



THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX

Financial Statements
For the year ended 31 March 2016

Companies House Registration Number SC089892

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX

A registered Scottish Charity SCO16637 and company limited by guarantee SCO89892

Financial Statements

For the year ended 31 March 2016

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Trustees as at 31 March 2016

Chair: Agnes Robson (appointed as acting chair 28/06/2016)
Dominic Notarangelo (resigned 28/06/2016)

Vice-Chair: Agnes Robson (appointed 11 November 2010)

Trustees:

S F Beer	appointed 21 March 2013	M McIntyre	resigned 6 September 2016
J Henderson	appointed 6 November 2008	J S Miller	resigned 30 August 2016
S R Marshall	appointed 5 November 2009	W Mitchell	appointed 21 March 2013
F S Martin	appointed 21 March 2013	S A Peart	appointed 26 January 2012
K McGhee	appointed 3 December 2015	J Turner	appointed 3 December 2015
M J P McGinley	appointed 5 June 2014	M Kinninmonth	resigned 27 April 2016
S Brown	resigned 17 March 2016		

Senior Management Team:

A Lavery	Acting Chief Executive Officer
S McPhee	Head of Policy and Public Affairs
D Brownlee	Head of Bureau Services
V Shelton	Head of Human Resources
I Forrester	Head of Information Technology
P Tolley	Head of Communications
D Holligan	Head of Finance

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Auditors:

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP)

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

Bankers:

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

Royal Bank of Scotland PLC, 36 St. Andrews Square, Edinburgh EH2 2AD

Legal Advisors:

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

Registered by Companies House number SC089892

Citizens Advice Scotland is a Registered Scottish Charity number SC016637

Registered and Principal Office, 1st Floor, Spectrum House, 2 Powderhall Road, Edinburgh, EH7 4GB.

Trustees Report (incorporating the Strategic Report)

1. Overview of Organisation and Activities

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).

CAS is the umbrella body for all citizens advice bureaux in Scotland. The Scottish Citizens Advice Bureau (CAB) service exists to provide a free, confidential and impartial service of information, advice, guidance, assistance and counsel for the public. The 61 member bureaux provide advice to individuals through a national network of CAB offices. Over 2,400 volunteers in some 79 offices and 216 service points deal with over 260,000 clients every year on a wide range of issues. We continue to invest in volunteers, ensuring a wide range of development opportunities to enable clients to receive quality advice and support. The value to society that our volunteers bring is far reached and their work has contributed to healthier, happier and confident citizens, resulting in increased employability, financial resilience and tangible health and wellbeing benefits. In addition to this there is a greater sense of community spirit and engagement within the wider support networks available.

2. Our Strategic objectives and achievements

CAS has an overarching strategy covering the period 2013-2017 which sets out five key strategic aims for delivery throughout this period.

Strategic Aim 1	To support the Scottish Citizens Advice Service to provide multi-channel access to information, education, advice and representation to those who need it.
Strategic Aim 2	To act in partnership with the CAB, wider advice sector and other governmental and non-governmental actors to mitigate the harmful impacts of welfare reform on the Scottish economy, communities, families and individuals.
Strategic Aim 3	To be a strong voice for consumers in Scotland and to ensure that the Scottish consumer interest is well represented in UK and European markets and policy making spaces.
Strategic Aim 4	To prioritise and take action on the issues faced by the vulnerable, poor and socially excluded citizens and consumers of Scotland.
Strategic Aim 5	To develop leadership at all levels of the Citizens Advice Service across Scotland and within CAS itself in order to deliver better services to CAB and other stakeholders and the people of Scotland.

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During 2015/16

CAS has faced unprecedented challenges in response to various newspaper articles in relation to the ongoing governance review. Whilst this has undoubtedly contributed to a difficult phase for the organisation, CAS has continued to deliver its objectives, managing day to day operations effectively in order to maintain a high level of professionalism and quality of service to all stakeholders.

The financial year to 31 March 2016 has seen change and development within CAS there have been a number of key achievements which are highlighted below;

- The Scottish Government commissioned CAS to undertake research on funeral poverty in Scotland, and have committed to taking forward many of the recommendations from our report. This will help improve the affordability of 55,000 funerals which take place in Scotland each year.
- CAS campaigned on payday loans for nearly three years, resulting in a cap on charges, restrictions in the use of continuous payment authorities and "roll over" loans, and improved creditor practices. This has resulted in a 64% fall in payday loan issues at Scottish citizens advice bureaux in the last two years.
- Similar campaigning work on credit brokers which has resulted in a 94% fall in credit broker cases being reported by the Citizens Advice Consumer Helpline in 2015/16.
- Following a significant increase in consumer demand for advice on parking charges, CAS undertook a successful ongoing education and advocacy campaign. Local outcomes involved cancellation of **£10,000** car parking charges in one local authority area alone. Building on our work, the Scottish Government transport agency, Transport Scotland, have developed an action plan with Citizens Advice Scotland, Trading Standards Scotland and the parking industry to see further improvements.
- The Scottish Government committed to giving claimants the choice of when and how their Universal Credit payments will be made following our recommendation based on a survey of 600 current benefit claimants. This will benefit hundreds of thousands of people in Scotland.
- A proposal was made by the Scottish Government for a Disability Benefits Assessment Commission following our call for an independent panel to be established to monitor and review benefits assessments throughout Scotland. Our call was based on evidence provided by 15 CAB focus groups with clients across the country and will benefit 190,000 people supported by disability benefits in Scotland.
- CAS led on the co-ordination of Big Energy Saving Week (BESW) in Scotland and supported Scottish citizens advice bureaux to deliver an extensive programme of events and activities during the campaign period. During the campaign week **3,653** people were reached through events with **598** of these actively receiving advice and support on specific energy issues.
- The Scottish Government adopted the CAS definition of an 'exploitive' zero hours contract' for their Business Pledge website, encouraging businesses in Scotland to avoid using these types of contract. This could improve the rights of 59,000 workers employed on zero hours contracts in Scotland.
- Our work on legal complaints benefited Scottish consumers by ensuring a longer timespan to make complaints to the Scottish Legal Complaints Commission, and the establishment of a consumer panel.
- In September 2015, CAS published the Remotely Excluded report into the barriers that face rural and remote consumers in Scotland. We followed up the report with a fringe event at the SNP conference and a discussion with consumer groups, regulators and politicians at the Cross Party Group on Consumer Affairs.

