



THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX

**Financial Statements
For the year ended 31 March 2020**

Companies House Registration Number SC089892

Financial Statements

For the year ended 31 March 2020

Contents

| | |
|--|----|
| Trustees Report including Strategic Report..... | 4 |
| Independent Auditors report to the Trustees and Members..... | 18 |
| Statement of Financial Activities..... | 21 |
| Balance Sheet..... | 22 |
| Cash Flow Statement..... | 23 |
| Notes to the Accounts | 24 |

Trustees during the year ended 31 March 2020

| | |
|--------------------|--|
| Rory Mair | Appointed Chair 28 March 2017 Re-elected Chair 20 February 2020 |
| Graeme Bissett * | Appointed 28 March 2017 and Vice Chair 28 April 2018 Re-elected Vice Chair 20 February 2020 |
| Martyn Buckley # | Appointed 28 March 2017 and stood down 20 February 2020 |
| David Dunn * | Appointed 6 March 2019 |
| Shareen Gault * | Appointed 28 March 2017 and stood down 20 February 2020 |
| Nicholas Grier # | Appointed 28 March 2017 and re-elected 20 February 2020 |
| Lindsay Hall # | Appointed 28 March 2017 and re-elected 20 February 2020 |
| Sandra Heidinger * | Appointed 6 March 2019 |
| Sue Irving # | Co-opted 7 September 2018, appointed 6 March 2019 and resigned 7 June 2019 |
| Gil Long # | Co-opted 16 August 2018 and appointed 6 March 2019 |
| Valerie Maehle # | Appointed 20 February 2020 |
| Karen Nailen # | Appointed 3 December 2015 and re-elected 20 February 2020 |
| David Rankin * | Appointed 28 March 2017 and re-elected 20 February 2020 |
| Simon Rennie * | Appointed 20 February 2020 |
| Stephen Rowan # | Co-opted 7 June 2019 and elected 20 February 2020 |
| Callum Thomson * | Appointed 28 March 2017 and re-elected 20 February 2020 |

*** denotes External Trustee**

denotes Bureau Trustee

Senior Leadership Team:

| | |
|------------------|---|
| Derek Mitchell | Chief Executive Officer |
| Anne Lavery | Deputy Chief Executive Officer |
| Aaliya Seyal | Director of Customer Journey, resigned 20 November 2019 |
| George Eckton | Director of Advice Services, appointed 6 January 2020 |
| Polly Tolley | Director of Impact |
| David Brownlee | Head of Bureaux Services |
| Frances Donnelly | Head of Finance |
| Iain Forrester | Head of Information Technology |
| Kieron Higgins | Head of Communications, appointed 13 May 2019 |
| Natasha Gilmour | Head of Extra Help Unit |
| Vikki Shelton | Head of Human Resources |
| Gillian Fyfe | Strategic Lead, Strong Communities, appointed May 2019 |
| Kate Morrison | Strategic Lead, Fair and Simple Markets, appointed May 2019 |
| Mhoraig Green | Strategic Lead, Social Justice, appointed May 2019 |
| Myles Fitt | Strategic Lead, Financial Health, appointed May 2019 |
| Jenifer Johnston | Business Development Manager, appointed 21 October 2019 |
| Jonathan Watt | Programme Manager, appointed 10 February 2020 |

Auditors:

Saffery Champness LLP

Edinburgh Quay, 133 Fountainbridge, Edinburgh, EH3 9BA

Bankers:

Bank of Scotland, 51 South Clerk Street, Newington, Edinburgh EH8 9PP

Legal Advisors:

Burness Paul, 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ

Registered at Companies House number SC089892

Citizens Advice Scotland is a Registered Scottish Charity number SC016637

Registered and Principal Office: First Floor, Broadside, 2 Powderhall Road, Edinburgh, EH7
4GB

Trustees Report including Strategic Report

Strategic Report

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).

Scotland's Citizens Advice Network empowers people in every corner of Scotland through our local bureaux and national services by providing free, confidential, and independent advice. We use people's real-life experiences to influence policy and drive positive change. We are on the side of people in Scotland who need help, and we change lives for the better.

At the heart of the network there are 59 individual Citizens Advice Bureaux organisations across Scotland, all operating as independent charities in their own right and generally focusing on providing support directly to clients. Each of these organisations is a member of Citizens Advice Scotland.

As the national component of the network, Citizens Advice Scotland provides training and information to bureau teams, as well as a rigorous quality assurance and monitoring programme, ensuring that the same high quality of advice is available across Scotland. We work to secure national programmes and projects that provide support to individuals on specific issues (in Scotland and across Great Britain), delivered through bureaux wherever possible and directly where that is most appropriate. We also carry out research, policy work and campaigning on key issues - based on a statistical analysis of the advice sought by clients from across the network.

The end of 2019-20 also saw the impact of Covid-19 begin to be felt across the UK, and this report captures some of the network's initial response to the pandemic to ensure people could still receive advice.

Our vision and purpose

The Scottish Citizens Advice network has a footprint in every local community in Scotland and by linking this local offering with our national expertise in advice provision, which includes consumer and energy issues, we can ensure that people can access advice where and how they want, regardless of where they live in Scotland.

Our work is two-fold; advice and advocacy.

We hold the largest data set on societal issues outside the public sector and because we are wholly independent from government, we can use our insight, evidence and influence to provide a genuine voice for people.

Our advocacy work spans working with governments, regulators and business at a UK and Scottish level on improving areas of particular detriment, undertaking research and delivering awareness and education campaigns.

We combine high quality research, first hand consumer case studies from across the Citizens Advice Scotland network and industry monitoring to identify and analyse existing and potential consumer issues. This work allows us to then engage with decision makers in government, companies and regulators and achieve changes that will benefit consumers in Scotland.

This virtuous circle of advice and advocacy delivers results for communities across Scotland.

We believe that every citizen in Scotland should have access to free, impartial and confidential advice that helps them make informed decisions, whenever they need it and however they choose to access it.

Strategic framework

We aim to build a fairer society by enhancing and adding value for the Citizens Advice network, which provides free access to quality information and advice for all, and by influencing for positive change.

In 2017-18 we created a strategic framework following an extensive programme of consultation and discussion.

This framework is comprised of four strategic focus areas:

1. Funding and income – appropriate funding and income is critical to the Citizens Advice network and we have a key role to play in securing it.
2. Enabling service delivery – high quality advice and information should be available for all who need it – and to make that a reality we must work together effectively across the network.
3. Building brand. The brand of Citizens Advice Scotland is a valuable asset. We believe it should be protected and that by building it we can provide greater support to the network and to citizens.
4. Advocacy and influence. Citizens Advice Scotland acts as a voice for the network in Scotland, influencing decision makers in the interests of the network as a whole and of citizens.

Trustees Report

Funding and income

We recognise that appropriate funding and income is critical to the success and impact of the whole Citizens Advice network in Scotland, and that we have a key role to play in securing it.

Impact in 2019-20

Secured and passed on £11,086,744 in funding to network members.

Appointed Business Development Manager to focus on income generation opportunities.

Particular tendering support for CAB was provided as local authorities tendered for core service, successfully resulting in the CAB retaining the contract for core services.

CAS has used its national reach to help in the negotiation with Scottish Government ministers on behalf of local CAB with regard to the suspension of European Social Fund funding, which was causing particular issues in CAB cash-flow in several areas.

Enabling service delivery

Our network has a footprint in every community in Scotland and we work to ensure that every bureau is supported to be able to deliver the confidential, impartial and expert advice that people across the country have come to expect.

Impact in 2019-20

Our Extra Help Unit based in Glasgow unlocked £1,915,910 in financial redress for consumers.

In the early weeks of the lockdown the CAS IT team worked at an unprecedented pace and scale to ensure remote working capability for CAS and the wider network.

Continued funding through the welfare reform mitigation funding to enable local outreach and partnership delivery, with more than 500 local partnerships supported to better reach vulnerable groups who are most at risk of financial exclusion.

CAS funded North Lanarkshire bureaux to deliver a collaborative project to test multi-channel debt advice delivery which is successfully showing the benefits of flexible debt advice through several communications channels, which has increased the number of people who can be helped, reducing waiting times and supported better ongoing engagement throughout debt advice process.

We introduced upgrade to our learning management system CASlearn. Feedback from the network has been very positive about the improvements made.

The advice project telephony services previously delivered by CAD have now been successfully transitioned into the network, both the Armed Service Advice Project (ASAP) and the Kinship Care advice lines are being delivered through new CAB services operating from Motherwell (ASAP) and Airdrie (kinship care).

The CAS Training Team provided support for the Money Talk Team EU Settlement Service and Patients Advice service, producing e-learning modules illustrating different client journeys.

The EU settlement support scheme has successfully supported over 5,600 EU Citizens throughout Scotland, launching a full time national helpline, and 59 CAB providing specialist EU settlement scheme support are now active in the delivery of advice to EU nationals.

The Scottish Government have also provided additional funding to develop legal support for the service.

Building brand

We've been helping people for 80 years, and are recognised in communities and on high streets across Scotland. Our brand is a valuable asset. We believe it should be protected and that by building it we can provide greater support to the network and to citizens.

Impact in 2019-20

Rounded off the celebration of our 80th anniversary with an event in the Scottish Parliament, attended by MSPs, Stakeholders and representatives from across the network, this event including a short film made by writer and anti-poverty campaigner Darren 'Loki' McGarvey visiting Pollok CAB.

During the 2019 General Election the five party leaders in Scotland made a video pledging their support for the Citizens Advice network.

Established 'Voice' an in-house magazine for the network.

Maintained Brandbase, our online portal for Bureaux to buy branded content, and supplied bureaux with further communications and campaigns toolkits.

Our national campaigns increased our profile including marketing on billboards phone boxes and bus shelters across Scotland as well as increasing our presence on commercial radio with adverts running during our Big Energy Savings Week and Council Tax: Check to Save campaign.

As the Covid-19 pandemic led to a lockdown in March, we partnered with the Scottish Government for a marketing campaign towards the end of the financial year, with advertising across digital, television and radio directing people towards our services.

Research and evaluation reveals the strength of our brand, with high scores among the general public and MSPs for brand awareness and brand trust.

Work continued to extend the CAB Footprint and work has been initiated with CAS working with North Ayrshire Council from their premises to do so, along with continued engagement and business case presentations to Inverclyde and South Ayrshire.

CAS has supported the work of local CAB engaging with Universities and their students, to enable volunteering to be recognized as an integral part of student practice, and been working with the Faculty of Advocates, the Law Society of Scotland and the Scottish Universities to develop further pro bono support to the CAB network.

We are now able to support CAB by the provision of ward level impact reporting which is of material benefit in engaging with local authorities and councillors. We're now providing monthly local authority level data which is of real importance as funding becomes tighter.

Advocacy and influence

The Scottish Citizens advice network has two principal aims; provide the advice people need for the problems they face and to improve the policies and practices that affect people's lives.

Citizens Advice Scotland acts as a voice for the network in Scotland, influencing decision-makers in the interests of the network as a whole and of citizens. This takes the form of a range of activities aimed at the general public, government and industry.

Our advocacy broadly falls into four areas; financial Health, Social Justice, Fair Markets and Strong Communities.

Our advocacy work is also supplemented by national campaigns led by CAS, which offer opportunities for local bureaux to campaign in their area as well.

