



THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX

**Financial Statements
For the year ended 31 March 2023**

Companies House Registration Number SC089892

Financial Statements For the year ended 31 March 2023

Contents

Trustees Report including Strategic Report.....	5
Independent Auditors Report to the Members and Trustees.....	23
Statement of Financial Activities.....	28
Balance Sheet.....	29
Cash Flow Statement.....	30
Notes to the Accounts.....	31

Trustees during the year ended 31 March 2023 and up to signing of Accounts.

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
David Dunn *	Appointed 6 March 2019 and re-elected 11 August 2022
Nicholas Grier #	Appointed 28 March 2017 and re-elected 20 February 2020
Lindsay Hall #	Appointed 28 March 2017 and re-elected 20 February 2020 Resigned 18 May 2022
Sandra Heidinger *	Appointed 6 March 2019 and re-elected 11 August 2022
Gil Long #	Co-opted 16 August 2018 and appointed 6 March 2019, re-elected 11 August 2022
Valerie Maehle #	Appointed 20 February 2020
Karen Nailen #	Appointed 3 December 2015 and re-elected 20 February 2020 Resigned 11 August 2022
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 Resigned 29 April 2022
Anna Evans *	Appointed 13 May 2021
Jane Neilson-Adams #	Appointed 11 August 2022
Alana Forsyth #	Appointed 11 August 2022

*** denotes External Trustee**

denotes Bureau Trustee

Senior Leadership Team:

Derek Mitchell	Chief Executive Officer
Anne Lavery	Deputy Chief Executive Officer
George Eckton	Director of Advice Services
Polly Tolley	Director of Impact
Ash Kuloo	Head of Network Services
Stuart Wilson	Head of Standards
Frances Donnelly	Head of Finance
Fraser Ross	Head of Digital & Technology
Kieron Higgins	Head of Communications
Natasha Gilmour	Head of Extra Help Unit
Vikki Shelton	Head of Human Resources
Gillian Fyfe	Strategic Lead, Strong Communities
Mhoraig Green	Head of Strategy, Governance, Performance & Risk
David Hilferty	Strategic Lead, Social Justice
Myles Fitt	Strategic Lead, Financial Health
Jonathan Watt	Director of Business Development & National Funded Services (Interim)

Auditors:

Saffery Champness
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 for 2022-23

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).

Who we are?

Scotland's Citizens Advice network is an essential community service that empowers people in every corner of Scotland through our local bureaux and national services by providing free, confidential, and impartial 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 across Scotland, all operating as independent charities in their own right and generally focusing on providing support directly to citizens. Each of these organisations is a member of the Scottish Association of Citizens Advice Bureaux (SACAB).

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 also provide support services such as IT, Human Resources and Finance, where doing so nationally is more efficient and effective. We work to secure national services that provide support to individuals on specific issues, both 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 quantitative and qualitative analysis of the advice sought by clients from across the network.

Our vision, mission and values

In 2022 Citizens Advice Scotland agreed a new Strategic Framework which includes a new Vision, Mission, and Values.

Our vision is for a Fairer Scotland where everyone has the advice and information, they need to realise their rights, and where the barriers to accessing those rights are effectively challenged.

We have four mission statements that describe what we do as a Network:

- > We help people navigate systems and access their rights.
- > We build resilience in local communities.
- > We support the realisation of human rights.
- > We help change policies and practices to ensure they work for people.

The strategy also includes a set of five values – person-centered, empowering, supportive,

inclusive, and collaborative – which capture who we are, how we work and what we believe in. They describe how we treat people, and how we expect to be treated in return.

The twin aims of advice and advocacy continue to be at the centre of everything that we do. We hold the largest data set on societal issues in Scotland outside the public sector and because we are wholly independent from government, we can and do use our insight, evidence, and influence to provide a genuine voice for people in public policy.

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

Around 2.5 million people check our online advice pages every year, with a further 164,000 people getting one to one advice in 2022-23 In total, CABs unlocked £142million for people in 2022-23.

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 citizens' case studies from across the Citizens Advice network with industry monitoring to identify and analyse existing and potential consumer issues. This work allows us to engage with decision-makers in government, companies and regulators and achieve changes that will benefit consumers and citizens 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

CAS's Strategic Framework for 2022-25 includes a renewed focus on working together as a network to deliver positive outcomes for the people of Scotland. We have included a Strategic Delivery strand on 'network' for the first time to support a proactive approach to nurturing relationships across the network and encouraging partnership and collaborative working. This is supported by our commitment to co-production.

The strategy was developed following extensive engagement with CABs and CAS staff.

<p>Citizens Advice Scotland's Role in the Network</p>	<p>Citizens Advice Scotland is a national organisation which is part of the Citizens Advice Network in Scotland:</p> <p>CAS's primary role is to make sure the Citizens Advice Bureaux in Scotland have the support they need to deliver on the network's collective mission. CAS respects the local autonomy of bureaux and will increasingly involve them in priority setting, including through co-design and co-production. CAS delivers national services when appropriate within the locally led model.</p> <p>CAS works with government, industry, regulators, and national organisations to advocate on behalf of the people who use our network's services at a national level.</p>
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Citizens Advice Scotland's Priorities	<p>We will support our network to provide high-quality advice on a wide range of issues, including through training, online advice and quality assurance.</p> <p>We will work with bureaux to help them develop and to build their resilience to ensure that advice is available in local communities across Scotland.</p> <p>We will work with our network to offer multi-channel advice, including face-to-face so that people can access advice in a way that suits their needs.</p> <p>We will innovate to ensure that people receiving remote advice benefit from local knowledge on a breadth of issues, including through further integration of the Extra Help Unit managed by CAS.</p> <p>We will raise awareness of people's rights and ensure that people can access those rights and have access to channels of redress when necessary.</p> <p>We will work as a network to speak out on behalf of people at a local and national level who do not otherwise have a voice and will use our evidence base to challenge policy and practice that works against people.</p> <p>We will work to strengthen the Citizens Advice Network in Scotland, promoting reciprocal relationships between bureaux and protecting our footprint in communities across Scotland.</p> <p>We will commit to action to tackle climate change that makes Scotland a fairer, greener, and more equal society, and we will advocate on behalf of individuals most affected by climate change and the net zero transition.</p>					
	Strategic Delivery Areas	Funding and Income	Service Delivery	Building Brand	Advocacy and Influence	Network

The challenges of the past year

In 2022/23 the network, while still dealing with the aftermath of the Covid-19 pandemic, faced the impact of the worst cost of living crisis in living memory, which drove increased demand for advice and need for policy influencing. Inflation and interest rates reached decade long highs, while energy bills increased at record levels impacting significantly on citizens across Scotland and GB and driving demand for our services.

For the first time on record, advice around gas and electricity displaced a single social security issue as the area of highest demand from December to March. In total utilities advice increased by 13%. Meanwhile demand for food bank advice increased by 11% in April 2022-2023 and the network helped people with crisis advice over 118,000 times.

CABs also noted an increase in certain demographics seeking cost of living related advice at a higher level than advice generally. This included single person, working age households, those out of or unable to work, and council rented tenants.

The network continued its modernization agenda in response to these challenges in order to diversify and expand how it delivers advice to citizens across Scotland through different channels and to campaign to encourage people to seek advice quickly. Face to face service delivery, in communities, for communities and by communities, remains at the heart

of our offering however, and our local telephone service builds on this as does our webchat and chatbot technology which we have trialed in a number of CAB in this financial year. We will continue to look at how we meet the demand for advice in local communities in the year ahead. In addition, we have been enhancing our data process and analytics to ensure that our advocacy works captures and responds to these issues in quick time so that we can speak for citizens to policy makers and deliver wide scale changes for those that are detrimentally impacted.

As a charity with a Royal Patron in the Princess Royal, CAS observed the national period of mourning following the passing of Her Majesty the Queen and our Chair wrote to the Princess Royal to express our sympathy.

Funding and income

We recognise that appropriate funding and income are 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.

The Citizen Advice Service in Scotland receives core funding from both national and local government. CAS's primary funder is the UK Government, which is delivered through our sponsor department, the Department of Business and Trade. This money pays for the development of our advice content, as well as funding our training and quality assurance services to CAB. These are essential in ensuring that the advice which the network provides is of the highest quality and optimizes outcomes for citizens across Scotland. UK government funding also provide IT support to the CAB service which ensures that collectively CAB have access to a robust and secure IT infrastructure to support the service digital offering.

CAS also receives funding at a national level from the Scottish Government to deliver consumer advocacy on behalf of Scottish citizens. This is essential in creating a voice for Scottish citizens in the consumer landscape. Scottish government also provide funding to the network for specific advice projects in devolved areas such as money and debt advice and energy advice. Both UK and Scottish government provide funding to deliver the specialist energy advice through the Extra Help Unit within the network.

A breakdown of the main funding sources for CAS is shown on the next page.

In addition to CAS funding the local CAB received funding from their local authority as well as a number of local projects. CAS continues to look at ways to diversity its funding to build on the funds provided by both governments and to ensure that it can continue to deliver outcomes for citizens across Scotland and maintain the holistic advice and advocacy offering which sits at the heart of our service.



Unrestricted Core

- £3,637K UK Government - Department for Business, Energy & Industrial Strategy/Business and Trade - Core (2022: £3,241K)
- £625K Energy Companies (2022: Nil)
- £282K Other (2022: £240K)

Restricted - Projects

- £7,420K Scottish Government (2022: £8,085K)
- £2,926K UK Government - Department for Business, Energy & Industrial Strategy/Business and Trade - Consumer (2022: £2,347K)
- £2,135K UK Government - Department for Work and Pensions - Help to Claim (2022: £2,347K)
- £1,987K Energy Companies (2022: £544K)
- £1,802K Money & Pensions Service - Pensionwise (2022: £1,852K)
- £538K Gamble Aware (2022: £200K)
- £480K Poppy Scotland (2022: £512K)
- £384k Energy Industry Levy Funding (2022: Nil)
- £186K Other (2022: £512K)

The 2021-22 Financial Year is shown as '2022' on this page

A breakdown of all the projects that have been delivered in the past year are included in the table below.

