

SC444731

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX

**Financial Statements
For the year ended 31 March 2015**

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THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
(a company limited by guarantee)

Financial Statements
For the year ended 31 March 2015

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THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
(a company limited by guarantee)

Company number: SC089892

Charity number: SC016637

Registered and Principal Office

1st Floor, Spectrum House, 2 Powderhall Road, Edinburgh, EH7 4GB.

Principal Advisors

Auditors:

RSM UK Audit LLP (formerly BAKER TILLY UK AUDIT LLP)

First Floor, Quay 2, 139 Fountainbridge, Edinburgh, EH3 9QG

Bankers

Bank of Scotland PLC

51 South Clerk Street, Edinburgh EH8 9PP

Royal Bank of Scotland PLC

36 St. Andrews Square, Edinburgh EH2 2AD

Legal Advisors

Lindsays

Caledonian Exchange, 19a Canning Street, Edinburgh EH3 8HE

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX **(a company limited by guarantee)**

TRUSTEES' REPORT

The Trustees' who are also directors of the company for the purposes of the Companies Act submit their report which incorporates the Strategic Report together with the financial statements for the year ended 31 March 2015.

Legal Form of CAS

The Scottish Association of Citizens Advice Bureaux is a company limited by guarantee and a registered charity and is governed by its Memorandum and Articles of Association which set out the objects and powers of the charitable company. In the event of the company being wound up the liability of the members is limited to £1.

The Association is also known as Citizens Advice Scotland (CAS).

Who We Are

CAS is the umbrella body for all citizens advice bureaux in Scotland. The Scottish Citizens Advice Bureau (CAB) service exists to provide a free, confidential and impartial service of information, advice, guidance, assistance and counsel for the public. The 61 member bureaux provide advice to individuals through a national network of CAB offices. Over 2,400 volunteers in some 81 offices and 204 service points deal with over 260,000 clients every year on a wide range of issues.

Objects of CAS

CAS is established for the promotion of any charitable purposes for the benefit of the community in Scotland and elsewhere by the advancement of education, the advancement of health and the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Details of all Trustees in the period

The Trustees serving during the year and since the year-end are as follows:

Dominic Notarangelo (Chair)	
Chris Keegan (Vice Chair & Honorary Treasurer) (retired 3 rd December 2015)	
Jim Henderson	
Ginny Jackson	(retired 27 November 2014)
Mary Kinninmonth	(re-elected 3 rd December 2015)
Stephen Marshall	(re-elected 3 rd December 2015)
Agnès Robson	(re-elected 27 November 2014)
Duncan Dennet	(resigned 24 September 2015)
Sue Peart	
Sue Beer	(re-elected 27 November 2014)
William Mitchell	
Jonny Miller	
Flora Scott Martin	
John Wilkes	(re-elected 27 November 2014, resigned 18 March 2015)
Paul McGinley	(co-opted 5 June 2014, elected 27 November 2014)
John Dunlop	(resigned 28 April 2014)
Margaret McIntyre	(co-opted 19 December 2014, elected 3 rd December 2015)
Stephen Brown (Honorary Treasurer)	(elected 3 rd December 2015)
Karen McGhee	(elected 3 rd December 2015)
Jon Turner	(elected 3 rd December 2015)

None of the Trustees had any notifiable interest in the company during the year.

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TRUSTEES' REPORT

There are three categories of Trustee: paid, unpaid and external. Paid Trustees are paid members of staff from a member bureau or an individual member nominated by an unincorporated bureau and unpaid Trustees are volunteers or members of the governing body of a member bureau. Paid and unpaid Trustees may offer themselves to stand for election at the Annual General Meeting. External Trustees are Trustees unconnected to any member bureau.

The Nominations Committee makes recommendations to the Board in respect of individuals wishing to stand for election as External Trustees. External Trustees must also then be elected at the Annual General Meeting. Trustees' normal term of office is for three years following their election when they must retire but may offer themselves for re-election. Trustees who have served for 6 years must retire and can only be re-elected if eligible after a one year gap. The Trustees may fill casual vacancies from time to time by co-opting individuals to the Board. New Trustees follow a process of induction which includes meetings with key members of staff and Trustees of the Association.

Strategic Report

a) Governance

CAS is governed by its Board of Trustees. The Board is supported by a structure of five committees who meet regularly throughout the year: Audit and Finance, Development, Policy Forum, Membership and Nominations.

The Board of Trustees meet at least five times a year with a focus on strategy, financial and operational performance review.

The Chief Executive Officer and heads of department comprise the senior management team which meets regularly to review progress against plan, co-ordinate day to day management of all activities and prepare proposals for the Board of Trustees.

b) Operations and Performance

The Strategic Plan which sets out 5 strategic aims from 2013-17 was approved by the Board of Trustees in April 2013 and remains in force. The Strategic Plan sets out the objectives of each aim along with outcome statements and indicators for each. Performance against the plan is reviewed at both the Board of Trustees and senior management team level. The 5 strategic aims are:

- To support the Scottish Citizens Advice Service to provide multi-channel access to information, education, advice and representation for all who need it.
- To act in partnership with the citizens advice bureaux, wider advice sector and other governmental and non-governmental organisations to mitigate the harmful impacts of welfare reform on the Scottish economy, communities, families and individuals.
- To be a strong voice for consumers in Scotland and to ensure that the Scottish consumer interest is well represented in UK and European markets and policy making spaces.
- To prioritise and take action on the issues faced by the vulnerable, poor and socially excluded citizens and consumers of Scotland.
- To develop leadership at all levels of the Citizens Advice Service across Scotland and within CAS itself in order to deliver better services to citizens advice bureaux, other stakeholders and the people of Scotland.

On 1 April 2014, Consumer Futures Scotland officially transferred to CAS. This was a significant and successful transition involving housing a new regulated industries unit within the organisation. The Consumer Futures team covers energy, post, water and cross-sector issues in the interests of

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TRUSTEES' REPORT

Strategic Report (continued)

b) Operations and Performance (continued)

consumers in these essential regulated markets. The transition process involved close working with colleagues in Citizens Advice in England and Wales.