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Our vision for the future

In the short term CAS will focus on delivering key recommendations following the recent governance review and delivering the necessary changes to deliver a new board by March 2017. One of the recommendations is for the new board to develop a new strategic plan for the organisation, and the management team will be working to prepare this in readiness for the new board's induction. The external landscape has undergone dramatic changes with the devolution of further powers to the Scottish Government, and the increased use of digital services amongst citizens. CAS needs to respond and adapt to those changes and this will be the main area of focus.

3. Financial Performance 2015/16

We are pleased to report a strong financial performance in 2015-16. CAS has continued to deliver positive results within an ever-changing landscape meeting the financial challenges of funding restrictions by adopting new approaches to enable value for money strategies and doing more with less.

The implementation of FRS102 has resulted in some minor accounting adjustments to restated values for 2015. The main areas of change are summarised below;

- Requirement to accrue for holiday pay for unused annual leave. This is now included in creditors at a value of £32k.
- Restated pension deficit now held on the face of the balance sheet in Provisions for Liabilities at a value of £580k and an in year charge of £125k reducing overall net funds.

Summarised Financial Performance	2016	2015 (Restated)	Movement
Total Incoming Resource	£15,076,478	£13,483,798	£1,592,680
Total Expenditure	£15,220,982	£12,959,460	£2,261,522
Total Net Movement in funds after pension and transfers	(£144,504)	£524,338	(£668,842)
Cash Reserves	£4,821,082	£5,429,652	(£608,570)

Total incoming resource has increased overall by 11.8% however this increase is attributed to Restricted Funding only. An overall decrease in unrestricted funding of (1.0%) was reported at the year end.

Overall expenditure has increased by 17.5% in the year. Whilst this is significantly higher than the previous year it should be noted that the majority of this increase is in relation to restricted funds, which by their very nature can be fluid and will fluctuate year on year. This equates to 92% of the overall increase.

The net movement in funds reflects the increased expenditure incurred, coupled with the addition of a pension deficit charge now reported under FRS 102.

Cash reserves remain strong with the number of Days of available cash reserves in excess of 300 which provides sound platform for business sustainability going forward and meeting ongoing working capital requirements.

Net assets have reduced marginally. This is primarily the result of the reduction in Fixed Asset Net Book Values. Despite this, the Current Ratio is a healthy indicator with a comfortable degree of headroom, further supported by an increase during the year.

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Unrestricted Funds

Unrestricted funds are made up of general funds and funds designated for specific purposes at the discretion of the Board of Trustees (see Note 18). The largest designation being £248,000 for the Castle Computer Replacement Project.

Incoming resources from generated funds totalled £3,495,841 (2014/15: £3,518,036) and is comprised principally of funding from the UK Government in the form of an unrestricted Grant in Aid. This grant is provided by BEIS and totalled £3,494,975 (2014/15: £3,495,000). Incoming resources from charitable activities amounted to £165,504 (2014/15: £192,489) and includes bureaux membership subscriptions, rent receivable and other income. Further details of sources of funds are provided in Notes 2 and 3.

Expenditure from general activities totalled £3,376,982 (2014/15: £3,196,862). The key expense item under costs of charitable activities relates to salary costs of £2,507,517 (2014/15: £2,474,334).

Restricted Funds

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

CAS continues to adopt a pro-active approach in sourcing funding over and above the Grant in Aid from BEIS to support development in the services for bureaux and to diversify income streams to enable innovation and to provide support and funding for a widening service provision with the primary aim to reach more clients and meet demand.

During the year, restricted funds of £11,393,256 (2014/15: £9,761,693) were received. Details can be found in Notes 2 and 3.

Expenditure under Restricted Funds was £11,844,000 (2014/15: £9,762,597). A number of projects which support bureaux to provide tailored advice to specific groups such as clients in fuel poverty, veterans and kinship carers continued, whilst CAS continued to work with The Money Advice Service providing budgetary guidance to the public.

Transfers

During the year, CAS designated a further £248,000 from the General Unrestricted Fund to a Designated Fund to cover The Castle Replacement Project. This has been funded by an approved proposal to cover the Software Purchase costs from the Development Committee funds (£118,000), Core Funding allocation of (£60,000) and CAD Consumer Project (£70,000) recognising the joint benefit in the redevelopment of CASTLE.

(Deficit)/Surplus for the Year

The net deficit resulting from the above income, expenditure and transfers are as follows:

	2016	2015
	£	£
Unrestricted Fund Surplus	436,240	271,472
Restricted Funds (Deficit)/Surplus	(580,744)	252,867
(Deficit)/Surplus for the year	(144,504)	524,339

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Reserves

The following fund reserves were held as at 31 March:

	2016 £	2015 £
Unrestricted Funds	1,016,082	579,842
Restricted Funds	2,062,611	2,643,355
	<u>3,078,693</u>	<u>3,223,197</u>

Useable reserves which are defined as unrestricted funds not tied up in fixed assets, amounted to £1,012,009. A detailed listing of designated and restricted funds is outlined in Note 18.

CAS is required to maintain a level of useable reserves primarily to meet ongoing obligations due to the timing of central grant receipt from BEIS. The Board is satisfied that the level of such useable reserves is sufficient to meet ongoing operations given the continued financial support from BEIS and guidance associated with this.

4. Governance

CAS is governed by a dedicated Board of Trustees. Board membership is drawn from a broad range of skills and experiences and is supported by six sub-committees who meet regularly throughout the year; Finance, Audit and Risk, Development, Policy Forum, Membership and Nominations.

