacy
Scottish Power	850	148	Energy advice projects
Shelter	194	—	The National Homelessness Advice Service
SSE	476	808	Energy advice projects
The Royal British Legion	—	1,734	Veteran's welfare benefits advice
UK Power net	200	—	Energy advice projects
Utility Warehouse	475	—	Warm zone
Wessex Water	42	—	Advice
Various	3	22	Sundry projects
Total other grants	6,305	5,975	
Total grants	82,757	71,284	

Notes to the financial statements

Year ended 31 March 2015

4. Information regarding directors and employees

The trustees of Citizens Advice are the non-executive directors of the charitable company. No emoluments were paid to any non-executive directors (2013/14: nil). Payments of £7,304 (2013/14: £8,278) were made to six (2013/14: seven) non-executive directors during the year in respect of expenses for travel and expenses incurred in the course of executing their duties. No trustee indemnity insurance was purchased.

Employee costs during the year:

	2015	2014
	£'000	£'000
Wages and salaries	17,744	16,104
Social security costs	1,698	1,594
Pension costs (see note 22)	2,831	1,941
Temporary staff	687	385
	22,960	20,024

Pension costs shown above relate to amounts accrued in the year. Payments totalling £1,169,000 (2013/14: £891,000) were made to the Citizens Advice Group Personal Pension Plan and to the Civil Service Pension Scheme for Consumer Futures staff who transferred to Citizens Advice on 1 April 2014. There was also a contribution of £1,662,000 (2013/14: £1,050,000) to the NACAB Pension and Assurance Plan (1991) which closed on 27 March 2008.

Notes to the financial statements

Year ended 31 March 2015

4. Information regarding directors and employees (continued)

The average number of full time equivalent people employed in each activity during the year was:

	Number	Number
	2015	2014
Costs of generating funds	1	1
Charitable activities		
Delivering Information and Advice – the right channels	97	109
Advice and Advocacy – the right issues	123	82
Strengthening the bureau network – developing one service	190	195
Partnerships	36	38
Governance	2	2
Average number of persons employed	449	427

Aggregate emoluments paid to executive directors in the financial year

Citizens Advice has identified all the executive directors as senior managers.

The figures below comprise gross salaries and employer's pension contributions. In addition, six executive directors were reimbursed £2,870 (2013/14: £2,028) in total for travel and out-of-pocket expenses incurred in the course of executing their responsibilities. No other amounts were payable. In addition, one other employee was paid between £80,000 and £89,999, six employees between £70,000 and £79,999 and 16 employees between £60,000 and £69,000 (including compensation for loss of office).

Post	Salary	Pension	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Director of Consumer Futures*	100,335	6,956	107,291	53,580
Director of Operations	86,539	6,664	93,203	91,825
Chief Information Officer	—	—	—	94,101
Director of People and Equality	92,667	—	92,667	91,297
Assistant Chief Executive	102,211	7,359	109,570	108,382
Director of Finance and Transformation	103,023	10,517	113,540	110,639
Chief Executive	144,232	10,817	155,049	142,100

*Appointed from September 2013

Notes to the financial statements

Year ended 31 March 2015

4. Information regarding directors and employees (continued)

Pension contributions paid by Citizens Advice into the Citizens Advice Group Personal Pension Plan on behalf of executive directors in the financial year are included in the above table and summarised below:

	Number	Number
	2015	2014
up to £2,499	—	1
£2,500 to £4,999	—	—
£5,000 to £7,499	3	2
£7,500 to £9,999	—	2
£10,000 to £12,499	2	—

Pension contributions for those executive directors in the scheme are paid at the same rate as for all other staff. Citizens Advice does not pay any other pension contributions (including personal contributions) on behalf of any executive directors.

5. Grants payable

Grants were made to Citizens Advice member bureaux in the financial year as follows:

a) Regional grants to member bureaux

Region	Funder	2015	2015	2014
		Total No.	£'000	£'000
England and Wales	BIS	47	97	219
South West	Devon County Council	22	183	181
Total		69	280	400