Also on 1 April 2014, the transfer of the Extra Help Unit to CAS took place to manage this on behalf of the Citizens Advice Bureaux service. This Unit provides a service across Scotland, England and Wales assisting vulnerable consumers with their most urgent complaints in the areas of energy and post. The Unit has a statutory duty to investigate cases where consumers have been disconnected from their energy supply or threatened with disconnection. The Unit may use its statutory powers to investigate complaints on behalf of vulnerable consumers and those unable to resolve complex issues that are affecting them.

c) Policy and Public Affairs

The Policy and Public Affairs Team expanded to take on the new Consumer Futures Team in April 2014 and therefore broadened its remit to include advocacy on the regulated industries of energy, water and post. The Team undertook a range of publications, briefings, consultations, events and campaigns throughout the year. In 2014/15, this work included 11 evidence reports, 12 briefings and 32 consultation responses.

d) Training

The main focus for the year for the Training team was to ensure bureau advisers and volunteers had access to the latest up-to-date information and learning materials including the Adviser Training Programme and other learning routes for other roles in bureaux which were provided by CAS by both face-to-face training events and online. In 2014/15, all bureaux now have trainees registered as learners on CASlearn, our innovative learning management system. 1,915 new users were registered this year and 16,508 courses were completed by all. In addition to materials on CASlearn, CAS provided 29 highly evaluated scheduled face-to-face training sessions attended by 428 bureau participants including covering skills and knowledge on casework level topics and specialist roles.

e) Development

Support was provided to individual bureau in relation to organisational, management, governance and membership standards issues. This ranged from business planning and assistance with core funding negotiations to crisis support and staffing matters. New guidance was produced in matters as diverse as client confidentiality, digital access and human resources.

f) Plans for Future Periods

For 2015/16, we will continue to implement the Strategic Plan. We will draw on our experience and strengths including our recognisable and highly trusted brand, our strong engagement with a variety of stakeholders, our dedicated staff as well as providing quality services to support bureaux in providing a robust and sustainable network of bureaux across Scotland.

We will also continue to focus on delivery of three key initiatives:

- Shared Services – To ensure bureaux have access to a faster and effective IT infrastructure.

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TRUSTEES' REPORT

Strategic Report (continued)

f) Plans for Future Periods (continued)

- Information Technology - Development of an IT strategy to improve service to CAS and CAB. This includes implementation of an upgraded case management and recording system.
- Pension Wise – Implementation of the Pension Wise guidance service across the Scottish CAB service.

Principal Risks and Uncertainties

The senior management team in conjunction with the Board of Trustees regularly carry out a review of risks facing CAS. A risk register is maintained to facilitate identification and ongoing monitoring and reporting of risk and is reviewed at least annually by the Board of Trustees.

The case management and recording system was upgraded in the year and plans are being developed to implement further upgrades to the system.

CAS is a member of a multi - employer defined benefit pension scheme which is now closed to new members. As noted in note 17 to the financial statements there is currently a significant deficit between assets of the scheme and the expected future liabilities, at 30th September 2012 it was only 84% funded.

Although the pension trustees have made amendments to funding contributions to cover the deficit, CAS has no certainty that its obligations will not further increase in the future. However, CAS believes it can meet its future obligations as they currently stand.

Core funding comes principally from the Department of Business, Innovation and Skills (BIS) and there is a potential risk this is not renewed at the same level. Changes in government policy may result in a reduction of funding. CAS maintains close dialogue with principal funders throughout the year on levels of anticipated funding commitments. CAS is awaiting results of the UK Government Spending Review, expected in December 2015 and will assess the impact once announced. CAS is monitoring the passage of the Scotland Act currently progressing through the UK Parliament. CAS will assess the potential impact of proposed changes as they are being developed.

Finance Review

Unrestricted Funds

Unrestricted funds are made up of general funds and funds designated for specific purposes at the discretion of the Board of Trustees as detailed in note 18 with the largest designation being for £517,000 being the net present value of past service deficit pension contributions.

Incoming resources from generated funds totalled £3,529,616 (2013/14: £3,768,357) and is comprised principally of funding from the UK Government in the form of an unrestricted Grant in Aid. This grant is provided by BIS and totalled £3,495,000 (2013/14: £3,458,001). Incoming resources from charitable activities amounted to £192,489 (2013/14 £259,833) and includes bureaux membership subscriptions, rent receivable and other income.

Further details of sources of funds are provided in Notes 2 and 3.

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TRUSTEES' REPORT

Finance Review (continued)

Unrestricted Funds (continued)

Expenditure from general activities totalled £3,206,761 (2013/14: £3,764,614).

The expenditure relating to the general funds in the year of £3,138,098 (2013/14: £3,756,473) consisted of the following:-

	2014/15	2013/14
	£000	£000
Costs of generating funds	-	18
Costs of charitable activities	2,963	3,608
Governance costs	175	130
	<u>3,138</u>	<u>3,756</u>

The key expense item under costs of charitable activities relates to salary costs of £3,501,428 (2013/14: £2,681,387).

During the year, there was net expenditure of £68,663 (2013/14: £8,141) released from Designated Funds which was funded by reserves brought forward from previous years. The majority of this cost in the year related to the annual payment of the past service deficit repayment plan in relation to the pension deficit offset by a further £61,770 designated for future costs. This is covered in more detail in Note 17.

Restricted Funds

Restricted funds are granted to CAS for a particular purpose. Such reserves are accounted for separately and can only be used for the purpose specified by the donor.

CAS also continues to seek additional sources of funds, over and above the Grant in Aid from BIS to support developments in the services for bureaux and to finance projects. During the year, restricted funds of £9,761,693 (2013/14: £6,385,487) were received. This funding also included an amount of £1,557,000 (2013/14: £1,557,000) in respect of the operation of the Consumer Direct helpline based in Stornoway which provides consumer advice to clients cross the UK.

Expenditure under Restricted Funds was £9,762,597 (2013/14: £6,344,637). A number of projects which support bureaux to provide tailored advice to specific groups such as kinship carers, veterans and clients in fuel poverty continued. In addition, CAS continued to work with the Money Advice Service project providing budgetary guidance to the public. Excluding restricted funds received from BIS to fund consumer transition and helpline costs, CAS received funding of £5,701,993 (2013/14: £4,228,687) in respect of specific advice projects outlined above.

Transfers

During the year, CAS designated a further £61,770 from the General Unrestricted Funds to a Designated Fund to cover the net present value of future payments confirmed for past service deficit contributions on the multi – employer defined benefit pension scheme.

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TRUSTEES' REPORT

Finance Review (continued)

Surplus for the Year

The net effect of the above income and expenditure and transfers are as follows:

	£
General Fund Surplus	268,466
Designated Funds Deficit	(6,893)
Restricted Funds Surplus	<u>252,867</u>
	<u>514,440</u>

Reserves

The following fund reserves were held as at 31 March:

	2015	2014
	£	£
General Funds	620,088	351,622
Designated Funds	524,099	530,992
Restricted Funds	2,643,355	2,390,488
	<u>3,787,542</u>	<u>3,273,102</u>

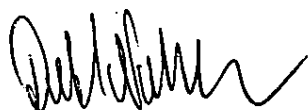
Useable reserves, that are reserves not tied up in fixed assets, were £607,864. A detailed composition of the designated and restricted funds and the reasons for holding these reserves are outlined in note 18 to the annual accounts.