Impact in 2019-20

Campaigns

- **For Your Benefit:** This campaign ran in Spring 2019 to promote the Financial Health Check service, which has subsequently been rebranded as the Money Talk Team. It focused on tackling stigma associated with claiming social security and encouraged people to claim what they were due.
- **Scams Awareness 2019:** This campaign encouraged people to be aware of scams and new ways scammers operate online.
- **Do The Rights Thing:** This was an employment rights campaign aimed principally young people. We worked with partners like YoungScot to promote our advice around employment and broadened out to new digital channels like snapchat to reach a new audience.
- **Big Energy Savings Week 2020:** This was our first co-design campaign project with the network, with local CABs running focus group to develop the best messaging and channels to engage with specific consumer types. The campaign saw an increase in people seeking energy advice through the network, and over £150,000 in client financial gains during the two week campaign period.
- **Council Tax: Check to Save:** With Council Tax being the biggest debt issue the network sees we undertook a campaign to raise awareness around Council tax reductions, discounts and exemption, directing people to our online tool where they can check their eligibility. The campaign saw over 224,000 views of the tool over the two week campaign period, amounting to 17,000 unique users. The network also saw during the campaign period 174 outcomes were recorded, with a total Client Financial Gains of £166,464.79 – an average of £956.69 across each outcome.

Financial Health

Contributed to producing the Collaborative Council Tax Guide the first ever national engagement of local authorities across Scotland about the recognition of council tax collection and issues around debt collection being a real problem for people.

Worked with Edinburgh City Council to change their council tax bills to make them more user friendly and signpost towards our online tool.

Secured a commitment from the Scottish Government to review how all the statutory debt options work as a package so that they work in harmony rather than in conflict.

Strong Communities

Re-establishing the CAS legal services group and engaging with the network to understand their needs and views on CAS advocacy work on access to justice.

Research on post office outreach services and research on the accessibility of post offices and telecoms services for older and disabled consumers; continuing to work as part of the CPP project on parcel surcharging and with Scottish Government in relation to their Fair Deliveries for All Action Plan.

Social Justice

Following CAS advocacy the UK Government uprated the levels of Universal Credit and the suspension of the Minimum Income Floor for self-employed recipients of Universal Credit.

The publication of the Scottish Government's analysis of their consultation on Disability Payments in October which set out the shape of these new benefits, which had been significantly influenced by CAS recommendations including changes to how eligibility is assessed.

The UK Government committed to a single enforcement body on employment in December, which is a longstanding CAS position.

Chief Medical Officer's guidance on a new fast-tracked disability payments system for people who are terminally ill means that those who have longer than six months can access Scottish disability benefits without requiring any further assessment beyond a declaration from a clinician thanks to influence of CAS evidence.

The Scottish Government announced plans for a Scottish Child Payment following campaigning work by CAS and other organisations.

The end of the general freeze on benefits and on the level of the Local Housing Allowance were longstanding CAS positions confirmed this year.

Markets

Water

CAS advocated for more robust and effective water and sewerage affordability policy to protect low income households leading to a commitment from Scottish Government to keep charges as low as practicable and to provide support for those least able to afford them.

Energy

Energy efficiency spending

Following CAS lobbying activity in January, the Scottish budget announced an increase in spending for energy efficiency measures.

Emergency Fuel Vouchers

CAS advocated for energy supplier fines to be used to create a central fund for emergency fuel vouchers to provide financial assistance to those consumers who are unable to obtain such support from their supplier. In May 2020, Ofgem allocated £10m from the Energy Redress Scheme to create a centralised emergency fuel vouchers fund as part of a wider package of measures designed to protect consumers during the coronavirus outbreak.

SoLR debt recovery

After engagement from CAS, in May 2020, Ofgem issued significant new guidance regarding the recovery of fuel debt owed to a supplier that is no longer trading. This is a significant win for consumers as it means that they continue to be protected by the licence code in the unlikely event that their gas or electricity supplier unexpectedly exits the market.

Supplier Performance

CAS entered into discussion with Ofgem regarding evidence from the bureau network showing that a small number of energy suppliers are falling short of their obligations towards consumers. Ofgem is now engaged with several gas and electricity suppliers with a view to ensuring greater compliance with the licence code. This is likely to result in improvements to suppliers' customer offering and a reduction in consumer harm.

Covid 19

Towards the end of 2019/20 the implications of the Covid 19 pandemic became clear. This required significant changes to how CAS operated to support our staff and the bureaux. Our response can be broken down by our four strategic priorities

Enabling service delivery

In March 2020 CAS transitioned to a remote working model for all of our staff, and provided the network with support to transition to giving advice remotely with increased IT support and equipment, as well as public health guidance and HR support.

In April 2020, the network launched a generalist telephony service, staffed by CABs across the country all working from the same helpline number which has since taken over 10,000 calls

Funding and income

CAS secured additional funding from the Department of Business, Energy and Industrial strategy to invest in the network to ensure an emergency response to the pandemic. Grants were distributed directly to CABs with other key investment identified for network infrastructure, particularly for IT improvements to ensure more effective remote working, more efficient appointment booking and cloud based technology for our central database and office applications.

In addition to that funding was invested in improving our online advice offering and securing CPAG licences for bureaux to ensure they have access to the best possible information to advise clients. CAS has also invested in audience research to develop a toolkit to allow CABs to campaign to increase their volunteer capacity.

CAS also secured further donations from the Scottish Government to help with PPE and bureaux reopening. The Scottish Government also provided additional funding to help with the set up costs of the helpline.

Further to this CAS received donations during the early stages of the pandemic from NatWest, TSB and Scottish and Southern Energy

Building Brand

The network was the subject of two significant bursts of Scottish Government marketing in May and August of 2020, to encourage people to seek advice to avoid financial hardship during Covid 19 by seeking advice online, from a bureaux or through the helpline.

CAS partnered with a research company to undertake regular waves of cost of living polling during the pandemic to keep the issue high on the media agenda

CAS produced regular data reports based on network service data during the pandemic which was distributed to key stakeholders such as ministers, politicians, civil servants to position the network as a vital source of information and understanding during the pandemic.

Advocacy and influence

The data packs have been influential with ministers as they chart the Scottish Government's policy response to the pandemic, with one minister describing them as 'gold dust' in terms of informing their decision making.

CAS also secured a number of changes to emergency legislation as a result of Covid, protecting private rented sector tenants from eviction and changes to bankruptcy laws to protect people in debt.

CAS also submitted to the Scottish Government's Advisory Group on Economic Recovery, with several of the issues identified by the network being mentioned in the final report to government.

Finally, CAS also lobbied the Scottish Government to ensure bureaux could reopen to deliver face to face advice for vulnerable clients in August 2020.

Financial Performance 2019/20

Statement of Financial Activities (SOFA)

The Statement of Financial Activities shows a 22% increase in Total Income, from £16.4M in 2018/19 to £20.1M this year. Of this total, 89% (2019: 86%) was received directly from the UK and Scottish Governments. Total Expenditure rose as well, by 29%, from £15.7M in 2018/19 to £20.2M. Net Movement in Funds for the year was a negative (£134K), compared with last year's positive movement of £763K.

Overall, CAS distributed £11.1M to bureaux, up 52% from £7.3M in 2018/19. The largest increases in existing funding were for **Universal Credit – Help to Claim, Financial Health Check, Pensionwise** and **Energy Best Deal**, whilst the largest sources of new funding were for **EU Settlement Home Office Funding, Post Xmas debt advice** and **SSE Energy Advisors** projects.

The development committee made 10 (2019: 10) awards to CABs throughout Scotland totalling £322,206 (2019: £344,942) to develop services.

Balance Sheet as at 31 March 2020

Our cash balances at 31 March 2020 were £4.0M, unchanged from last year's position of £4.0M.

Our overall Reserves position at 31 March 2020 is £3.42M, which is a decrease compared to last year's total of £3.55M. Within this year's total, Unrestricted Reserves are £1.9M, of which £1.1M is designated leaving £753K of free reserves. These reserves provide sufficient working capital to cover 3 months' Unrestricted Charitable activities of £2.7M p.a., i.e. £675K.

| Reserves | At 1st April 2019 | Movements during Year | At 31st March 2020 |
|-----------------|--------------------------|------------------------------|---------------------------|
| | £ | £ | £ |
| Unrestricted | 1,972,234 | (74,695) | 1,897,539 |
| Restricted | 1,580,577 | (59,540) | 1,521,037 |
| Total | 3,552,811 | (134,235) | 3,418,576 |

Governance

The CAS Chair is an independent appointment and all other Trustees are appointed as follows:

- Bureau Trustee (maximum 6) – this can be a volunteer in a CAB e.g. a volunteer advisor or a member of the CAB's Board or a CAB Manager.
- External Trustee (maximum 6) – external to the CAB service.

Candidates for the Chair, Bureaux and External Trustees vacancies go through a formal recruitment exercise with an external agency and the CAS Nominations Committee. The CAS Nominations Committee comprises the Chair of the Association, one Bureau and one External Trustee and a maximum of two representatives from the CAB network.

The initial phase of Trustee recruitment is for the Nominations Committee to analyse the current composition of the CAS Board to identify any skills gaps. The Committee can then determine the skills and experience required of any potential Trustees to ensure the requisite expertise on the Board.

The Nominations Committee reviews all Trustee applications and interviews a shortlist of candidates. Details of successful interview candidates are then submitted to the CAS Board for agreement and the agreed potential Trustees are presented to the SACAB members for election at the Annual General Meeting. Part of the business of the Annual General Meeting is to elect CAS Trustees and also members of the various Standing Committees of the Association.

To ensure stability and continuity of the CAS Board, Trustees including Honorary Officers are elected for 3 years renewable once, so the maximum term allowable is 6 years.

In the case of a vacancy arising on the CAS Board between one Annual General Meeting and the next, depending on the category of Trustee vacancy that arises, then an appropriate process to recruit a co-opted Trustee is undertaken. If the vacancy is for an External Trustee then an external agency may be used for the recruitment exercise. For a Bureau Trustee vacancy an internal recruitment process is undertaken whereby the vacancy is advertised on the CAS website. For both categories of Trustees, the Nominations Committee selection and interview process previously described will apply.

Any newly elected Trustees undertake an Induction Programme which includes meeting with the CAS executive for an overview of the organisation and meeting relevant CAS Teams. Trustees are also provided with an Induction Pack which includes organisational documentation, e.g. Annual Accounts, Strategic Plan and previous CAS Board Minutes. To ensure the Board are kept up-to-date on latest developments and to consider strategic matters, Board awaydays can also be scheduled.

Trustees do not receive remuneration, although they are entitled to claim reimbursement of reasonable travel expenses incurred in attending Board and Committee meetings.

Trustees' responsibilities in relation to the financial statements

The charity Trustees (who are also the directors of the Scottish Association of Citizens Advice Bureaux for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the charity 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 the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees 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.

Managing Risk

CAS and the charity sector in general continue to be challenged by a myriad of risks; including reduced funding, increased competition, brand protection, cyber-crime and fraud, as well as issues around transformation of services. The nature both of our organisation and our strategy means that we face a number of inherent risks and uncertainties.

