

## The National Association of Citizens Advice Bureaux

### Statement of financial activities Year ended 31 March 2006

Incorporating an Income and Expenditure Account

	Note	Unrestricted			Restricted		Total	Total
		DTI	Other	Designated	DTI	Other	2006	2005
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Incoming resources</b>								
Incoming resources from generated funds:								
Legacies		-	-	-	-	-	-	3
Donations	2	-	5	-	-	-	5	6
Bank interest		160	194	-	-	74	428	602
Incoming resources from charitable activities:								
Grants	3	23,453	17	158	798	10,111	34,537	33,165
Trading activities		904	1,285	-	-	72	2,261	2,231
Training and support		129	34	-	-	95	258	231
Other incoming resources		71	17	-	-	60	148	115
<b>Total incoming resources</b>	<b>16</b>	<b>24,717</b>	<b>1,552</b>	<b>158</b>	<b>798</b>	<b>10,412</b>	<b>37,637</b>	<b>36,353</b>
<b>Resources expended</b>								
Charitable activities								
Strengthening the bureaux network		9,445	24	71	191	2,103	11,834	13,790
Investing in IT		5,545	-	18	30	746	6,339	9,326
Bureaux and other grants	5	1,344	-	-	379	6,785	8,508	5,459
Developing our people		3,253	-	15	45	843	4,156	3,854
Influencing policy		3,050	-	23	7	202	3,282	3,769
Making information available		1,613	-	13	-	69	1,695	1,891
Trading activities		485	923	3	-	3	1,414	1,254
Governance costs	8	213	-	1	-	-	214	254
Costs of generating funds		70	2	1	-	-	73	88
<b>Total outgoing resources</b>	<b>6,7,16</b>	<b>25,018</b>	<b>949</b>	<b>145</b>	<b>652</b>	<b>10,751</b>	<b>37,515</b>	<b>39,685</b>
<b>Net income/ (expenditure)</b>	<b>10</b>	<b>(301)</b>	<b>603</b>	<b>13</b>	<b>146</b>	<b>(339)</b>	<b>122</b>	<b>(3,332)</b>
<b>Reconciliation of funds</b>								
Fund balance brought forward	16	3,561	1,021	191	394	2,606	7,773	11,105
<b>Fund balance carried forward</b>	<b>16</b>	<b>3,260</b>	<b>1,624</b>	<b>204</b>	<b>540</b>	<b>2,267</b>	<b>7,895</b>	<b>7,773</b>

All activities derive from continuing operations.

There are no recognised gains or losses for the current and preceding year other than as noted above.

## The National Association of Citizens Advice Bureaux

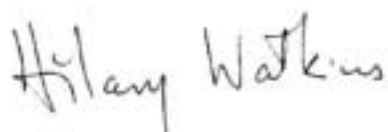
### Balance sheet At 31 March 2006

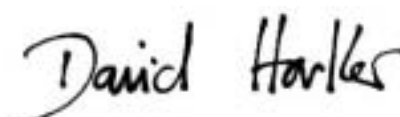
	Note	2006 £'000	2005 £'000
<b>FIXED ASSETS</b>	11	<b>166</b>	174
<b>CURRENT ASSETS</b>			
Debtors	12	<b>1,675</b>	1,870
Cash at bank and in hand		<b>9,796</b>	10,254
		<b>11,471</b>	12,124
<b>CREDITORS:</b> amounts falling due within one year	13	<b>3,525</b>	4,429
Net current assets		<b>7,946</b>	7,695
Total assets less current liabilities		<b>8,112</b>	7,869
<b>CREDITORS:</b> amounts falling due after more than one year	14	<b>184</b>	40
<b>PROVISIONS</b> for liabilities and charges	15	<b>33</b>	56
<b>TOTAL ASSETS LESS ALL LIABILITIES</b>		<b>7,895</b>	7,773
<b>CAPITAL AND RESERVES</b>			
Restricted funds	16	<b>2,807</b>	3,000
Unrestricted funds			
General fund - other non-DTI	16	<b>1,624</b>	1,021
General fund - DTI	16	<b>3,260</b>	3,561
Designated reserves			
London region reserves	17	<b>52</b>	52
Capital fund	17	<b>143</b>	130
CAB general fund	17	<b>9</b>	9
Total unrestricted funds		<b>5,088</b>	4,773
<b>TOTAL FUNDS</b>	16	<b>7,895</b>	7,773

The financial statements were approved by the Trustee Board on 26 July 2006.  
Signed on behalf of the Board of Directors

Directors:

Chief Executive:





THE REVD HILARY WATKINS  
Chair

JONATHAN TROSS CB  
Treasurer

DAVID HARKER OBE

**Cash flow statement** Year Ended 31 March 2006

	Note	2006 £'000	2005 £'000
<b>Net cash (outflow) from operating activities</b>	A	<b>(722)</b>	(2,895)
Returns on investments			
Interest received		<b>428</b>	602
Capital expenditure and financial investment			
Purchase of tangible fixed assets		<b>(164)</b>	(169)
Receipts from sales of fixed assets		-	1
<b>(DECREASE) / INCREASE IN CASH</b>	B	<b>(458)</b>	(2,461)

**Notes to the cash flow statement**

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

	2,006 £'000	2,005 £'000
Net income/ (expenditure)	<b>122</b>	(3,332)
Depreciation charges	<b>172</b>	169
(Surplus) on disposal of fixed assets	-	(1)
Decrease in debtors	<b>195</b>	1,012
(Decrease) in creditors	<b>(760)</b>	(147)
(Decrease)/ increase in provisions	<b>(23)</b>	6
Bank interest receivable	<b>(428)</b>	(602)
<b>Net cash outflow from Operating Activities</b>	<b>(722)</b>	(2,895)

B. Analysis of changes in cash during the year

	As at 31 March 2006 £'000	Movement £'000	As at 1 April 2005 £'000
Cash at bank and in hand	<b>9,796</b>	(458)	10,254

## Notes to the financial statements Year ended 31 March 2006

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities as revised in 2005, the Charities Act (1993), the Companies Act (1985), the accounts section of the Department of Trade and Industry (DTI) Financial Memorandum, and the Annual Reports and Accounts Guidance from the Central Accountancy Team and HM Treasury. The principal accounting policies, which have been applied consistently, except where noted are set out below:

#### (a) Accounting convention

The financial statements are prepared under the historical cost convention.