CAS is required to maintain a level of useable reserves principally to meet ongoing obligations at the beginning of each financial quarter before the central grant is received from BIS. The Board of Directors is satisfied that the level of such useable reserves at 31 March 2015 is sufficient to meet ongoing operations given the continued financial support from BIS and guidance associated with this.

Auditor

In accordance with Sections 380 to 385 of the Companies Act 2014, the auditors, RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), will continue in office.

By order of the board



Dominic Notarangelo, Chair

Date

17/12/15

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX

We have audited the financial statements of The Scottish Association of Citizens Advice Bureaux for the year ended 31 March 2015 on pages 12 to 33. 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).

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's trustees 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 charity, its members as a body, and its trustees 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 set out on page 9, the trustees' (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

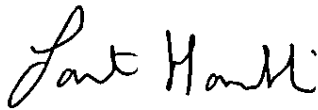
In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF
THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX**

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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



JANET HAMBLIN (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP), Statutory Auditor
Chartered Accountants

First Floor, Quay 2
139 Fountainbridge ~
Edinburgh EH3 9QG

Date *21 December 2015*

RSM UK Audit LLP (formerly BAKER TILLY UK AUDIT LLP) is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income & Expenditure Account)
For the year ended 31 March 2015

	Note	General Funds £	Designated Funds £	Total Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
Incoming resources							
Incoming resources from generated funds							
Voluntary income	2	3,518,036	-	3,518,036	9,718,284	13,236,320	9,829,040
Investment income - Interest receivable		11,580	-	11,580	-	11,580	20,935
		<u>3,529,616</u>	<u>-</u>	<u>3,529,616</u>	<u>9,718,284</u>	<u>13,247,900</u>	<u>9,849,975</u>
Incoming resources from charitable activities	3	192,489	-	192,489	43,409	235,898	303,869
		<u>3,722,105</u>	<u>-</u>	<u>3,722,105</u>	<u>9,761,693</u>	<u>13,483,798</u>	<u>10,153,844</u>
Total Incoming Resources							
Resources Expended							
Costs of generating funds							
Costs of generating voluntary income	4	-	-	-	-	-	17,689
Charitable activities							
Costs of charitable activities	5	2,962,586	68,663	3,031,249	9,762,597	12,793,846	9,960,710
Governance costs	6	<u>175,512</u>	<u>-</u>	<u>175,512</u>	<u>-</u>	<u>175,512</u>	<u>130,852</u>
Total Resources Expended	7	<u>3,138,098</u>	<u>68,663</u>	<u>3,206,761</u>	<u>9,762,597</u>	<u>12,969,358</u>	<u>10,109,251</u>
Net incoming/(outgoing) resources before transfers		584,007	(68,663)	515,344	(904)	514,440	44,593
Gross transfers between funds	18	<u>(315,541)</u>	<u>61,770</u>	<u>(253,771)</u>	<u>253,771</u>	<u>-</u>	<u>-</u>
Net Incoming/(outgoing) Resources after transfers for the year		268,466	(6,893)	261,573	252,867	514,440	44,593
Fund balances 31 March 2014		<u>351,622</u>	<u>530,992</u>	<u>882,614</u>	<u>2,390,488</u>	<u>3,273,102</u>	<u>3,228,509</u>
Fund balances 31 March 2015		<u>620,088</u>	<u>524,099</u>	<u>1,144,187</u>	<u>2,643,355</u>	<u>3,787,542</u>	<u>3,273,102</u>

All the results of the company relate to continuing operations

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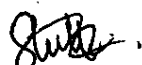
BALANCE SHEET
As at 31 March 2015

COMPANY NUMBER SC089892

	Notes	2015 £	2014 £
Fixed Assets			
Tangible Assets	11	205,261	422,726
Non Current Investment	12	100	100
Current Assets			
Debtors	13	1,533,428	2,038,800
Cash at bank and in hand		<u>5,429,652</u>	<u>3,655,288</u>
		6,963,080	5,694,088
Creditors: Amounts falling due within 1 year	14	<u>(3,380,899)</u>	<u>(2,843,812)</u>
Net current assets		<u>3,582,181</u>	<u>2,850,276</u>
Net assets		<u>3,787,542</u>	<u>3,273,102</u>
Funds			
Unrestricted funds			
General funds		620,088	351,622
Designated Funds	18	<u>524,099</u>	<u>530,992</u>
		1,144,187	882,614
Restricted Funds	18	<u>2,643,355</u>	<u>2,390,488</u>
		<u>3,787,542</u>	<u>3,273,102</u>

These financial statements were authorised and approved for issue by the Board of Directors on

Signed on behalf of the Board of Directors



Stephen Brown
Honorary Treasurer

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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CASH FLOW STATEMENT
For the year ended 31 March 2015

	Notes	2015	2014
		£	£
Net cash inflow/(outflow) from operating activities	19	1,791,655	(532,980)
Returns on investments			
Cash inflow from interest received (gross)		11,580	20,935
Capital expenditure and financial investments			
Payments to acquire tangible fixed assets		<u>(28,871)</u>	<u>(388,713)</u>
Net cash outflow from fixed assets and financial instruments		<u>(28,871)</u>	<u>(388,713)</u>
Increase/(Decrease) in cash		<u>1,774,364</u>	<u>(900,758)</u>
Reconciliation of net cash flow to movement in net funds		2015	2014
		£	£
Increase/(Decrease) in cash in the year		1,774,364	(900,758)
Net funds at 31 March 2014		<u>3,655,288</u>	<u>4,556,046</u>
Net funds at 31 March 2015		<u>5,429,652</u>	<u>3,655,288</u>

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

1. Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, the Statement of Recommended Practice – Accounting and Reporting By Charities (revised 2005), the Companies Act 2006, and the Charities Accounts (Scotland) Regulations 2006.

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 from the date these financial statements are signed. Furthermore, management accounts for the charity are presented at regular intervals to the Audit & Finance Committee 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.

Incoming resources

Voluntary income includes donations and grants that provide core funding or that are of a general nature. Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. If any grant has been provided for a stated purpose (ie purchase of fixed assets), it is carried forward as restricted reserves.

Income from charitable activities includes membership fees and the sale of information products to Bureaux and is recognised as earned (as the related goods and services are provided). Income from charitable activities includes rental income which is included in the year in which it is receivable.

Deferred Income

Deferred income is included in the balance sheet where related expenditure can only take place in a future accounting period.

Resources expended

Expenditure is recognised when a liability is incurred. Expenditure incurred under contractual arrangements is recognised once the supplier of the goods or services has performed their part of the contract for example the delivery of goods or the provision of services.

Grants are made to support individual bureaux. Grants are awarded on successful completion of a rigorous application and committee review process. Payments are provided to bureaux for each individual project based on a tailored financial plan to fit the project critical path. Grant payments are recognised and paid upon acceptance by a bureau of the offer of a grant and in accordance with a tailored financial plan.