The Board has carefully considered the type and extent of the principal risks to the organisation achieving its strategic objectives and delivering appropriate outcomes for citizens, members and stakeholders. A number of these are summarised below, categorised according to the strategic objective to which they relate most closely.

| Strategic Priority | Risk | Mitigation |
|------------------------|--|--|
| Funding and Income | Reductions in funding for advice reduces service delivery | Introduction of channel options for delivery |
| | | Risk assessment tool to identify CAB at risk |
| | | Diversification of funding streams |
| Advocacy and Influence | Changes in consumer landscape reduces network ability to advocate and campaign effectively on behalf consumers | Continued engagement with key stakeholders |
| | | Further investment in data led approach to advocacy |
| Brand | Reputational damage reduces value of brand | Safeguarding policies and training, for all volunteers and staff. |
| | | Provide advice to help support appropriate employment practices across the network. |
| | | Robust membership standards and complaint processes. |
| Service Delivery | National network footprint contracts due to reductions in local funding for face to face advice. | Engagement with CABs to tailor local provision of service and to develop all practical delivery models. |
| | | Engagement with key stakeholders such as the local authority to ensure continued CAB provision of generalist advice services in all areas |
| | COVID-19 creates significant health & safety challenges for future use of office space both for CAS and network. | Work to update the business continuity document to include new procedures for ensuring continued delivery of service and safety of staff and clients |
| | | Continued discussions with UK and Scottish government to ensure adherence with new procedures and legislation |

At the same time, CAS recognises that adopting an overly risk averse approach may stifle the organisation's ability to identify and benefit from new opportunities. Every action involves a degree of risk and it is the role of the executive and trustees to meet the challenges of those risks and manage them appropriately in a way that delivers optimum outcomes for our beneficiaries. Set out below is the approach to management of risk within the organisation.

How we manage risk

CAS has a three levels approach through which it manages significant risks. At senior management level the SLT are responsible for maintaining an effective risk and control environment as part of day-to-day operations under the direction of the Chief Executive and the Executive Team. The SLT review the Risk Register on a regular basis and consider the robustness and effectiveness of processes and controls to ensure compliance with the Board's appetite for risk, policies and delegated authority levels. The Risk Register includes specific measures taken to mitigate the effect of identified risks.

At a governance level, sub-committees of the Board, most notably the Risk, Audit and Finance (RAF) Committee, monitor the strategic risks. This committee considers the risks and, where appropriate, commissions reviews of specific risks, for example Pension Fund positions, to ensure that the SLT are taking the necessary steps to manage the risks within the organisation. The chair of the RAF Committee reports these findings to the Board, highlighting areas of concern or proposals for improvement.

The Board provide oversight and direction of risk management in accordance with their respective responsibilities. The Board review the risk register at each board meeting together with the ongoing monitoring of progress against planned improvement actions. The Board ensure the risk response is based on the assessment of potential risk exposure and an acceptable level of tolerance.

Key Management Personnel

Remuneration of all staff at CAS, including the Senior Leadership Team, is managed under the CAS pay framework in accordance with the CAS Reward Policy. All posts have a set salary range, and an individual's starting remuneration level within the salary range for their post is determined according to skills and experience. Annual salary increases are agreed through a collective bargaining process with the union and normally take the form of standard % uplift to all salaries.

Going Concern

The COVID-19 pandemic continues to cause significant disruption to societies and economies across the globe.

Although the charitable company has been significantly affected, the accounts for the year ended 31 March 2020 will not capture the financial impact that COVID-19 will have on the activities and finances of the company.

In March 2020, and in accordance with government advice, the company closed its premises to all but essential staff and changed to staff working remotely. At the time of writing in September 2020 the company's premises remain closed. Measures taken to contain the spread of the virus, including social distancing, travel restrictions and closures of non-essential services have triggered significant disruptions to our activities.

The future operations of the charitable company are dependent on the continued financial support of core funding bodies. At the date of signing the company has funding confirmed to

the end of March 2021 with most Funders providing these agreements on an annual basis. Dialogue is ongoing with Funders for the year 21/22.

Against this background, the Trustees have been presented with and approved up to date management accounts, budgets and cash flow projections which include key income and cost assumptions including ongoing support from funding bodies that the Trustees consider reasonable and prudent.

Having considered the above matters, the Trustees are of the view that, at the date of approval of the financial statements, the company will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Plans for future periods

The Trustees have confirmed that they support a review of our current strategy and that CABs should be involved in this process from an early stage. It was agreed that the Chair and CEO will produce a high level report on strategy to share with the Board at their next meeting in September 2020.

Disclosure of Information to the Auditor

Each person who is a Trustee of the Board at the date of approval of this report confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which CAS's auditors are unaware; and
- Each Trustee has taken all the steps he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that CAS's auditors are aware of that information.

By order of the Board of Trustees

Rory Mair
Chair



Rory Mair (Sep 18, 2020, 12:35pm)

Date 18 Sep 2020

Independent Auditors report to the Trustees and Members

Opinion

We have audited the financial statements of The Scottish Association of Citizens Advice Bureaux for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to

the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Director's Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Director's Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Date:

21 September 2020

Kenneth McDowell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9BA

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
A registered Scottish Charity SCO16637 and company limited by guarantee SC089892

STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income & Expenditure Account)
For the year ended 31 March 2020

| | | General Funds | Designated Funds | Total Unrestricted Funds | Total Restricted Funds | 2020 Total | Total Unrestricted Funds | Total Restricted Funds | 2019 Total |
|------------------------------------|------|------------------|---------------------|--------------------------------|------------------------------|-------------------|--------------------------------|------------------------------|-------------------|
| | Note | £ | £ | £ | £ | £ | £ | £ | £ |
| Income and Endowments from: | | | | | | | | | |
| Donations & Legacies | 2/19 | 2,955,000 | 27,000 | 2,982,000 | 16,979,200 | 19,961,200 | 2,896,494 | 13,394,597 | 16,291,091 |
| Charitable Activities | 3 | 106,458 | 2,124 | 108,582 | 1,725 | 110,307 | 100,183 | 20,136 | 120,319 |
| Investments | | 8,857 | - | 8,857 | - | 8,857 | 4,280 | - | 4,280 |
| Other | 4 | - | - | - | - | - | - | - | - |
| Total Income | | 3,070,315 | 29,124 | 3,099,439 | 16,980,925 | 20,080,364 | 3,000,957 | 13,414,733 | 16,415,690 |
| Expenditure on: | | | | | | | | | |
| Charitable activities | 5/6 | 2,652,671 | 308,775 | 2,961,446 | 17,253,153 | 20,214,599 | 2,610,001 | 13,042,887 | 15,652,888 |
| Total Expenditure | | 2,652,671 | 308,775 | 2,961,446 | 17,253,153 | 20,214,599 | 2,610,001 | 13,042,887 | 15,652,888 |
| Net income/(expenditure) | 7 | 417,644 | (279,651) | 137,993 | (272,228) | (134,235) | 390,956 | 371,846 | 762,802 |
| Transfers between funds | 19 | (628,714) | 416,026 | (212,688) | 212,688 | - | 58,517 | (58,517) | - |
| Net Movement in Funds | | (211,070) | 136,375 | (74,695) | (59,540) | (134,235) | 449,473 | 313,329 | 762,802 |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | 19 | 964,449 | 1,007,785 | 1,972,234 | 1,580,577 | 3,552,811 | 1,522,761 | 1,267,248 | 2,790,009 |
| Total funds carried forward | 19 | 753,379 | 1,144,160 | 1,897,539 | 1,521,037 | 3,418,576 | 1,972,234 | 1,580,577 | 3,552,811 |

All the results of the company relate to continuing operations

BALANCE SHEET
As at 31 March 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|-------------------------|-------------------------|
| Fixed Assets | | | |
| Intangible Assets | 11 | 504,744 | 534,029 |
| Tangible Assets | 12 | 705,827 | 74,807 |
| Investments | 13 | 1 | 1 |
| Total Fixed Assets | | <u>1,210,572</u> | <u>608,837</u> |
| Current Assets | | | |
| Debtors | 14 | 1,396,460 | 1,421,010 |
| Cash at bank and in hand | | <u>3,985,649</u> | <u>4,038,293</u> |
| | | 5,382,109 | 5,459,303 |
| Creditors: Amounts falling due within one year | 15 | <u>(2,637,646)</u> | <u>(2,149,692)</u> |
| Net current assets | | <u>2,744,463</u> | <u>3,309,611</u> |
| Total assets less current liabilities | | <u>3,955,034</u> | <u>3,918,448</u> |
| Creditors: Amounts falling due within more than one year | 15 | (234,780) | - |
| Provision for Liabilities | 16 | <u>(301,678)</u> | <u>(365,637)</u> |
| Total net assets | | <u><u>3,418,576</u></u> | <u><u>3,552,811</u></u> |
| The funds of the charity: | | | |
| Unrestricted funds | 19 | 1,897,539 | 1,972,234 |
| Restricted Funds | 19 | <u>1,521,037</u> | <u>1,580,577</u> |
| | | <u><u>3,418,576</u></u> | <u><u>3,552,811</u></u> |

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

_____ 2020

Signed on behalf of the Board of Directors

Rory Mair
Chair



Rory Mair (Sep 18, 2020, 12:35pm)

CASH FLOW STATEMENT
For the year ended 31 March 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|-------------------------|-------------------------|
| Net cash inflow/(outflow) from operating activities | 20 | <u>438,916</u> | <u>1,226,626</u> |
| Cash flows from investing activities | | | |
| Cash inflow from interest received | | 8,857 | 4,280 |
| Proceeds from disposal of fixed assets | | - | - |
| Payments to acquire intangible fixed assets | | (172,325) | (271,242) |
| Payments to acquire tangible fixed assets | | <u>(361,753)</u> | <u>(27,897)</u> |
| Net cash used in investing activities | | <u>(525,221)</u> | <u>(294,859)</u> |
| Cash flows from financing activities | | | |
| Repayments on Finance Lease | 23 | (33,661) | - |
| Increase/(Decrease) in cash | | <u>(52,644)</u> | <u>931,767</u> |
| Reconciliation of net cash flow to movement in net funds | | £ | £ |
| Cash and cash equivalents at 31 March 2019 | | 4,038,293 | 3,106,526 |
| Increase/(Decrease) in cash and cash equivalents in the year | | (52,644) | 931,767 |
| Cash and cash equivalents at 31 March 2020 | | <u><u>3,985,649</u></u> | <u><u>4,038,293</u></u> |

NOTES TO THE ACCOUNTS

For the year ended 31 March 2020

1. Accounting policies

The Scottish Association of Citizens Advice Bureaux is a Company Limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association. The Principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The accounts are prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102), the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006.

The accounts are prepared in £ sterling.

Citizens Advice Scotland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The accounts do not include the consolidation of the charity's subsidiary, Citizens Advice Scotland (Trading) Limited which is dormant and immaterial in respect of the results and net assets of The Scottish Association of Citizens Advice Bureaux. These accounts are those of The Scottish Association of Citizens Advice Bureaux and not its group.

Going concern

The COVID-19 pandemic continues to cause significant disruption to societies and economies across the globe.

Although the charitable company has been significantly affected, the accounts for the year ended 31 March 2020 will not capture the financial impact that COVID-19 will have on the activities and finances of the company.

In March 2020, and in accordance with government advice, the company closed its premises to all but essential staff and changed to staff working remotely. At the time of writing in September 2020 the company's premises remain closed. Measures taken to contain the spread of the virus, including social distancing, travel restrictions and closures of non-essential services have triggered significant disruptions to our activities.

The future operations of the charitable company are dependent on the continued financial support of core funding bodies. At the date of signing the company has funding confirmed to the end of March 2021 with most Funders providing these agreements on an annual basis. Dialogue is ongoing with Funders for the year 21/22.

Accounting policies (continued)

Against this background, the Trustees have been presented with and approved up to date management accounts, budgets and cash flow projections which include key income and cost assumptions including ongoing support from funding bodies that the Trustees consider reasonable and prudent.

Having considered the above matters, the Trustees are of the view that, at the date of approval of the financial statements, the company will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

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 it is treated as a restricted reserve.

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.