	22/23 £'m	21/22 £'m
Scottish Citizens Advice network		
Advice services to citizens including:	13.8	14.9
Armed Services Advice Project	0.5	0.5
EU Settlement Scheme	0.2	0.4
Energy Best Deal	1.1	0.7
Gambling Support Service	0.5	0.2
Money Talk Team (formerly Financial Health Check)	2.7	1.5
PASS	0.8	0.8
Pensionwise	1.8	1.8
Specialist Debt Advice	0.7	1.6
Universal Credit	2.2	3.9
Welfare Reform	0.7	1.5
Other	2.7	2.0
Advocacy services on behalf of citizens	4.3	4.1
Support to our local bureaux	3.0	2.8
Total investment in services to Scottish citizens	21.2	21.8

Service Delivery

CAS rolled out "Local Calls for Local CABs" an AI driven no-code solution so that clients could phone a single number and be directed to their local CAB. This meets the aim of giving consumers a single access point to the network as well as ensuring the benefits of local advice are retained.

This work has been recognised across a range of awards including the Digital Leaders award and runner up at the National Helplines awards. Further AI related work included the establishment of a chatbot service on the refreshed Money Talk Team website and as a trail on a number of local websites.

This success in using CivTech challenge funds to deliver tangible outcomes for consumers and service providers has led to the award of 3 further CivTech challenges, drawing in a potential £1m of further funding to improve services. These challenges are directed at; improving and streamlining our data capture processes to free up adviser time; using technology to better support our volunteers and establish best practice in this area across the network, and identifying vulnerable consumers with energy problems so that we can prioritise and respond to them quickly.

This work in the energy advice area has been particularly important in a year of unprecedented demand for energy advice. The Extra Help Unit delivered exceptional results for consumers across Great Britain this year despite this demand level, dealing with over 40,000 cases. In addition to this EHU staff member George Holmes won the Consumer Champion award at the Energy UK awards and the Unit achieved the British Standard verification certificate for Inclusive Service Provision for identifying and responding to consumer vulnerability.

On debt and money advice the Money Talk Team service was launched in Autumn 2022. Encompassing a new website with chatbot functionality and delivering additional support to clients through specialist debt advice, the service reflects a more outcomes driven approach to our relationship with the Scottish Government. The service was signposted to during a Scottish Government marketing campaign in February 2023.

The Help to Claim service, delivered on behalf of the Department of Work and Pensions was extended for another year with a view to a further year's extension into 2023/24.

Building brand

CAS was a leading voice in the media around the cost-of-living crisis in the past year generating around £29.46 million worth of "earned coverage" through media relations work from 1 April 2022 – 31 March 2023. This covers online, print, and broadcast media coverage of proactive and reactive work.

As a network we ran a number of campaigns this year which focused on the issues that matter most to people in our communities. In autumn 2022 CAS ran the 'Our Advice Adds Up' campaign, focused on income maximization to help people make the most of their finances and our winter 22/23 campaign saw 'Big Energy Saving Winter', focusing on helping people deal with soaring energy bills. Our 'Debt Happens' ran in spring 2022 in the lead up to the new financial year to help clients in the post-Christmas period. In a new step the campaigns directed potential clients to a range of advice options, such as online self-help tools, specialist services like Help to Claim and Money Talk Team, as well as signposting towards local CABs.

Our weekly column in the Herald newspaper had its third anniversary in February 2023 and moved to a new Monday slot, and then moved again to a Saturday slot. The column continues to take contributions from across teams and directorates at CAS. We remain the only charity with a weekly opinion column in a national newspaper.

Our high visibility on cost-of-living issues saw CAS Chief Executive Derek Mitchell asked to present at an energy summit organized by the then First Minister, Nicola Sturgeon featuring industry, consumer groups and anti-poverty organisations. CAS has also been invited to an anti-poverty summit organised by the new First Minister, Humza Yousaf.

In addition to our monthly data reports CAS developed quarterly Cost of Living Analysis reports, focusing on demographic demand for advice in cost-of-living areas and tracking advice patterns across different subject areas, this is a unique insight for policymakers in Scotland in terms of how people are experiencing the cost-of-living crisis.

As part of our strategic plan for 2022-25, CAS has commissioned brand research to develop a deeper understanding of how the public view and engage with the network.

Advocacy and influence

We have continued to focus our advocacy work on the issues that matter to people and which we know about through the issues that people bring to our CAB network. As a result of this we led calls in Scotland for action on soaring energy prices last year which eventually led to the establishment of the Energy Price Guarantee in Autumn 2022, and its extension in Spring 2023. CAS continues to advocate for a social tariff in the energy market.

The UK government also responded to our call for action on the cost of living crisis with a

cost-of-living package targeted at vulnerable groups, such as disabled people and pensioners, in Spring 2022.

CAS secured a number of positive policy changes in the Coronavirus (Recovery & Reform) (Scotland) Bill passed in the summer of 2022, such as better protections for tenants in the private rented sector and the Protected Minimum Balance for a Bank Arrestment increased to £1,000. This change means people can have more money in household budgets before a Bank Arrestment can take effect. The Bill also included extended statutory time limits and provisions for remote hearings in the justice system. CAS called for additional monitoring mechanisms to be included within the legislation in relation to remote hearings and we were pleased to see these in the final legislation, as we believe it is in the best interest of those accessing the justice system that these processes are monitored.

Further influencing work around social tariffs for broadband and mobile consumers also paid off this year. As of 2023, there are now twenty-one social tariffs available for consumers throughout the UK. Eleven of these social tariffs can be accessed by almost all consumers in Scotland, whereas a year ago only one tariff was available in Scotland. This represents a significant increase of availability over the past three years, and due to our effective advocacy, industry and decision makers understand the need for affordable internet connections that consumers can access easily.

CAS influencing led to the removal of consumers from the Moveable Transactions (Scotland) Bill, a move which protects vulnerable people from being targeted by a high-cost credit, largely unregulated, new market.

Following the establishment of the Consumer Scotland agency, there was a successful migration of staff from CAS over to the new body, while the existing Impact team at CAS was recalibrated to ensure policy staff could continue to focus on fuel poverty and net zero issues. Our evidence base on these issues, informed by thousands of cases CABs across the country deal with, will give us a unique voice in the continuing debate around net zero and climate change. The initial relationship with Consumer Scotland has been productive and should lead to a better consumer advocacy environment in Scotland.

Network

We continue to invest in the strength of our network to ensure that we deliver outcomes for communities across Scotland. To do this we have further invested in co-design work this year to ensure that CAB voices across Scotland are represented in the work that we do and the way that we deliver services to them.

Our campaigns programme for 2022/23 was co-designed with the network and reflected the growing cost of living crisis citizens faced. Despite concerns from CABs about their capacity to engage with campaigns this year due to increased demand for advice, the co-design element of Big Energy Saving Winter was oversubscribed, with double the number of CABs receiving a co-design grant than initially planned for.

We continue to run a programme of capacity building for CAB staff to improve their skills in campaigning work, with sessions on media, digital and design.

CAS worked with Aberdeen CAB around Council Tax debt to deliver better outcomes for local people, developing template materials that other CABs can use to lobby their local councils.

We asked the Network about their development priorities and as a result brought together a programme of thematic work to strengthen capacity building across the network. These themes include volunteer recruitment, training and development, staff and volunteer well-being, knowledge sharing, human rights and equalities, governance support, fundraising and resilience, relationship management and premises/net zero. The programme of work is being developed using a co-design approach with our network.

Looking ahead

The cost of living crisis is far from over, and it will cast a shadow over the lives of tens of thousands of people for years to come through debt and a lack of financial resilience. It is crucial people have access to the free, impartial and confidential advice that the network provides, and that the issues they experience are highlighted to government and industry to develop better policy.

The coming year will see CAS continue to drive a modernisation agenda, embracing technology to deliver services without sacrificing face to face advice, diversify funding streams to bring more money into the network and continue to be a loud champion for consumers and citizens across Scotland.

Our Funders

Citizens Advice Scotland enjoys support from a wide range of funders, and we obtain the maximum value for every pound we spend. We'd like to thank all the organisations that have supported us during 2022-23, We look forward to working with you in future years.