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

Accounting policies (continued)

Resources expended (continued)

Expenditure has been classified with reference to the activities performed during the year as follows:

- The costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities includes expenditure associated with providing services and grants to bureaux, the cost of quality and social policy activities and the costs of sales to non member organisations. Costs include both direct costs and support costs.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include the cost of central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. staff costs.

Fund accounting

Funds held by the Association are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.
- Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – these funds arise when money is granted to the Association for a particular purpose or project. Such reserves can only be used for the purpose specified by the donor

Fixed assets and depreciation

Tangible fixed assets are included at historical cost. Assets costing less than £500 are not capitalised. Depreciation is allocated at rates calculated to write off the cost of each asset evenly over its expected useful life as follows:

Motor vehicles	25% straight line basis
Furniture and equipment	10-33% straight line basis

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities and the Income and Expenditure Account over the lease term on a straight line basis. The aggregate benefit of any lease incentives is recognised as a reduction in rental expense and allocated over the shorter of the lease term and a period ending on a date from which it is expected the prevailing rental will be payable.

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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For the year ended 31 March 2015

Accounting policies (continued)

Pension

Two pension schemes were in operation during the period.

The first Scheme is with Pensions Trust and is a multi-employer defined benefit scheme administered independently of the Association. It is not possible to identify on a consistent basis the share of underlying assets and liabilities belonging to individual participating employers.

Accordingly the accounting charge for the period in the Statement of Financial Activities and the Income and Expenditure Account under FRS17 represents the employer contributions payable. The disclosure under FRS 17 is shown in note 17.

The second scheme with Standard Life operates as a defined contribution scheme. The assets of this scheme are also administered independently of the Association. Pension costs charged in the Statement of Financial Activities and the Income and Expenditure Account under this scheme also represent the employer contributions payable.

VAT

The cost of non-recoverable Value Added Tax is expensed in the Statement of Financial Activities.

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NOTES TO THE ACCOUNTS
For the year ended 31 March 2015

2 Incoming resources from generated funds- voluntary income

	2015 £	2014 £
Unrestricted funds		
BIS Grant in Aid	3,495,000	3,458,001
Returns of grant to Development Committee	21,919	25,211
Donations	1,117	4,377
	<u>3,518,036</u>	<u>3,487,589</u>
Restricted Funds		
Scottish Government	2,656,278	2,362,427
BIS	4,059,700	2,156,800
HM Treasury	1,128,950	-
Money Advice Trust	3,740	7,744
Big Lottery - Volunteer Support Team -URN SI/1/010290800	-	200,491
Accountant in Bankruptcy	65,050	65,050
Barclays Bank	-	11,300
Poppy Scotland	414,672	314,323
The Money Advice Service	663,395	670,886
Prudential	44,727	33,333
SCVO	3,002	-
Energy companies	473,950	519,097
Water Industry Commission for Scotland	162,820	-
Scottish Water	40,000	-
Return of Development Grants	2,000	-
	<u>9,718,284</u>	<u>6,341,451</u>
Total	<u>13,236,320</u>	<u>9,829,040</u>

3 Incoming resources from charitable activities

	2015 £	2014 £
Unrestricted funds		
Bureaux membership subscriptions	127,893	116,333
Sales of ancillary products	23,592	28,047
Rent receivable	12,510	12,530
Other income	28,494	102,923
	<u>192,489</u>	<u>259,833</u>
Restricted funds		
Other Income	43,409	44,036
	<u>43,409</u>	<u>44,036</u>
Total	<u>235,898</u>	<u>303,869</u>

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For the year ended 31 March 2015

4 Costs of generating voluntary income	2015	2014
Costs relate to generating grants and donations	£	£
Staff costs	-	10,236
External printing	-	675
Support costs	-	6,778
	<u>-</u>	<u>17,689</u>

In 2014 there was a dedicated fundraising resource and this post was not filled when it became vacant in 2014.

5 Cost of activities in furtherance of charitable objectives

	Staff Costs £	Grants to Bureaux £	Other costs £	Support costs £	Restricted Recharges £	Total 2015 £	Total 2014 £
Unrestricted							
Services to member bureaux							
Provision of information system	173,789	-	116,161	141,969	(175,104)	256,816	377,041
Training & Quality	412,387	-	38,308	272,709	(336,358)	387,047	551,588
Information technology and communication	350,612	-	226,497	310,140	(382,524)	504,724	678,533
Direct field services	247,442	-	67,475	132,077	(162,903)	284,091	437,997
Development Committee grants	-	459,468	-	-	-	459,468	531,658
	<u>1,184,230</u>	<u>459,468</u>	<u>448,441</u>	<u>856,895</u>	<u>(1,056,888)</u>	<u>1,892,146</u>	<u>2,576,817</u>
Social policy and public affairs	524,798	33,707	129,608	382,327	-	1,070,440	1,031,115
	<u>1,709,028</u>	<u>493,175</u>	<u>578,049</u>	<u>1,239,222</u>	<u>(1,056,888)</u>	<u>2,962,586</u>	<u>3,607,932</u>
Designated							
Pensions Deficit	60,522	-	-	-	-	60,522	-
Premises costs	-	-	8,141	-	-	8,141	8,141
	<u>60,522</u>	<u>-</u>	<u>8,141</u>	<u>-</u>	<u>-</u>	<u>68,663</u>	<u>8,141</u>

Unrestricted Support Costs are analysed as follows:

	2015	2014
	£	£
Staff Costs	704,784	387,992
Premises Costs	203,471	294,946
Admin/Office Costs	53,953	55,345
Finance & Professional	300,962	207,602
Depreciation	8,135	33,750
	<u>1,271,305</u>	<u>979,635</u>

Support costs are allocated on the basis of staff numbers

	2015	2014
	£	£
Unrestricted Support Costs	-	6,778
Costs of Generating Funds - Note 4	1,239,222	949,944
Charitable Activities - Note 5	32,083	22,913
Governance - Note 6	<u>1,271,305</u>	<u>979,635</u>

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NOTES TO THE ACCOUNTS
For the year ended 31 March 2015