Government grants

Government Grants are paid directly to the organisation to meet ongoing expenditure and are recognised in the financial period the ongoing expenditure relates to.

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.

Development 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.

Accounting policies (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 which support the network and have been allocated to activity cost categories on a basis consistent with the use of resources such as 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.
- Unrestricted 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 CAS for a particular purpose or project. Such reserves can only be used for the purpose specified by the donor.

Tangible Fixed assets and depreciation

Tangible fixed assets are included at historical cost. Assets costing less than £10,000 are not capitalised. Additions to Fixed Assets include the cost of irrecoverable VAT. 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 |

Intangible Fixed Assets other than Goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and impairment losses. Intangible assets comprise software and the Castle computer system replacement. The assets are defined as having finite useful lives of between 3 and 5 years.

Accounting policies (continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------|-------|
| Software | 33.3% |
| Castle software | 20% |

Castle is the case recording system used by Bureaux and has been significantly redesigned from the previous version which had been operational for over 10 years. Therefore it is deemed appropriate to amortise this asset over 5 years.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The income is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Pensions

Two pension schemes were in operation during the period.

The first scheme is with The 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.

Under FRS 102 the liability in respect of the funding shortfall has been recognised in the accounts and the ongoing charge in the Statement of Financial Activities and the Income and Expenditure Account relates to the contributions payable and any unwinding of the discount rates used in calculating the present value. The disclosure under FRS 102 is shown in note 22.

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.

Accounting policies (continued)

VAT

The charity is partially exempt and cannot recover all VAT incurred.

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

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Finance Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provision of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

A financial asset represents financial resources available to the charity and examples include financial investments in shares or bonds, debtors and cash.

Debtors

Trade and other debtors which are receivable within one year are initially measured at the transaction price. They are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade and other debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of any impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Prepayments are valued at the amount prepaid. Accrued income is measured at the amount recoverable.

Financial liabilities

A financial liability is a financial claim on the charity's resources and examples include loans, creditors and legal or constructive obligations, including provisions for grants payable.

Creditors

Trade and other creditors payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Investments

CAS has a £1 investment in Citizens Advice Scotland (Trading) Limited which is dormant and not consolidated.

Accounting policies (continued)

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The only significant items in the financial statements where these judgments and estimates have been made are:

- Recharges to restricted funds – The methodology for the calculation of recharges is predominantly based on a headcount full time equivalent allocation and has been agreed with funders prior to budgets being approved and funding being made available.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

| | | | |
|-----------|--|--------------------------|--------------------------|
| 2. | Incoming resources from donations & legacies | 2020 | 2019 |
| | | £ | £ |
| | Unrestricted funds | | |
| | BEIS Grant in Aid | 2,895,000 | 2,895,000 |
| | Grant for Debt Legislation system update (Designated) | 27,000 | - |
| | Legacies | 10,000 | - |
| | Donations | 50,000 | 1,494 |
| | | <u>2,982,000</u> | <u>2,896,494</u> |
| | Restricted Funds | | |
| | Scottish Government | 6,563,050 | 6,017,343 |
| | HM Treasury (DWP - Pensionwise, Help To Claim) | 5,718,178 | 2,779,254 |
| | BEIS | 1,965,709 | 2,368,113 |
| | Home Office | 749,480 | - |
| | Poppyscotland | 688,844 | 697,733 |
| | Energy companies | 680,781 | 532,260 |
| | Scottish Water | 304,402 | 305,349 |
| | Citizens Advice England and Wales | 216,704 | 283,935 |
| | Gamble Aware | 49,968 | - |
| | Money Advice Scotland | 25,834 | 30,138 |
| | Water Industry Commission for Scotland | 12,500 | - |
| | Money Advice Trust | 3,750 | 13,750 |
| | Accountant in Bankruptcy | - | 22,818 |
| | Big Lottery | - | 193,904 |
| | Scottish Enterprise | - | 150,000 |
| | | <u>16,979,200</u> | <u>13,394,597</u> |
| | Total | <u><u>19,961,200</u></u> | <u><u>16,291,091</u></u> |
| 3. | Incoming resources from charitable activities | 2020 | 2019 |
| | | £ | £ |
| | Unrestricted funds | | |
| | Bureaux membership subscriptions | 86,465 | 91,631 |
| | Accountancy in Bankruptcy Payments (Designated) | 2,124 | - |
| | Other income | 19,993 | 8,552 |
| | | <u>108,582</u> | <u>100,183</u> |
| | Restricted funds | | |
| | Other Income | 1,725 | 20,136 |
| | | <u>1,725</u> | <u>20,136</u> |
| | Total | <u><u>110,307</u></u> | <u><u>120,319</u></u> |
| 4. | Other incoming resources | 2020 | 2019 |
| | | £ | £ |
| | There are no amounts to report under this note, either for 2020 or for 2019. | - | - |

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

5. Charitable activities

| | Staff Costs £ | Grants to Bureaux £ | Other costs £ | Support costs £ | Restricted Recharges £ | Total 2020 £ | Total 2019 £ |
|--|---------------------|---------------------------|---------------------|-----------------------|------------------------------|--------------------|--------------------|
| Unrestricted | | | | | | | |
| Services to member bureaux | | | | | | | |
| Provision of information system | 182,237 | - | 95,570 | 243,940 | (261,446) | 260,301 | 297,139 |
| Training & Quality | 387,014 | - | 88,900 | 352,358 | (377,644) | 450,628 | 526,774 |
| Information technology and communication | 492,597 | - | 247,838 | 433,671 | (464,793) | 709,313 | 720,055 |
| Direct field services | 341,188 | - | 54,544 | 325,253 | (348,594) | 372,391 | 313,254 |
| Development Committee grants | - | 400,625 | - | - | - | 400,625 | 344,942 |
| | 1,403,036 | 400,625 | 486,852 | 1,355,222 | (1,452,477) | 2,193,258 | 2,202,164 |
| Social policy and public affairs | 301,495 | 8,000 | 68,605 | 81,313 | - | 459,413 | 273,106 |
| | 1,704,531 | 408,625 | 555,457 | 1,436,535 | (1,452,477) | 2,652,671 | 2,475,270 |
| Designated | | | | | | | |
| Advisor Net / CMS replacement | 24,020 | - | 26,737 | - | 14,160 | 64,917 | - |
| Accountant in Bankruptcy Payment | - | - | - | - | - | - | - |
| Ayrshire CABS development | 14,279 | - | 413 | - | - | 14,692 | - |
| Castle Replacement | - | - | 1,919 | - | - | 1,919 | (223) |
| Debt Advice Pilot | 13,533 | - | 8,535 | - | (20,450) | 1,618 | (1,618) |
| Development Grant returns | - | - | - | - | - | - | (32,870) |
| Fixed Assets | - | - | 225,629 | - | - | 225,629 | 169,442 |
| Property Fund Tara House | - | - | - | - | - | - | - |
| | 51,832 | - | 263,233 | - | (6,290) | 308,775 | 134,731 |
| Total Unrestricted | 1,756,363 | 408,625 | 818,690 | 1,436,535 | (1,458,767) | 2,961,446 | 2,610,001 |

Support costs

| | 2020 £ | 2019 £ |
|---|-----------|-----------|
| Unrestricted Support Costs are analysed as follows: | | |
| Staff Costs | 624,894 | 679,818 |
| Premises Costs | 402,419 | 381,958 |
| Admin/Office Costs | 100,923 | 62,597 |
| Finance & Professional | 278,520 | 283,161 |
| Strategic Spend | 29,779 | 82,654 |
| | 1,436,535 | 1,490,188 |

Core Support costs are allocated on the basis of staffing costs within the restricted funded activities.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

5. Cost of charitable activities (continued)

| | Staff Costs £ | Grants to Bureaux £ | Other costs £ | Restricted Recharges £ | Total 2020 £ | Total 2019 £ |
|---|---------------------|---------------------------|---------------------|------------------------------|--------------------|--------------------|
| Restricted | | | | | | |
| Advice in Mind | - | 6,566 | - | - | 6,566 | 189,338 |
| Armed Services Advice and Aged Veterans | 60,416 | 593,551 | 15,051 | 25,775 | 694,793 | 696,601 |
| Big Energy Savings Network BESN | - | 25,882 | 52,118 | 5,000 | 83,000 | 77,008 |
| Big Energy Savings Week | - | 22,550 | 17,450 | 2,000 | 42,000 | 13,000 |
| Brexit Readiness | 53,095 | - | 124,666 | 39,833 | 217,594 | 175,400 |
| BT carry forward | - | - | - | - | - | 90,000 |
| CAD Consumer Direct | - | - | - | - | - | 1,532,023 |
| CanDo Scottish Enterprise | - | - | 148,405 | - | 148,405 | - |
| Channel Extra | - | - | 71 | 13,344 | 13,415 | - |
| Channel Strategy | - | - | 6,412 | - | 6,412 | 1,607 |
| Consumer Futures Transition | 24,129 | - | 4,016 | 7,449 | 35,594 | - |
| Debt Advice SG 18/19 | - | - | - | - | - | 199,999 |
| Energy Best Deal | 36,941 | 532,530 | 30,808 | 14,628 | 614,907 | 269,281 |
| EU Settlement HO Funding | - | 632,952 | 76,162 | 30,000 | 739,114 | - |
| EU Settlement SG Funding | 36,587 | 247,082 | 66,528 | 28,164 | 378,361 | 167,121 |
| External Liaison | - | - | 4,342 | - | 4,342 | 4,947 |
| Extra Help Unit | 1,100,299 | - | 378,333 | 440,162 | 1,918,794 | 1,738,717 |
| Finance System | - | - | - | - | - | 6,215 |
| Financial Health Check | 99,471 | 1,442,845 | 105,024 | 45,670 | 1,693,010 | 806,862 |
| Financial Inclusion Prudential | - | - | - | 1,367 | 1,367 | 8,903 |
| Flood Resilience | - | 6,000 | - | - | 6,000 | - |
| Gamble Aware | 1,346 | - | 2,310 | - | 3,656 | - |
| General Consumer Advocacy | 321,922 | 17,050 | 228,554 | - | 567,526 | 571,169 |
| Just Giving Otto Thoresen | - | - | 246 | - | 246 | 2,620 |
| Kinship Care | 20,764 | 163,898 | 43,169 | 13,814 | 241,645 | 244,152 |
| LEAP Project | 15,713 | - | - | 2,412 | 18,125 | 16,827 |
| Levy Funded Advocacy | 511,404 | 9,000 | 302,770 | 154,178 | 977,352 | 942,955 |
| Martin Lewis | - | - | - | - | - | (3,085) |
| Matrics Extra | 19,609 | - | 405 | 5,820 | 25,834 | 33,852 |
| Money Advice (MATRICS) | 45,923 | - | 3,224 | 18,768 | 67,915 | 89,715 |
| Money Advice Trust | - | - | 7,500 | - | 7,500 | 10,000 |
| Patient Advice and Support Service | 58,809 | 743,244 | 11,732 | 19,164 | 832,949 | 841,200 |
| Pensionwise | 208,138 | 1,355,816 | 73,429 | 103,536 | 1,740,919 | 1,375,766 |
| Post Xmas debt advice | - | 223,918 | - | 2,000 | 225,918 | - |
| PPI Project | - | - | - | 5,387 | 5,387 | 16,148 |
| Scam Awareness | 10,078 | 25,200 | 5,839 | 19,804 | 60,921 | - |
| Shared Services | 884 | - | 134,767 | - | 135,651 | 148,817 |
| SLAB Funding | - | 104,586 | - | - | 104,586 | - |
| SPARK Energy & EON | - | - | 73 | - | 73 | 36,370 |
| SSE Energy Advisors | - | 129,200 | 1,429 | 1,536 | 132,165 | - |
| Stats HUB | - | - | 25,904 | - | 25,904 | 72,616 |
| Universal Credit | 361,784 | 3,039,340 | 223,595 | 413,434 | 4,038,153 | 1,229,886 |
| Welfare Reform | 30,827 | 1,356,909 | 3,796 | 45,522 | 1,437,054 | 1,436,857 |
| Total Restricted | 3,018,139 | 10,678,119 | 2,098,128 | 1,458,767 | 17,253,153 | 13,042,887 |
| Unrestricted | 1,756,363 | 408,625 | 2,255,225 | (1,458,767) | 2,961,446 | 2,610,001 |
| Total Charitable Activities | 4,774,502 | 11,086,744 | 4,353,353 | - | 20,214,599 | 15,652,888 |