Notes to the financial statements

Year ended 31 March 2015

5. Grants payable (continued)

b) Other grants to member bureaux

Purpose	Funder	2015	2015	2014
		Total No.	£'000	£'000
Financial capability	Axa	9	5	
Financial capability for lone parents	Barclaycard	—	—	42
Financial literacy	Barclays plc	46	14	96
Developing communication channels	BIS	27	558	
Consumer	BIS	37	840	—
Flood victim advice	BIS	—	—	254
Social policy development	BIS	29	213	378
Equality and diversity	Big Lottery Fund	2	13	—
Financial capability	Department for Energy and Climate Change	39	154	—
Equality	European Commission	21	31	122
Financial capability	EDF Energy	125	125	304
Energy Advice	EDF Energy	145	789	656
Adviceline	EDF Energy	—	—	110
Tax credits training	HM Revenue & Customs	62	222	255
Pensions guidance	HM Treasury	463	3,144	—
Debt Relief orders	Insolvency Service	537	100	127
Money Advice	Martin Lewis Charitable Fund	32	160	320
Debt advice	Money Advice Service	1,219	18,263	15,776
Integrated debt advice	Northern Rock	—	—	666
Energy advice	Npower	10	274	—
Various projects	Other regional funders	211	8	43
Financial capability	Prudential plc	145	107	68
Veterans' welfare benefits advice	Royal British Legion	—	—	1,591
Financial capability	Santander plc	18	105	—
Fuel poverty project	SSE	56	282	132
Big Energy Saving Week	various	54	93	106
Debt management plans	Stepchange	—	—	31
Advice	Welsh Government	127	1,363	611
Adviceline (Wales)	Welsh Government	38	214	214
Debt and housing advice	Welsh Government	44	799	—
Discrimination	Welsh Government	20	272	873
Equality	Welsh Government	—	—	89
Tackling poverty	Welsh Government	172	1,828	1,822
Advice Providers Forum	Welsh Government	—	—	4
Total other grants to member bureaux		3,688	29,976	24,690
Total Bureaux Grants		3,757	30,256	25,090

Notes to the financial statements

Year ended 31 March 2015

5. Grants payable (continued)

c) Grants to other bodies

Grants paid to non-bureau participants in delivery of national projects, funded by partner organisations.

Purpose	Recipient	2015 £'000	2014 £'000
Discrimination advice	Action in the Community	—	12
Debt advice	Better Leeds Communities	112	51
Debt advice	Birmingham Community Law Centre	19	
Debt advice	Birmingham Settlement	232	206
Energy advice	Bristol Debt Advice Centre	—	6
Debt advice,	Burley Lodge Centre	—	52
Discrimination advice	Cardiff Law Centre	—	14
Debt advice	Ebor Gardens Advice Centre	89	53
Debt advice and financial capability	Ipswich Housing Action	116	124
Debt advice	Luton Rights	95	114
Debt line	Money Advice Trust	1,110	
Various	Money Advice and Community Support	43	26
Debt advice	Homemaker South West	143	104
Debt advice	Norfolk Community Law	57	53
Energy advice	Pennysmart CIC	8	11
Discrimination advice	Riverside Advice Ltd	—	55
Advice providers forum	Race Equality First	—	11
Financial capability and rural racial discrimination Work	Scottish Association of Citizens Advice	48	93
Debt advice	Shelter and Shelter Cymru	134	184
Discrimination advice	SNAP	—	39
Debt advice	Single Parent Action Network	14	26
Energy advice	St Vincent Support Centre	89	54
Debt advice	Talking Money	9	—
Financial capability	Toynbee Hall	6	8
Advice providers forum	Welsh Refugee Council	—	18
Various	138 miscellaneous grants (2013/14 240)	114	182
Total Grants to others		2,438	1,496
Total Grants		32,694	26,586

Notes to the financial statements

Year ended 31 March 2015

6. Total resources expended

Total resources expended for the year ended 31 March 2015:

	Direct staff costs	Grants	Other direct costs	Support costs	Total 2015
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds	31	—	1	7	39
Charitable objectives					
Delivering information and advice	4,344	884	9,313	1,074	15,615
Advice and advocacy	5,574	344	3,597	1,814	11,329
Strengthening the bureau network	8,582	795	6,583	1,110	17,070
Partnerships	1,618	30,671	3,074	2,951	38,314
Governance costs	62	—	146	5	213
	20,211	32,694	22,714	6,961	82,580

Total resources expended for the year ended 31 March 2014:

	Direct staff costs	Grants	Other direct costs	Support costs	Total 2014
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds	44	—	6	16	66
Charitable objectives					
Delivering information and advice	4,515	141	9,845	1,607	16,108
Advice and advocacy	3,379	412	865	1,342	5,998
Strengthening the bureau network	8,041	597	7,013	2,335	17,986
Partnerships	1,556	25,436	1,093	1,315	29,400
Governance costs	66	—	132	15	213
	17,601	26,586	18,954	6,630	69,771

Notes to the financial statements

Year ended 31 March 2015

7. Support cost breakdown by activity

Support costs are allocated across activities based on direct staff numbers.