Government Funders

UK Government Department for Business and Trade (formally Business, Energy & Industrial Strategy)
UK Government Department for Work and Pensions
UK Government Home Office
Scottish Government Digital Directorate
Scottish Government Energy and Climate Change Directorate
Scottish Government Housing and Social Justice Directorate
Scottish Government Tackling Child Poverty and Social Justice Directorate

Other Public Bodies

Accountant in Bankruptcy
NHS National Services Scotland

Other Major Funders

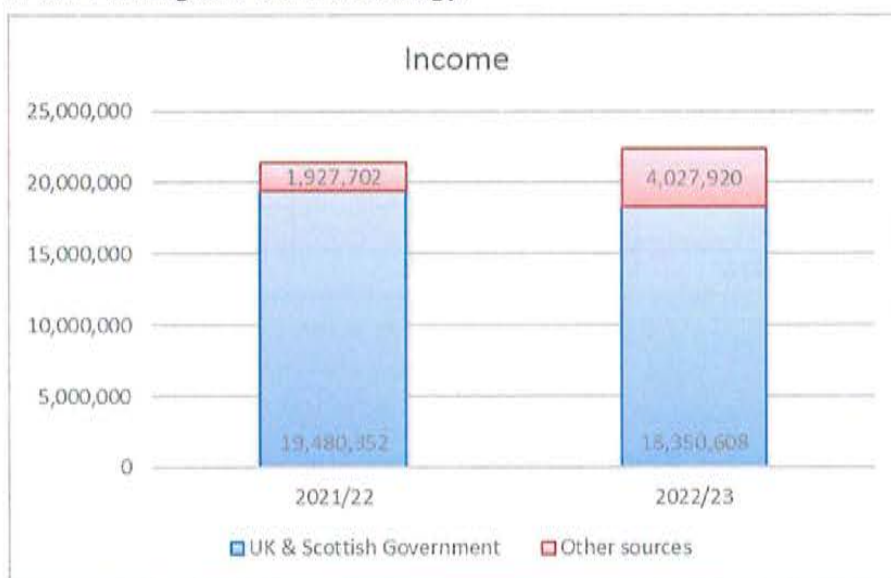
E.ON Energy Solutions
EDF Energy
Gamble Aware
Lloyds
NatWest Group
OVO Energy
Poppy Scotland
Scottish and Southern Energy
Scottish Gas Networks
Spina Bifida
TSB

Financial Performance 2022/23

Statement of Financial Activities (SOFA)

The Statement of Financial Activities shows a 5% increase in Total Income, from £21.4M in 2021/22 to £22.4M this year. Within this the income for national projects delivered through Bureaux had a 2.4% reduction from 13.2M to 12.9M; this was offset by increases in other funding areas.

Of the overall income total, 82% (2022: 91%) was received directly from the UK and Scottish Governments. This move to diversify our income base is reflective of our Funding and Income Strategy.



Total Expenditure reduced by 3%, from £21.8M in 2021/22 to £21.2M. In line with the reduction in funding for national projects CAS distributed £11.1M to bureaux, down 10% from £12.2M in 2021/22.

Net Movement in Funds for the year was a surplus of £1.2M, compared with last year's deficit movement of £429K. The main factor driving this was the receipt of additional income late in the year which was carried forward into 23/24 to support the Volunteer Drive, creation of a Business Development Unit and the ongoing investment in the networks Cyber security and infrastructure.

The funding for National projects does fluctuate year on year. The main reduction this year were the loss of Help to Claim Face to Face funding (£1.7M) because of the changes from the DWP. This was offset primarily by additional funding for Energy projects with Energy Best Deal increasing by £684K, the Safe and Warm Advisory Service £686K and Scottish Government Energy Advice £420K.

Balance Sheet as at 31 March 2023

Our overall Reserves position at 31 March 2023 is £5.2M, which is an increase compared to last year's total of £4.0M. Within this year's total, Restricted reserves decrease from £0.6M to £0.3M. Unrestricted Reserves are £5M (2022: £3.5M), of which £3.3M (2022: £2.45M) is designated leaving £1.7M (2022: £1.04M) of free reserves. The increase in Unrestricted reserves is intended to provide financial cover for required future investment in Network shared services, mainly IT related, property exposures and pension costs which are out-with the control of CAS.

Our cash balances at 31 March 2023 were £5.9M, increased from last year's position of £3.9M. Of this cash balance £2.3M is Core Unrestricted which covers nearly 7 months costs, which is sufficient to cover our target of minimum 3 months in our cash reserves.

Reserves	At 1st April 2022	Movements during Year	At 31st March 2023
	£	£	£
Unrestricted	3,489,545	1,470,696	4,960,241
Restricted	603,381	(301,296)	302,085
Total	4,092,926	1,169,400	5,262,326

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 Principles).

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 wide range of important 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 considered carefully 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 both according to the strategic objective and the nature of the risk. We have focused our strategic risks on our data, our quality of service, our relationships and our internal governance and operational structures to ensure a joined-up approach to the mitigation strategies we undertake.

Risk Category	Strategic Priority	Strategic Risk	Mitigation
Data	Brand Service Delivery Advocacy and Influence	Any risk to the security and accuracy of our data will undermine the integrity of our brand, the confidence of our clients and funders and the success of our advocacy.	<ul style="list-style-type: none"> • Cyber security accreditation • External Data Protection expertise • Creation of new data governance unit to support good practice • Updating membership standards across all aspects of data processes across the network including a new data protection standard • Training and support to managers across the network • Launch of Civtech 7 project looking

Risk Category	Strategic Priority	Strategic Risk	Mitigation
			at data capture
Data cont;	Advocacy and Influence Brand	The evolving advocacy landscape diminishes the role of locally derived real-life data in providing a voice for citizens locally and nationally in Scotland reducing our ability to advocate effectively and leading to sub-optimal decisions.	<ul style="list-style-type: none"> • Effective partnership working in the new consumer landscape to ensure all bodies recognize and respect each other's roles and work effectively together to add value • Focus on our unique service offering as the voice of citizens in local communities across Scotland. • Continued investment in our data hub and associated resources to ensure live time local data on issues that matter is available to policy makers
Quality	Brand Service Delivery	Demand for advice and speed of change detrimentally impact on ability of service to meet client's requirements and tarnish the brand.	<ul style="list-style-type: none"> • Delivery of new channel options and triage to ensure those most in need to advice reach advisers quickly • Use of AI to improve advice journey for those able to self-help including development of

Risk Category	Strategic Priority	Strategic Risk	Mitigation
			<p>botchat and Civtech 8 vulnerable consumer prioritization processes</p> <ul style="list-style-type: none"> • Development of volunteering strategy and investment in technology to support volunteers through CivTech 7 in order to attract diverse volunteers into the service • Regularly audit processes membership conditions to ensure they are appropriate
Relationship Management	<p>Funding and Income</p> <p>Service Delivery</p> <p>Brand</p>	<p>Poor relationship management leads to a reduction in the value of the brand, a shrinkage in the footprint of the network and issues with regard to the sustainability of network funding</p>	<ul style="list-style-type: none"> • Focus on strong relationships with sponsor departments and across government, public and private sector in key areas • Work effectively with partners to deliver outcomes across Scotland and in local communities • Work with local authorities in areas where there are no physical CABs and with CAB identified as being most at risk of low funding • Creation of new business development unit to scope new funding opportunities and

Risk Category	Strategic Priority	Strategic Risk	Mitigation
			<p>service development opportunities for the network</p> <ul style="list-style-type: none"> • Lead and deliver effective financial planning over the next 3 years at a network level.
People	Brand Service Delivery	Our new approach to work in a post Covid world fails to attract and retain the right people with the right skills or protect our people and clients.	<ul style="list-style-type: none"> • Implementation of the People Strategy and associated delivery framework across the organization • Investment in leadership training across the network to empower people to do their roles effectively • Introduction of improved appraisal process linked to strategic priorities to create a more formalized link between roles and outcomes achieved. • Development of the of hybrid working arrangements to allow for improved work/life balance

At the same time, CAS recognises that adopting an overly risk adverse approach may stifle the organisation's ability to identify and benefit from new opportunities to support citizens. 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

We continue to evolve our approach risk management within CAS. In the last year we have rolled out our new technological processes across the organisation to enhance and build on the disciplined approach to risk management embedded last year. This approach ensures all staff upload operational risks across the organisation onto Pentana which supports an efficient recording and updating of risk records and provides more powerful reporting for management and governance to support better oversight. We have also created a number of new roles in the organization with responsibility for oversight of the risk processes and supporting staff to embed this into their daily role. These new posts also support the provision of appropriate risk information to management and trustees to allow them to take appropriate risk assessed decisions for the organization.

Internally the Executive Leadership Team (ELT) continue to have responsibility 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 ELT reviews 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. Oversight of Risk takes place at a governance level at the Risk, Audit and Finance (RAF) Committee meetings while individual risks are also assigned to the appropriate governance Committee in CAS to manage and report on to the Committee. Overall responsibility for risk remains with the CAS Board who review the risk register at each meeting. In addition a rolling programme of risk 'deep dive's is built into the Board forward plan to allow in depth discussions of individual risks selected by the Board at meetings.

Key Management Personnel

Remuneration of all staff at CAS, including the ELT and Senior Leadership Team (SLT) 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 future operations of the charity remains dependent on the continued financial support of the core funding bodies. The grant agreement is in place for 23/24 with funding confirmed. The agreement also provides indicative funding at the same level for 24/25 with the caveat that these have been provided only to help us with our future business planning and that these amounts cannot be confirmed until the beginning of those financial years.

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 charity 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.

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

25 August 2023

Date

Independent Auditors Report to the Members and Trustees

Opinion

We have audited the financial statements of The Scottish Association of Citizens Advice Bureaux for the year ended 31 March 2023 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 2023 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves 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 in relation to which the Companies Act 2006 and 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 16, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, the Charities and Trustee

Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.



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

1 September 2023

Chartered Accountants Edinburgh Quay
133 Fountainbridge Edinburgh
EH3 9BA

Statutory Auditors Date:

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

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income & Expenditure Account)
For the year ended 31 March 2023

	Note	General Funds	Designated Funds	Total Unrestricted Funds	Total Restricted Funds	2023 Total	Total Unrestricted Funds	Total Restricted Funds	2022 Total
		£	£	£	£	£	£	£	£
Income and Endowments from:									
Donations & Legacies	2	4,283,306	-	4,283,306	17,748,417	22,031,723	3,257,791	17,794,473	21,052,264
Charitable Activities	3/18	106,870	154,035	260,905	76,868	337,773	222,992	132,352	355,344
Investments		9,032	-	9,032	-	9,032	446	-	446
Total Income		4,399,208	154,035	4,553,243	17,825,285	22,378,528	3,481,229	17,926,825	21,408,054
Expenditure on:									
Charitable activities	4	2,471,189	629,659	3,100,848	18,108,280	21,209,128	2,766,848	19,070,573	21,837,421
Total Expenditure		2,471,189	629,659	3,100,848	18,108,280	21,209,128	2,766,848	19,070,573	21,837,421
Net income/(expenditure)	6	1,928,019	(475,624)	1,452,395	(282,995)	1,169,400	714,381	(1,143,748)	(429,367)
Transfers between funds	18	(1,302,228)	1,320,529	18,301	(18,301)	-	125,783	(125,783)	-
Net Movement in Funds		625,791	844,905	1,470,696	(301,296)	1,169,400	840,164	(1,269,531)	(429,367)
Reconciliation of funds:									
Total funds brought forward	18	1,042,564	2,446,981	3,489,545	603,381	4,092,926	2,649,381	1,872,912	4,522,293
Total funds carried forward	18	1,668,355	3,291,886	4,960,241	302,085	5,262,326	3,489,545	603,381	4,092,926

All the results of the company relate to continuing operations.