#### (b) Fixed assets

Fixed assets are financed by grants, which are recognised in the statement of financial activities when they are receivable, in accordance with the SORP. The capital element of the DTI grant in aid received is recognised in the designated capital fund. This amount offsets the depreciation over the life of the asset.

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

Depreciation is charged on a straight-line basis on the cost of assets over their estimated useful life. Only assets over £500 are capitalised.

The estimated lives of the assets are as follows:  
Office and computer equipment – three years.

#### (c) Investments

No investments are held by Citizens Advice. All money is held in bank accounts at high rates of interest. These are shown as cash at bank and in hand on the balance sheet.

#### (d) Stock

Goods for resale and other consumable stock are considered to be of immaterial value, and have been charged in the statement of financial activities as the costs were incurred.

#### (e) Leases

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

#### (f) Pension costs

A multi-employer defined benefit scheme was in operation during the year. Having taken advice from the scheme's actuary, Citizens Advice cannot identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The disclosures under FRS 17 in this circumstance are shown in note 22. The expected cost of providing pensions is calculated periodically by professionally qualified actuary. The operating costs of providing retirement benefits to employees are recognised immediately in the statement of financial activities in the year in which the benefits are earned as required by FRS 17.

On 1 April 2005, Citizens Advice introduced a defined contribution pension, which staff could opt to join. The employer's contributions are charged to the statement of financial activities in the period in which they were incurred.

#### (g) Grants payable and receivable

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

Grants receivable are recognised when due and when any conditions for receipt are met. Any unexpended grant is carried forward in reserves. If any grant has been provided for a stated purpose, it is carried forward as restricted funds. Any unused grants not able to be used for the purpose determined by the funder are returned in accordance with the funder agreement.

#### (h) Deferred income

Deferred income relating to subscriptions is shown within the balance sheet.

Grants received in advance of the period in which the funder requires the expenditure to be applied are also reflected in deferred income.

## Notes to the financial statements Year ended 31 March 2006

### 1. ACCOUNTING POLICIES (continued)

#### (i) Legacies

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

#### (j) Trading activities

The trading activities of Citizens Advice, mainly the sale of information, are exercised in the course of carrying out the primary purpose of the charity. The gross income is shown in the statement of financial activities as trading activities.

#### (k) Other income

Other income is recognised on receipt, which is due to the small volume and unpredictable nature of other income.

#### (l) Resources expended

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

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

Governance costs are those incurred in connection with the administration of the charity and constitutional and statutory compliance.

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

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

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

#### (m) Foreign exchange gains and losses

Citizens Advice uses sterling for the large majority of its transactions. Occasionally payments are required in foreign currencies, these are translated into sterling on the date of the transaction. All amounts held at the balance sheet date are in sterling, and no gain or loss arose.

#### (n) Reserves

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

Citizens Advice is unable to build up substantial reserves of unutilised DTI funds as the requirements in the Management Statement and Financial Memorandum limit the level of funds that can be carried forward to future years. Any additional balances in excess of the working balance carried forward require DTI approval.

There are no such carry forward restrictions on other unrestricted funds.

Designated funds are made up of London region reserves, the capital fund and CAB general fund. The reasons for holding these are outlined in note 17.

Restricted funds are awarded for a specified project, which will be declared by the donor, or restricted with their authority or with a restriction created by a legal process, although the scope of the project is still within the wider objectives of the charity. Income may be awarded in one year for expenditure in that or a subsequent year on a specified project. Transfers from restricted funds are only possible at the request of the original donor with the approval of the Performance Review and Audit Committee.

## Notes to the financial statements Year ended 31 March 2006

### 2. DONATIONS

	2006 £'000	2005 £'000
Donations from private individuals	5	6 Individual giving project

### 3. GRANTS

#### a) Government grants

Funder	2006 £'000	2005 Purpose £'000
<b>Government department grants</b>		
Department of Trade and Industry	<b>23,605</b>	23,855 Grant in Aid*
Department of Trade and Industry	<b>190</b>	150 European consumer rights project
Department of Trade and Industry	<b>521</b>	132 Sexual orientation and religious beliefs
Department of Trade and Industry	<b>87</b>	- Age discrimination project
Department of Health	<b>5,366</b>	4,076 Independent Complaints Advocacy Service
Office of the Deputy Prime Minister	<b>407</b>	432 The National Homelessness Advice Service
Department for Work and Pensions	<b>126</b>	300 Financial literacy
HM Revenue and Customs	<b>90</b>	89 Tax credit training
Department for Education and Skills	<b>70</b>	41 Millennium Volunteers project
Office of the Deputy Prime Minister	<b>47</b>	- Homelessness prevention liaison unit
Department for the Environment, Food and Rural Affairs	<b>45</b>	- Rural development project
Ministry of Defence	<b>32</b>	20 Veterans project
HM Prison Service	<b>17</b>	- Reducing offending through advice
National Probation Service	<b>10</b>	- Reducing offending through advice
<b>European grants</b>		
European Commission	<b>157</b>	168 European consumer centre
European Commission	<b>4</b>	11 Sexual orientation and religious beliefs
<b>Total Government grants</b>	<b>30,774</b>	29,274

\*£158,000 of the grant in this financial year has been used for the purchase of fixed assets. This is shown in designated income in the statement of financial activities.