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

During the last quarter the Board has undertaken a full governance review examining the effectiveness of the Board in which the findings and the CAS response were published publicly on 9th August 2016. An implementation plan has been developed to enable recommendations to be progressed and will incorporate a review of CAS's values and aspirations for the future governance of the organisation. Regular updates will be provided to the Board, BEIS, and Scottish Government throughout the process to ensure sufficient progress is being made, whilst at the same time embedding a transparent and effective culture in doing so.

Recognising the challenges faced both with the absence of a CEO, and more recently the resignation of the Chair, the Board of Trustees with the support from the Senior Management Team within CAS are committed to adopting Model Governing Rules, to enable excellent corporate governance which will be embedded throughout the organisation. The Vice Chair, Agnes Robson is undertaking the role of Acting Chair and Anne Lavery, Chief Operating Officer is acting CEO during the transitional period,

In the interim period the Chief Operating Officer and heads of department comprise the Senior Management Team which meets regularly to review progress against the Strategic Plan, co-ordinate the day to day management of all activities and continue to prepare proposals for the Board of Trustees.

Despite these challenges, the Senior Management Team remains a strong, knowledgeable and stable team.

The key responsibilities of the Trustees:

- Responsibility for the overall leadership of CAS
- Approval of CAS's strategic plan and annual budget
- Support the Management Team to achieve CAS's objectives

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- Establishing effective systems of good governance, monitoring internal control and reviewing their effectiveness annually
- Embedding strong integrity and sound business practices and ensuring CAS follows both legal and ethical standards

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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.

CAS Trustee Recruitment, induction and training

Recruitment

There are 3 categories of Trustee:

- Unpaid Bureau Trustee (maximum 6) – this can be a volunteer in a CAB eg a volunteer advisor or a member of the CAB's Board.
- Paid Bureau Trustee (maximum 6) – this can be a Manager or other paid employee of a CAB
- External Trustee (maximum 3) – external to the CAB service.

The Unpaid and Paid Bureau Trustees are nominated via a CAB and put forward for election at the AGM by the members of the Association.

The External Trustees are sought using an external recruitment agency whereby suitable candidates are sifted by the recruitment agency and a short list interviewed by the CAS

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Nominations Committee. Prior to engaging a recruitment agency, the Nominations Committee identify any skills and experience gaps within the current CAS Board and look to fill these gaps accordingly. The details of the most suitable candidates following interview are presented to the CAS Board for agreement and then put to the members at the AGM for approval.

Following the governance changes in 2013, the intention was for the Nominations Committee to undertake the exercise in-house to recruit External Trustees but this did not provide suitable candidates so it was agreed that the recruitment exercise would be undertaken by an external recruitment agency.

The Honorary Officers, ie CAS Chair, CAS Vice Chair and CAS Treasurer can only be derived from the Unpaid Trustee or External Trustee categories. The Unpaid Trustee candidates are nominated by the members and the External Trustees are put forward by the Nominations Committee and the Board. All candidates are then elected by the members at the AGM.

Induction

The induction of CAS Trustees is an opportunity for:

- a new Trustee to learn about their duties and about different aspects of their new organisation and
- existing Trustees to identify the needs of a new trustee and find ways to support them.

Over the years, Trustees have received induction programmes that have varied in format from:

- An Induction at the first CAS Board Meeting following an AGM which included an introduction to good governance and their legal requirements delivered by the CAS solicitors, Lindsays. Trustees were also sent a pack which included the Articles of Association, OSCR regulations, good governance guidance and minutes of previous CAS Board Meetings.
- An Induction Day whereby Trustees were invited to visit CAS Spectrum House to meet with the Senior Management Team and be introduced to CAS staff who delivered a short presentation on the work of their team.

As some Trustees had been on the CAS Board for a number of years, some did not feel the need to attend these induction days but they were more appropriate for newer CAS Trustees.

The most recent Induction Day was delivered on 16 February 2016 to the 2 newest Trustees and comprised of:

- an introduction to CAS from the CAS Chair
- an overview of CAS's Strategic, Corporate and Operational plans from the Chief Operating Officer
- an overview of CAS's governance documents including Articles of Association, Operational Handbook, Committee Structure and Delegated Scheme of Authority
- an opportunity to meet members of each of the CAS teams and hear about the work they undertake followed by a question and answer session with the Chief Operating Officer.

Training

When a Trustee is elected, they are issued with the Articles of Association and the Operational Handbook which contains details of remit of a Trustee, the Code of Conduct of a Trustee and the Nolan principles to which they are required to adhere.

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In 2014 and into 2015, the Board at that time underwent a development training programme which was delivered by Jane Ryder formerly of OSCR which was intended to support the Board members in their role as Trustees of CAS.

There have been a number of CAS Board Away days over the years, the most recent in early February 2015. This covered the mapping of strategic issues and against strategic objectives and the identification of priorities and looked in particular at Key Performance Indicators (KPIs), Delegation of Authority and the Terms of Reference of the various Standing Committees and Working Groups of the CAS Board.

5. Managing Risk

We have a risk management policy and procedure in place and risks are actively managed through the Strategic Management Team, Audit and Risk Committee and Board.

Our Strategic Risk Register shows key risks and includes reduction to funding, changing landscape for service provision and diverse funding streams, loss of external national project funding, reduction in bureau membership and policy changes within government, in particular devolved powers within Scotland.

These risks are mitigated by proactive interventions, including regular engagement with BEIS and Scottish Government, successful contract negotiation to maintain existing projects, financial modelling and scrutiny of value for money.

6. Going Concern

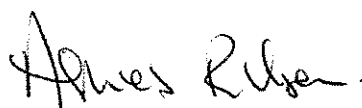
CAS is required to maintain a level of useable reserves, principally to meet ongoing obligations at the beginning of each financial quarter before grant is received from BEIS. The Board of Trustees is satisfied that the level of such useable reserves at 31 March 2016 is sufficient to meet ongoing operations given the continued financial support from BEIS and future financial support from Scottish Government both of which was jointly agreed on 2nd August 2016. Future funding is dependent on the successful implementation of recommendations made as part of the ongoing Governance and Finance Reviews. Progress made against the recommendations is on target and there are no indications to suggest that there will be any issues in meeting these requirements going forward. For this reason they continue to adopt the going concern basis in preparing the accounts.