BALANCE SHEET
As at 31 March 2023

	Notes	2023 £	2022 £
Fixed Assets			
Intangible Assets	10	209,399	289,118
Tangible Assets	11	581,059	251,975
Investments	12	1	1
Total Fixed Assets		<u>790,459</u>	<u>541,094</u>
Current Assets			
Debtors	13	1,694,027	963,112
Cash at bank and in hand		<u>5,938,437</u>	<u>3,900,950</u>
		7,632,464	4,864,062
Creditors: Amounts falling due within one year	14	<u>(3,128,242)</u>	<u>(1,261,479)</u>
Net current assets		<u>4,504,222</u>	<u>3,602,583</u>
Total assets less current liabilities		<u>5,294,681</u>	<u>4,143,677</u>
Provision for Liabilities	15	<u>(32,355)</u>	<u>(50,751)</u>
Total net assets		<u><u>5,262,326</u></u>	<u><u>4,092,926</u></u>
The funds of the charity:			
Unrestricted funds	18	4,960,241	3,489,545
Restricted Funds	18	<u>302,085</u>	<u>603,381</u>
		<u><u>5,262,326</u></u>	<u><u>4,092,926</u></u>

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

25 August 2023

Signed on behalf of the Board of Directors



Rory Mair
Chair

CASH FLOW STATEMENT

For the year ended 31 March 2023

	Notes	2023 £	2022 £
Net cash inflow/(outflow) from operating activities	19	<u>2,836,525</u>	<u>(255,841)</u>
Cash flows from investing activities			
Cash inflow from interest received		9,032	446
Proceeds from disposal of fixed assets		-	-
Payments to acquire intangible fixed assets		(114,082)	(86,479)
Payments to acquire tangible fixed assets		<u>(593,344)</u>	<u>-</u>
Net cash used in investing activities		<u>(698,394)</u>	<u>(86,033)</u>
Cash flows from financing activities			
Repayments on Finance Lease	22	(100,644)	(134,148)
Net Drawdown on Finance Lease		-	-
Increase / (Decrease) in cash		<u>2,037,487</u>	<u>(476,022)</u>
Reconciliation of net cash flow to movement in net funds		£	£
Cash and cash equivalents at 31 March 2022		3,900,950	4,376,972
Increase / (Decrease) in cash in the year		2,037,487	(476,022)
Cash and cash equivalents at 31 March 2023		<u><u>5,938,437</u></u>	<u><u>3,900,950</u></u>

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 financial statements 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 future operations of the charity remains dependent on the continued financial support of the core funding bodies. The grant agreement is in place for 23/24 with funding confirmed. The agreement also provides indicative funding at the same level for 24/25 with the caveat that these have been provided only to help us with our future business planning and that these amounts cannot be confirmed until the beginning of those financial years.

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 charity 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 recognized where there is legal entitlement to that income, receipt is probable, and the amount can be quantified with reasonable accuracy. 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.

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 include 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:

Furniture and equipment	10-33.3% 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.

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.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities over the lease term on a straight-line basis. The aggregate benefit of any lease incentives is recognised as a reduction in rental expense and allocated over the lease term.

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.

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.

Significant judgements and estimates

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

- 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.

2. Incoming resources from donations & legacies	2023 £	2022 £
Unrestricted funds		
BEIS Grant in Aid	3,637,000	3,241,000
Digital Boost grant	-	5,450
Legacies	21,306	11,341
Donations	625,000	-
	<u>4,283,306</u>	<u>3,257,791</u>
Restricted Funds		
Scottish Government	7,803,551	8,084,787
HM Treasury (DWP - Pensionwise, Help To Claim)	3,984,157	5,807,465
BEIS	2,925,900	2,347,100
Poppyscotland	479,704	511,947
Scottish Water	-	268,267
Gamble Aware	538,273	199,985
The University of Edinburgh	29,260	-
Money Advice Scotland	215	2,795
Water Industry Commission for Scotland	-	7,549
Energy Consumers Commission	-	10,990
<u>Energy Companies</u>		
EDF Energy Customers Limited	500,000	-
E.ON Energy Solutions	435,404	-
OVO Energy Ltd	125,000	206,550
Scottish & Southern Energy	240,813	177,038
Scottish Power	-	170,000
Scottish Gas Networks PLC	686,140	-
	<u>17,748,417</u>	<u>17,794,473</u>
Total	<u>22,031,723</u>	<u>21,052,264</u>

The Help To Claim contract was run through CITA in 22/23, in previous years the funding was direct from HM Treasury.

3. Incoming resources from charitable activities	2023 £	2022 £
Unrestricted funds		
Bureaux membership subscriptions	104,395	108,591
Accountancy in Bankruptcy Payments (Designated)	154,035	107,372
Other income	2,475	7,029
	<u>260,905</u>	<u>222,992</u>
Restricted funds		
Other Income	76,868	132,352
	<u>76,868</u>	<u>132,352</u>
Total	<u>337,773</u>	<u>355,344</u>

The Restricted Other income primarily relates to the NatWest Debt project funded by CITA and the Spina Bifida project funded by that charity. Both are vatable deliveries.

4. Charitable activities

	Staff Costs £	Grants to Bureaux £	Other costs £	Support costs £	Restricted Recharges £	Total 2023 £	Total 2022 £
Unrestricted							
Services to member bureaux							
Provision of information system	232,308	-	106,457	259,335	(310,311)	287,789	230,580
Training & Quality	405,040	-	41,686	374,595	(448,226)	373,095	325,194
Information technology and communication	538,731	-	244,936	489,856	(586,142)	687,381	863,336
Direct field services	277,154	-	34,491	201,705	(241,353)	271,997	290,145
Development Committee grants	-	344,881	-	-	-	344,881	355,572
	<u>1,453,233</u>	<u>344,881</u>	<u>427,570</u>	<u>1,325,491</u>	<u>(1,586,032)</u>	<u>1,965,143</u>	<u>2,064,827</u>
Social policy and public affairs	250,116	47,250	64,605	144,075	-	506,046	400,423
	<u>1,703,349</u>	<u>392,131</u>	<u>492,175</u>	<u>1,469,566</u>	<u>(1,586,032)</u>	<u>2,471,189</u>	<u>2,465,250</u>
Designated							
Accountant in Bankruptcy DAS payments	-	60,885	-	-	-	60,885	74,608
Ayrshire CABS Development	-	-	-	-	-	-	674
Castle Computer Replacement Project	-	-	-	-	-	-	3,397
Capacity Building	-	-	-	-	-	-	-
Designated fixed asset & intangible asset fund	-	-	421,160	-	-	421,160	457,880
Digital Advice Project	-	-	-	-	-	-	68,562
Pension Fund	-	-	-	-	-	-	-
Programme Management	(68,352)	8,090	4,463	-	-	(55,799)	(161,265)
Property Fund	-	-	36,711	-	-	36,711	-
Small Grants Fund	-	58,898	-	-	-	58,898	23,393
*Technology Infrastructure Fund (formerly Shared Services Restricted - transferred from Restricted in 21/22)	-	2,046	105,758	-	-	107,804	(165,651)
	<u>(68,352)</u>	<u>129,919</u>	<u>568,092</u>	<u>-</u>	<u>-</u>	<u>629,659</u>	<u>301,598</u>
Total Unrestricted	<u>1,634,997</u>	<u>522,050</u>	<u>1,060,267</u>	<u>1,469,566</u>	<u>(1,586,032)</u>	<u>3,100,848</u>	<u>2,766,848</u>

* The Shared Services Fund had been set up in prior years with external funding and as such had been treated as a Restricted Fund. Over the years that initial funding has been used up and as such it is now appropriate to treat as a Designated Fund. The primary use is to support the ongoing development of the infrastructure for the network and the name has been updated to reflect that.