## Notes to the financial statements Year ended 31 March 2006

### 3. GRANTS (continued)

#### b) Grants from other public bodies

Funder	2006 £'000	2005 Purpose £'000
Welsh Assembly	700	700 Better Advice Better Health
Devon County Council	351	407 Regional projects
Legal Services Commission	213	209 Consultancy & casework (Wales)
Kent Probation Service	127	123 Kent probation project
Legal Services Commission	86	182 SSU training consultancy & delivery+
Remploy	79	- Healthy Minds at work
West Yorkshire County Council	68	70 North MASU*
Somerset County Council	65	153 Regional projects
Hampshire County Council	53	51 SSU casework & consultancy+
Oxfordshire County Council	27	108 Regional projects
Legal Services Commission	27	37 Offender support service
Financial Services Authority	18	28 Financial literacy
London Borough of Newham	13	17 Information production
Legal Services Commission	-	85 SSU money advice+
Nottinghamshire County Council	-	60 Regional projects
Learning and Skills Council	-	57 Regional projects
The Basic Skills Agency	-	24 Financial literacy
Legal Services Commission	-	11 North MASU*
Community Legal Services Development Fund	-	9 Regional projects
	<b>1,827</b>	<b>2,331</b>

\* MASU - Money Advice support unit

+SSU - Specialist support unit

## Notes to the financial statements Year ended 31 March 2006

### 3. GRANTS (continued)

#### c) Other grants

Funder	2006 £'000	2005 Purpose £'000
Money Advice Trust	251	47 MA training - consultancy^
Money Advice Trust (Barclays plc)	250	259 MA development officer North & Wales^
Money Advice Trust (Royal Bank of Scotland)	68	87 MA training - yellow route^
Money Advice Trust (Nationwide)	15	- North MASU*
Money Advice Trust (Hitachi Credit)	8	- North MASU*
Money Advice Trust (Lloyds TSB)	-	60 MA development officer - Midlands^
Money Advice Trust	-	20 SSU CASEwork training development
Money Advice Trust	-	14 MA training - delivery^
Money Advice Trust (Yorkshire Building Society)	-	10 North MASU*
Money Advice Trust (Skipton Building Society)	-	3 North MASU*
Money Advice Trust	-	2 MA training - design^
Prudential plc	248	300 Financial literacy
Friends Provident Foundation	200	- Financial literacy
Barclaycard	176	- Financial literacy for lone parents
Barclays Bank plc	150	99 North MASU*
The Royal Bank of Scotland plc	97	7 Citizens Advice Annual Conference
MacMillan Cancer Support	88	- Social policy project
GUS Charitable Trust	55	- Financial literacy
GMAC RFC Foundation	52	52 MA Wales^
Barclays Bank plc	50	138 Rural regeneration project
Nationwide Building Society	50	50 MA strategy North^
Alliance and Leicester plc	30	- Money Advice projects
Yorkshire Water	25	- Money Advice projects
MBNA	20	10 Sundry projects
Provident Financial plc	15	15 North MASU*
Severn Trent Trust Foundation	13	19 Financial literacy
Credit Suisse First Boston	10	- London CAB
GlaxoSmithKline	10	- Prescribing advice booklet
Yorkshire Building Society	10	10 Money Advice projects
Calouste Gulbenkian Foundation	10	- Social policy project
Black Development Agency	6	- Bureau Managers Information System
Friends of CABx Trust	6	- Bureaux grants
Compaq, a subsidiary of Hewlett Packard Inc.	5	- Advice Week
Wales Council for Voluntary Action (WCVA)	4	4 Voluntary sector partnership council
Linklaters	3	- Financial literacy
Eurofax	2	1 Telephone advice
Abbey Charitable Trust	2	- Bureaux grants
Grant Thornton	2	- North West regional conference
Francis Winham Foundation	2	- Bureaux grants
Denton Wilde Sharpe	1	- Bureaux grants
Barlow Lyde & Gilbert	1	- Bureaux grants
Bristol Water & Quartet Community Foundation	1	- Bureaux grants
sub-total to carry forward to next page	<b>1,936</b>	1,207

## Notes to the financial statements Year ended 31 March 2006

### 3. GRANTS (continued)

#### c) Other grants (continued)

Funder	2006 £'000	2005 Purpose £'000
brought forward from previous page	<b>1,936</b>	1,207
Compaq, a subsidiary of Hewlett Packard Inc	-	100 IT Training grants scheme
United Utilities	-	51 MA development officer - North West ^
The Abbey National Charitable Trust	-	47 Financial literacy
HBOS Foundation	-	44 Volunteers project
Society of Financial Advisers	-	43 Financial literacy
Tudor Trust	-	20 Financial literacy
Debenhams	-	15 Kent Probation project
Zurich Financial Services	-	10 Information project
Skipton Building Society	-	4 North MASU*
Kirby Laing Foundation	-	3 Sundry projects
O2	-	3 Conference sponsorship
National House-Building Council	-	3 Advice Week
Prudential plc	-	2 Sundry projects
John Lewis partnership	-	2 Sundry projects
Norwich and Peterborough Building Society	-	2 Bureaux grants
Clifford Chance	-	1 London region governance project
Frances Winham Foundation	-	1 Bureaux grants
Zurich Financial Services	-	1 Sundry projects
Orr Mackintosh Foundation	-	1 Sundry projects
	<b>1,936</b>	1,560

\*MASU - Money Advice support unit

^MA - Money Advice

<b>Total grants</b>	<b>34,537</b>	33,165
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### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The trustees of Citizens Advice are the non-executive directors of the charitable company. No emoluments were paid to any directors, (2005: Nil). Payments of £18,000 (2005: £18,000) were made to 17 (2005: 20) directors during the year in respect of expenses incurred. No trustee indemnity insurance was purchased.

Expense reimbursed	2006 Number of directors	2006 Amount reimbursed £'000	2005 Number of directors	2005 Amount reimbursed £'000
Travel	17	15	20	15
Subsistence	10	3	10	2
Carers' costs			1	1

## Notes to the financial statements Year ended 31 March 2006

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

Employee costs during the year:

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Wages and salaries	<b>12,176</b>	11,169
Social security costs	<b>1,173</b>	1,068
Pension costs (see note 22)	<b>623</b>	3,283
Temporary staff	<b>778</b>	617
	<b>14,750</b>	16,137

Pension costs shown above relate to amounts accrued in the year. Amounts are paid to the NACAB Pension and Assurance Plan (1991) a month in arrears. The amount paid in 2005/06 was £628,000 (see note 22).