7. 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


Agnes Robson
Acting Chair

Date 10/11/2016

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS

We have audited the financial statements of The Scottish Association of Citizens Advice Bureaux for the year ended 31 March 2016 on pages 14 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 9, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

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

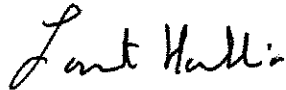
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Matters on which we are required to report by exception

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

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



JANET HAMBLIN (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

First Floor, Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

Date 16 November 2016

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income & Expenditure Account)
For the year ended 31 March 2016

	Note	Total Unrestricted Funds £	Total Restricted Funds £	2016 Total £	Total Unrestricted Funds £	Total Restricted Funds £	2015 Total £
Income and Endowments from:							
Donations & Legacies	2	3,495,841	11,381,989	14,877,830	3,518,036	9,718,284	13,236,320
Charitable Activities	3	165,504	9,638	175,142	192,489	43,409	235,898
Investments		17,977	1,629	19,606	11,580	-	11,580
Other	4	3,900	-	3,900	-	-	-
Total Income		3,683,222	11,393,256	15,076,478	3,722,105	9,761,693	13,483,798
Expenditure on:							
Charitable activities	5	3,376,982	11,844,000	15,220,982	3,196,862	9,762,597	12,959,459
Total Expenditure		3,376,982	11,844,000	15,220,982	3,196,862	9,762,597	12,959,459
Net income/(expenditure)	7	306,240	(450,744)	(144,504)	525,243	(904)	524,339
Transfers between funds	18	130,000	(130,000)	-	(253,771)	253,771	-
Net Movement in Funds		436,240	(580,744)	(144,504)	271,472	252,867	524,339
Reconciliation of funds:							
Total funds brought forward	20	579,842	2,643,355	3,223,197	308,370	2,390,488	2,698,858
Total funds carried forward	18	1,016,082	2,062,611	3,078,693	579,842	2,643,355	3,223,197

All the results of the company relate to continuing operations

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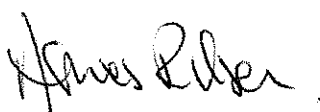
COMPANY NUMBER SC089892

BALANCE SHEET
As at 31 March 2016

	Notes	2016 £	2015 £
Fixed Assets			
Tangible Assets	11	73,502	205,261
Investments	12	<u>1</u>	<u>100</u>
Total Fixed Assets		<u>73,503</u>	<u>205,361</u>
Current Assets			
Debtors	13	1,440,161	1,533,428
Cash at bank and in hand		<u>4,821,082</u>	<u>5,429,652</u>
		6,261,243	6,963,080
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(2,676,390)</u>	<u>(3,428,244)</u>
Net current assets		<u>3,584,853</u>	<u>3,534,836</u>
Total assets less current liabilities		<u>3,658,356</u>	<u>3,740,197</u>
Provision for Liabilities	15	<u>(579,663)</u>	<u>(517,000)</u>
Total net assets		<u><u>3,078,693</u></u>	<u><u>3,223,197</u></u>
The funds of the charity:			
Unrestricted funds	18	1,016,082	579,842
Restricted Funds	18	<u>2,062,611</u>	<u>2,643,355</u>
		<u><u>3,078,693</u></u>	<u><u>3,223,197</u></u>

These financial statements were authorised and approved for issue by the Board of Directors on **21 SEPTEMBER 2016**

Signed on behalf of the Board of Directors



Agnes Robson
Acting Chair

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CASH FLOW STATEMENT

For the year ended 31 March 2016

	Notes	2016 £	2015 £
Net cash (outflow)/inflow (used in)/provided by operating activities	19	<u>(632,076)</u>	<u>1,791,655</u>
Cash flows from investing activities			
Cash inflow from interest received (gross)		19,606	11,580
Proceeds from disposal of fixed assets		3,900	-
Payments to acquire tangible fixed assets		<u>-</u>	<u>(28,871)</u>
Net cash (used in)/provided by investing activities		<u>23,506</u>	<u>(17,291)</u>
(Decrease)/Increase in cash		<u>(608,570)</u>	<u>1,774,364</u>
Reconciliation of net cash flow to movement in net funds		2016 £	2015 £
Cash and cash equivalents at 31 March 2015		5,429,652	3,655,288
(Decrease)/Increase in cash in the year		(608,570)	1,774,364
Cash and cash equivalents at 31 March 2016		<u>4,821,082</u>	<u>5,429,652</u>

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
A registered Scottish Charity SCO16637 and company limited by guarantee SCO89892

NOTES TO THE ACCOUNTS

For the year ended 31 March 2016

1. Accounting policies

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

Basis of preparation

The accounts are prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (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).

Going concern

After making enquiries of the SMT, the Board of Trustees has a reasonable expectation that CAS has adequate resources, combined with future funding approval from BEIS and Scottish Government, both of which was jointly agreed on 2nd August 2016, to continue in operational existence for the foreseeable future. Future funding is dependent on the successful implementation of recommendations made as part of the ongoing Governance and Financial reviews, and there are no indicators to suggest these conditions will not be met. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Incoming resources

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

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

Government grants

Government Grants are paid directly to the organisation to meet ongoing expenditure and is recognised when the formal offer of funding is communicated in writing to CAS.

Deferred income

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

NOTES TO THE ACCOUNTS

For the year ended 31 March 2016

Accounting policies (continued)

Resources expended

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

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

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

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

Fund accounting

Funds held by the Association are either:

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

Fixed assets and depreciation

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

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

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities 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.

NOTES TO THE ACCOUNTS

For the year ended 31 March 2016

Accounting policies (continued)

Pension

Two pension schemes were in operation during the period.

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

Under FRS 102 the liability 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 23.

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

VAT

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

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 an impairment loss that objectively

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NOTES TO THE ACCOUNTS

For the year ended 31 March 2016

Accounting policies (continued)

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.