5 Cost of activities in furtherance of charitable objectives (continued)

	Staff Costs £	Grants to Bureaux £	Other costs £	Restricted Recharges £	Total 2015 £	Total 2014 £
Restricted						
Money Advice Trust	-	-	2,515	2,493	5,008	11,733
Money Advice (MATRICS)	59,006	-	5,400	5,332	69,738	71,348
DTI Mid term review	-	-	6,627	-	6,627	6,627
Patient Advice and Support Service	73,860	966,396	140,310	20,700	1,201,266	1,094,384
Scottish Housing Advisory Service	-	-	-	7,248	7,248	-
Castle	-	-	477	-	477	477
Kinship (Grants to bureaux)	18,410	99,000	3,032	18,500	138,942	147,564
SSE	-	30,000	-	1,500	31,500	31,500
Big Lottery - Investing in communities	-	-	396	-	396	215,846
Armed Services Advice Project	24,360	368,623	10,638	7,211	410,833	336,782
Volunteer Development Officer	-	-	-	-	-	153
The Money Advice Service	91,865	477,677	25,855	23,422	618,818	639,324
Castle Case Management	-	-	9,515	-	9,515	1,650
Year end BIS (1)	-	-	66,497	-	66,497	95,926
Financial inclusion prudential	52,270	-	28,794	12,891	36,367	51,282
Energy Best Deal	-	169,950	7,948	-	177,898	56,653
Change Programme	-	-	51,561	-	51,561	93,135
CAD Consumer	34,043	1,102,534	314,520	10,000	1,461,097	1,516,286
Admin Bis	-	-	1,952	-	1,952	2,815
Petra	-	-	-	-	-	(939)
Energy Best Deal Extra	-	15,750	1,448	-	17,198	19,150
Barclay Skills	-	-	4,500	-	4,500	11,300
Big Energy Savings Week	-	-	-	-	-	23,100
Energy Best Deal Plus	-	-	10,770	4,900	15,670	-
Welfare Reform	-	1,341,113	38,859	44,402	1,424,374	1,032,825
Martin Lewis	-	-	-	-	-	85,000
Consumer Futures Transition	6,730	-	28,733	-	35,463	463,749
Welfare Sanctions	-	19,800	10,179	-	29,979	19,614
Sales Guarantee	-	167,299	2,684	2,319	172,302	-
Shared Services	20,674	-	494,874	-	515,548	317,353
Pensionwise	6,821	202,080	657,123	122,926	988,950	-
SCVO Intern	3,002	-	-	-	3,002	-
Water forum	-	-	23,899	14,000	37,899	-
Consumer Futures Work Programme	-	-	209,305	-	209,305	-
Extra Help Unit	637,243	-	328,436	491,688	1,457,367	-
Consumer Futures	258,579	-	29,366	267,356	555,301	-
	<u>1,286,863</u>	<u>4,960,222</u>	<u>2,458,624</u>	<u>1,056,888</u>	<u>9,762,597</u>	<u>6,344,637</u>

6 Governance costs

	2015 £	2014 £
Staff costs	62,601	66,541
Board and committee costs	31,730	21,198
External audit	22,380	13,463
Legal and Professional Fees	21,154	3,369
Other costs	5,564	3,368
Support costs	32,083	22,913
Total	<u>175,512</u>	<u>130,852</u>

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For the year ended 31 March 2015

7 Net Incoming/(outgoing) resources for the year before transfers	2015	2014
	£	£
This is stated after charging:		
Irrecoverable VAT	119,453	28,902
Depreciation	246,336	267,022
Auditors' remuneration		
External audit	22,380	10,500
Other Services: Tax Advisory Services from related parties	38,570	96,876
Operating lease rentals - land and buildings	71,267	191,197

8 Staff costs	2015	2014
	£	£
Wages and salaries	2,869,864	2,179,360
Social security costs	252,999	206,414
Other pensions costs	378,565	295,613
	<u>3,501,428</u>	<u>2,681,387</u>

The average monthly number of employees during the year was 116 (2014:79) made up as follows:

	2015	2014
	Number	Number
Administration	38	24
Professional staff	78	55
	<u>116</u>	<u>79</u>

Trustees are not remunerated. 14 Trustees (2013:13) received reimbursement of expenses for attending meetings amounting to £12,546 (2014: £9,399)

	2015	2014
	Number	Number
Employees' emoluments (excluding employers pension contributions) falling within the band:		
£60,000 - £70,000	<u>2</u>	<u>1</u>

9 Corporation Tax

The Association is a registered charity and is exempt from taxation on income and gains where they are applied for charitable purposes.

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For the year ended 31 March 2015

10 Related Party Transactions.

Citizens Advice Scotland (Trading) Limited is a fully owned subsidiary of CAS. During the year to 31 March 2015 it did not trade. The loan of £500 from CAS remains outstanding at the year end. One trustee received fees of £250 during 2014/15 (2013/14: one trustee received £460). Amounts paid during the year to Bureau which are connected to Trustees amounted to £1,129,845 (2014: £837,132). Amounts outstanding from bureaux at the year end which are connected to £58,160 (2013/14: £135).

Bureau	Grant £	Outstanding £
Maryhill CAB	61,419	-
Easterhouse CAB	31,653	7
Shetland CAB	29,695	-
Clackmannanshire CAB	102,574	58,094
Aberdeen	100,170	-
Parkhead	48,725	-
Dundee	184,917	100
Penicuik	62,019	100
Lochaber	10,643	96
Airdrie	299,461	-
Edinburgh Central	198,569	(237)
	<u>1,129,845</u>	<u>58,160</u>

11 Fixed assets
Tangible Fixed Assets

	Furniture & equip. £	Motor vehicles £	Total £
Cost			
At 1 April 2014	2,408,141	127,955	2,536,096
Additions	28,871	-	28,871
Disposals	-	-	-
At 31 March 2015	<u>2,437,012</u>	<u>127,955</u>	<u>2,564,967</u>
Depreciation			
At 1 April 2014	1,985,415	127,955	2,113,370
Charge for year	246,336	-	246,336
Disposals	-	-	-
At 31 March 2015	<u>2,231,751</u>	<u>127,955</u>	<u>2,359,706</u>
Net book value			
At 31 March 2015	<u>205,261</u>	<u>-</u>	<u>205,261</u>
At 31 March 2014	<u>422,726</u>	<u>-</u>	<u>422,726</u>

All Tangible Fixed Assets are held for charity use by the charitable company.

12 Investments

Citizens Advice Scotland (Trading) Limited is a wholly owned subsidiary of CAS but has not been consolidated as, in the opinion of the Trustees, the figures would be of no value to the members. At 31 March 2015 the Company had capital and reserves of £100 and had not traded during the year.

13 Debtors	2015 £	2014 £
Trade debtors	66,616	7,876
Prepayments and accrued income	1,312,342	1,885,837
Due from bureaux	67,049	5,514
Other debtors	87,421	139,573
	<u>1,533,428</u>	<u>2,038,800</u>

Within Prepayments and accrued income of £1,312,342 is a prepayment of £548,018 (2014: £725,071) relating to a payment to British Telecom in respect of a contract to provide network infrastructure to CAS and the Scottish CAB service over a five year period on a phased rollout until 2018/19.