Support costs

	2023 £	2022 £
Unrestricted Support Costs are analysed as follows:		
Staff Costs	829,426	477,575
Premises Costs	408,122	419,480
Admin/Office Costs	46,097	48,210
Finance & Professional	185,021	176,536
Strategic Spend	900	750
	<u>1,469,566</u>	<u>1,122,551</u>

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

Cost of charitable activities (continued)

	Staff Costs £	Grants to Bureaux £	Other costs £	Restricted Recharges £	Total 2023 £	Total 2022 £
Restricted						
Armed Services Advice and Aged Veterans	32,424	423,571	10,889	10,055	476,939	511,613
Big Energy Savings Network BESN*	14,520	221,689	65,524	17,222	318,955	63,712
Big Energy Savings Week	-	29,400	30,575	-	59,975	60,000
Can Do ScotEnt project	-	-	76,810	-	76,810	224,785
Channel Extra	-	-	-	-	-	53,006
CivTech Challenge	-	-	215,958	-	215,958	71,749
CivTech 7.11 Improving Castle Data	-	-	83,000	-	83,000	-
Debt Advice - Natwest	-	-	44,660	609	45,269	55,750
Edinburgh University Interns	29,260	-	-	-	29,260	-
Energy Best Deal	55,905	911,851	33,799	62,356	1,063,911	742,497
Energy Consumers Commission	-	-	-	-	-	10,990
EU Readiness	-	-	-	-	-	182,353
EU Settlement Home Office Funding	-	-	9,660	-	9,660	67,276
EU Settlement SG Funding	30,560	96,198	48,740	11,610	187,108	362,073
Extra Help Unit	1,950,695	-	390,972	775,929	3,117,596	2,536,936
Gamble Awareness	80,042	381,931	17,296	34,798	514,067	213,065
General Consumer Advocacy (Rest of Economy)	727,856	54,700	163,958	154,178	1,100,692	950,000
Help To Claim (formerly Universal Credit)	473,767	1,348,860	137,269	197,980	2,157,876	3,935,584
Just Giving Otto Thoresen	-	-	897	-	897	216
LEAP Project	-	-	-	-	-	3,220
Levy Funded Consumer Advocacy	56,276	-	-	8,903	65,179	636,397
Lloyd Debt Support	-	-	12,350	-	12,350	-
Money Advice (MATRICS)	111,622	-	309,619	36,613	457,854	460,155
Money Talks (formerly Financial Health Check)	123,516	2,408,290	41,135	79,558	2,652,499	1,528,430
Patient Advice and Support Service	38,572	758,212	27,447	11,415	835,646	806,181
Pension Wise/Guidance	258,128	1,413,942	51,867	99,371	1,823,308	1,823,618
Safe and Warm Advisory Service	72,416	521,479	38,118	38,313	670,326	9,310
Scam Awareness	-	-	-	-	-	95,860
Scottish Citizens Advice Helpline (SCAH)	-	-	-	-	-	318,976
SG Energy Advice	916	370,081	4,162	12,257	387,416	-
Shopping Card Pilot	7,331	11,228	-	2,273	20,832	85,337
SPARK Energy & EON	-	-	-	-	-	9,935
Specialist Debt Advice SG Support	14,627	605,000	1,152	4,221	625,000	1,250,002
Specialist Debt Helpline - JP Morgan (SG Funded 2	5,880	64,124	13,256	2,841	86,101	347,006
SpinaBifida project	-	-	6,944	-	6,944	-
SSEN Energy Advisors	10,700	248,120	8,966	11,566	279,352	166,247
Water Industry Commission project	-	-	-	-	-	7,549
Welfare Reform	35,246	678,186	104	13,964	727,500	1,480,745
Total Restricted	4,130,259	10,546,862	1,845,127	1,586,032	18,108,280	19,070,573
Unrestricted	1,634,997	522,050	2,529,833	(1,586,032)	3,100,848	2,766,848
Total Charitable Activities	5,765,256	11,068,912	4,374,960	-	21,209,128	21,837,421

*Funded by UK Government -Department for Business and Trade and Scottish Government

Note 5 - Page 41

4. Charitable activities - continued

For prior year ended 31 March 2022	Staff Costs £	Grants to Bureaux £	Other costs £	Support costs £	Restricted Recharges £	Total 2022 £	Total 2021 £
Unrestricted							
Services to member bureaux							
Provision of information system	127,753	-	118,188	133,637	(148,998)	230,580	236,497
Training & Quality	306,763	-	49,153	267,274	(297,996)	325,194	437,314
Information technology and communication	503,713	-	405,706	400,911	(446,994)	863,336	713,843
Direct field services	267,933	-	49,862	240,547	(268,197)	290,145	254,539
Development Committee grants	-	355,572	-	-	-	355,572	449,812
	1,206,162	355,572	622,909	1,042,369	(1,162,185)	2,064,827	2,092,005
Social policy and public affairs	153,515	46,900	119,826	80,182	-	400,423	467,778
	1,359,677	402,472	742,735	1,122,551	(1,162,185)	2,465,250	2,559,783
Designated							
Accountant in Bankruptcy DAS Payments	-	74,608	-	-	-	74,608	-
Ayrshire CABS development	-	-	674	-	-	674	7,565
Castle Replacement	-	-	3,397	-	-	3,397	(33,309)
Debt Advice Pilot	-	-	-	-	-	-	-
Designated fixed asset & intangible asset fund	-	-	457,880	-	-	457,880	486,814
Digital Advice Project	-	-	68,562	-	-	68,562	12,572
Programme Management	(158,214)	-	-	-	(3,051)	(161,265)	(35,373)
Property Fund	-	-	-	-	-	-	-
Small Grants Fund	-	23,393	-	-	-	23,393	26,707
Technology Infrastructure Fund (formerly Shared Services Restricted*)	-	-	(165,651)	-	-	(165,651)	73,209
	(158,214)	98,001	364,862	-	(3,051)	301,598	538,185
Total Unrestricted	1,201,463	500,473	1,107,597	1,122,551	(1,165,236)	2,766,848	3,097,968

* The Shared Services Fund had been set up in prior years with external funding and as such had been treated as a Restricted Fund. Over

Support costs

	2022 £	2021 £
Unrestricted Support Costs are analysed as follows:		
Staff Costs	477,575	719,969
Premises Costs	419,480	372,647
Admin/Office Costs	48,210	39,499
Finance & Professional	176,536	190,438
Strategic Spend	750	750
	1,122,551	1,323,303

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

4. Cost of charitable activities (continued)

For prior year ended 31 March 2022	Staff Costs £	Grants to Bureaux £	Other costs £	Restricted Recharges £	Total 2022 £	Total 2021 £
Restricted						
A Dispute Resolution	-	-	-	-	-	20,000
Admin Help	-	-	-	-	-	40,701
Armed Services Advice and Aged Veterans	30,712	457,430	11,793	11,678	511,613	606,896
Big Energy Savings Network BESN	-	42,376	13,336	8,000	63,712	90,325
Big Energy Savings Week	-	21,100	38,900	-	60,000	59,622
CanDo Scottish Enterprise	-	-	224,785	-	224,785	-
Channel Extra	7,511	17,175	27,529	791	53,006	83,579
CivTech Challenge	-	-	71,749	-	71,749	-
Consumer Futures Transition	-	-	-	-	-	7,730
Covid DBEIS Support	-	-	-	-	-	1,266,650
Covid SG Support	-	-	-	-	-	1,018,315
Debt Advice - Natwest	-	-	55,000	750	55,750	11,150
Development of Debt Advisor Programme	-	-	-	-	-	154,380
Energy Best Deal	49,535	662,198	15,408	15,356	742,497	651,172
Energy Consumers Commission	-	-	10,990	-	10,990	-
EU Readiness	92,727	-	58,293	31,333	182,353	337,491
EU Settlement HO Funding	16,184	31,800	25,442	6,150	67,276	356,100
EU Settlement SG Funding	59,315	219,972	52,811	29,975	362,073	339,488
Eviction Rights Campaign	-	-	-	-	-	44,094
Extra Help Unit	1,544,699	-	421,322	570,915	2,536,936	2,102,701
Gamble Aware	87,121	120,483	288	5,173	213,065	183,130
General Consumer Advocacy	564,739	73,350	221,878	90,033	950,000	943,183
Help To Claim (formerly Universal Credit)	446,196	3,175,503	181,686	132,199	3,935,584	4,053,181
Just Giving Otto Thoresen	-	-	216	-	216	216
Kinship Care	-	-	-	-	-	104,018
LEAP Project	3,220	-	-	-	3,220	-
Levy Funded Advocacy	512,829	-	56,805	66,763	636,397	700,938
Martin Lewis	-	-	-	-	-	8,771
Matrics Extra	-	-	-	-	-	30,476
Money Advice (MATRICS)	105,761	-	319,647	34,747	460,155	113,680
Money Advice Trust	-	-	-	-	-	6,250
Money Maximisation campaign	-	-	-	-	-	139,167
Money Talks (formerly Financial Health Check)	93,791	1,325,104	79,589	29,946	1,528,430	1,369,591
Open Government Booklet	-	-	-	-	-	6,000
Patient Advice and Support Service	43,855	728,038	18,999	15,289	806,181	796,080
Pensionwise	263,660	1,440,586	53,261	66,111	1,823,618	1,780,160
Post Xmas debt advice	-	-	-	-	-	249,999
Safe and Warm Advisory Service	5,503	-	952	2,855	9,310	-
Scam Awareness	9,814	82,269	734	3,043	95,860	83,857
Scottish Citizens Advice Helpline (SCAH)	45,805	258,972	-	14,199	318,976	258,741
Sharing Best Practice MultiChannel Debt Advice	-	-	-	-	-	82,783
Shopping Card Pilot	-	85,337	-	-	85,337	-
SPARK Energy & EON	9,935	-	-	-	9,935	-
Specialist Debt Advice SG Support	40,242	1,189,285	8,000	12,475	1,250,002	-
Specialist Debt Helpline - JP Morgan	6,706	320,521	15,128	4,651	347,006	1,805
SSE Energy Advisors	4,664	154,771	4,758	2,054	166,247	105,015
Stats HUB	-	-	-	-	-	14,575
Water Industry Commission project	5,708	-	-	1,841	7,549	294
Welfare Reform	77,417	1,376,000	6,119	21,209	1,480,745	1,478,536
Total Restricted	4,127,649	11,782,270	1,995,418	1,165,236	19,070,573	19,700,840
Unrestricted	1,201,463	500,473	2,230,148	(1,165,236)	2,766,848	3,097,968
Total Charitable Activities	5,329,112	12,282,743	4,225,566	-	21,837,421	22,798,808