Staff were paid in the following bands (the number is based on full-time equivalent):

	<b>Number</b>	Number
	<b>2006</b>	2005
Up to £10,000	<b>12</b>	59
£10,001 to £20,000	<b>83</b>	120
£20,001 to £30,000	<b>108</b>	126
£30,001 to £40,000	<b>160</b>	114
£40,001 to £50,000	<b>31</b>	17
£50,001 to £60,000	<b>1</b>	4
£60,001 to £70,000	<b>2</b>	2
£70,001 to £80,000	<b>4</b>	1
£80,001 to £90,000	<b>1</b>	-
£90,001 to £100,000	<b>-</b>	1
£100,001 to £110,000	<b>1</b>	-
	<b>403</b>	444

## Notes to the financial statements Year ended 31 March 2005

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

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

	<b>Number</b>	Number
	<b>2006</b>	2005
Strengthening the bureaux network	<b>208</b>	274
Investing in IT	<b>54</b>	43
Bureaux and other grants	<b>2</b>	3
Developing our people	<b>43</b>	37
Influencing policy	<b>45</b>	41
Making information available	<b>31</b>	30
Trading activities	<b>6</b>	5
Governance	<b>3</b>	4
Costs of generating funds	<b>11</b>	7
<b>Average number of persons employed</b>	<b>403</b>	444

In accordance with the requirements of the Financial Memorandum, the following information should be disclosed for named senior managers. Citizens Advice has identified all the executive directors as senior managers; this is consistent with its treatment of key managers for Related Party Disclosure (FRS 8 – note 23).

### Aggregate emoluments paid to executive directors in the financial year

The figures comprise gross salaries including all allowances payable including employee pension supplement and exclude employer's pension contributions. No other amounts were payable. All staff paid over £60,000 were executive directors. All of the executive directors withheld their consent to be individually named in the disclosure of the information below.

	<b>Number</b>	Number
	<b>2006</b>	2005
£5,000 to £9,999	<b>1</b>	-
£25,000 to £29,999	<b>1</b>	-
£45,000 to £49,999	-	1
£55,000 to £59,999	-	3
£60,000 to £64,999	<b>2</b>	1
£65,000 to £69,999	<b>1</b>	1
£70,000 to £74,999	<b>1</b>	1
£80,000 to £84,999	<b>1</b>	-
£95,000 to £99,999	-	1
£105,000 to £109,999	<b>1</b>	-

## Notes to the financial statements Year ended 31 March 2005

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

#### Pension contributions paid by Citizens Advice into the NACAB Pension and Assurance Plan (1991) on behalf of senior managers in the financial year:

	<b>Number 2006</b>	Number 2005
up to £2,499	<b>2</b>	-
£2,500 to £4,999	<b>5</b>	5
£5,000 to £7,499	<b>1</b>	3

Citizens Advice does not pay any other pension contributions (including personal contributions) on behalf of any senior managers.

### 5. GRANTS PAYABLE

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

#### a) Partnership grants

Region	No.	Salaries £'000	No.	Other £'000	No.	Capital £'000	2006 Total No.	<b>2006 £'000</b>	2005 £'000
North	13	80	5	5	8	84	26	<b>169</b>	94
North West	17	161	3	12	2	17	22	<b>190</b>	73
Midlands	19	122	3	16	3	20	25	<b>158</b>	95
East	8	51	5	16	6	57	19	<b>124</b>	37
South East	13	76	6	7	6	99	25	<b>182</b>	86
South West	20	168	4	11	3	25	27	<b>204</b>	90
London	2	64	-	-	4	41	6	<b>105</b>	89
Wales	8	68	10	23	3	11	21	<b>102</b>	30
<b>Total</b>	100	790	36	90	35	354	171	<b>1,234</b>	594

## Notes to the financial statements Year ended 31 March 2005

### 5. GRANTS PAYABLE (continued)

#### b) Other grants to member bureaux

Purpose	Funder	2006 Total No.	2006 £'000	2005 £'000
Independent Complaints Advocacy Service	Department of Health	32	<b>4,596</b>	2,776
Better Advice Better Health	Welsh Assembly	30	<b>610</b>	610
Sexual orientation & religious beliefs	Department of Trade & Industry	19	<b>272</b>	16
Financial literacy for lone parents	Barclaycard	10	<b>112</b>	-
Financial literacy	Department for Work and Pensions	19	<b>99</b>	197
Tax credits training	HM Revenue & Customs	20	<b>56</b>	-
IT services projects	Department of Trade & Industry	21	<b>55</b>	-
	Department of the Environment, Food & Rural Affairs	4	<b>45</b>	-
Rural bureaux				
IT services projects	Department of Trade & Industry	26	<b>36</b>	-
		6	<b>20</b>	-
National Homelessness Advice	Office of the Deputy Prime Minister			
Millennium Volunteers	Department for Education & Skills	31	<b>17</b>	13
Training project	Department for Trade & Industry	22	<b>15</b>	-
Financial literacy	Society of Financial Advisers	7	<b>18</b>	-
Financial literacy	Financial Services Authority	3	<b>13</b>	13
IT services projects	The City Parochial Foundation	3	<b>5</b>	-
Leicester bureau	East Midlands Electricity	1	<b>5</b>	-
Volunteer of the year	The Royal Bank of Scotland	6	<b>3</b>	3
Corporate information project	Department of Trade & Industry	8	<b>3</b>	-
Individual giving project	Individual donations	31	<b>2</b>	2
Deaf awareness project	Credit Suisse First Boston	2	<b>2</b>	-
Volunteer of the year	Department for Trade & Industry	1	<b>1</b>	-
Computer equipment for CASE	Capital Modernisation Fund	-	-	145
East region bureaux	Learning and Skills Council	-	-	51
Rural bureaux	Department of Trade & Industry	-	-	30
Midlands bureaux	Sundry funders	-	-	25
Bureaux consultancy	Capital Modernisation Fund	-	-	16
IT services projects	Sundry funders	-	-	6
Bromley CAB	Department for Education & Skills	-	-	3
Veterans project	Ministry of Defence	-	-	2
Refunded grants				
Rural bureaux	Prudential Assurance Company	9	<b>(4)</b>	-
Rural bureaux	Barclays Bank	3	<b>(30)</b>	-
		314	<b>5,951</b>	3,908

## Notes to the financial statements Year ended 31 March 2006

### 5. GRANTS PAYABLE (continued)

#### c) Regional grants to Citizens Advice Bureaux

Regional grants to bureaux from County Councils are increasingly being paid direct to bureaux rather than through Citizens Advice.