Note 6 - Page 35

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

5. Charitable activities - continued

| For the year ended 31 March 2019 | Staff Costs £ | Grants to Bureaux £ | Other costs £ | Support costs £ | Restricted Recharges £ | Total 2019 £ | Total 2018 £ |
|--|---------------------|---------------------------|---------------------|-----------------------|------------------------------|--------------------|--------------------|
| Unrestricted | | | | | | | |
| Services to member bureaux | | | | | | | |
| Provision of information system | 153,709 | - | 103,525 | 242,589 | (202,684) | 297,139 | 409,159 |
| Training & Quality | 395,154 | - | 63,212 | 415,866 | (347,458) | 526,774 | 597,615 |
| Information technology and communication | 481,338 | - | 164,608 | 450,522 | (376,413) | 720,055 | 717,909 |
| Direct field services | 223,167 | - | 44,482 | 277,244 | (231,639) | 313,254 | 396,539 |
| Development Committee grants | - | 344,942 | - | - | - | 344,942 | 421,642 |
| | 1,253,368 | 344,942 | 375,827 | 1,386,221 | (1,158,194) | 2,202,164 | 2,542,864 |
| Social policy and public affairs | 153,656 | - | 15,483 | 103,967 | - | 273,106 | 294,834 |
| | 1,407,024 | 344,942 | 391,310 | 1,490,188 | (1,158,194) | 2,475,270 | 2,837,698 |
| Designated | | | | | | | |
| Development Grant returns | - | - | (32,870) | - | - | (32,870) | - |
| Debt Advice Pilot | 11,882 | - | 9,377 | - | (22,877) | (1,618) | - |
| Fixed Assets | - | - | 169,442 | - | - | 169,442 | - |
| Designated fixed asset fund | - | - | - | - | - | - | 62,756 |
| Castle Replacement | - | - | (223) | - | - | (223) | 41,933 |
| | 11,882 | - | 145,726 | - | (22,877) | 134,731 | 104,689 |
| Total Unrestricted | 1,418,906 | 344,942 | 537,036 | 1,490,188 | (1,181,071) | 2,610,001 | 2,942,387 |

Support costs

| Unrestricted Support Costs are analysed as follows: | 2019 £ | 2018 £ |
|---|-----------|-----------|
| Staff Costs | 679,818 | 670,611 |
| Premises Costs | 381,958 | 401,733 |
| Admin/Office Costs | 62,597 | 62,460 |
| Finance & Professional | 283,161 | 284,523 |
| Strategic Spend | 82,654 | - |
| | 1,490,188 | 1,419,327 |

Core Support costs are allocated on the basis of staffing costs within the restricted funded activities.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

5. Cost of charitable activities (continued)

| For the year ended 31 March 2019 | Staff Costs £ | Grants to Bureaux £ | Other costs £ | Restricted Recharges £ | Total 2019 £ | Total 2018 £ |
|---|---------------------|---------------------------|---------------------|------------------------------|--------------------|--------------------|
| Restricted | | | | | | |
| Advice in Mind | 2,191 | 184,895 | - | 2,252 | 189,338 | 267,591 |
| Armed Services Advice and Aged Veterans | 49,004 | 595,299 | 18,693 | 33,605 | 696,600 | 107,154 |
| Big Energy Savings Network BESN | - | 38,118 | 33,890 | 5,000 | 77,008 | - |
| Big Energy Savings Week | - | 13,000 | - | - | 13,000 | - |
| Brexit Readiness | - | - | 155,400 | 20,000 | 175,400 | - |
| BT carry forward | - | - | 90,000 | - | 90,000 | - |
| CAD Consumer Direct | 41,892 | 1,011,385 | 453,896 | 24,850 | 1,532,023 | 1,529,000 |
| Channel Strategy | - | - | 1,607 | - | 1,607 | 62,893 |
| Debt Advice SG 18/19 | 1,970 | 197,419 | - | 610 | 199,999 | - |
| Energy Best Deal | 23,750 | 202,250 | 25,432 | 17,849 | 269,281 | 417,087 |
| EU Settlement SG Funding | 5,449 | 114,000 | 44,940 | 2,732 | 167,121 | - |
| External Liaison | - | - | 4,947 | - | 4,947 | 710 |
| Extra Help Unit | 955,907 | - | 328,442 | 454,368 | 1,738,717 | 1,577,629 |
| Finance System | - | - | 6,216 | (1) | 6,215 | 745 |
| Financial Health Check | 30,469 | 680,742 | 59,139 | 36,512 | 806,862 | - |
| Financial Inclusion Prudential | 10,876 | - | 17 | (1,990) | 8,903 | 4,399 |
| General Consumer Advocacy | 343,029 | 29,311 | 198,829 | - | 571,169 | 564,929 |
| Just Giving Otto Thoresen | - | - | 2,620 | - | 2,620 | - |
| Kinship Care | 23,832 | 148,437 | 59,479 | 12,404 | 244,152 | 157,196 |
| LEAP Project | 15,251 | - | - | 1,576 | 16,827 | 210,382 |
| Levy Funded Advocacy | 397,397 | - | 347,466 | 198,092 | 942,955 | 947,778 |
| Martin Lewis | - | - | (3,085) | - | (3,085) | - |
| Matrics Extra | 20,643 | - | 1,490 | 11,719 | 33,852 | 42,050 |
| Money Advice (MATRICS) | 54,750 | - | 3,544 | 31,421 | 89,715 | 96,234 |
| Money Advice Research | - | - | - | - | - | 2,912 |
| Money Advice Trust | - | - | - | 10,000 | 10,000 | 15,000 |
| Patient Advice and Support Service | 68,061 | 746,606 | 7,373 | 19,160 | 841,200 | 850,527 |
| Pensionwise | 186,176 | 988,437 | 104,260 | 96,893 | 1,375,766 | 1,018,466 |
| Post Xmas debt advice | - | - | - | - | - | 2,138 |
| PPI Project | - | - | - | 16,148 | 16,148 | - |
| Recruitment Chief Executive | - | - | - | - | - | 8,800 |
| Shared Services | 2,080 | - | 146,737 | - | 148,817 | 198,357 |
| SPARK Energy & EON | 23,804 | - | 3,533 | 9,033 | 36,370 | 46,696 |
| Staff Benefits | - | - | - | - | - | 4,734 |
| Staff Training | - | - | - | - | - | 4,356 |
| Stats HUB | - | - | 72,616 | - | 72,616 | - |
| Universal Credit | 172,372 | 626,352 | 291,698 | 139,464 | 1,229,886 | - |
| Welfare Reform | 13,566 | 1,379,236 | 4,682 | 39,373 | 1,436,857 | 1,986,152 |
| What works capacity building forum | - | - | - | - | - | 2,333 |
| Total Restricted | 2,442,469 | 6,955,487 | 2,463,860 | 1,181,071 | 13,042,887 | 10,126,248 |
| Unrestricted | 1,418,906 | 344,942 | 2,027,224 | (1,181,071) | 2,610,001 | 2,942,387 |
| Total Charitable Activities | 3,861,375 | 7,300,429 | 4,491,084 | - | 15,652,888 | 13,068,635 |

Note 6 - Page 35

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

| 6. | Grants to Bureaux | 2020 £ | 2019 £ |
|----|----------------------------|-------------------|------------------|
| | Aberdeen CAB | 281,901 | 140,806 |
| | Airdrie CAB | 490,947 | 170,214 |
| | Angus CAB | 125,476 | 61,865 |
| | Argyle & Bute CAB | 254,861 | 161,116 |
| | Banff & Buchan CAB | 75,391 | 32,779 |
| | Bellshill CAB | 58,770 | 25,967 |
| | CAB West Lothian | 305,024 | 151,969 |
| | Caithness CAB | 67,141 | 31,328 |
| | CARF | 508,996 | 302,142 |
| | Central Borders CAB | 69,255 | 23,998 |
| | Citizens Advice Direct | 25,090 | 1,144,791 |
| | Citizens Advice Edinburgh | 636,147 | 327,689 |
| | Clackmannan CAB | 207,412 | 97,577 |
| | Clydesdale CAB | 81,424 | 45,495 |
| | Coatbridge CAB | 88,262 | 37,678 |
| | Cumbernauld CAB | 84,477 | 34,662 |
| | DAGCAS | 483,971 | 279,362 |
| | Dalkeith & District CAB | 69,387 | 28,061 |
| | Denny & Dunipace CAB | 62,803 | 40,998 |
| | Dundee CAB | 462,700 | 267,391 |
| | East Ayrshire CAB | 310,115 | 216,380 |
| | East Dunbartonshire CAB | 296,081 | 217,185 |
| | East Kilbride CAB | 91,156 | 57,090 |
| | East Renfrewshire CAB | 240,537 | 107,098 |
| | East Sutherland CAB | 124,369 | 78,373 |
| | Falkirk CAB | 171,877 | 117,453 |
| | Glasgow Bridgeton CAB | 112,227 | 145,463 |
| | Glasgow Castlemilk CAB | 105,720 | 70,406 |
| | Glasgow Central CAB | 128,825 | 76,779 |
| | Glasgow Drumchapel CAB | 241,128 | 135,159 |
| | Glasgow Easterhouse CAB | 134,458 | 70,133 |
| | Glasgow Greater Pollok CAB | 181,756 | 77,781 |
| | Glasgow Maryhill CAB | 263,670 | 99,272 |
| | Glasgow Parkhead CAB | 160,992 | 138,294 |
| | Grangemouth CAB | 104,186 | 74,753 |
| | Haddington CAB | 86,796 | 85,878 |
| | Hamilton CAB | 93,565 | 47,490 |
| | Inverness CAB | 571,976 | 335,273 |
| | Kincardine & Mearns CAB | 185,301 | 44,611 |
| | Lochaber CAB | 49,417 | 19,790 |
| | Moray CAB | 93,617 | 60,192 |
| | Motherwell & Wishaw CAB | 553,435 | 478,740 |
| | Musselburgh CAB | 84,744 | 28,281 |
| | NACAS | - | 833 |
| | Nairn CAB | 181,383 | 100,663 |
| | North West Sutherland CAB | 31,964 | 14,270 |
| | Orkney CAB | 62,091 | 28,399 |
| | Peebles CAB | 121,145 | 43,561 |
| | Penicuik CAB | 109,894 | 53,818 |
| | Perth CAB | 217,516 | 105,822 |
| | Renfrewshire CAB | 171,479 | 92,634 |
| | Ross & Cromarty CAB | 56,408 | 28,387 |
| | Roxburgh CAB | 116,468 | 66,756 |
| | Rutherglen CAB | 82,094 | 42,941 |
| | Shetland Islands CAB | 148,981 | 81,747 |
| | Skye & Lochalsh CAB | 61,289 | 26,024 |
| | Stirling CAB | 284,635 | 132,288 |
| | Turriff & District CAB | 63,636 | 25,303 |
| | West Dunbartonshire CAB | 162,944 | 109,994 |
| | Western Isles CAB | 190,729 | 90,533 |
| | Westhill & District CAB | 198,705 | 68,694 |
| | | Note 5 | Note 5 |
| | | Page 32 | Page 34 |
| | | <u>11,086,744</u> | <u>7,300,429</u> |