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NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

14 Creditors: Amounts falling due within one year	2015	2014
	£	£
Trade creditors	1,505,398	804,036
Sundry creditors and accruals	1,738,507	1,467,250
Other taxes and social security costs	73,590	486,631
Pension	63,404	85,895
	<u>3,380,899</u>	<u>2,843,812</u>

Included in sundry creditors and accruals above are amounts of deferred income as follows:

Balance at start of year	1,078,795	983,333
Released in year	(1,078,795)	(983,333)
Deferred in year	1,111,420	1,078,795
Balance at end of year	<u>1,111,420</u>	<u>1,078,795</u>

15 Commitments

The Company has the following commitments in respect of annual rentals for land and buildings under existing operating leases.

	2015	2014
	£	£
On leases expiring within one year	<u>3,600</u>	<u>3,600</u>
On leases expiring between two and five years	<u>-</u>	<u>-</u>
On leases expiring after 5 years	<u>265,114</u>	<u>214,127</u>

The Development Committee approved and committed grants to Bureaux which were outstanding at the year end of £1,615 for 2015/16 (2014/15 £352,199) and nil for 2016/17 (2015/16 £Nil)

16 Share capital

The company is limited by guarantee and has no share capital.

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

17 Pension obligations regarding participation in multi-employer defined benefit plan

Background

As per note 1 the Association participates in 2 pension schemes. One of these, the Pensions Trust's Growth Plan (the Plan), is a multi-employer defined benefit scheme. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual employers participating in the Plan. The Plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 and SORP 2005 represents the employer contribution payable. The last actuarial valuation of the Plan revealed a deficit further information in relation to which is given below.

Deficit on plan

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Scheme Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.

The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

	% per annum
- Rate of return pre-retirement	4.9
- Rate of return post-retirement	
Actives/deferred	4.2
Pensioners	4.2
- Bonuses on accrued benefits	0.0
- Inflation: Retail Prices Index (RPI)	2.9
- Inflation: Consumer Prices Index (CPI)	2.4

In determining the Investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary is currently finalising the 2014 valuation and results will be communicated in due course. At 30 September 2013, the market value of the Plan's assets at that date was £772 million and the Plan's Technical Provisions (i.e. past service liabilities) was £927 million. The update, therefore, revealed a shortfall of assets compared with the value of liabilities of £155 million, equivalent to a funding level of 83%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall by eliminating the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these. The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

17 Pension obligations regarding participation in multi-employer defined benefit plan (cont'd)

scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions. The proposed recovery plan aims to eliminate the deficit through a combination of additional contributions from employers and investment returns over a period of 10 years commencing on 1 April 2013. Under the recovery plan the Association made, as required, additional contributions of £60,522 during the year to 31 March 2015. This will rise to £62,337 for the year to 31 March 2016, the additional contributions increase on 1 April each year by 3% per annum compound.

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.

Future position regarding accounting for deficit contributions to the plan

For accounting periods commencing on or after 1 January 2015 the Association will be obliged to adopt the accounting standards: FRS 102 and the Charities SORP (FRS 102). These require an alternative accounting policy to be followed in relation to multi-employer defined benefit schemes relative to that per SORP 2005 in the following circumstances: where contributions to such a scheme are accounted for as if it were a defined benefit scheme, there is a deficit on the scheme and an agreement has been entered into to make payments to fund any deficit in relation to past service. Under FRS 102 in these circumstances a liability must be recognised corresponding to the present value of these "deficit contributions" payable under the agreement with the multi-employer plan.

Under FRS102 therefore, the Association would need to account for a liability. In preparation for FRS 102 the Pensions Trust has issued a tool for members to calculate their potential liabilities and this has been adopted for the current year giving a potential liability of £517,000 based on the deficit contributions it is required to make to the Plan over the remaining 8 year period to 31 March 2023 based on a discount rate of 1.74%. (In 2013/14 this was estimated at £515,752 using a discount factor of 3.519%). As the accounts have been prepared using SORP 2005 this liability has not been recognised however due to the magnitude of the amount and the impending implementation of FRS 102 the Board considers it necessary to bring it to the attention of the reader of the accounts and has designated an amount equal to the net present value of these payments in note 18.

Contingent liability on withdrawal from plan

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt. The leaving employer's share of the buy-out debt is the proportion of Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of

NOTES TO THE ACCOUNTS

For the year ended 31 March 2015

17 Pension obligations regarding participation in multi-employer defined benefit plan (cont'd)

current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). The calculation basis that applies to the Growth Plan was amended due to a change in the definition of money purchase contained in the Pensions Act 2011. The calculation basis that applies to the Plan will be amended to include Series 3 liabilities in the calculation of an employer's debt on withdrawal. The Plan is a "last man standing" multi- employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit on the Plan. The Plan is currently being revalued in respect of 2014 and any changes arising will be applied from 2016 onwards.

The Association has been notified by The Pensions Trust that its estimated employer debt on withdrawal from the Plan, based on the financial position of the Plan as at 30 September 2014, would be £902,685.

As the Association has no plans to withdraw from the Plan in the foreseeable future, continues to have active members within the Plan and has not been advised or become aware of any intentions for the Plan to be wound up it is not appropriate to include the aforementioned amounts as a liability in the accounts.

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18 Restricted & Designated Funds

	Balance at 31.03.14	Income 2014/15	Other Transfers	Spend 2014/15	Closing Balance 31.03.15
	£	£	£	£	£
Designated					
AGM/Annual Conference	6,869	-	-	-	6,869
East Wing Fit Out	8,371	-	-	(8,141)	230
Pensions Trust	515,752	-	61,770	(60,522)	517,000
	530,992	-	61,770	(68,663)	524,099
Restricted					
Money Advice Trust	-	3,740	1,268	(5,008)	-
Money Advice (MATRICS)	1,237	68,947	-	(69,738)	446
DTI Mid term review	27,900	-	-	(6,627)	21,273
Patient Advice and Support Service	84,167	1,149,662	-	(1,201,266)	32,563
Scottish Housing Advisory Service	7,248	-	-	(7,248)	-
Castle	1,431	-	-	(477)	954
Kinship	16,910	146,000	-	(138,942)	23,968
Scottish & Southern Energy - Fuel Poverty	-	31,500	-	(31,500)	-
Big Lottery - Volunteer Support Team	397	-	-	(396)	1
Armed Services Advice (previously Veterans)	16,582	414,672	-	(410,832)	20,422
Volunteer Development Officer	9,894	-	-	-	9,894
Otto Thoresen	13,182	-	-	-	13,182
The Money Advice Service	31,562	663,395	(1,268)	(618,818)	74,871
Castle Case Management	11,875	-	-	(9,515)	2,360
Year end BIS (1)	75,042	-	-	(66,497)	8,545
Energy Best Deal E-Learning	2,500	-	-	-	2,500
Financial Inclusion Prudential	19,712	78,904	-	(36,367)	62,249
Energy Best Deal	48,150	442,450	(11,528)	(177,898)	301,174
Change Programme 2014	65,087	-	-	(51,561)	13,526
CAD Consumer	69,058	1,607,002	-	(1,461,097)	214,963
Disability & Human Rights	28,000	-	-	-	28,000
Energy Best Deal Plus	4,655	-	11,015	(15,670)	-
Energy Best Deal Extra	16,685	-	513	(17,198)	-
Big Energy Savings Week	12,792	-	-	-	12,792
Barclay Money Skills	-	5,000	-	(4,500)	500
Welfare Reform	72,837	1,360,616	(2,457)	(1,424,374)	6,622
Admin Help	42,653	-	-	(1,952)	40,701
Petra	12,712	-	-	-	12,712
Shared Services	1,182,647	-	514,246	(515,548)	1,181,345
Welfare - Sanctions	27,522	-	2,457	(29,979)	-
Consumer Futures Transition	136,051	-	-	(35,463)	100,588
Sales Guarantee	352,000	335	-	(172,302)	180,033
Pension Wise	-	1,128,950	(140,000)	(988,950)	-
SCVO Intern	-	3,002	-	(3,002)	-
Customer Forum	-	162,820	-	(37,899)	124,921
Consumer Futures Work Programme	-	262,900	-	(209,305)	53,595
Development Returns	-	2,000	-	-	2,000
Extra Help Unit	-	1,544,613	(87,246)	(1,457,367)	-
Consumer Futures	-	685,185	(33,229)	(555,301)	96,655
	2,390,488	9,761,693	253,771	(9,762,597)	2,643,355