Significant judgements and estimates

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

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

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

NOTES TO THE ACCOUNTS

For the year ended 31 March 2016

2 Incoming resources from donations & legacies

	2016 £	2015 £
Unrestricted funds		
DBIS Grant in Aid	3,494,975	3,495,000
Returns of grant to Development Committee	-	21,919
Donations	866	1,117
	<u>3,495,841</u>	<u>3,518,036</u>
Restricted Funds		
Scottish Government	3,032,321	2,656,278
DBIS	3,837,124	4,059,700
HM Treasury	3,086,564	1,128,950
Money Advice Trust	18,750	3,740
Accountant in Bankruptcy	65,050	65,050
Poppy Scotland	436,116	414,672
The Money Advice Service	716,616	663,395
Prudential	-	44,727
Martin Lewis	81,000	-
SEPA	20,000	-
SCVO	-	3,002
Energy companies	210,928	473,950
Water Industry Commission for Scotland *	(122,480)	162,820
Scottish Water	-	40,000
Return of Development Grants	-	2,000
	<u>11,381,989</u>	<u>9,718,284</u>
<i>* £122,480 returned to funder as project not completed</i>		
Total	<u>14,877,830</u>	<u>13,236,320</u>

3 Incoming resources from charitable activities

	2016 £	2015 £
Unrestricted funds		
Bureaux membership subscriptions	126,461	127,893
Sales of ancillary products	109	23,592
Rent receivable	12,510	12,510
Other income	26,424	28,494
	<u>165,504</u>	<u>192,489</u>
Restricted funds		
Other Income	9,638	43,409
	<u>9,638</u>	<u>43,409</u>
Total	<u>175,142</u>	<u>235,898</u>

4 Other incoming resources

	2016 £	2015 £
Unrestricted funds		
Gain on sale of fixed assets	3,900	-
	<u>3,900</u>	<u>-</u>

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

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

5 Cost of charitable activities

	Staff Costs £	Grants to Bureaux £	Other costs £	Support costs £	Restricted Recharges £	Total 2016 £	Total 2015 £
Unrestricted							
Services to member bureaux							
Provision of information system	159,369	-	112,148	203,502	(151,320)	323,699	284,340
Training & Quality	423,524	-	42,703	344,388	(256,080)	554,535	436,258
Information technology and communication	393,701	-	168,267	375,696	(279,360)	658,304	555,789
Direct field services	234,476	-	45,492	281,772	(209,520)	352,220	315,035
Development Committee grants	-	388,770	-	-	-	388,770	457,468
	<u>1,211,070</u>	<u>388,770</u>	<u>368,610</u>	<u>1,205,358</u>	<u>(896,280)</u>	<u>2,277,528</u>	<u>2,048,890</u>
Social policy and public affairs	517,477	40,544	55,928	485,274	-	1,099,223	1,137,831
	<u>1,728,547</u>	<u>429,314</u>	<u>424,538</u>	<u>1,690,632</u>	<u>(896,280)</u>	<u>3,376,751</u>	<u>3,186,721</u>
Designated							
Premises costs	-	-	231	-	-	231	10,141
	<u>-</u>	<u>-</u>	<u>231</u>	<u>-</u>	<u>-</u>	<u>231</u>	<u>10,141</u>
Total	<u>1,728,547</u>	<u>429,314</u>	<u>424,769</u>	<u>1,690,632</u>	<u>(896,280)</u>	<u>3,376,982</u>	<u>3,196,862</u>

Support costs

	£ 2016 £	£ 2015 £
Unrestricted Support Costs are analysed as follows:		
Staff Costs	778,970	772,219
Premises Costs	426,544	203,471
Admin/Office Costs	53,624	53,953
Finance & Professional	427,703	381,790
Depreciation	3,791	8,135
	<u>1,690,632</u>	<u>1,419,568</u>

Support costs are allocated on the basis of staff numbers

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NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

5 Cost of charitable activities (continued)

	Staff Costs £	Grants to Bureaux £	Other costs £	Restricted Recharges £	Total 2016 £	Total 2015 £
Restricted						
Money Advice Trust	-	-	-	15,000	15,000	5,008
Money Advice (MATRICS)	63,171	-	9,657	(6,168)	66,660	69,738
DTI Mid term review	-	-	5,409	-	5,409	6,627
Patient Advice and Support Service	72,273	958,707	96,720	21,113	1,148,813	1,201,266
Scottish Housing Advisory Service	-	-	-	-	-	7,248
Castle	-	-	477	-	477	477
Kinship (Grants to bureaux)	16,720	111,000	6,436	20,114	154,270	138,942
SSE	-	-	-	-	-	31,500
Big Lottery - Investing in communities	-	-	-	-	-	396
Armed Services Advice Project	26,680	397,537	17,272	7,392	448,881	410,833
The Money Advice Service	92,049	516,247	18,047	30,422	656,765	618,818
Castle Case Management	-	-	113	-	113	9,515
Year end BIS (1)	-	-	8,341	-	8,341	66,497
Financial inclusion prudential	42,925	-	17,351	(10,557)	49,719	36,367
Energy Best Deal	-	224,150	1,824	7,463	233,437	177,898
Change Programme	-	-	7,614	-	7,614	51,561
CAD Consumer	53,867	1,024,026	345,786	56,280	1,479,959	1,461,097
Admin Bis	-	-	-	-	-	1,952
Petra	-	-	163	-	163	-
Barclay Skills	-	-	-	-	-	4,500
Big Energy Savings Week	-	12,000	-	-	12,000	-
Welfare Reform	-	1,352,546	5,495	59,853	1,417,894	1,424,374
Consumer Futures Transition	-	-	13,271	-	13,271	35,463
Welfare Sanctions	-	-	-	-	-	29,979
Sales Guarantee	-	167,299	-	10,080	177,379	172,302
Shared Services	6,396	-	382,962	-	389,358	515,548
Pensionwise	296,238	2,150,045	566,593	75,317	3,088,193	988,950
SCVO Intern	-	-	-	-	-	3,002
Water Forum	-	-	3,782	(8,000)	(4,218)	37,899
Consumer Futures Work Programme	-	-	378,037	-	378,037	209,305
Extra Help Unit	738,296	-	369,163	449,106	1,556,565	1,457,367
Consumer Futures	293,908	-	63,739	168,867	526,514	555,301
Funeral Poverty	-	-	13,386	-	13,386	-
	1,702,523	6,913,557	2,331,638	896,282	11,844,000	9,729,729