Region	Funder	2006 Total No.	2006 £'000	2005 £'000
South West	Devon County Council	10	175	184
South West	Somerset County Council	6	19	46
Midlands	Nottinghamshire County Council	1	9	-
South West	Cornwall County Council			5
<b>Total</b>		<b>17</b>	<b>203</b>	<b>235</b>
<b>TOTAL BUREAUX GRANTS</b>		<b>502</b>	<b>7,388</b>	<b>4,737</b>

#### d) Largest grants paid to member bureaux

Bureau name	Description of grant	2006 £'000	2005 £'000
1 Westminster	Independent Complaints Advocacy Service	201	179
2 Durham	Independent Complaints Advocacy Service	265	103
3 North Tyneside	Independent Complaints Advocacy Service	245	65
4 Hackney	Independent Complaints Advocacy Service	229	121
5 Combined hospitals	Independent Complaints Advocacy Service	224	78
6 Camden	Independent Complaints Advocacy Service	223	121
7 Birmingham District	Independent Complaints Advocacy Service	197	114
8 York	Independent Complaints Advocacy Service	185	123
9 Wandsworth	Independent Complaints Advocacy Service	171	79
10 North-East Somerset	Independent Complaints Advocacy Service	158	74
11 Bromley	Independent Complaints Advocacy Service	143	119
12 Worcester	Independent Complaints Advocacy Service	140	69
13 South Lakeland	Independent Complaints Advocacy Service	137	107
14 Stoke	Independent Complaints Advocacy Service	130	68
15 Liskeard	Independent Complaints Advocacy Service	129	104
16 Exeter	Independent Complaints Advocacy Service	127	78
17 Coventry	Independent Complaints Advocacy Service	120	69
18 Dudley	Independent Complaints Advocacy Service	120	68
19 Gloucester & District	Independent Complaints Advocacy Service	114	71
20 Barnsley	Independent Complaints Advocacy Service	114	71
21 Salford Mental Health	Independent Complaints Advocacy Service	110	78
22 North Kirklees	Independent Complaints Advocacy Service	110	52
23 Bootle	Independent Complaints Advocacy Service	109	77
24 Rotherham	Independent Complaints Advocacy Service	104	39
25 Heswall	Independent Complaints Advocacy Service	97	77
26 Harrogate	Independent Complaints Advocacy Service	94	39
27 Poole	Independent Complaints Advocacy Service	82	39
28 Chapelton	Independent Complaints Advocacy Service	80	135

## Notes to the financial statements Year ended 31 March 2006

### 5. GRANTS PAYABLE (continued)

#### d) Largest grants paid to member bureaux (continued)

Bureau name	Description of grant	2006 £'000	2005 £'000
29 Vale Royal & District	Independent Complaints Advocacy Service	79	69
30 West Wiltshire	Independent Complaints Advocacy Service	72	53
31 West Lancashire	Independent Complaints Advocacy Service	68	39
32 Hyndburn	Independent Complaints Advocacy Service	58	-
33 Caerphilly	Better Advice Better Health	52	67
34 Peterborough	Partnership Grant: Capital	50	-
35 South Kirklees	Partnership Grant: Capital	50	-
36 Haslemere	Partnership Grant: Capital	50	-
37 Camden	Independent Complaints Advocacy Service in prisons	49	-
38 North Tyneside	Independent Complaints Advocacy Service in prisons	46	-
39 Hyndburn	Independent Complaints Advocacy Service in prisons	46	-
40 York	Independent Complaints Advocacy Service in prisons	46	-
41 Worcester	Independent Complaints Advocacy Service in prisons	46	-
42 North East Somerset	Independent Complaints Advocacy Service: Innovation fund	40	-
43 Swansea	Better Advice: Better Health	31	34
44 Ynys Mon	Better Advice: Better Health	30	33
45 Royal Courts of Justice	Partnership grants: salary	30	29
46 Powys	Better Advice: Better Health	30	30
47 Ammanford	Better Advice: Better Health	29	33
48 Torfaen	Better Advice: Better Health	29	33
49 Newport	Better Advice: Better Health	29	32
50 Conwy	Better Advice: Better Health	29	32

#### e) Grants to other bodies

A grant of £26,000 was paid to advice<sup>uk</sup> (2005: £26,000) in relation to their element of the National Homelessness Advice project. A grant of £8,000 (2006: £nil) was paid to Advice Services Alliance in relation to their element of the National Homelessness Advice project. A grant of £2,000 was paid to the Scottish Association of Citizens Advice Bureaux (2005: £nil), this money was originally received from MBNA and was intended for national coverage.

## Notes to the financial statements Year ended 31 March 2006

### 5. GRANTS PAYABLE (continued)

#### f) Reconciliation of financial activities

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Total grants payable to bureaux (note 4 a) to c))	<b>7388</b>	4,737
Total grants payable to other bodies (note 4e))	<b>28</b>	128
Direct staff costs	<b>793</b>	526
Other direct costs	<b>288</b>	53
Allocated staff costs	<b>4</b>	8
Allocated other costs	<b>7</b>	7
	<b>8,508</b>	5,459

### 6. TOTAL RESOURCES EXPENDED

	Staff costs	Other direct costs	Allocated staff costs	Other allocated costs	<b>Total 2006</b>	Total 2005
	£'000	£'000	£'000	£'000	<b>£'000</b>	£'000
Strengthening the bureaux network	6,182	3,106	820	1,726	<b>11,834</b>	13,790
Investing in IT	1,377	4,484	154	324	<b>6,339</b>	9,326
Bureaux and other grants	793	7,704	4	7	<b>8,508</b>	5,459
Developing our people	1,647	1,792	231	486	<b>4,156</b>	3,854
Influencing policy	1,812	709	245	516	<b>3,282</b>	3,769
Making information available	954	271	152	318	<b>1,695</b>	1,891
Trading activities	295	954	53	112	<b>1,414</b>	1,254
Governance costs	63	131	6	14	<b>214</b>	254
Costs of generating funds	48	4	6	15	<b>73</b>	88
	13,171	19,155	1,671	3,518	<b>37,515</b>	39,685