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NOTES TO THE ACCOUNTS
For the year ended 31 March 2015

18 Restricted & Designated Funds

Fund balances at 31 March 2015 are represented by

	Tangible Fixed assets £	Net Current Assets £	Total Assets £
Designated funds			
AGM/Annual Conference	-	6,869	6,869
East Wing Fit Out	231	(1)	230
Pensions Trust	-	517,000	517,000
	231	523,868	524,099
Restricted Funds			
Money Advice (MATRICS)	-	446	446
DTI Mid term review	21,275	(2)	21,273
Patient Advice and Support Service	-	32,563	32,563
Castle	954	-	954
Kinship Care	-	23,968	23,968
Big Lottery - Investing in Communities	-	1	1
Armed Services Advice (previously Veterans)	361	20,061	20,422
Volunteer Development Officer	-	9,894	9,894
Otto Thoresen	-	13,182	13,182
The Money Advice Service	-	74,871	74,871
Castle Case Management	-	2,360	2,360
Year end BIS (1)	8,545	-	8,545
Energy Best Deal E-Learning	-	2,500	2,500
Financial Inclusion Prudential	-	62,249	62,249
Energy Best Deal	-	301,174	301,174
Change Programme 2014	13,526	-	13,526
CAD Consumer	-	214,963	214,963
Disability & Human Rights	-	28,000	28,000
Big Energy Savings Week	-	12,792	12,792
Barclay Money Skills	-	500	500
Welfare Reform	-	6,622	6,622
Admin Help	-	40,701	40,701
Petra	-	12,712	12,712
Shared Services	90,881	1,090,464	1,181,345
Consumer Futures Transition	57,264	43,324	100,588
Sales Guarantee	-	180,033	180,033
Customer Forum	-	124,921	124,921
Consumer Futures Work Programme	-	53,595	53,595
Development Returns	-	2,000	2,000
Consumer Futures	-	96,655	96,655
	192,806	2,450,549	2,643,355
Unrestricted general funds	12,224	607,864	620,088
Total	205,261	3,582,281	3,787,542

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18. Restricted and designated funds (continued)

Designated funds

Annual Conference/General Meeting

This money represents the accumulated surplus from previous Citizens Advice Scotland annual conferences. It is set aside to fund future Annual General Meetings and Conferences.

East Wing Fit Out

This money was set aside to complete the fit out of the east wing office area of Spectrum House. The balance in this fund represents the net book value of the assets purchased at that time.

Pensions Trust

This money was set aside from general funds to build up a reserve to cover potential liabilities arising under the Pensions Trust Growth plan. Further details of the potential liability are provided in note 17 – Pension obligations.

Restricted funds

Money Advice Trust

Money received from Money Advice Trust for the delivery of generalist level money advice training and materials to support in-house delivery of training. Additional funds have been received to maintain the wiseradviser.org website and to produce e-learning materials.

Money Advice

Money received from the Scottish Government to implement jointly with Money Advice Scotland the Money Advice Training, Resources, Information and Consultancy Service (MATRICS) project. The objectives of the project is to provide the free-to-client money advice sector with training, consultancy support and resources to help ensure quality services for people with unmanageable debt throughout Scotland.

DTI Mid term review

Money received from BIS as part of a mid term review to fund a number of one off projects and capital items which could not be funded from the core grant in aid. Three projects were funded; a management training program, a research project and the installation of a secondary generator at Spectrum House in order to ensure that bureaux have uninterrupted access to the CASTLE case recording system in the event of a power cut. The balance represents the net book value of the assets purchased at the time.

Patient Advice & Support Service

Money received from the Scottish Government to develop a model for a service to help people to complain under the new NHS complaints procedure. The unit has provided support to bureaux, including establishing steering group and an advisory group and has facilitated agreement between bureaux and local Health Boards.

Scottish Housing Advisory Service

The Association was a member of the Scottish Housing Advisory Service: a consortium which provided a linked set of services to advisers in order to deliver quality housing advice. The consortium delivered an advice line, information and training to approximately 150 agencies. Money was received by the Association to provide free training to these agencies. Funding for the project came to an end on 31 March 2010.

Castle

Money received from a repayment of VAT which has funded further development of the CASTLE case recording software and a pilot project to implement the software in five bureaux. The project was completed successfully in the year ended 31 March 2010. The balance represents the net book value of assets purchased at the time.

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For the year ended 31 March 2015

18. Restricted and designated funds (continued)

Kinship Care

Funding received from the Scottish Government and Highland Council to support the Scottish Government's consultation on a national fostering and kinship care strategy and in particular to improve kinship care services for children and young people.

Scottish & Southern Energy Fuel Poverty

Funding received from Scottish and Southern Energy for the provision of delivering energy advice to CAB clients in England, Scotland and Wales by embedding energy advice into the ethos of the advice service.

Big Lottery – Investing in Communities – URN SI/1/010290800

Funding was received from the Big Lottery-Investing in Communities fund in order to fund a volunteer support project to increase the training and learning opportunities available to bureaux staff and volunteers. CAS received funds over five years which ended in 2014.

Armed Services Advice Project

Funding received from Poppy Scotland for the purpose of the provision of advice to members of the Armed Forces Community (AFC). The long-term goal of the project will be to have in place support so that any member of the AFC should be able to approach a CAB or a national telephone line and be certain that the bureau network can: provide general advice relevant to the AFC and act as a signpost to more specific support, advice and information as appropriate for the AFC.