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(a company limited by guarantee)

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

	2016	2015
6 Grants to Bureau	£	£
Aberdeen CAB	122,298	100,470
Airdrie CAB	365,519	305,342
Angus CAB	114,497	66,539
Argyle & Bute CAB	144,245	48,598
Banff & Buchan CAB	20,518	16,140
Bellshill CAB	36,357	12,343
CAB West Lothian	138,187	95,823
Caithness CAB	34,419	19,210
CARF	342,210	251,760
Central Borders CAB	16,146	17,376
Citizens Advice Direct	1,126,709	1,170,417
Citizens Advice Edinburgh	326,643	203,379
Clackmannan CAB	128,720	102,492
Clydesdale CAB	52,966	27,871
Coatbridge CAB	68,576	46,470
Cumbernauld CAB	28,777	17,108
DAGCAS	208,017	156,957
Dalkeith & District CAB	15,172	9,400
Denny & Dunipace CAB	42,344	33,831
Dundee CAB	212,760	191,017
East Ayrshire CAB	103,550	183,542
East Dunbartonshire CAB	262,799	225,383
East Kilbride CAB	70,454	21,318
East Renfrewshire CAB	116,051	118,829
East Sutherland CAB	112,014	66,885
Falkirk CAB	69,103	13,655
Glasgow Bridgeton CAB	37,863	31,520
Glasgow Castlemilk CAB	39,329	32,951
Glasgow Central CAB	85,531	38,429
Glasgow Drumchapel CAB	120,491	63,806
Glasgow Easterhouse CAB	90,670	31,653
Glasgow Greater Pollok CAB	50,242	69,601
Glasgow Maryhill CAB	48,056	61,919
Glasgow Parkhead CAB	140,806	54,025
Grangemouth CAB	68,881	19,948
Haddington CAB	72,865	15,937
Hamilton CAB	21,304	14,985
Inverness CAB	269,615	238,398
Kincardine & Mearns CAB	11,817	7,645
Lochaber CAB	14,287	10,643
Moray CAB	66,807	61,678
Motherwell & Wishaw CAB	224,632	130,656
Muskelburgh CAB	84,048	19,298
NACAS	223,427	104,155
Nairn CAB	168,791	97,424
North West Sutherland CAB	11,975	7,034
Orkney CAB	29,546	24,817
Peebles CAB	45,429	40,159
Penicuik CAB	39,779	62,020
Perth CAB	110,229	69,662
Renfrewshire CAB	161,751	76,038
Ross & Cromarty CAB	7,600	67,314
Roxburgh CAB	90,103	23,429
Rutherglen CAB	55,331	61,572
Shetland Islands CAB	89,125	37,354
Skye & Lochalsh CAB	55,654	31,382
Stirling CAB	136,202	89,017
Turriff & District CAB	56,622	17,478
West Dunbartonshire CAB	80,224	89,401
Western Isles CAB	141,138	70,134
Westhill & District CAB	112,269	52,838
	<u>7,341,490</u>	<u>5,446,478</u>

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

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

7 Net Incoming/(expenditure) for the year before transfers	2016	2015
	£	£
This is stated after charging:		
Irrecoverable VAT	107,613	119,453
Depreciation	131,759	246,336
Auditors' remuneration		
External audit	26,265	22,380
Other Services: Tax Advisory Services from related parties	27,654	38,570
Operating lease rentals - land and buildings	292,611	71,267

8 Staff costs	2016	2015
	£	£
Wages and salaries	3,250,303	2,884,965
Social security costs	293,509	252,999
Other pensions costs	531,306	378,565
Temporary staff costs	134,921	-
	<u>4,210,039</u>	<u>3,516,529</u>

The average monthly number of employees during the year was 130	2016	2015
	Number	Number
Number of staff	<u>130</u>	<u>116</u>

	2016	2015
	Number	Number
Employees' emoluments (excluding employer's pension contributions) falling within the band: £60,000 - £70,000	<u>2</u>	<u>2</u>

Trustees are not remunerated. 14 Trustees (2015:14) received reimbursement of expenses for attending meetings amounting to £12,559 (2015: £12,546)

The key management personnel comprise the Chief Executive Officer, Chief Operating Officer and the Heads of Finance, Information Technology, Human Resources, Communications, Policy and Development.

The total employee benefits of the key management personnel were £455,954 (2015: £369,221).

9 Corporation tax

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

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

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

10 Related party transactions

Citizens Advice Scotland (Trading) Limited is a fully owned subsidiary of CAS. During the year to 31 March 2016 it did not trade. The loan of £500 from CAS remains outstanding at the year end. During 2015/16 a Trustee received tutor fees of £500 and another Trustee received £220 for verification panel fees (2014/15: one trustee received £250). Amounts paid during the year to Bureau which are connected to Trustees amounted to £1,716,492 (2014/15: £1,129,845). Amounts outstanding from bureaux at the year end which are connected to Trustees amounted to £6,689 (2014/15: £58,160). All debts have been repaid within normal business terms with the exception of a residual loan balance of £7,800 which was written off in the year.