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

| | | | |
|-----------|---|-------------|-------------|
| 7. | Net Income/(expenditure) for the year before transfers | 2020 | 2019 |
| | | £ | £ |

This is stated after charging:

| | | |
|--|---------|---------|
| Irrecoverable VAT | 422,596 | 576,619 |
| Depreciation | 267,622 | 173,619 |
| Auditors' remuneration | | |
| External audit | 19,908 | 21,576 |
| Other Services: Tax Advisory Services from related parties | - | 6,750 |
| Other Services: Other Services from related parties | - | 4,500 |
| Operating lease rentals | 290,595 | 296,567 |

| | | | |
|-----------|--------------------|-------------|-------------|
| 8. | Staff costs | 2020 | 2019 |
| | | £ | £ |

| | | |
|-----------------------|-----------|-----------|
| Wages and salaries | 4,442,753 | 3,821,710 |
| Social security costs | 412,945 | 348,507 |
| Other pensions costs | 481,370 | 356,503 |
| Temporary staff costs | 62,328 | 14,475 |
| | 5,399,396 | 4,541,195 |

Included in the above are termination costs of £NIL including Employer's National Insurance Contributions (2019: £21,517)

| | | |
|---|---------------|---------------|
| The average monthly number of employees during the year | 2020 | 2019 |
| | Number | Number |

| | | |
|-----------------|-----|-----|
| Number of staff | 165 | 148 |
|-----------------|-----|-----|

| | | |
|---|---------------|---------------|
| | 2020 | 2019 |
| | Number | Number |
| Employees' emoluments (excluding employer's pension contributions) falling within the band: | | |
| £60,000 - £70,000 | 1 | 1 |
| £70,000 - £80,000 | 1 | 2 |

Trustees are not remunerated. 10 Trustees (2019: 10) received reimbursement of expenses for attending meetings amounting to £9,820 (2019: £8,106).

The key management personnel comprise the Chief Executive Officer, Deputy Chief Executive Officer, the Director of Impact, the Director of Advice Services, the Heads of Bureau Services, Communications the Extra Help Unit, Finance, Human Resources, Information Technology, the Programme Manager, the Business Development Manager and four Strategic Leads for Social Justice, Strong Communities, Financial Health and Fair and Simple Markets.

The total employee costs (including salary, NIC, pension and termination costs) of the key management personnel were £833,881 (2019: £657,926). The majority of increased costs compared with last year is due to the creation of new senior roles within the organisation.

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.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

10. Related party transactions

Citizens Advice Scotland (Trading) Limited is a fully owned subsidiary of CAS. During the year to 31 March 2020, it did not trade.

During 2019/20 there were no fee payments to any Trustee (2018/19: £NIL).

Amounts paid during the year to Bureaux which are connected to Trustees amounted to £2,045,104 (2018/19 £816,646). Amounts outstanding from bureaux at the year end which are connected to Trustees amounted to £NIL (2018/19 £Nil). All debts have been repaid within normal business terms.

| | Grant | Outstanding |
|----------------------------------|------------------|--------------------|
| Bureau | £ | £ |
| Aberdeen | 281,901 | - |
| Central Borders | 69,255 | - |
| DAGCAS | 483,971 | - |
| Inverness, Badenoch & Strathspey | 571,976 | - |
| Orkney | 62,091 | - |
| Parkhead | 160,992 | - |
| Penicuik | 109,894 | - |
| West Lothian | 305,024 | - |
| | <u>2,045,104</u> | <u>-</u> |

11. Fixed assets

Intangibles

| | Software |
|-------------------------|-----------------------|
| Cost | £ |
| At 1 April 2019 | 919,365 |
| Additions | 172,325 |
| Disposals | <u>(219,943)</u> |
| At 31 March 2020 | <u>871,747</u> |
| Amortisation | |
| At 1 April 2019 | 385,336 |
| Charge for year | 201,610 |
| Disposals | <u>(219,943)</u> |
| At 31 March 2020 | <u>367,003</u> |
| Net book value | |
| At 31 March 2020 | <u><u>504,744</u></u> |
| At 31 March 2019 | <u><u>534,029</u></u> |

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

12. Fixed assets

Tangible Fixed Assets

| | Furniture & equipment | Motor vehicles | Total |
|-------------------------|--------------------------------------|---------------------------|-----------------------|
| Cost | £ | £ | £ |
| At 1 April 2019 | 935,414 | 29,679 | 965,093 |
| Additions | 697,032 | - | 697,032 |
| Disposals | <u>(205,963)</u> | <u>(15,506)</u> | <u>(221,469)</u> |
| At 31 March 2020 | <u>1,426,483</u> | <u>14,173</u> | <u>1,440,656</u> |
| Depreciation | | | |
| At 1 April 2019 | 860,607 | 29,679 | 890,286 |
| Charge for year | 66,012 | - | 66,012 |
| Disposals | <u>(205,963)</u> | <u>(15,506)</u> | <u>(221,469)</u> |
| At 31 March 2020 | <u>720,656</u> | <u>14,173</u> | <u>734,829</u> |
| Net book value | | | |
| At 31 March 2020 | <u>705,827</u> | <u>-</u> | <u>705,827</u> |
| At 31 March 2019 | <u>74,807</u> | <u>-</u> | <u>74,807</u> |

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

13. 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. As at 31 March 2020 the Company had capital and Reserves of £1 and had not traded during the year.

| 14. Debtors | 2020 | 2019 |
|--------------------|-------------------------|-------------------------|
| | £ | £ |
| Trade debtors | 367,593 | 238,997 |
| Prepayments | 242,337 | 108,370 |
| Accrued income | 697,891 | 1,025,194 |
| Due from bureaux | - | 4,029 |
| Other debtors | <u>88,639</u> | <u>44,419</u> |
| | <u>1,396,460</u> | <u>1,421,009</u> |

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

| 15. Creditors: Amounts falling due within one year | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Trade creditors | 1,084,072 | 820,990 |
| Sundry creditors and accruals | 1,258,982 | 1,175,879 |
| Finance Lease - Short Term Liability | 134,160 | - |
| Other taxes and social security costs | 112,670 | 100,221 |
| Pension | 47,762 | 52,602 |
| | <u>2,637,646</u> | <u>2,149,692</u> |

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

| | | |
|--------------------------|----------------|----------------|
| Balance at start of year | 134,635 | 138,734 |
| Released in year | (134,635) | (138,734) |
| Deferred in year | 918,794 | 134,635 |
| | <u>918,794</u> | <u>134,635</u> |
| Balance at end of year | <u>918,794</u> | <u>134,635</u> |

Income has been deferred at the year end as income was received in advance of the time period to which it relates, as per the terms of the contract.

| Creditors: Amounts falling due within more than one year | 2020 £ | 2019 £ |
|--|----------------|-----------|
| Finance Lease - Long Term Liability | <u>234,780</u> | <u>-</u> |

The new 3 year Finance lease was for PCs/Laptops for Bureaux

| 16. Provisions for liabilities and charges | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Liability for Pension Past Service Deficit Contributions | <u>301,678</u> | <u>365,637</u> |

Refer to Note 22 for a reconciliation of the opening and closing provision of the Pension liability

17. Commitments

The Company has the following commitments in respect of total future rentals for land and buildings, photocopiers and a vehicle, under existing operating leases.

| | 2020 £ | 2019 £ |
|--------------------------------|----------------|----------------|
| Due within one year | <u>294,069</u> | <u>294,328</u> |
| Due between two and five years | <u>448,313</u> | <u>728,578</u> |
| Due after five years | <u>-</u> | <u>-</u> |

The Development Committee approved and committed grants to Bureaux, of which £Nil were outstanding at the year-end (2018/19: £108,843); and committed development grants for 2020/21 total £252,769 (2018/19 £221,287).

18. Share capital

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

SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
A registered Scottish Charity SCO16637 and company limited by guarantee SC089892