Note 5 - Page 41

5.	Grants to Bureaux	2023 £	2022 £
	Aberdeen CAB	205,625	311,563
	Airdrie CAB	469,828	464,234
	Angus CAB	105,896	135,852
	Argyle & Bute CAB	195,438	189,266
	Banff & Buchan CAB	80,051	89,819
	Bellshill CAB	60,088	70,883
	CAB West Lothian	528,084	501,976
	Caithness CAB	116,043	115,101
	CARF	406,706	508,304
	Central Borders CAB	68,377	74,325
	Citizens Advice Edinburgh	423,420	588,059
	Clackmannan CAB	319,109	383,274
	Clydesdale CAB	105,418	100,275
	Coatbridge CAB	119,041	127,323
	Cumbernauld CAB	77,639	89,593
	DAGCAS	391,922	518,778
	Dalkeith & District CAB	93,568	117,758
	Denny & Dunipace CAB	80,039	82,896
	Dundee CAB	476,907	507,815
	East Ayrshire CAB	396,405	360,185
	East Dunbartonshire CAB	230,386	255,076
	East Kilbride CAB	128,979	120,601
	East Renfrewshire CAB	163,093	253,029
	East Sutherland CAB	39,177	62,137
	Falkirk CAB	162,580	202,621
	Glasgow Bridgeton CAB	111,185	133,953
	Glasgow Castlemilk CAB	88,594	101,017
	Glasgow Central CAB	151,291	163,138
	Glasgow Drumchapel CAB	157,655	252,322
	Glasgow Easterhouse CAB	123,038	155,102
	Glasgow Greater Pollok CAB	83,963	160,426
	Glasgow Maryhill CAB	231,055	293,123
	Glasgow Parkhead CAB	169,228	182,900
	Grangemouth CAB	98,265	111,830
	Haddington CAB	128,388	185,708
	Hamilton CAB	117,297	112,586
	Inverness CAB	853,523	744,118
	Kincardine & Mearns CAB	94,594	125,913
	Lochaber CAB	57,886	80,966
	Moray CAB	118,739	110,469
	Motherwell & Wishaw CAB	589,961	566,357
	Musselburgh CAB	44,146	75,767
	Nairn CAB	154,470	212,988
	North West Sutherland CAB	34,063	29,269
	Orkney CAB	53,865	59,669
	Peebles CAB	78,210	93,310
	Penicuik CAB	65,818	92,709
	Perth CAB	342,675	220,521
	Renfrewshire CAB	260,535	300,438
	Ross & Cromarty CAB	152,022	158,636
	Roxburgh CAB	108,153	135,474
	Rutherglen CAB	102,412	97,785
	Shetland Islands CAB	107,887	118,969
	Skye & Lochalsh CAB	79,701	84,798
	Stirling CAB	236,562	234,508
	Turriff & District CAB	64,067	86,135
	West Dunbartonshire CAB	167,521	182,470
	Western Isles CAB	184,022	183,648
	Westhill & District CAB	214,302	204,978
		Note 4	Note 4
		Page 38	Page 40
		11,068,912	12,282,743

6. Net Income/(expenditure) for the year before transfers	2023	2022
	£	£
This is stated after charging:		
Irrecoverable VAT	408,332	346,305
Depreciation	458,061	522,829
Auditors' remuneration		
External audit	24,919	20,380
Bureau Audit	-	2,464
VAT Audit	3,101	4,199
	<u>28,020</u>	<u>27,043</u>
Operating lease rentals	<u>277,104</u>	<u>282,477</u>

7. Staff costs	2023	2022
	£	£
Wages and salaries	5,479,518	4,951,099
Social security costs	546,284	477,843
Other pensions costs	546,580	361,745
Temporary staff costs/Placement Fees	<u>12,300</u>	<u>16,000</u>
	<u>6,584,682</u>	<u>5,806,687</u>

The average monthly number of employees during the year:

	2023	2022
	Number	Number
Number of staff	<u>186</u>	<u>173</u>

	2023	2022
	Number	Number
Employees' emoluments (excluding employer's pension contributions) falling within the band:		
£60,000 - £70,000	2	2
£70,000 - £80,000	2	1
£80,000 - £90,000	<u>1</u>	<u>-</u>

The increase in salary costs over the period relate primarily to an increase in staff numbers in EHU which saw a significant increase in demand. We have also invested in additional resource for data and business development to support funding diversification going forward.

Trustees are not remunerated. 4 Trustees (2021/22: 1) received reimbursement of expenses for attending meetings amounting to £1,207 (2021/22: £75).

The key management personnel comprise the Chief Executive Officer, Deputy Chief Executive Officer, the Director of Impact, the Director of Advice Services, Director of Business Development & National Funded Services, Head of Network Services, Head of Standards, Head of Finance, Head of Digital Technology, Head of Communications, Head of Extra Help Unit, Head of Human Resources, Head of Strategy, Governance, Performance & Risk, and three Strategic Leads; Social Justice, Finance Health and Strong Communities.

The total employee costs (including salary, NIC, and pension costs) of the key management personnel were £1,002,750 (2021/22 £936,148).

8. Corporation tax

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

9. Related party transactions

Citizens Advice Scotland (Trading) Limited is a fully owned subsidiary of CAS. During the year to 31 March 2023, it did not trade.

During 2022/23 there were no fee payments to any Trustee (2021/22: £NIL).

Amounts paid during the year to Bureaux which are connected to Trustees amounted to £2,449,873 (2021/22 £1,892,935)

Amount outstanding to Bureaux at the year end which are connected to Trustees amounted to £420 (2021/22 £20,969).

All debts have been repaid within normal business terms.

Payments to CAB associated with trustees have increased because full year payments have been included for any CAB associated with a trustee, even where the trustee only served on the Board for part of the year. Two CAB trustees resigned in 2022 and two new trustees from CAB were appointed therefore full year payments to all 4 CAB have been included in the accounts for this year.

Bureau	Grant £	Outstanding £
Aberdeen	205,625	-
Glasgow Maryhill	231,055	420
Inverness, Badenoch & Strathspey	853,523	-
Orkney	53,865	-
Parkhead	169,228	-
Penicuik	65,818	-
Perth	342,675	-
West Lothian	528,084	-
	<u>2,449,873</u>	<u>420</u>

10. Fixed assets

Intangibles

	Software £
Cost	
At 1 April 2022	1,124,454
Additions	114,082
Disposals	(28,427)
At 31 March 2023	<u>1,210,109</u>
Amortisation	
At 1 April 2022	835,336
Charge for year	193,801
Disposals	(28,427)
At 31 March 2023	<u>1,000,710</u>
Net book value	
At 31 March 2023	<u>209,399</u>
At 31 March 2022	<u>289,118</u>

11. Fixed assets

Tangible Fixed Assets

	Furniture & equipment £
Cost	
At 1 April 2022	1,439,942
Additions	593,344
Disposals	<u>(418,597)</u>
At 31 March 2023	<u>1,614,689</u>
Depreciation	
At 1 April 2022	1,187,967
Charge for year	264,260
Disposals	<u>(418,597)</u>
At 31 March 2023	<u>1,033,630</u>
Net book value	
At 31 March 2023	<u><u>581,059</u></u>
At 31 March 2022	<u><u>251,975</u></u>

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

12. Investments

Citizens Advice Scotland (Trading) Limited is a wholly owned subsidiary of CAS but has not been consolidated as, in the opinion of the Trustees, the figures would be of no value to the members. As at 31 March 2023 the Company had capital and Reserves of £1 and had not traded during the year.

13. Debtors	2023 £	2022 £
Trade debtors	903,637	308,012
Prepayments	439,084	227,585
Accrued income	311,457	354,867
Due from bureaux	3,128	33,876
Other debtors	<u>36,721</u>	<u>38,772</u>
	<u><u>1,694,027</u></u>	<u><u>963,112</u></u>

14. Creditors: Amounts falling due within one year	2023 £	2022 £
Trade creditors	456,848	359,324
Sundry creditors and accruals	2,467,004	610,376
Finance Lease - Short Term Liability	-	100,644
Other taxes and social security costs	138,219	120,853
Pension	<u>66,171</u>	<u>70,282</u>
	<u>3,128,242</u>	<u>1,261,479</u>

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

Balance at start of year	-	235,973
Released in year	-	(235,973)
Deferred in year	<u>1,348,042</u>	<u>-</u>
Balance at end of year	<u>1,348,042</u>	<u>-</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.

15. Provisions for liabilities and charges	2023 £	2022 £
Liability for Pension Past Service Deficit Contributions	<u>32,355</u>	<u>50,751</u>

Refer to Note 21 for a reconciliation of the opening and closing provision of the Pension liability.

16. 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. The new lease for the Edinburgh office which started Sept 2022 for 5 years is now included in this years figures.

	2023 £	2022 £
Due within one year	<u>251,171</u>	<u>170,897</u>
Due between two and five years	<u>663,738</u>	<u>47,485</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 (2021/22: £NIL); and committed development grants for next year 2023/24 totalling £254,600 (last years commitment for 2022/23 was £153,005). Further grant commitments of £136,386 were made for 2024/25.