Bureau	Grant £	Outstanding £
Maryhill CAB	11,817	35
Easterhouse CAB	269,615	7
Clackmannanshire CAB	28,777	(130)
Aberdeen	122,298	-
Dundee	116,051	32
Penicuik	55,654	1,616
Lochaber	11,975	96
Airdrie	365,519	1,989
Edinburgh Central	68,576	(68)
Roxburgh CAB	141,138	2,095
Greater Pollock	50,242	998
West Lothian	34,419	18
	<u>1,276,081</u>	<u>6,688</u>

11 Fixed assets

Tangible Fixed Assets

	Furniture & equip. £	Motor vehicles £	Total £
Cost			
At 1 April 2015	2,437,012	127,955	2,564,967
Additions	-	-	-
Disposals	-	(26,399)	(26,399)
At 31 March 2016	<u>2,437,012</u>	<u>101,556</u>	<u>2,538,568</u>
Depreciation			
At 1 April 2015	2,231,751	127,955	2,359,706
Charge for year	131,759	-	131,759
Disposals	-	(26,399)	(26,399)
At 31 March 2016	<u>2,363,510</u>	<u>101,556</u>	<u>2,465,066</u>
Net book value			
At 31 March 2016	<u>73,502</u>	<u>-</u>	<u>73,502</u>
At 31 March 2015	<u>205,261</u>	<u>-</u>	<u>205,261</u>

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

12 Investments

Citizens Advice Scotland (Trading) Limited is a wholly owned subsidiary of CAS but has not been consolidated as, in the opinion of the Trustees, the figures would be of no value to the members. At 31 March 2016 the Company had capital and reserves of £1 and had not traded during the year.

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NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

13 Debtors	2016	2015
	£	£
Trade debtors	310,214	66,616
Prepayments & Accrued Income	1,076,772	1,312,342
Due from bureaux	47,193	67,049
Other debtors	5,982	87,421
	<u>1,440,161</u>	<u>1,533,428</u>

Within Prepayments and accrued income of £1,076,772 is a prepayment of £417,237 (2015: £548,018) relating to a payment to British Telecom in respect of a contract to provide network infrastructure to CAS and the Scottish CAB service over a five year period on a phased rollout until 2018/19.

14 Creditors: Amounts falling due within one year	2016	2015
	£	£
Trade creditors	570,935	1,505,398
Sundry creditors and accruals	1,956,431	1,785,852
Other taxes and social security costs	104,568	73,590
Pension	44,456	63,404
	<u>2,676,390</u>	<u>3,428,244</u>

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

Balance at start of year	111,420	1,078,795
Released in year	(111,420)	(1,078,795)
Deferred in year	1,118,947	111,420
Balance at end of year	<u>1,118,947</u>	<u>111,420</u>

15 Provisions for liabilities and charges	2016	2015
	£	£
Liability for Pension Past Service Contributions	<u>579,663</u>	<u>517,000</u>

16 Commitments

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

	2016	2015
	£	£
Due within one year	<u>3,600</u>	<u>3,600</u>
Due between two and five years	<u>-</u>	<u>-</u>
Due after 5 years	<u>1,759,520</u>	<u>2,024,634</u>

The Development Committee approved and committed grants to Bureaux which were outstanding at the year end of £28,025 for 2015/16 (2014/15 £1,615) and £259,473 for 2016/17 (2015/16 £Nil)

17 Share capital

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

THE SCOTTISH ASSOCIATION OF CITIZENS ADVICE BUREAUX
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NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

18 Restricted, Unrestricted & Designated Funds

	Balance at 31.03.15 £	Income 2015/16 £	Transfers £	Spend 2016 £	Closing Balance 31.03.16 £
Restricted					
Money Advice Trust	-	18,750	-	(15,000)	3,750
Money Advice (MATRICS)	446	72,688	-	(66,660)	6,474
DTI Mid term review	21,273	-	1	(5,409)	15,865
Patient Advice and Support Service	32,563	1,143,401	-	(1,148,813)	27,151
Castle	954	-	-	(477)	477
Kinship	23,968	161,000	-	(154,270)	30,698
SPARK Energy & EON	-	125,000	-	-	125,000
Big Lottery - Volunteer Support Team	1	-	(1)	-	-
Armed Services Advice (previously Veteranar	20,422	436,116	-	(448,881)	7,657
Volunteer Development Officer	9,894	-	-	-	9,894
Otto Thoresen	13,182	-	-	-	13,182
The Money Advice Service	74,871	716,616	(60,000)	(656,765)	74,722
Castle Case Management	2,360	-	-	(113)	2,247
Year end BIS (1)	8,545	-	-	(8,341)	204
Energy Best Deal E-Learning	2,500	-	-	-	2,500
Financial Inclusion Prudential	62,249	-	-	(49,720)	12,529
Energy Best Deal	301,174	72,000	-	(233,437)	139,737
Change Programme 2014	13,526	-	-	(7,614)	5,912
CAD Consumer	214,963	1,591,228	(70,000)	(1,479,960)	256,231
Disability & Human Rights	28,000	-	-	-	28,000
Big Energy Savings Week	12,792	13,928	-	(12,000)	14,720
Barclay Money Skills	500	-	-	-	500
Welfare Reform	6,622	1,439,037	-	(1,417,894)	27,765
Admin Help	40,701	-	-	-	40,701
Petra	12,712	-	-	(163)	12,549
Shared Services	1,181,345	-	-	(389,358)	791,987
Consumer Futures Transition	100,588	-	-	(13,271)	87,317
Sales Guarantee	180,033	-	-	(177,379)	2,654
Pension Wise	-	3,088,193	-	(3,088,193)	-
Martyn Lewis	-	81,000	-	-	81,000
Customer Forum	124,921	(120,480)	-	4,218	8,659
Consumer Futures Work Programme	53,595	254,050	70,392	(378,037)	-
Development Returns	2,000	-	-	-	2,000
Extra Help Unit	-	1,621,600	-	(1,556,564)	65,036
Consumer Futures	96,655	643,676	(70,392)	(526,513)	143,426
Funeral Poverty	-	15,453	-	(13,386)	2,067
SEPA Training	-	20,000	-	-	20,000
	<u>2,643,355</u>	<u>11,393,256</u>	<u>(130,000)</u>	<u>(11,844,000)</u>	<u>2,062,611</u>

Unrestricted	<u>579,842</u>	<u>3,683,222</u>	<u>130,000</u>	<u>3,376,982</u>	<u>1,016,082</u>
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Net transfers to unrestricted related to agreed overhead allocations

Designated included within Unrestricted

AGM/Annual Conference	6,869	-	(1)	-	6,868
East Wing Fit Out	230	-	1	(231)	-
Castle Computer Replacement Project	-	-	248,000	-	248,000
	<u>7,099</u>	<u>-</u>	<u>248,000</u>	<u>(231)</u>	<u>254,868</u>