## Notes to the financial statements Year ended 31 March 2006

### 7. SUPPORT COST BREAKDOWN BY ACTIVITY

	Premises £'000	Fund- Raising £'000	Admin- istration £'000	IT Services £'000	Human Resources £'000	Finance £'000	<b>Total 2006 £'000</b>	<b>Total 2005 £'000</b>
Strengthening the bureaux network	839	44	201	557	324	581	<b>2,546</b>	3,896
Investing in IT	191	7	33	94	55	98	<b>478</b>	804
Bureaux and other grants	5	-	1	2	1	2	<b>11</b>	15
Developing our people	228	13	58	159	93	166	<b>717</b>	1,083
Influencing policy	218	14	64	177	103	185	<b>761</b>	1,285
Making information available	132	9	40	110	64	115	<b>470</b>	742
Trading activities	46	3	14	39	23	40	<b>165</b>	69
Governance costs	9	-	1	4	2	4	<b>20</b>	28
Costs of generating funds	10	-	1	4	2	4	<b>21</b>	35
	<b>1,678</b>	<b>90</b>	<b>413</b>	<b>1,146</b>	<b>667</b>	<b>1,195</b>	<b>5,189</b>	<b>7,957</b>

Premises costs are allocated across activities on staff numbers (based on full time equivalent) based at each premises. All other amounts are allocated on the basis of staff numbers (based on full time equivalent).

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

### 8. GOVERNANCE COSTS

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

	<b>2006 £'000</b>	<b>2005 £'000</b>
Audit fees (internal and external)	<b>64</b>	86
Trustee meeting costs	<b>60</b>	54
Governance and leadership	<b>15</b>	24
Legal advice for trustees	<b>35</b>	40
Preparing statutory accounts and annual report	<b>9</b>	9
Strategic planning	<b>11</b>	13
Allocated staff costs	<b>6</b>	15
Allocated non staff costs	<b>14</b>	13
	<b>214</b>	<b>254</b>

### 9. CORPORATION TAX

Citizens Advice is a registered charity and is not liable to taxation.

## Notes to the financial statements Year ended 31 March 2006

### 10. NET EXPENDITURE

Net outgoing resources for the year are stated after charging:

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Operating lease costs		
Property	<b>1,574</b>	1,505
Motor vehicles	<b>21</b>	32
Office equipment	<b>2</b>	15
Depreciation	<b>170</b>	169
External Auditors' remuneration		
External audit fee	<b>34</b>	31
Non-statutory audit	<b>2</b>	2
Non audit work	<b>-</b>	4

### 11. FIXED ASSETS

<b>Office and computer equipment</b>	<b>£'000</b>
Cost	
At 1 April 2005	507
Additions	164
Disposals	(154)
<b>At 31 March 2006</b>	<b>517</b>
Depreciation	
At 1 April 2005	333
Charge for the year	172
Disposals	(154)
<b>At 31 March 2006</b>	<b>351</b>
<b>Net book value at 31 March 2006</b>	<b>166</b>
Net book value at 31 March 2005	174

## Notes to the financial statements Year ended 31 March 2006

### 12. DEBTORS

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Trade debtors	<b>807</b>	950
Other debtors	<b>101</b>	106
Prepayments & accrued income	<b>566</b>	492
HM Revenue & Customs	<b>193</b>	322
Connected charities	<b>8</b>	-
	<b>1,675</b>	1,870

Included in other debtors is £101,000 (2005: £102,000), which relates to 71 (2005: 71) staff season ticket or car loans. These are interest free and are recoverable through monthly payroll deductions. This includes three senior officers who had loans outstanding, at the balance sheet date, of less than £5,000 each.

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Trade creditors	<b>1,252</b>	1,658
Citizens Advice bureaux grants	<b>1,114</b>	1,056
Citizens Advice International	-	4
Other creditors including taxation & social security	<b>526</b>	499
Accruals & deferred income	<b>633</b>	1,212
	<b>3,525</b>	4,429

	<b>2005</b>	2004
	<b>£'000</b>	£'000
Other creditors consists of:		
Inland Revenue: PAYE	<b>169</b>	153
National Insurance	<b>169</b>	156
Other creditors	<b>188</b>	190
	<b>526</b>	499

	<b>2005</b>	2004
	<b>£'000</b>	£'000
Deferred income:		
Deferred income at 1 April 2004	<b>605</b>	414
Amount released from previous year	<b>(605)</b>	(414)
Incoming resources deferred in the year	<b>301</b>	605
Deferred income at 31 March 2005	<b>301</b>	605

**Notes to the financial statements** Year ended 31 March 2006**14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Citizens Advice Bureaux grants	<b>184</b>	40
	<b>184</b>	40

**15. PROVISIONS**

	<b>2006</b>	2005
	<b>£'000</b>	£'000
Property provisions		
Provision on 1 April	<b>56</b>	50
Additional provision during the year	<b>33</b>	6
Provision released during the year	<b>(56)</b>	-
<b>Provision on 31 March</b>	<b>33</b>	56

The provisions relate to rent reviews performed in the period which have not yet been finalised. It is expected that they will be finalised in 2007/08.