The amounts below represent the allocated staff and other allocated costs in note 6.

Support costs breakdown for the year ended 31 March 2015:

	Premises	Admin	IT Services	HR	Finance	2015	2014
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Costs of generating funds	3	—	1	1	2	7	16
Charitable activities							
Delivering information and advice	271	155	237	160	251	1,074	1,607
Advice and advocacy	365	300	423	249	477	1,814	1,342
Strengthening the bureau network	566	6	195	338	5	1,110	2,335
Partnerships	322	654	726	196	1,053	2,951	1,315
Governance costs		1	1	1	2	5	15
	1,527	1,116	1,583	945	1,790	6,961	6,630

8. Governance costs

Governance costs (all unrestricted funds) are analysed as follows:

	2015	2014
	£'000	£'000
Audit fees (internal and external)	107	92
Management Support	56	82
Recruitment expenses	8	6
Trustees' out-of-pocket expenses	7	8
Trustees' meeting costs	35	25
	213	213

Management support includes the costs of the Company Secretary, administrative support and an apportionment of senior management costs.

Out-of-pocket expenses were reimbursed to six trustees (2013/14: seven trustees). These were approved expenses incurred by trustees relating to their work with the Charity.

Trustees' meeting costs include all costs relating to the running of the Trustee Board and its sub-committees.

Notes to the financial statements

Year ended 31 March 2015

9. Corporation tax

Citizens Advice is a registered charity and accordingly is exempt from taxation on income and gains where they are applied for charitable purposes. Citizens Advice Limited covenants all profits to the main Charity each year under Gift Aid and does not incur any tax liability.

10. Net expenditure

Net incoming resources for the year are stated after charging:

	2015	2014
	£'000	£'000
Operating lease costs		
Property	326	437
Office equipment	144	80
Depreciation	1,759	1,480
External Auditor's remuneration		
External audit fee	38	37
Non audit work	2	7
Internal Auditor's remuneration	67	48

Notes to the financial statements

Year ended 31 March 2015

11. Fixed assets – tangible assets

The fixed assets of Citizens Advice are the same as those of the Group, as stated below.

	Infrastructure software		Fixtures, fittings and equipment	Total
	Work in progress	Operational		
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2014	291	6,125	1,090	7,506
Additions	—	226	193	419
Disposals	—	—	(138)	(138)
Transfers	(291)	291	—	—
At 31 March 2015	—	6,642	1,145	7,787
Depreciation				
At 1 April 2014	—	2,475	294	2769
Charge for the year	—	1,400	359	1,759
Disposals	—	—	(138)	(138)
At 31 March 2015	—	3,875	515	4,390
Net book value at 31 March 2015	—	2,767	630	3,397
Net book value at 31 March 2014	291	3,650	796	4,737

12. Debtors

	Group		Citizens Advice	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade debtors	370	294	359	293
Other debtors	99	105	99	105
Prepayments and accrued income	2,438	9,524	2,438	9,524
HM Revenue and Customs	205	530	205	530
Subsidiary undertakings	—	—	221	680
	3,112	10,453	3,322	11,132

* £7,550,000 of this relates to the infrastructure grant from BIS.

Included in other debtors is £99,000 (2013/14: £105,000), which relates to 64 (2013/14: 59) staff season ticket, car or career development loans. These are interest free, apart from one career development loan, and are recoverable through monthly payroll deductions. There was one executive director (2013/14: 1) with a £3,000 loan outstanding at the balance sheet date (2013/14: £3,000).