17. Share capital

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

18.	Restricted, Unrestricted & Designated Funds	Balance at 31 March 2021	Income 2021/22	Transfers 2021/22	Expenditure 2021/22	Balance at 31 March 2022	Income 2022/23	Transfers 2022/23	Expenditure 2022/23	Closing Balance 31 March 2023
		£	£	£	£	£	£	£	£	£
	Restricted Funds									
a	Armed Services Advice and Aged Veterans	1,673	511,947	-	(511,613)	2,007	479,704	-	(476,939)	4,772
b	Big Energy Savings Network BESN*	667	90,000	-	(63,712)	26,955	292,000	-	(318,955)	-
c	Big Energy Savings Week	-	60,000	-	(60,000)	-	59,975	-	(59,975)	-
d	Can Do ScotEnt project	301,595	-	-	(224,785)	76,810	-	-	(76,810)	-
e	Channel Extra	53,006	-	-	(53,006)	-	-	-	-	-
f	CyTech Challenge - Helpline	100,000	100,000	87,283	(71,749)	215,534	1,750	-	(215,958)	1,326
g	CyTech Challenge - Improving Case recording	-	-	-	-	-	8,000	75,000	(83,000)	-
h	Debt Advice - Natwest	-	55,750	-	(55,750)	-	45,269	-	(45,269)	-
i	Edinburgh University Interns	369,454	376,550	-	(742,497)	-	29,260	-	(29,260)	-
j	Energy Best Deal	-	10,990	-	(10,990)	3,507	1,060,404	-	(1,063,911)	-
k	Energy Consumers Commission	182,353	-	-	(182,353)	-	-	-	-	-
l	EU Readiness	-	67,276	-	(67,276)	-	6,257	3,403	(9,660)	-
m	EU Settlement Home Office Funding	-	316,945	-	(362,073)	2,636	193,499	-	(187,108)	9,027
n	EU Settlement SG Funding	47,764	2,610,400	-	(2,536,936)	-	3,214,300	(96,704)	(3,117,596)	-
o	Extra Help Unit	-	199,985	(73,464)	(213,065)	-	538,273	-	(514,067)	24,206
p	Gamble Awareness	13,080	950,000	-	(950,000)	-	1,100,692	-	(1,100,692)	-
q	General Consumer Advocacy (Rest of Economy)	-	3,865,051	-	(3,935,584)	42,439	2,135,436	-	(2,157,876)	19,999
r	Help To Claim (formerly Universal Credit)	112,972	3,176	-	(216)	16,751	5,790	-	(897)	21,644
s	Just Giving Otto Thoresen	13,791	-	(11)	(3,220)	-	-	-	-	-
t	LEAP Project	3,231	633,243	-	(636,397)	-	65,179	-	(65,179)	-
u	Levy Funded Consumer Advocacy	3,154	-	-	-	-	12,350	-	(12,350)	-
v	Lloyds Debt Support	-	-	-	-	-	457,854	-	(457,854)	-
w	Money Advice (MATRICS)	-	453,945	6,210	(460,155)	-	2,652,500	-	(2,652,499)	-
x	Money Talks (formerly Financial Health Check)	55,537	1,472,892	-	(1,528,430)	(1)	811,675	-	(835,646)	17,156
y	Patience Advice and Support Service	35,633	811,675	-	(806,181)	41,127	1,848,721	-	(1,823,308)	30,183
z	Pension Wise/Guidance	34,459	1,852,413	(58,484)	(1,823,618)	4,770	-	-	-	-
aa	Post Xmas debt advice	2	-	(2)	-	-	686,140	-	(670,326)	6,504
bb	Safe and Warm Advisory Service	-	-	-	(9,310)	(9,310)	-	-	-	-
cc	Scam Awareness	95,860	-	-	(95,860)	-	-	-	-	-
dd	Scottish Citizens Advice Helpline (SCAH)	6,259	400,000	(87,283)	(318,976)	-	420,000	-	(387,416)	32,584
ee	SG Energy Advice	-	-	-	-	-	100,000	-	(20,832)	123,831
ff	Shopping Card Pilot	-	130,000	-	(85,337)	44,663	-	-	-	-
gg	SPARK Energy & EON	9,969	-	(34)	(9,935)	-	625,000	-	(625,000)	-
hh	Specialist Debt Advice SG Support	-	1,250,000	2	(1,250,002)	-	-	-	(86,101)	-
ii	Specialist Debt Helpline - JP Morgan (SG Funded 21/22)	383,107	50,000	-	(347,006)	86,101	-	-	(6,944)	-
jj	SpinaBifida project	-	-	-	-	-	6,944	-	(7,549)	-
kk	SSEN Energy Advisors	38,601	177,038	-	(166,247)	49,392	240,813	-	(279,352)	10,853
ll	Water Industry Commission project	-	7,549	-	(7,549)	-	-	-	-	-
mm	Welfare Reform	10,745	1,470,000	-	(1,480,745)	-	727,500	-	(727,500)	-
	Total Restricted Funds	1,872,912	17,926,825	(125,783)	(19,070,573)	603,381	17,825,285	(18,301)	(18,108,280)	302,085
	Total Unrestricted Funds	2,649,381	3,481,229	125,783	(2,766,848)	3,489,545	4,553,243	18,301	(3,100,848)	4,960,241
	Total Funds	4,522,293	21,408,054	-	(21,837,421)	4,092,926	22,378,528	-	(21,209,128)	5,262,326

*Funded by UK Government -Department for Business and Trade and Scottish Government

18. Restricted, Unrestricted & Designated Funds, continued;

		Balance at 31 March 2021 £	Income 2021/22 £	Transfers 2021/22 £	Expenditure 2021/22 £	Balance at 31 March 2022 £	Income 2022/23 £	Transfers 2022/23 £	Expenditure 2022/23 £	Closing Balance 31 March 2023 £
	Designated included within Unrestricted Funds									
nn	Accountant in Bankruptcy DAS payments	57,503	107,372	(5,000)	(74,608)	85,267	154,035	-	(60,885)	178,417
oo	Ayrshire CABS Development	20,491	-	-	(674)	19,817	-	(19,817)	-	-
pp	Castle Computer Replacement Project	3,397	-	-	(3,397)	-	-	-	-	-
qq	Capacity Building	-	-	-	-	-	-	38,200	-	38,200
rr	Designated fixed asset & intangible asset fund	624,387	-	220,627	(457,880)	387,134	-	775,486	(421,160)	741,460
	Digital Advice Project (formerly Advisor Net / CMS replacement)									
ss		394,384	-	-	(68,562)	325,822	-	(325,822)	-	-
tt	Pension Fund	-	-	140,000	-	140,000	-	-	-	140,000
uu	Programme Management	35,373	-	-	161,265	196,638	-	-	55,799	252,437
vv	Property Fund	119,880	-	323,464	-	443,344	-	28,304	(36,711)	434,937
ww	Small Grants Fund	3,293	-	78,790	(23,393)	58,690	-	-	(58,898)	(208)
	Technology Infrastructure Fund (formerly Shared Services Restricted - transferred from Restricted in 21/22)	420,030	2,950	201,638	165,651	790,269	-	824,178	(107,804)	1,506,643
xx		<u>1,678,738</u>	<u>110,322</u>	<u>959,519</u>	<u>(301,598)</u>	<u>2,446,981</u>	<u>154,035</u>	<u>1,320,529</u>	<u>(629,659)</u>	<u>3,291,886</u>

The largest movements were £148K relating to the capitalisation of assets, accounted for through the Designated Fixed Asset Fund and £315K transfer to the Property Fund for the imminent end of the Glasgow office lease end in 2024; £240K to cover the now completed Edinburgh refurbishment.
A further £599K was transferred to the IT Development Fund for the ongoing digital spend necessary for the network and CAS and £326K for the Digital Advice project completion.

18. Restricted, Unrestricted & Designated Funds

Restricted Funds

- a 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.
- b Big Energy Savings Network (BESN) was set up to deliver Advice about Energy Saving and was jointly funded by UK and Scottish governments.
- c 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.
- d Can Do ScotEnt project fund was set up to find and develop innovative solutions to operational, service and policy delivery challenges.
- e Channel Extra was funds brought forward from a previous year, used in conjunction with the A Dispute Resolution Fund, towards the expansion of locally delivered telephony support for national projects.
- f CivTech Challenge funding from the Scottish Government was used to link national phone calls received by the new Scottish Citizens Advice Helpline (SCAH) service with local bureaux.
- g CivTech Challenge 711 funding from the Scottish Government was used to innovation that tests the use of AI in improving and speeding up of data entry into CASTLE, our Case Recording system.
- h Debt Advice - Natwest fund was set up to use financial support from Natwest Bank to help Citizens Advice Edinburgh handle debt referral requests.
- i University of Edinburgh provide funding grants for University Interns as part of the Graduate Career Advantage Scotland (GCAS) Programme.
- j Energy Best Deal fund was set up to deliver Advice about Energy Savings.
- k Energy Consumers Commission fund was set up for the Fair Markets team to deliver a work programme in 2021/22 when the transition towards the new Consumer Scotland body forming
- l EU Readiness fund was set up to provide increased Network capacity to support citizens through the Brexit process and its after effects.
- m EU Settlement Home Office Funding was set up to deliver Advice and Assistance for EU Nationals seeking residencies during Brexit.
- n EU Settlement SG Funding was set up to deliver Advice and Assistance for EU Nationals seeking residencies during Brexit.
- o 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.
- p Gamble Awareness fund was set up to deliver Advice and Assistance about Gambling Addiction.
- q General Consumer Advocacy (Rest of Economy) fund was set up to support consumers on all other Advocacy matters not covered by the Levy Funded Consumer Advocacy fund, including Funeral Poverty.