## Notes to the financial statements Year ended 31 March 2006

### 16. STATEMENT OF FUNDS

	At 1 April 2005 £'000	Income £'000	Expenditure £'000	At 31 March 2006 £'000
Unrestricted funds - DTI	3,561	24,717	25,018	<b>3,260</b>
Unrestricted funds - other	1,021	1,552	949	<b>1,624</b>
Unrestricted funds - designated	191	158	145	<b>204</b>
<b>Total unrestricted funds</b>	<b>4,773</b>	<b>26,427</b>	<b>26,112</b>	<b>5,088</b>
Restricted funds -DTI	394	798	652	<b>540</b>
Citizens Connect project	1,126	37	724	<b>439</b>
Independent projects	257	3,257	2,955	<b>559</b>
Money Advice Trust funded projects	395	383	130	<b>648</b>
Regional managed funds	350	476	576	<b>250</b>
National Homelessness Advice Service	163	457	576	<b>44</b>
Social policy projects	115	63	115	<b>63</b>
Training projects	71	110	67	<b>114</b>
Independent Complaints Advocacy Service	69	5,382	5,357	<b>94</b>
IT Services programme	40	86	73	<b>53</b>
European Commission projects	20	161	178	<b>3</b>
<b>Total restricted funds</b>	<b>3,000</b>	<b>11,210</b>	<b>11,403</b>	<b>2,807</b>
<b>Total Funds</b>	<b>7,773</b>	<b>37,637</b>	<b>37,515</b>	<b>7,895</b>

The unrestricted funds (DTI and other) represent the free funds of Citizens Advice, which are not designated for particular purposes.

DTI restricted funds incoming resources represent two grants from the DTI for the EEJNet Project, and the Sexual orientation and religious beliefs project.

The Citizens Connect project continued to link individual Citizens Advice Bureaux to a virtual private network and develop and install CASE software in bureaux. The project will finish in 2006/07.

Independent projects represent the twenty-six projects around the country for both England and Wales service development initiatives, which are not funded by the DTI.

Money Advice support strategy funds are funds received via the Money Advice Trust (MAT) for the Money Advice Development Officer posts in the regions and for specialist casework and training consultancy to MAT agencies in England and Wales.

Regional managed funds are funds raised in the regions for local initiatives, and the income comprised: £444,000 (Note 3, mainly from County Councils) and bank interest and other income of £32,000.

## Notes to the financial statements Year ended 31 March 2006

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### 16. STATEMENT OF FUNDS (Continued)

The Office of the Deputy Prime Minister funds the National Homelessness Advice Service which is a joint project between Citizens Advice and Shelter to improve the quality of homelessness and housing advice to the public through second tier support to Citizens Advice.

Policy and training funds comprise all funds received specifically to undertake training or social policy project activities.

The Independent Complaints Advocacy Service began in September 2003 in six of the nine local government regions. It provides grants and support to 32 bureaux to enable them to deliver independent advice and support to people with complaints against the National Health Service. The project ceased serving the public on 31 March 2006, and was finalised on 31 May 2006.

IT services programme funds comprise all non-DTI funds received for the development of IT Services projects: CASE recording and Electronic Information System.

European Commission funded projects consist of three projects: the UK European Consumer Centre, sexual orientation and religious beliefs project and the European Consumer Rights project.

### 17. DESIGNATED RESERVES

#### London region reserves

The London region reserves were acquired on 1 April 1991 when the undertaking of GLCABS together with its assets and liabilities were transferred to Citizens Advice. It has been agreed that the reserves acquired on this date would be used solely within the London region, to deal with property and other issues related to the London bureaux employment function. This is at the discretion of the Trustee Board. The balance as at 31 March 2006 was £52,000 (2005: £52,000).

#### Capital fund

The fund represents the balance of the capital element of DTI grants. The balance as at 31 March 2006 was £143,000 (2005: £130,000).

#### CAB general fund

The CAB general fund represents the excess of income over expenditure for the period prior to incorporation. It has been agreed that as general reserves these should be made available to be allocated as the Trustee Board decides for the IT Services project. The balance as at 31 March 2006 was £9,000 (2005: £9,000).

## Notes to the financial statements Year ended 31 March 2006

### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted			Restricted		Total £'000
	DTI £'000	Other £'000	Designated £'000	DTI £'000	Other £'000	
Fund balances at 31 March 2006 are represented by:						
Fixed assets	-	-	143	-	23	<b>166</b>
Current assets	5,385	1,629	61	819	3,577	<b>11,471</b>
Creditors: amounts falling due within one year	(1,941)	(5)	-	(246)	(1,333)	<b>(3,525)</b>
Creditors: amounts falling due after one year	(151)	-	-	(33)	-	<b>(184)</b>
Provisions	(33)	-	-	-	-	<b>(33)</b>
<b>Fund balance</b>	<b>3,260</b>	<b>1,624</b>	<b>204</b>	<b>540</b>	<b>2,267</b>	<b>7,895</b>

### 19. CITIZENS ADVICE BUREAUX

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

### 20. CONTINGENT LIABILITIES

Citizens Advice holds some leases in its name on behalf of some of the London bureaux. The lease costs are borne by the respective bureaux. However, in the event that these bureaux cease to operate, liabilities may arise in respect of responsibilities as leaseholder to the extent that they cannot be recovered from the management committees and local authorities. This liability is diminishing over time following the transfer of leases to the London Bureaux Trustee Boards.

### 21. OPERATING LEASE COMMITMENTS

At 31 March 2006 Citizens Advice was committed to making the following annual payments in respect of operating leases:

	2006		2005	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Leases which expire:				
Within one year	<b>116</b>	<b>1</b>	34	6
Between two and five years	<b>1,445</b>	-	1,114	1
After five years	<b>37</b>	-	68	-

## Notes to the financial statements Year ended 31 March 2006

### 22. PENSION SCHEME

Citizens Advice participates in the National Association of Citizens Advice Bureaux Pension and Assurance Plan (1991), which is a defined benefit arrangement. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 1 April 2004. This has been updated on an approximate basis to 31 March 2006.

The triennial valuation of the whole scheme identified a deficit of £12,500,000. In order to address this deficit, changes to future benefits have been made to the scheme. From 1 April 2005 active members saw a fall in their accrual rate from 1/65 to 1/80 of their salary per year of service. Existing staff were given the option to buy back the extra 1/15 of their pension accrual rate, half of the cost of this would be met by Citizens Advice for those members exercising this option. The scheme continues to be open to new members of Citizens Advice staff. As a result of these changes to benefits, the employer contribution rate has changed to 5.9% (2005: 8.5%) and the employee contribution rate remains at 8.2% of gross pay. In addition to the future service contributions, each participating employer is required to pay a share of the actuarial deficit over the next ten years, based on active members as at 31 March 2004. Citizens Advice addressed its share of the deficit in the fund by making a lump sum payment during 2004/05 of £2,467,000.