Notes to the financial statements

Year ended 31 March 2015

13. Creditors: amounts falling due within one year

	Group		Citizens Advice	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade creditors	267	240	267	240
Citizens Advice Bureau grants	571	1,429	571	1,429
Other creditors including taxation and social security	613	445	613	445
Accruals and deferred income	5,394	1,573	5,385	1,573
Capital creditors	—	52	—	52
	6,845	3,739	6,836	3,739

	Group		Citizens Advice	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000

Other creditors including taxation and social security comprises:

HM Revenue and Customs: PAYE	208	200	208	200
National Insurance	255	237	255	237
Other creditors	150	8	150	8
	613	445	613	445

	Group		Citizens Advice	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Accruals	5,024	1,455	5,024	1,455
Deferred income brought forward	118	527	118	152
Amount released from previous year	(118)	(527)	(118)	(152)
Incoming resources deferred in the year	370	118	361	118
	5,394	1,573	5,385	1,573

Deferred income comprises £128,000 (2013/14: £118,000) subscription income for both paper and electronic information products, £233,000 deferred grant and £9,000 (2013/14: £nil) received in sponsorship.

Notes to the financial statements

Year ended 31 March 2015

14. Investments

The value of shares held in Citizens Advice Ltd is £2 being two ordinary shares of £1 each which represents 100 per cent of the issued share capital. The company is a private limited company which was incorporated on 16 July 1982. The company is incorporated in England. The company manages all forms of sponsorship on behalf of the parent company and covenants all profits each year under gift aid. The turnover in 2014/15 was £219,000 (2013/14: £616,000) which generated a profit of £25,000 (2013/14: £1,000). Net assets were £2 in 2014/15 (2013/14: £2). The shares are held as a fixed asset.

Moneysupermarket.com shares were received from the Martin Lewis Charitable Fund in 2012/13 for which the sale by Citizens Advice is restricted for three years. This is held as a fixed asset. The investment is listed on a recognised stock exchange and is held primarily to provide an investment return. The investment is analysed below.

	2015	2014
	£'000	£'000
Brought forward	404	427
Revaluation	177	(23)
Carried forward	581	404

Cash deposits valued at £4,082,000 (2013/14: £4,612,000) were held as investments at 31 March 2015. These were all UK cash deposits varying from seven day notice to one year fixed bonds. All investments comply with the Charity's investment strategy. £3,000,000 (2013/14: £3,000,000) of the deposits are recognised as a fixed asset as the intention is to invest these monies longer than one year.

15. Cash at bank and in hand

Immediately available cash deposits valued at £32,793,000 (2013/14: £14,690,000) were held at 31 March 2015. These were all UK cash deposits, held to manage the cash flow of the organisation. £1,310,000 of these has been identified in the balance sheet as needing to meet continuing costs of capital commitments made since 2012/13 (2013/14: £1,764,000).

Notes to the financial statements

Year ended 31 March 2015

16. Provisions

	Group		Citizens Advice	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Property provisions				
Provision at 1 April 2014	464	215	464	215
Released during the year	—	(9)	—	(9)
Utilised during the year	—	—	—	—
Additional provision	538	258	538	258
Provision at 31 March 2015	1,002	464	1,002	464
Other provisions				
Provision at 1 April 2014	742	606	742	606
Released during the year	(2)	(2)	(2)	(2)
Utilised during the year	(484)	-	(484)	-
Additional provision	72	138	72	138
Provision at 31 March 2015	328	742	328	742
Total provisions at 31 March 2015	1,330	1,206	1,330	1,206

Notes to the financial statements

Year ended 31 March 2015

17. Statement of funds

	At 1 April 2014	Income	Expenditure	Gains on investment assets	At 31 March 2015
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	7,200	27,027	23,434	—	10,793
Infrastructure Projects	14,571	15,658	18,651	—	11,578
Local Government projects	320	352	470	—	202
Welsh Government projects	129	4,963	4,919	—	173
Social Policy projects	411	408	448	—	371
Financial capability projects	1,409	387	1,053	—	743
Specialist support projects	1,259	484	613	—	1,130
Pensions Wise	—	8,269	5,959	—	2,310
Court based witness service	—	1,020	1,019	—	1
Other projects	3,853	6,353	2,710	177	7,673
Money Advice Service debt advice	799	23,321	23,304	—	816
Total restricted funds	22,751	61,215	59,146	177	24,997
Total Funds	29,951	88,242	82,580	177	35,790

The unrestricted funds represent the free funds of Citizens Advice. A minimum level of £3.5 million funding has been agreed by the Trustee Board to mitigate the risks to which the organisation is exposed. The amount above this level, £7.3 million, has been identified as a designated fund to be used for planned IS development over the following three years.

Infrastructure projects comprise funding for consumer services and transition grants for the delivery of capital projects.

Local Government comprises regional grant funding from Devon County Council and Leeds City Council. Welsh Government covers a range of money advice projects and funding for Adviceline (Wales).