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

19. Restricted, Unrestricted & Designated Funds

| | | Balance at 31 March 2018 £ | Income 2018/19 £ | Transfers 2018/19 £ | Expenditure 2018/19 £ | Balance at 31 March 2019 £ | Income 2019/20 £ | Transfers 2019/20 £ | Expenditure 2019/20 £ | Closing Balance 31 March 2020 £ |
|--|--|--|------------------------|---------------------------|-----------------------------|--|------------------------|---------------------------|-----------------------------|---|
| Restricted Funds | | | | | | | | | | |
| a | A Dispute Resolution | 20,000 | - | - | - | 20,000 | - | - | - | 20,000 |
| b | Admin Help | 40,701 | - | - | - | 40,701 | - | - | - | 40,701 |
| c | Advice In Mind | 2,001 | 193,904 | - | (189,339) | 6,566 | - | - | (6,566) | - |
| d | Armed Services Advice and Aged Veterans | 42,644 | 697,733 | - | (696,601) | 43,776 | 688,844 | - | (694,793) | 37,827 |
| e | Barclay Money Skills | 500 | - | - | - | 500 | - | - | - | 500 |
| f | Big Energy Savings Network | - | 72,000 | 5,008 | (77,008) | - | 89,000 | (5,008) | (83,000) | 992 |
| g | Big Energy Savings Week BESN | - | 15,000 | - | (13,000) | 2,000 | 40,000 | - | (42,000) | - |
| h | Brexit Readiness | - | 175,400 | - | (175,400) | - | 400,000 | (34,086) | (217,594) | 148,320 |
| i | British Telecom carry forward | 90,000 | - | - | (90,000) | - | - | - | - | - |
| j | CAD Consumer | 47 | 1,538,171 | (6,195) | (1,532,023) | - | - | - | - | - |
| k | Can Do ScotEnt project | - | 150,000 | - | - | 150,000 | - | - | (148,405) | 1,595 |
| l | Channel Extra | 150,000 | - | - | - | 150,000 | - | - | (13,415) | 136,585 |
| m | Channel Strategy | 8,019 | - | - | (1,607) | 6,412 | - | - | (6,412) | - |
| n | Consumer Futures Transition | 43,323 | - | - | - | 43,323 | - | - | (35,593) | 7,730 |
| o | Data Hub | 150,000 | - | (36,907) | (72,614) | 40,479 | - | - | (25,904) | 14,575 |
| p | Debt Advice SG 18/19 | - | 200,000 | (1) | (199,999) | - | - | - | - | - |
| q | Energy Best Deal | 132,554 | 532,260 | - | (269,281) | 395,533 | 545,000 | - | (614,907) | 325,626 |
| r | EU Settlement Home Office Funding | - | - | - | - | - | 749,480 | (10,366) | (739,114) | - |
| s | EU Settlement SG Funding | - | 200,000 | - | (167,121) | 32,879 | 354,276 | - | (378,362) | 8,793 |
| t | External liaison | 9,290 | - | - | (4,947) | 4,343 | - | - | (4,343) | - |
| u | Extra Help Unit | - | 1,750,681 | (11,963) | (1,738,718) | - | 1,951,727 | (32,933) | (1,918,794) | - |
| v | Finance System | 6,215 | - | - | (6,215) | - | - | - | - | - |
| w | Financial Health Check | - | 900,000 | - | (806,862) | 93,138 | 1,650,000 | - | (1,693,010) | 50,128 |
| x | Financial Inclusion Prudential | 10,270 | - | - | (8,903) | 1,367 | - | - | (1,367) | - |
| y | Flood Resilience | - | - | - | - | - | 6,000 | - | (6,000) | - |
| z | Gamble Awareness | - | - | - | - | - | 49,968 | - | (3,656) | 46,312 |
| aa | Just Giving Otto Thorsen | 13,183 | - | - | (2,620) | 10,563 | 1,563 | - | (246) | 11,880 |
| bb | Kinship | 35,279 | 228,675 | - | (244,152) | 19,802 | 221,845 | - | (241,645) | 2 |
| cc | LEAP | 38,183 | - | - | (16,827) | 21,356 | - | - | (18,125) | 3,231 |
| dd | Levy Funded Consumer Advocacy | - | 956,233 | (3,460) | (942,954) | 9,819 | 974,021 | - | (977,352) | 6,488 |
| ee | Martyn Lewis | 10,686 | - | (5,000) | 3,085 | 8,771 | - | - | - | 8,771 |
| ff | Matrics Extra | (1) | 33,853 | - | (33,852) | - | 25,834 | - | (25,834) | - |
| gg | Money Advice (MATRICS) | 14,690 | 83,822 | (2,000) | (89,715) | 6,797 | 87,480 | - | (67,915) | 26,362 |
| hh | Money Advice Trust | - | 13,750 | - | (10,000) | 3,750 | 3,750 | - | (7,500) | - |
| ii | Patient Advice and Support Service | 21,449 | 841,295 | - | (841,200) | 21,544 | 831,444 | - | (832,949) | 20,039 |
| jj | Payment Protection Support | - | 21,535 | - | (16,148) | 5,387 | - | - | (5,387) | - |
| kk | Pension Wise/Guidance | - | 1,455,842 | - | (1,375,766) | 80,076 | 1,656,881 | 3,962 | (1,740,919) | - |
| ll | Post Xmas debt advice | - | - | - | - | - | 196,918 | 29,001 | (225,918) | 1 |
| mm | General Consumer Advocacy (Rest of Economy) | - | 571,168 | - | (571,168) | - | 567,526 | - | (567,526) | - |
| nn | Scam Awareness | - | - | - | - | - | 127,704 | - | (60,921) | 66,783 |
| oo | Shared Services | 371,609 | - | - | (148,818) | 222,791 | - | 291,119 | (135,650) | 378,260 |
| pp | SLAB Funding 18/19 for 19/20 | - | - | 29,001 | - | 29,001 | 104,586 | (29,001) | (104,586) | - |
| qq | SPARK Energy & EON | 46,413 | - | - | (36,371) | 10,042 | - | - | (73) | 9,969 |
| rr | SSE Energy Advisors | - | - | - | - | - | 135,781 | - | (132,165) | 3,616 |
| ss | Universal Credit | - | 1,323,411 | - | (1,229,885) | 93,526 | 4,061,297 | - | (4,038,153) | 116,670 |
| tt | Welfare Reform | 10,193 | 1,460,000 | (27,000) | (1,436,858) | 6,335 | 1,460,000 | - | (1,437,054) | 29,281 |
| Total Restricted Funds | | 1,267,248 | 13,414,733 | (58,517) | (13,042,887) | 1,580,577 | 16,980,925 | 212,688 | (17,253,153) | 1,521,037 |
| Total Unrestricted Funds | | 1,522,761 | 3,000,957 | 58,517 | (2,610,001) | 1,972,234 | 3,099,439 | (212,688) | (2,961,446) | 1,897,539 |
| Total Funds | | 2,790,009 | 16,415,690 | - | (15,652,888) | 3,552,811 | 20,080,364 | - | (20,214,599) | 3,418,576 |
| Designated included within Unrestricted Funds | | | | | | | | | | |
| uu | Accountant in Bankruptcy DAS payments | - | - | - | - | - | 2,124 | - | - | 2,124 |
| vv | AdvisorNet replacement/Content Management System | - | - | 471,873 | - | 471,873 | - | - | (64,917) | 406,956 |
| ww | Ayrshire CABS Development | - | - | - | - | - | - | 36,485 | (14,692) | 21,793 |
| xx | Castle Computer Replacement Project | 69,989 | - | (61,318) | 222 | 8,893 | 27,000 | (26,876) | (1,919) | 7,098 |
| yy | Debt Advice Pilot | - | - | - | 1,618 | 1,618 | - | - | (1,618) | - |
| zz | Development Returns | - | - | - | 32,870 | 32,870 | - | (32,870) | - | - |
| aaa | Designated fixed asset & intangible asset fund | 483,317 | - | 178,655 | (169,441) | 492,531 | - | 416,706 | (225,629) | 683,608 |
| bbb | Tara House Property Fund | - | - | - | - | - | - | 22,581 | - | 22,581 |
| | | 553,306 | - | 589,210 | (134,731) | 1,007,785 | 29,124 | 416,026 | (308,775) | 1,144,160 |

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

19. Restricted, Unrestricted & Designated Funds

Restricted Funds

- a A Dispute Resolution was set up using funds brought forward from a previous year, in conjunction with the Channel Extra Fund, towards the expansion of locally delivered telephony support for national projects. Additional funding is being sought from the Robertson Trust.
- b Admin Help fund was set up using funds brought forward from a previous year, in conjunction with the Consumer Futures Transition fund, and is being used to fund the Business Development Officer post from October 2019 to October 2020, to support the development of Funding within our Network.
- c Advice in Mind fund was set up with funding from the Big Lottery Fund and was used during 2019/20 by the Motherwell Bureau.
- d Armed Services Advice and Aged Veterans fund was set up to provide Advice for members of the Armed Forces and ex-serving personnel aged 65 and over, and their dependents.
- e Barclay Money Skills fund was set up to provide individuals with improved financial skills, to enable them to manage money better.
- f Big Energy Savings Network BESN was set up to delivery Advice about Energy Savings.
- g Big Energy Savings Week is a fund that was set up to support a week-long consumer education campaign, to encourage people to seek energy advice. This campaign is co-designed with the Network and focused on reaching specific consumer types.
- h Brexit Readiness fund was set up to provide increased Network capacity to support citizens through the Brexit process.
- i British Telecom carry forward fund was set up for upgrading Broadband amongst the Bureaux network and was completed in 2019/20.
- j CAD Consumer fund was set up for CAS to provide the General Telephony Service for the Network, which was managed by Citizens Advice Direct (also known as Advice Direct Scotland). The Scottish Government ended this arrangement in March 2019.
- k Can Do ScotEnt (Scottish Enterprise) project fund was set up to find and develop innovative solutions to operational, service and policy delivery challenges.
- l Channel Extra was set up using funds brought forward from a previous year, in conjunction with the ZCX Dispute Resolution Fund, towards the expansion of locally delivered telephony support for national projects. Additional funding is being sought from the Robertson Trust.
- m Channel Strategy fund was set up using a prior year's underspend brought forward. This fund was spent during 2019/20 to provide a Referral Tool, which facilitates movement of clients between different channels.
- n Consumer Futures Transition fund was set up using funds brought forward from a previous year, in conjunction with the Admin Help fund, and is being used to fund the Business Development Officer post from October 2019 to October 2020, to support the development of Funding within our Network.
- o Data Hub fund was set up to collect Client information for Advocacy research. There are two parts to this project, the first one called Wirehouse which is now complete and the second part is called Public Website Phasing, which involves creating a database that allows the display of statistical data, for reporting to CAS and Bureaux.
- p Debt Advice SG 18/19 fund was set up to disburse funding from the Scottish Government to the Bureaux network for Debt Advice, during 2018/19.
- q Energy Best Deal fund was set up to deliver Advice about Energy Savings.
- r EU Settlement Home Office Funding was set up to deliver Advice and Assistance for EU Nationals seeking residencies during Brexit.
- s EU Settlement SG Funding was set up to deliver Advice and Assistance for EU Nationals seeking residencies during Brexit.
- t External Liaison fund was set up by a £10,000 transfer from the SEPA Training fund in 2016/17. The £4,342 balance remaining at 1 April 2019 was spent on Public Affairs & Corporate Communications Support and closed in June 2019.
- u Extra Help Unit fund was set up to give support to consumers about energy advice, on a UK wide referrals basis, and is 90% funded by DBEIS and 10% by the Scottish Government.
- v Finance System fund was set up to provide the means to upgrade our finance software, including the P2P Procurement system and the SUN accounting and reporting package.
- w Financial Health Check fund was set up to enable Bureaux to give advice to people about their Financial Health, by face-to-face, Telephone and Webchat channels.
- x Financial Inclusion Prudential fund was set up to develop Financial Inclusion projects across the CAB network.
- y Flood Resilience fund was set up to build a Flood Resistance Network across CABs.
- z Gamble Awareness fund was set up to deliver Advice and Assistance about Gambling Addiction.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

19. Restricted, Unrestricted & Designated Funds

Restricted Funds, continued

- aa Just Giving Otto Thoresen fund was set up to give awards to Volunteers working in Bureaux to recognise their efforts and achievements.
- bb Kinship Care fund was set up to provide support for people who look after their grandchildren.
- cc The LEAP project fund was set up to provide grants and training to local CABS, to give advice and solutions to clients about fuel debt and fuel poverty.
- dd Levy Funded Consumer Advocacy fund was set up to support consumers on Energy, Post and Water matters and is funded by the Scottish Government.
- ee Martyn Lewis fund was set up to receive funding of £85K and £81K in 2012 and 2013 from Martyn Lewis for Debt Advice. This funding has been used for delivery of Training by Bureaux, with the final balance remaining of £8,770 to be used for this purpose in 2020/21.
- ff Matrics Extra fund was set up to pay for the post of Money Advice Consultant.
- gg Money Advice (MATRICS) fund was set up to provide training and advice to all advisers who give free debt advice to the public.
- hh Money Advice Trust fund, funded by the Money Advice Trust, was set up to review and update E-Learning Modules on providing Money Advice.
- ii Patient Advice and Support Service (PASS) fund was set up to help citizens raise concerns about NHS issues.
- jj Payment Protection Support fund was set up to support the provision of advice about Personal Protection Insurance.
- kk Pension Wise/Guidance fund was set up to deliver Advice and Assistance about peoples' pensions.
- ll Post Xmas debt advice fund was set up to distribute Scottish Government funding to Bureaux, to provide Advice to citizens during the post Christmas Holiday period.
- mm General Consumer Advocacy (ROE) fund was set up to support consumers on all other Advocacy matters not covered by the Levy Funded Consumer Advocacy fund, including Funeral Poverty.
- nn Scam Awareness fund was set up to deliver Advice and Assistance for people who have been scammed.
- oo Shared Services fund was set up to support IT running costs in Bureaux, including hardware and software licences.
- pp SLAB Funding 18/19 for 19/20 was set up to use some underspends brought forward from previous years, to help Bureaux mitigate the effects of reduced funding from the Scottish Legal Aid Board in 2019/20, as agreed by the Scottish Government.
- qq SPARK Energy & EON fund was set up to use fines imposed on those companies that were assigned to CAS. £125,000 was received in 2015, which has been used to provide grants and training to Bureaux, to give advice and solutions to clients about fuel debt and fuel poverty.
- rr SSE Energy Advisors fund was set up to provide four Energy Advisors supporting the north of Scotland.
- ss Universal Credit/Help to Claim fund was set up to deliver Advice and Assistance of people claiming Universal Tax Credits.
- tt Welfare Reform fund was set up to mitigate the impact of Social Security changes.