Volunteer Development Officer

Funding provided by Highland Council to fund a Volunteer Development Officer for Highland bureaux. The objectives of the project are to assist Highland bureaux with training of new and existing advisers and the recruitment of volunteers.

Otto Thoresen

Otto Thoresen, former Chief Executive of life and pensions company AEGON UK, embarked on a 10 day cycling trip from Lands End to John o'Groats in September 2009 in order to raise funds for Scottish bureaux.

The Money Advice Service (formerly Money Made Clear)

Funding received from The Money Advice Service (formerly CFEB) for a three year project with an option to extend for a further 2 years to provide face to face money guidance to the public. Funding is based upon delivery of money guidance sessions and is paid 50% in advance and 50% in arrears.

Castle Case Management

Funding of £50,000 received from BIS in order to make improvements to the CASTLE software - specifically to improve the case management functionality of the software.

Year End BIS (1)

Funding of £184,031 received from BIS to fund the work undertaken to take forward proposed reforms to the institutional consumer landscape and to facilitate a number of internal reviews initiated by the Chief Executive Officer in November 2010. Further funding of £730,000 was received from BIS to primarily finance investment in IT hardware, related software, installation and training for Bureaux across Scotland. It also allowed investment to upgrade communications, training and meeting facilities. The balance represents the net book value of assets purchased at the time.

Energy Best Deal E-Learning

Funding received from Consumer Focus Scotland to develop an interactive e-learning module to accompany the Energy Best Deal Scotland Campaign.

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NOTES TO THE ACCOUNTS
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18. Restricted and designated funds (continued)

Financial Inclusion Prudential

Funding made available by Prudential to CitA and CAS for the provision of the Financial Skills for Life programme, including the recruitment of additional financial capability staff resource by Citizens Advice Scotland.

Energy Best Deal

Funding has been made available by six Energy Suppliers to both CitA and CAS to provide advice sessions to vulnerable groups to get the best deals on energy.

Change Programme 2014

This is funding received from BIS for the transitional phase of the Scottish element of the Consumer Programme. This relates to the pre implementation planning relating to the possible future functioning of Consumer related activities in Scotland. It also covers the transition costs for the Consumer Direct contract based in Stornoway that started successfully on 2 April 2012. This funding also facilitated investment in modernising the Web Site and on upgrading out of date financial systems to improve financial planning and management capabilities. The balance represents the net book value of assets purchased at the time.

CAD Consumer

This is funding received from BIS towards the on-going costs of the Consumer Direct contract based in Stornoway which started on 2 April 2012.

Disability & Human Rights

Funding received from CitA to carry out enhancements to Advisernet information

Energy Best Deal Plus

Funding received from the six Energy Suppliers for a pilot project among CABs to develop a referrals scheme whereby eligible customers can be referred to the Warm Homes Discount Scheme.

Energy Best Deal Extra

Funding received from the six Energy Suppliers. Following on from the Energy Best Deal sessions, a significant number of people have found it difficult to take the follow-up actions needed on their own. This funding will help Bureaux to provide access to further support needed.

Big Energy Savings Week

In October 2012, Citizens Advice in Scotland, England & Wales co-ordinated Big Energy Savings Week in partnership with a diverse range of organisations, including Government, charities, advice agencies and energy suppliers. This initiative was designed to raise consumers' awareness of the help available to them regarding energy bills. The main six energy suppliers have contributed funding to provide bureaux with small grants to support their planned activities throughout the week.

Barclay Money Skills

Funding received from Barclays Bank as part of the management arrangements of the Barclays Money Skills 'champions' project. This is an innovative peer education project designed to build the money management skills of young people aged 16-25, particularly those who are not currently in education, employment or training.

Welfare Reform

Funding received from the Scottish Government to provide additional training and resources for front-line advice and support services in relation to welfare benefits.

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NOTES TO THE ACCOUNTS
For the year ended 31 March 2015

18. Restricted and designated funds (continued)

Admin Help

Additional funding of £77,500 received from BIS to provide an appropriate support function to ensure that the Consumer Programme team is well managed and able to undertake all required project management tasks.

Petra

Funding of £25,000 from BIS to complete a gap analysis and thus be able to put a CAS mark on the Petra software procurement.

Shared Services

Funding of £1,500,000 received from BIS in early 2013 which is being spent on making improvements to the IT infrastructure and data storage facilities for both CAS and Bureaux. This has been supplemented by additional funding of £514,246 of which £250,000 was transferred from unrestricted funds.

Welfare – Sanctions

Funding received from the Scottish Government to mitigate the impact of sanctions on individuals who may be in crisis.

Consumer Futures Transition

This funding was received from BIS to continue the collaborative work of Citizens Advice, Consumer Focus and BIS towards the seamless transition of Consumer Futures in April 2014.

Sales Guarantee

Funding of £352,000 received from SSE for the delivery of fuel poverty projects.

Pension Wise

Funding received from HM Treasury to design and implement the Pension Wise guidance service across the Scottish CAB service. This service went live on 1 April 2015.

SCVO Intern

Funding received via SCVO for an intern.

Customer Forum

The Customer Forum is funded by the Scottish Government through the Water Industry Commission for Scotland and is specifically tasked with facilitating customer engagement in the context of the Strategic Review of Charges (SRC) 2015-2021.

Consumer Futures Work Programme

This is funding received from DBIS via levy grant funding to deliver the Consumer Futures work programmes across the regulated industries: Energy, Post, Cross-sector, and Water.

Development Returns

This represents a return of funding to the Development Committee which has been set aside for re-allocation.

Extra Help Unit

Funded by DBIS, the Extra Help Unit is a team of telephone caseworkers based in Glasgow that helps people and micro-business throughout Great Britain who have complex energy or postal complaints.

Consumer Futures

Funded by DBIS, Consumer Futures carries out research, analysis and representation of consumers on a wide range of issues relating to energy and postal markets and other regulated markets across Great Britain. It also has responsibility for representing the interests of water consumers in Scotland.

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NOTES TO THE ACCOUNTS
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19 Net cash (outflow)/ inflow from operating activities

Reconciliation of operating surplus to net cash inflow from operating activities	2015 £	2014 £
Net Incoming Resources	514,440	44,593
Interest receivable during year	(11,580)	(20,935)
Operating surplus	<u>502,860</u>	<u>23,658</u>
Depreciation	246,336	267,022
Decrease in stocks	0	5,469
(Increase)/Decrease in debtors	505,372	(1,179,199)
Increase in creditors	537,087	350,070
Net cash inflow/(outflow) from operating activities	<u>1,791,655</u>	<u>(532,980)</u>