Policy funds comprise all funds received specifically to undertake social policy. There is funding from five organisations (2013/14: eight organisations) to deliver financial capability projects and funding from seven organisations (2013/14: five organisations) to deliver specialist support and advice.

Pensions guidance is funded by HM Treasury to provide guidance to the public following pensions reforms. Court based witness support is funded by the Ministry of Justice and funding has been awarded for two years

The Money Advice Service debt advice has widened beyond face to face advice from November 2014 and comprises seven projects (2013/14: 11 projects).

The other project funds comprise a variety of partnerships with a range of funders to provide, for example, money advice projects and learning and development projects.

Notes to the financial statements

Year ended 31 March 2015

18. Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£'000	£'000	£'000
Fund balances at 31 March 2015 are represented by:			
Fixed assets – tangible assets	1,492	1,905	3,397
Fixed assets – investments	3,000	581	3,581
Current assets	12,477	24,268	36,745
Creditors: amounts falling due within one year	(4,846)	(1,757)	(6,603)
Provisions	(1,330)	—	(1,330)
Fund balance	10,793	24,997	35,790

19. Citizens Advice Bureaux

The financial statements record the income and expenditure of Citizens Advice. Individual Citizens Advice Bureaux are not consolidated within these accounts as they are independent legal entities funded directly and indirectly from their own sources and are accountable to their own members and funding bodies.

20. Operating lease commitments

At 31 March 2015 Citizens Advice was committed to making the following annual payments in respect of operating leases:

	2015		2014	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases which expire:				
Within one year	236	27	137	34
Between two and five years	59	—	220	46
After five years	31	—	80	—
	326	27	437	80

In disclosing the above operating lease commitments, only the amount payable in the next 12 months is disclosed. Where no amount is payable in the next year as a result of a lease incentive, no commitment is disclosed.

Notes to the financial statements

Year ended 31 March 2015

21. Capital and infrastructure commitments

£8 million was received in grant funding for capital projects from the Department for Business, Innovation and Skills in 2012/13. £6,690,000 was expended up to 31 March 2015 and £2,946,000 capitalised. As at 31 March 2015 the remaining £1,310,000 has been committed to a variety of improvements to the IT infrastructure and will be disbursed in line with contractual obligations.

A further £7,550,000 was awarded at the end of 2013/14 for infrastructure projects. Funding was received in early April 2014 and accrued at 31 March 2014. £2,116,000 was expended up to 31 March 2015 and the remaining £5,434,000 has been committed to five projects.

Notes to the financial statements

Year ended 31 March 2015

22. Pension scheme

National Association of Citizens Advice Bureaux Pension and Assurance Plan (1991)

Period Ending 31 March 2015

The employers operate a defined benefit scheme in the UK. Citizens Advice's defined benefit pension scheme was closed to new entrants future service accrual in March 2008. The scheme is a separate trustee-administered multi-employer scheme and the scheme's actuary has advised the assets and liabilities are not able to be segregated for each contributing employer. Hence it is not possible to separately identify the assets and liabilities relating to Citizens Advice for the purposes of FRS17.

In closing the scheme, a recovery plan was agreed by the pension fund trustees. From 1 April 2013, the sponsoring employers will pay total annual contributions of £1,200,000 to meet the scheme's deficit over the next 15 years. This amount may vary over time, dependent upon the results of the future actuarial valuations of the scheme. The next triennial valuation is due, based on the position at 31 March 2016. The length of the payment period may also vary if the contributions do not offset the deficit over the planned period. The pension trustees have the right to renegotiate the recovery plan if the actuarial report indicates that the existing recovery plan is no longer adequate. If Citizens Advice paid its annual contributions as planned, using an actuarial discount rate of 3.2 per cent, the net present value would be £11,508,000 (2013/14: £11,408,000 and 4.4 per cent discount).

A full actuarial valuation was carried out on the position at 31 March 2013 and updated to the position at 31 March 2015 by a qualified actuary, independent of the scheme's sponsoring employers. The major assumptions used by the actuary are shown below.

The best estimate of contributions to be paid by the employers to the scheme for the period beginning after 31 March 2015 is:

a) Contributions by each employer in respect of expenses.

The principal employer will pay amounts into the scheme in respect of management and administration costs, including levy payments made by the scheme to the Pension Protection Fund subject to a maximum amount of £300,000 in each scheme year.

b) Contributions by the employers in respect of the shortfall in funding.