Designated included within Unrestricted Funds

- uu The Accountant in Bankruptcy DAS payments is a fund that was set up to collect receipts from AIB, for work done by Bureaux to provide Debt Advice, prior to the Development Committee deciding how these funds can best be used to support the Network.
- vv The AdvisorNet replacement fund was set up towards the replacement of AdvisorNet, which is necessary because of changes being made by our sister charity in England & Wales. (CITA). The balance brought forward from 2018/19 is being used to replace our Content Management System, and our Public and Advisor advice website. This work is still ongoing with the target to be completed by April 2021.
- ww Ayrshire CABS Development fund was created to support the development of a CAB presence in Ayrshire.
- xx The Castle Computer Replacement project was set up for a major upgrade, including extra functionality which went live in October 2017, the funding being carried forward towards further developments in line with our Strategic Plans, legislative changes and ongoing user requirements. There remains a small balance CF to 20/21 to complete Castle upgrades.
- yy The Debt Advice Pilot project was completed in 19/20 and was set up to test the delivery of multi-channel debt advice across North Lanarkshire.
- zz Development Returns arose from a late repayment of development grant from a Bureau. During 19/20 it was used towards the Windows upgrade programme for Bureaux.
- aaa The Designated fixed asset & intangible asset fund was set up to enable certain capital expenditure to be shown both as an expense for budget purposed and as an offset against Fixed Asset additions.
- bbb The Tara House Property Fund was set up to provide for the end of the current Lease.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

19. Restricted, Unrestricted & Designated Funds (continued)

Fund balances at 31 March 2020 are represented by

| | Fixed Assets 2020 £ | Net Current Assets 2020 £ | Total Assets 2020 £ | Fixed Assets 2019 £ | Net Current Assets 2019 £ | Total Assets 2019 £ |
|--|------------------------------|------------------------------------|------------------------------|------------------------------|------------------------------------|------------------------------|
| Restricted Funds | | | | | | |
| A Dispute Resolution | - | 20,000 | 20,000 | - | 20,000 | 20,000 |
| Admin Help | - | 40,701 | 40,701 | - | 40,701 | 40,701 |
| Advice In Mind | - | - | - | - | 6,566 | 6,566 |
| Armed Services Advice and Aged Veterans | - | 37,827 | 37,827 | - | 43,776 | 43,776 |
| Barclay Money Skills | - | 500 | 500 | - | 500 | 500 |
| Big Energy Savings Network | - | 992 | 992 | - | - | - |
| Big Energy Savings Week BESN | - | - | - | - | 2,000 | 2,000 |
| Brexit Readiness | - | 148,320 | 148,320 | - | - | - |
| Can Do ScotEnt project | - | 1,595 | 1,595 | - | 150,000 | 150,000 |
| Channel Extra | - | 136,585 | 136,585 | - | 150,000 | 150,000 |
| Channel Strategy | - | - | - | - | 6,412 | 6,412 |
| Consumer Futures Transition | - | 7,730 | 7,730 | - | 43,323 | 43,323 |
| Data Hub | - | 14,575 | 14,575 | - | 40,479 | 40,479 |
| Energy Best Deal | - | 325,626 | 325,626 | - | 395,533 | 395,533 |
| EU Settlement SG Funding | - | 8,793 | 8,793 | - | 32,879 | 32,879 |
| External liaison | - | - | - | - | 4,343 | 4,343 |
| Financial Health Check | 15,785 | 34,343 | 50,128 | 24,801 | 68,337 | 93,138 |
| Financial Inclusion Prudential | - | - | - | - | 1,367 | 1,367 |
| Gamble Awareness | - | 46,312 | 46,312 | - | - | - |
| Just Giving Otto Thoresen | - | 11,880 | 11,880 | - | 10,563 | 10,563 |
| Kinship | - | 2 | 2 | - | 19,802 | 19,802 |
| LEAP | - | 3,231 | 3,231 | - | 21,356 | 21,356 |
| Levy Funded Consumer Advocacy | 6,488 | - | 6,488 | 9,819 | - | 9,819 |
| Martyn Lewis | - | 8,771 | 8,771 | - | 8,771 | 8,771 |
| Money Advice (MATRICS) | - | 26,362 | 26,362 | - | 6,797 | 6,797 |
| Money Advice Trust | - | - | - | - | 3,750 | 3,750 |
| Patient Advice and Support Service | - | 20,039 | 20,039 | - | 21,544 | 21,544 |
| Payment Protection Support | - | - | - | - | 5,387 | 5,387 |
| Pension Wise/Guidance | - | - | - | - | 80,076 | 80,076 |
| Post Xmas debt advice | - | 1 | 1 | - | - | - |
| Scam Awareness | - | 66,783 | 66,783 | - | - | - |
| Shared Services | - | 378,260 | 378,260 | - | 222,791 | 222,791 |
| SLAB Funding 18/19 for 19/20 | - | - | - | - | 29,001 | 29,001 |
| SPARK Energy & EON | - | 9,969 | 9,969 | - | 10,042 | 10,042 |
| SSE Energy Advisors | - | 3,616 | 3,616 | - | - | - |
| Universal Credit | 135,752 | (19,082) | 116,670 | 81,685 | 11,841 | 93,526 |
| Welfare Reform | - | 29,281 | 29,281 | - | 6,335 | 6,335 |
| Restricted Funds | 158,025 | 1,363,012 | 1,521,037 | 116,305 | 1,464,272 | 1,580,577 |
| Unrestricted designated funds | | | | | | |
| Accountant in Bankruptcy DAS payments | - | 2,124 | 2,124 | - | - | - |
| AdvisorNet replacement/Content Management System | - | 406,956 | 406,956 | - | 471,873 | 471,873 |
| Ayrshire CABS Development | - | 21,793 | 21,793 | - | - | - |
| Castle Computer Replacement Project | - | 7,098 | 7,098 | - | 8,893 | 8,893 |
| Debt Advice Pilot | - | - | - | - | 1,618 | 1,618 |
| Development Returns | - | - | - | - | 32,870 | 32,870 |
| Designated fixed asset & intangible asset fund | 683,608 | - | 683,608 | 492,531 | - | 492,531 |
| Tara House Property Fund | - | 22,581 | 22,581 | - | - | - |
| Unrestricted designated funds | 683,608 | 460,552 | 1,144,160 | 492,531 | 515,254 | 1,007,785 |
| Unrestricted general funds | - | 753,379 | 753,379 | - | 964,449 | 964,449 |
| Total unrestricted funds | 683,608 | 1,213,931 | 1,897,539 | 492,531 | 1,479,703 | 1,972,234 |
| Total funds | 841,633 | 2,576,943 | 3,418,576 | 608,836 | 2,943,975 | 3,552,811 |

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

20. Net cash (outflow) from operating activities

| Reconciliation of net incoming / (outgoing) resources to net cash (outflow) from operating activities | 2020 | 2019 |
|--|----------------|------------------|
| | £ | £ |
| Net incoming/(outgoing) Resources | (134,235) | 762,802 |
| Interest receivable during year | (8,857) | (4,280) |
| Proceeds from sale of fixed assets | - | - |
| | <hr/> | <hr/> |
| Operating surplus/(deficit) | (143,092) | 758,522 |
| Depreciation and amortisation | 267,622 | 173,619 |
| (Increase) / Decrease in debtors | 24,551 | (101,926) |
| Increase/(Decrease) in creditors | 289,835 | 396,411 |
| | <hr/> | <hr/> |
| Net cash inflow/(outflow) from operating activities | <u>438,916</u> | <u>1,226,626</u> |

21. Financial instruments

Financial instruments measured at amortised cost include the following:

| | 2020 | 2019 |
|--|-------------|-------------|
| | £ | £ |
| Financial assets | | |
| Trade Debtors and amounts due from Bureaux | 367,593 | 243,026 |
| Accrued Income | 697,891 | 1,025,194 |
| Other Debtors | 21,055 | 22,275 |
| | <hr/> | <hr/> |
| | 1,086,539 | 1,290,495 |
| | <hr/> | <hr/> |
| Financial liabilities | | |
| Trade Creditors | (1,084,072) | (820,990) |
| Accruals | (282,071) | (848,152) |
| Sundry Creditors | (67,460) | (91,977) |
| | <hr/> | <hr/> |
| | (1,433,603) | (1,761,119) |
| | <hr/> | <hr/> |

No financial instruments are held at fair value.

22. Pension obligation regarding participation in multi-employer defined benefit plan

The Company participates in a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last man standing arrangement'. Therefore, the Company is potentially liable for other participating employers' liabilities if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9M, liabilities of £926.4M and a Deficit of £131.5M.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

22. Pension obligation regarding participation in multi-employer defined benefit plan (continued)

To eliminate this funding shortfall, the Trustees have asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025 **£11,243,000 per annum**
(payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30th September 2028 **£54,560 per annum**
(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

FRS102 DISCLOSURE REPORT

| | 2020 £ | 2019 £ | 2018 £ |
|--|----------------------------|----------------------------|----------------------------|
| Present value of provision | <u>301,678</u> | <u>365,962</u> | <u>487,489</u> |
| Reconciliation of opening and closing provisions | | | |
| Provision at start of period | 365,962 | 487,489 | 548,448 |
| Unwinding of the discount factor (interest expense) | 4,630 | 7,801 | 6,009 |
| Deficit contribution paid | (60,732) | (62,821) | (59,968) |
| Remeasurements - impact of any changes in assumptions | (8,182) | 3,345 | -7,000 |
| Remeasurements - amendments to the contribution schedule | <u>-</u> | <u>(69,852)</u> | <u>-</u> |
| Provision at end of period | 301,678 | 365,962 | 487,489 |
| | 2020 £ | 2019 £ | 2018 £ |
| Income and Expenditure impact | | | |
| Interest expense | 4,630 | 7,801 | 6,009 |
| Remeasurements - impact of any changes in assumptions | (8,182) | 3,345 | -7,000 |
| Remeasurements - amendments to the contribution schedule | <u>-</u> | <u>(69,852)</u> | <u>-</u> |
| | <u>(3,552)</u> | <u>(58,706)</u> | <u>(991)</u> |
| | 2020 % per annum | 2019 % per annum | 2018 % per annum |
| Assumptions | | | |
| Rate of discount | 2.53 | 1.39 | 1.71 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

NOTES TO THE ACCOUNTS - continued
For the year ended 31 March 2020

23 Analysis of changes in net debt 19/20

| | At start of year | Cash flows | New Finance Leases | At end of year |
|---------------------------|------------------|------------|--------------------------|-------------------|
| | £ | £ | £ | £ |
| Cash | 4,038,293 | (52,644) | - | 3,985,649 |
| Finance Lease Obligations | - | 33,661 | (402,601) | (368,940) |
| Total | 4,038,293 | (18,983) | (402,601) | 3,616,709 |

No Loans are in place; the Finance Lease related to the purchase of PCs and Laptops for the Network.

24 COVID 19 Impact

At the end of the 19/20 financial year the impact of Covid-19 resulted in increased spend on IT equipment and infrastructure to support the network in being able to deliver their services remotely. This has resulted in the reduction in Unrestricted Reserves that is shown in this set of accounts. During the early part of 20/21 this additional spend has continued but CAS has been able to get additional funding from both the private and public sector to support this; our plans are to reinstate our unrestricted reserves back to the normal level during this year and to keep this stable for the end of this financial year.