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

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

18 Restricted, Unrestricted & Designated Funds

Fund balances at 31 March 2016 are represented by

	Tangible Fixed assets £	Net Current Assets £	Total Assets £
Restricted Funds			
Money Advice Trust	-	3,750	3,750
Money Advice (MATRICS)	-	6,474	6,474
DTI Mid term review	15,866	(1)	15,865
Patient Advice and Support Service	-	27,151	27,151
Castle	477	-	477
Kinship Care	-	30,698	30,698
SPARK Energy & EON	-	125,000	125,000
Armed Services Advice (previously Veterans)	180	7,477	7,657
Volunteer Development Officer	-	9,894	9,894
Otto Thoresen	-	13,182	13,182
The Money Advice Service	-	74,722	74,722
Castle Case Management	-	2,247	2,247
Year end BIS (1)	204	-	204
Energy Best Deal E-Learning	-	2,500	2,500
Financial Inclusion Prudential	-	12,529	12,529
Energy Best Deal	-	139,737	139,737
Change Programme 2014	5,947	(35)	5,912
CAD Consumer	-	256,231	256,231
Disability & Human Rights	-	28,000	28,000
Big Energy Savings Week	-	14,720	14,720
Barclay Money Skills	-	500	500
Welfare Reform	-	27,765	27,765
Admin Help	-	40,701	40,701
Petra	-	12,549	12,549
Shared Services	-	791,987	791,987
Consumer Futures Transition	43,993	43,324	87,317
Sales Guarantee	-	2,654	2,654
Martyn Lewis	-	81,000	81,000
Customer Forum	-	8,659	8,659
Development Returns	-	2,000	2,000
EHU	1,352	63,684	65,036
Consumer Futures	1,409	142,017	143,426
Funeral Poverty	-	2,067	2,067
SEPA Training	-	20,000	20,000
	69,428	1,993,183	2,062,611
Unrestricted designated funds			
AGM/Annual Conference	-	6,868	6,868
Castle Computer Replacement Project	-	248,000	248,000
	-	254,868	254,868
Unrestricted general funds	4,073	757,141	761,214
Total unrestricted funds	4,073	1,012,009	1,016,082
Total funds	73,501	3,005,192	3,078,693

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

19 Net cash (outflow)/ inflow from operating activities

Reconciliation of operating surplus to net cash inflow from operating activities	2016 £	2015 £
Net (outgoing)/Incoming Resources	(144,504)	524,338
Interest receivable during year	(19,606)	(11,580)
Proceeds from sale of fixed assets	(3,900)	-
Operating (deficit)/surplus	(168,010)	512,758
Depreciation	131,759	246,336
Decrease in debtors	93,267	505,372
(Decrease)/Increase in creditors	(689,092)	527,189
Net cash (outflow)/inflow from operating activities	(632,076)	1,791,655

20 Reconciliation of Funds

		Unrestricted 31/3/15 £	Restricted 31/3/15 £	Total 31/3/15 £	Unrestricted 31/3/14 £	Restricted 31/3/14 £	Total 31/3/14 £
Funds under previous GAAP		1,144,187	2,643,355	3,787,542	882,614	2,390,488	3,273,102
	Note						
Adjustments:							
Pension Related	(21B)	(517,000)	-	(517,000)	(515,752)	-	(515,752)
Pension Related	(21B)	-	-	-	(26,248)	-	(26,248)
Holiday Pay Accrual	(21A)	(47,345)	-	(47,345)	(32,244)	-	(32,244)
Funds restated under FRS 102		579,842	2,643,355	3,223,197	308,370	2,390,488	2,698,858

21 Reconciliation of Income & Expenditure account

		Unrestricted 31/3/15 £	Restricted 31/3/15 £	Total 31/3/15 £	Unrestricted 31/3/14 £	Restricted 31/3/14 £	Total 31/3/14 £
Net Income under previous GAAP		261,573	252,867	514,440	3,743	40,850	44,593
Pension Related	(B)	25,000	-	25,000	(26,248)	-	(26,248)
Holiday Pay Accrual	(A)	(15,101)	-	(15,101)	(32,244)	-	(32,244)
Net income restated under FRS 102		271,472	252,867	524,339	(54,749)	40,850	(13,899)

Transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

A. Holiday Pay Accrual

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for the the short-term compensated absence arising from employee entitlement to paid annual leave. The initial liability recognised at date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The liability for the year ended 31 March 2015 was £47,345 (2014: £32,244)

B. Reclassification of Pension Provision

At the transition date the company had a liability for a deficit on a multi employer defined benefit pension scheme. Funds had previously been set aside as a designated fund which have now been reclassified as a provision. This has resulted in a reduction in the unrestricted funds carried forward of £517,000.

NOTES TO THE ACCOUNTS
For the year ended 31 March 2016

22 Financial instruments

Financial instruments measured at amortised cost include the following:

	2016 £	2015 £
Financial assets		
Trade Debtors	357,406	133,665
Accrued Income	7,000	76,483
	<u>364,406</u>	<u>210,148</u>
Financial liabilities		
Trade Creditors	(570,935)	(1,505,398)
Accruals	(672,496)	(508,038)
	<u>(1,243,432)</u>	<u>(2,013,436)</u>

No financial instruments are held at fair value.

23 Pension obligation regarding participation in multi-employer defined benefit plan

CAS participates in the Pensions Trust - The Growth Plan Pension Scheme. The scheme is funded and is contracted-out of the State Pension scheme.

It is not possible in the normal course of events to identify the share of the underlying assets and liabilities belonging to individual participating employers as the scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the scheme rather than by reference to the individual employer experience.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30th September 2014 by a professionally qualified Actuary. The market value of the Scheme's assets at the valuation date was £793m. The valuation revealed a shortfall of assets compared with the value of liabilities of £177m.

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 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 st April)
From 1 April 2016 to 30 th September 2028	£54,560 per annum (payable monthly and increasing by 3% each on 1 st April)

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