In accordance with the recovery plan following the 31 March 2013 actuarial valuation, the sponsoring employers will pay total annual contributions of £1,200,000, of which Citizens Advice contributes £1,062,000.

Notes to the financial statements

Year ended 31 March 2015

22. Pension scheme (continued) Present values of scheme liabilities, fair value of assets and deficit

	31/03/15	31/03/14	31/03/13
	£'000s	£'000s	£'000s
Fair value of scheme assets	72,635	68,832	69,123
Present value of scheme liabilities	129,110	107,734	122,142
Liability to be recognised	(56,475)	(38,902)	(53,019)
Deferred tax	—	—	—
Net liability	—	—	—

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	Period Ending 31/03/15	Period Ending 31/03/14
	£'000s	£'000s
Scheme liabilities at start of period	107,734	122,142
Current service cost	—	—
Expenses	243	264
Interest cost	4,684	5,440
Contributions by scheme participants	—	—
Actuarial (gains)/losses	19,257	(17,320)
Benefits paid, death in service insurance premiums and expenses	(2,808)	(2,792)
Past service costs	—	—
Curtailments	—	—
Settlements	—	—
Scheme liabilities at end of period	129,110	107,734

Notes to the financial statements

Year ended 31 March 2015

22. Pension scheme (continued)

Reconciliation of opening and closing balances of the fair value of scheme assets

	Period Ending 31/03/15	Period Ending 31/03/14
	£'000s	£'000s
Fair value of scheme assets at start of period	68,832	69,123
Expected return on scheme assets	3,693	3,496
Actuarial (losses)/gains	1,416	(2,520)
Contributions by employer	1,502	1,525
Contributions by scheme participants	—	—
Benefits paid, death in service insurance premiums and expenses	(2,808)	(2,792)
Settlements	—	—
Fair value of scheme assets at end of year	72,635	68,832

The actual return on the scheme assets over the period ending 31 March 2015 was £5,109,000.

Total expense

	Period Ending 31/03/15	Period Ending 31/03/14
	£'000s	£'000s
Current service cost	—	—
Expenses	243	264
Interest cost	4,684	5,440
Expected return on scheme assets	(3,693)	(3,496)
Past service cost	—	—
Curtailements	—	—
Settlements	—	—
Total	1,234	2,208

Notes to the financial statements

Year ended 31 March 2015

22. Pension scheme (continued)

Pension gains/(losses)

	Period Ending 31/03/15	Period Ending 31/03/14
	£'000s	£'000s
Difference between expected and actual return on scheme assets: (loss)/gain	1,416	(2,520)
Experience gains and losses arising on the scheme liabilities: gain/(loss)	—	4,325
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities: gain/(loss)	(19,257)	12,995
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable): gain/(loss)	(17,841)	14,800
Total amount : gain/(loss) *	(17,841)	14,800

* Citizens Advice and its subsidiaries are not required to prepare a statement of total recognised gains and losses.

Assets

	31/03/15	31/03/14	31/03/13
	£'000s	£'000s	£'000s
Equity	36,318	38,076	38,353
Gilts	7,439	9,166	7,528
Corporate Bonds	13,825	10,212	12,353
Cash	12,850	10,006	9,857
Property	2,203	1,372	1,032
Total assets	72,635	68,832	69,123

None of the fair values of the assets shown above includes any of the employer's own financial instruments or any property occupied by, or other assets used by, the employers.

Notes to the financial statements

Year ended 31 March 2015

22. Pension scheme (continued)

Assumptions

	31/03/15 % per annum	31/03/14 % per annum	31/03/13 % per annum
Rate of discount	3.2	4.4	4.5
Inflation (RPI)	3.1	3.4	3.4
Inflation (CPI)	2.2	2.5	2.5
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.2	2.5	2.5
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.1	3.4	3.4
Allowance for commutation of pension for cash at retirement	75% of Post A Day	75% of Post A Day	None

The mortality assumptions adopted at 31 March 2015 imply the following life expectancies

Male retiring in 2015	21.5 years
Female retiring in 2015	23.8 years
Male retiring in 2035	23.2 years
Female retiring in 2035	25.7 years

Expected long term rates of return

The expected long term return on cash is determined by reference to gilt yields at the balance sheet dates. The long term expected return on gilts and corporate bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date.

The long term expected rate of return on equities is based on the rate of return on bonds with an allowance for out-performance.