Since more than one employer participates in the scheme, Citizens Advice accounts for the scheme on a defined contribution basis in accordance with FRS 17, because the contribution requirement is affected by a surplus or deficit in the scheme but it is not possible to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The contributions made by Citizens Advice over the financial year have been £628,000 (2005: £3,550,000; this includes the one off payment of £2,467,000).

In order to comply with the requirement, under FRS17, to disclose any available information about the existence of the surplus or deficit in the scheme and the implications of that surplus or deficit for the employer, disclosure of assets and liabilities of the entire scheme as at 31 March 2006 calculated in accordance with the requirements of FRS17 is made. For the purpose of these financial statements, however, these figures do not impact on the actual 31 March 2006 balance sheet or on the actual performance statements for the year ended 31 March 2006.

The amount due to the scheme at 31 March 2006 was £nil (2005: £nil).

### Assumptions

The assets of the whole scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2006	2005	2004
Inflation	<b>2.70% p.a.</b>	2.60% p.a.	2.50% p.a.
Salary increases	<b>3.70% p.a.</b>	3.60% p.a.	3.50% p.a.
Rate of discount	<b>5.01% p.a.</b>	5.44% p.a.	5.60% p.a.
Pensions in payment increases	<b>2.70% p.a.</b>	2.60% p.a.	2.50% p.a.
Revaluation rate for deferred pensioners	<b>2.70% p.a.</b>	2.60% p.a.	2.50% p.a.

## Notes to the financial statements Year ended 31 March 2006

### 22. PENSION SCHEME (continued)

#### Balance sheet figures for the whole scheme

The following amounts at 31 March 2006 were measured in accordance with FRS17 and show the liability for all employers in the scheme:

	<b>2006</b>	2005	2004
	<b>£'000</b>	£'000	£'000
Assets	<b>57,802</b>	46,233	37,369
Liabilities	<b>(77,172)</b>	(63,255)	(51,781)
<b>(Deficit) in scheme – Net pension liability</b>	<b>(19,370)</b>	(17,022)	(14,412)

#### Assets

The assets of the whole scheme on an FRS 17 basis, as at 31 March 2006 were:

	<b>2006</b>	2005	2004
	<b>£'000</b>	£'000	£'000
Equities	<b>43,053</b>	33,722	28,269
Bonds	<b>12,812</b>	9,654	8,087
Cash	<b>1,937</b>	2,857	1,013
	<b>57,802</b>	46,233	37,369

The expected long term rate of return as at 31 March 2006 were:

	<b>2006</b>	2005	2004
	<b>£'000</b>	£'000	£'000
Equities	<b>6.26%</b>	6.69%	6.85%
Bonds	<b>5.01%</b>	5.44%	5.60%
Cash	<b>4.50%</b>	4.75%	4.00%

## Notes to the financial statements Year ended 31 March 2006

### 22. PENSION SCHEME (continued)

#### Movement in balance sheet surplus figures for the whole scheme during the year ended 31 March 2006

	<b>2006</b> <b>£'000</b>	2005 £'000
(Deficit) at beginning of year	<b>(17,022)</b>	(14,412)
Movement in year:		
Current service cost	<b>(1,218)</b>	(1,117)
Net finance charge	<b>(522)</b>	(466)
Contributions	<b>1,156</b>	3,550
Actuarial (loss)	<b>(1,764)</b>	(4,577)
<b>(Deficit) in scheme at 31 March</b>	<b>(19,370)</b>	(17,022)

### 23. RELATED PARTY TRANSACTIONS

There have been related party transactions identified in accordance with FRS 8 and with Treasury Guidance during the year. Citizens Advice is sponsored by the DTI. The DTI is regarded as a related party. During the year, Citizens Advice has had no material transactions with the DTI other than the receipt of its Grant in Aid, and £798,000 for three specific projects as shown in note 3a) (2005: £281,000, two specific projects). Citizens Advice had a number of transactions during the year with [Citizens Advice Scotland](#), which is also sponsored by the DTI.

The [Friends of Citizens Advice Bureaux Trust](#) is a charity established to raise funds for the benefit of Citizens Advice Bureaux. The trust became dormant on 5 July 2005 when the activities of the trust transferred to Citizens Advice. The trust paid Citizens Advice £6,000 (2005: £nil) for distribution as bureaux grants. At 31 March 2006 The Friends of Citizens Advice Bureaux Trust owed Citizens Advice £nil (2005: £nil).

[Citizens Advice International](#) is a company registered in Belgium on 6 December 2004. It was established to provide support to Citizens Advice organisations throughout the world. Citizens Advice International has been administered from Citizens Advice offices during the year. No charge has been made for any expenditure incurred by Citizens Advice on behalf of Citizens Advice International during the year. At 31 March 2006, Citizens Advice owed Citizens Advice International £nil (2005: £4,000), which was a donation, received by Citizens Advice on behalf of Citizens Advice International in the year. One member of the council of Citizens Advice International is a member of Citizens Advice staff; there are currently nine member countries of Citizens Advice International. Citizens Advice International is not consolidated into the accounts, as it is a separate entity, as Citizens Advice does not have any significant control over it.

[Citizens Advice Limited](#) is a subsidiary company owned by Citizens Advice. It recommenced trading during the year, and all Citizens Advice non-charitable trading is conducted through it. At 31 March 2006 Citizens Advice Limited owed Citizens Advice £8,000 (2005: £nil). Citizens Advice limited is not consolidated on the grounds of materiality.

## **Notes to the financial statements** Year ended 31 March 2006

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### **24. CHARITABLE ACTIVITIES**

The charitable activity headings in the Statement of Financial Activities and in notes 4, 6 and 7 have been reworded to more accurately reflect the activity. There has been no change in the activities recorded within each section from the prior year, and therefore no change in the figures.