Restricted, Unrestricted & Designated Funds

18.		Restricted Funds, continued
r		Help To Claim (formerly Universal Credit) fund was set up to deliver Advice and Assistance for people claiming Universal Tax Credits.
s		Just Giving Otto Thorsen fund was set up to give awards to Volunteers working in Bureaux to recognise their efforts and achievements.
t		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.
u		Levy Funded Consumer Advocacy fund was set up to support consumers on Energy, Post and Water matters and was funded by the Scottish Government. This was transferred in April 2022.
v		Qualified remote generalist advice to support customers who have been referred to Citizens Advice by a secure email referral from Lloyds
w		Money Advice (MATRICS) fund was set up to provide training and advice to all advisers who give free debt advice to the public.
x		Money Talks (formerly 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.
y		Patient Advice and Support Service (PASS) fund was set up to help citizens raise concerns about NHS issues.
z		Pension Wise/Guidance fund was set up to deliver Advice and Assistance about peoples' pensions.
aa		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.
		In 21/22 this has been included within the SG Debt funding.
bb		Safe and Warm Advisory Service fund was started at the end of 2122 to support Energy Advice
cc		Scam Awareness fund was set up to deliver Advice and Assistance for people who have been scammed.
dd		Scottish Citizens Advice Helpline (SCAH) fund was set up with funding from The Robertson Trust and Scottish Government to enable the public to access local advice via the phone.
ee		Scottish government provide grants in support to advise on both energy bills and energy efficiency measures in relation to cost of living crisis
ff		Shopping Card pilot was funded by SG to pilot an alternative to Food Bank vouchers.
gg		SPARK Energy & EON fund was set up to use fines imposed on those companies that were assigned to CAS. This is now complete.
hh		Specialist Debt Advice - Scottish Government funding for Debt advice.
ii		Specialist Debt Helpline - J P Morgan fund was set up to provide Bureaux with funding to give post COVID Multichannel Debt Advice assistance. Funded in 21/22 by Scottish Government.
jj		SpinaBifida project provide income maximisation services primarily relating to benefit check
kk		SSE Energy Advisors fund was set up to provide four Energy Advisors supporting the north of Scotland.
ll		Water Industry Commission project fund was set up for Policy support.
mmm		Welfare Reform fund was set up to mitigate the impact of Social Security changes.
		Designated included within Unrestricted Funds
nn		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.
oo		Ayrshire CABs Development fund was created to support the development of a CAB presence in Ayrshire.
pp		The Castle Computer Replacement project was set up for a major upgrade, including extra functionality which went live in October 2017. This is now complete.
qq		Capacity Building which used to build capacity in the network by enabling the delivery of the thematic workplan and improving tools and resources available to Bureaux.
rr		The Designated fixed asset & intangible asset fund was set up to enable certain capital expenditure to be shown both as an expense for budget purposes and as an offset against Fixed Asset additions.
ss		The Digital Advice Project was set up towards the replacement of AdvisorNet, which is necessary because of changes being made by our sister charity in England & Wales.
		This work is still ongoing.
tt		The Designated Pension Fund has been set up to allow for future swings in The Pension Trust annual charges to CAS. This will be reviewed annually.
uu		Programme Management was set up to manage the fluctuations between contractual and actual costs, over a period of time.
vv		The Property Fund was set up to provide for meeting the cost of dilapidations and other associated costs at the end of property leases.
www		Small Grants Fund was set up by the Development Committee to encourage Bureaux to apply for smaller grants to meet the cost of contingencies and short-term requirements.
xx		Technology Infrastructure Fund (formerly Shared Services restricted) was set up to support IT running costs in Bureaux, including hardware and software licences.

18. Restricted, Unrestricted & Designated Funds (continued)

Fund balances at 31 March 2023 are represented by

	Fixed Assets	Net Current Assets & Provisions	Total Assets	Fixed Assets	Net Current Assets & Provisions	Total Assets
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Restricted Funds						
Armed Services Advice and Aged Veterans	-	4,772	4,772	-	2,007	2,007
Big Energy Savings Network BESN*	-	-	-	-	26,955	26,955
Big Energy Savings Week	-	-	-	-	-	-
Can Do Scotland project	-	-	-	-	76,810	76,810
Channel Extra	-	-	-	-	-	-
CivTech Challenge - Helpline	-	1,326	1,326	-	215,534	215,534
CivTech Challenge - Improving Case recording	-	-	-	-	-	-
Debt Advice - Natwest	-	-	-	-	-	-
Edinburgh University Interns	-	-	-	-	-	-
Energy Best Deal	-	-	-	-	3,507	3,507
Energy Consumers Commission	-	-	-	-	-	-
EU Readiness	-	-	-	-	-	-
EU Settlement Home Office Funding	-	-	-	-	-	-
EU Settlement SG Funding	-	9,027	9,027	-	2,636	2,636
Extra Help Unit	-	-	-	-	-	-
Gamble Awareness	-	24,206	24,206	-	-	-
General Consumer Advocacy (Rest of Economy)	-	-	-	-	-	-
Help To Claim (formerly Universal Credit)	16,415	3,584	19,999	58,316	(10,877)	42,439
Just Giving Otto Thoresen	-	21,644	21,644	-	16,751	16,751
LEAP Project	-	-	-	-	-	-
Levy Funded Consumer Advocacy	-	-	-	-	-	-
Lloyds Debt Support	-	-	-	-	-	-
Money Advice (MATRICS)	-	-	-	-	-	-
Money Talks (formerly Financial Health Check)	-	-	-	-	(1)	(1)
Patient Advice and Support Service	-	17,156	17,156	-	41,127	41,127
Pension Wise/Guidance	-	30,183	30,183	-	4,770	4,770
Post Xmas debt advice	-	-	-	-	-	-
Safe and Warm Advisory Service	-	6,504	6,504	-	(9,310)	(9,310)
Scam Awareness	-	-	-	-	-	-
Scottish Citizens Advice Helpline (SCAH)	-	-	-	-	-	-
SG Energy Advice	32,584	-	32,584	-	-	-
Shopping Card Pilot	-	123,831	123,831	-	44,663	44,663
SPARK Energy & EON	-	-	-	-	-	-
Specialist Debt Advice SG Support	-	-	-	-	-	-
Specialist Debt Helpline - JP Morgan (SG Funded 21/22)	-	-	-	-	86,101	86,101
SpinaBifida project	-	-	-	-	-	-
SSEN Energy Advisors	-	10,853	10,853	-	49,392	49,392
Water Industry Commission project	-	-	-	-	-	-
Welfare Reform	-	-	-	-	-	-
Restricted Funds	48,999	253,086	302,085	58,316	550,065	608,381
Unrestricted designated funds						
Accountant in Bankruptcy DAS payments	-	178,417	178,417	-	85,267	85,267
Ayrshire CABS Development	-	-	-	-	19,817	19,817
Castle Computer Replacement Project	-	-	-	-	-	-
Capacity Building	-	38,200	38,200	-	-	-
Designated fixed asset & intangible asset fund	741,460	-	741,460	487,778	(100,644)	387,134
Digital Advice Project (formerly Advisor Net / CMS replacement)	-	-	-	-	325,822	325,822
Pension Fund	-	140,000	140,000	-	140,000	140,000
Programme Management	-	252,437	252,437	-	196,638	196,638
Property Fund	-	434,937	434,937	-	443,344	443,344
Small Grants Fund	-	(208)	(208)	-	58,690	58,690
Technology Infrastructure Fund (formerly Shared Services Restricted - transferrec	-	1,506,643	1,506,643	-	790,269	790,269
Unrestricted designated funds	741,460	2,550,426	3,291,886	487,778	1,959,203	2,446,981
Unrestricted general funds	-	1,668,355	1,668,355	-	1,042,564	1,042,564
Total unrestricted funds	741,460	4,218,781	4,960,241	487,778	3,001,767	3,489,545
Total funds	790,459	4,471,867	5,262,326	541,094	3,551,832	4,092,926

*Funded by UK Government -Department for Business and Trade and Scottish Government

19. Net cash (outflow) from operating activities

Reconciliation of net incoming / (outgoing) resources to net cash inflow / (outflow) from operating activities	2023 £	2022 £
Net incoming / (outgoing) Resources	1,169,400	(429,367)
Interest receivable during year	(9,032)	(446)
Proceeds from sale of fixed assets	-	-
Operating surplus / (deficit)	1,160,368	(429,813)
Depreciation and amortisation	458,061	522,829
Repayments on Finance Lease	100,644	134,148
(Increase)/Decrease in debtors	(730,915)	15,043
Increase/(Decrease) in creditors	1,848,367	(498,048)
Net cash inflow / (outflow) from operating activities	2,836,525	(255,841)

20. Financial Instruments

Financial instruments measured at amortised cost include the following:

	2023 £	2022 £
Financial assets		
Trade Debtors and amounts due from Bureaux	906,765	341,888
Accrued Income	311,457	354,867
Other Debtors	2,886	4,937
	1,221,108	701,692
Financial liabilities		
Trade Creditors	(456,848)	(359,324)
Accruals	(1,010,204)	(520,471)
Sundry Creditors	(67,778)	(20,620)
	(1,534,830)	(900,415)

No financial instruments are held at fair value.

21. 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m.

21. 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 2022 to 31 January 2025 **£3,312,000 per annum**
(payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

From 1 April 2019 to 31 September 2025 **£11,243,000 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

	2023	2022
	£	£
Present value of provision	<u>32,355</u>	<u>50,751</u>
Reconciliation of opening and closing provisions		
Provision at start of period	50,751	254,609
Unwinding of the discount factor (interest expense)	958	1,468
Deficit contribution paid	(18,490)	(64,431)
Remeasurements - impact of any changes in assumptions	(864)	(1,167)
Remeasurements - amendments to the contribution schedule	-	(139,728)
Provision at end of period	<u>32,355</u>	<u>50,751</u>
	2023	2022
	£	£
Income and Expenditure impact		
Interest expense	958	1,468
Remeasurements - impact of any changes in assumptions	(864)	(1,167)
Remeasurements - amendments to the contribution schedule	-	(139,728)
	<u>94</u>	<u>(139,427)</u>
	2023	2022
	% per annum	% per annum
Assumptions		
Rate of discount	5.52	2.35

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.

22 Analysis of changes in net cash 22/23

	At start of year	CashFlows	New Finance Leases	At end of year
	£	£		£
Cash	3,900,950	2,037,487	-	5,938,437
Finance Lease Obligations	(100,644)	100,644	-	-
Total	3,800,306	2,138,131	-	5,938,437

No loans are in place; the Finance Lease related to the purchase of PCs and laptops for the network.

23 Post Balance Sheet events

There are no significant post balance sheet events to note.