Notes to the financial statements

Year ended 31 March 2015

22. Pension scheme (continued)

The expected long term rates of return applicable for each period are as follows:

	Period commencing 01/04/15 % per annum	Period commencing 01/04/14 % per annum
Equity	6.8	6.6
Gilts	3.2	2.3
Corporate Bonds	4.3	4.1
Cash	3.2	2.3
Property	6.3	6.1
Overall for scheme	5.42	5.1

Amounts for the current and previous four periods

	31/03/15	31/03/14	31/03/13	31/03/12	31/03/11
	£'000s	£'000s	£'000s	£'000s	£'000s
Fair value of assets	72,635	68,832	69,123	65,073	65,866
Present value of scheme liabilities	129,110	107,734	122,142	115,205	98,104
Deficit in scheme	(56,475)	(38,902)	(53,019)	(50,132)	(32,238)
Experience adjustment on scheme assets	1,416	(2,520)	1,094	(4,470)	965
Experience adjustment on scheme liabilities	—	4,325	286	(1,443)	96

Notes to the financial statements

Year ended 31 March 2015

23. Related party transactions

Citizens Advice Limited is a subsidiary company owned by Citizens Advice and all Citizens Advice non-charitable trading is conducted through it. The Directors are the National Association of Citizens Advice Bureaux and John Gladwin. During the year ended 31 March 2015, it made a profit of £25,000 (2013/14: £1,000) which was then gift aided to Citizens Advice and recorded within delivery of services.

At 31 March 2015 Citizens Advice Limited owed £221,000 to Citizens Advice (2013/14: £680,000). The accounts for the year ended 31 March 2015 were approved on 29 July 2015.

A subsidiary company was set up in 2008/09, Citizens Advice Management Services, to provide management services to bureaux. There were no financial transactions or balances in the year to 31 March 2015 (2013/14: nil).

Citizens Advice International is a company which was registered in Belgium on 6 December 2004. Although not a related party under FRS 8, it is included here due to the connection of name and objectives. It was established to provide support to Citizens Advice organisations throughout the world. No charge has been made for any expenditure incurred by Citizens Advice on behalf of Citizens Advice International during the year. At 31 March 2015, Citizens Advice owed Citizens Advice International nil (2013/14: nil). Citizens Advice International is not consolidated into the accounts as it is a separate entity and Citizens Advice does not have the power to control it.

24. Company Limited by Guarantee

Citizens Advice is a registered charity and a company limited by guarantee. All member bureaux are members of Citizens Advice and there are no other members. The maximum liability of each member is limited to £1. The trustees have a maximum liability of nil.

Notes to the financial statements

Year ended 31 March 2015

25. Operating Statement for the year ended 31 March 2015

	2015	2014
	£m	£m
Income		
Grants	82.8	71.3
Delivery of services	3.9	4.3
Training and support	0.9	1.0
Other	0.5	0.4
Bank interest	0.2	0.2
	88.3	77.2
Cost of generating income		
Governance costs	(0.2)	(0.2)
Voluntary income	(0.1)	(0.1)
Net income for charitable purposes	88.0	76.9
Expenditure for charitable purposes		
Delivering information and advice	15.6	16.1
Advice and advocacy	11.3	6.0
Strengthening the bureau network	17.1	18.0
Partnerships	38.3	29.4
Total expenditure on charitable activities	82.3	69.5
Net operating income	5.7	7.4
Other movements		
Purchase of assets	(0.5)	(2.2)
Non-realised gain on investment asset	(0.2)	—
Depreciation	1.8	1.5
Debtors, creditors and provisions	10.6	(7.9)
Total other movements	11.7	(8.6)
Movement in cash and investments	17.4	(1.2)
Statement of net assets as at 31 March 2015		
Fixed assets	3.4	4.7
Cash and investments	37.4	19.7
Debtors, creditors and provisions	(4.8)	5.5
Net assets	36.0	29.9
Financial reserves as at 31 March 2015		
Available financial reserves at the start of the period	29.9	22.5
Net operating income	5.7	7.4
Non-realised gain on investment asset	0.2	—
Available financial reserves for future activities	35.8	29.9
less held for specific restricted purposes	(25.0)	(22.7)
less held for planned unrestricted project activity	(7.3)	(4.2)
Minimum level of reserves	3.5	3.0



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Citizens Advice is an operating name of The National Association of Citizens Advice Bureaux.

Registered charity number 279057

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