

# Annual report 2019/20

**citizens  
advice**



# We are Citizens Advice

We can all face problems that seem complicated or intimidating. At Citizens Advice, we believe no one should have to face these problems without good quality, independent advice.

Our network of charities offers confidential advice online, over the phone, and in person, for free.

When we say we're for everyone, we mean it. People rely on us because we're independent and totally impartial.

No one else sees so many people with so many different kinds of problems, and that gives us a unique insight into the challenges people are facing today.

With the right evidence, we can show big organisations – from companies right up to the government – how they can make things better for people.

That's why we're here: to give people the knowledge and the confidence they need to find their way forward – whoever they are, and whatever their problem.

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Warren Buckley and Dame Gillian Guy, 2019, photography by David Yeo.

# Introduction

## A message from our Chair and Chief Executive

As we reflect on the past year, we have much to be proud of. In our long history, we've always been there for everyone and this year was no different. We helped 2.8 million people find a way forward, celebrated our 80th anniversary and tackled new and emerging challenges.

Our service started the day after the outbreak of World War 2 to help people deal with the impacts of war. Since then, our strength has always been our ability to adapt and keep pace in an ever changing world and to be a trusted and stable source of support. Today, people are again experiencing huge changes to their daily lives, navigating continued political and economic uncertainty as well as the impact of Covid-19.

As the UK prepared and then exited the European Union, more people turned to us with questions about how Brexit will impact them.

Our online immigration advice pages alone had 1.9 million views. By continually adapting and innovating, we're helping more people with problems they may have never faced before, in a way that works for them.

Progress we've made in delivering our strategic framework – Future of Advice – has helped us respond quickly. This year we've invested in expanding our channels to make sure they're accessible and relevant to everyone. As part of this we've expanded our phone and webchat channels so that we can help more people.

We've continued to be a strong voice on issues that matter most. We worked to ensure the tenant fee ban helps renters and advocated for changes to the postal system. As Covid-19 developed, we also worked quickly to shape the Government's initial response by outlining proposals that would help protect people's income.

We've also resecured significant funding and expanded new services. We received £8.1 million to provide advice across all regions in Wales.

We secured funding to continue to deliver our Help to Claim service, which is crucial at a time when Covid-19 has resulted in huge demand for Universal Credit. More people got expert advice on debt, energy and consumer issues and even more received specialist support through our Witness Service.

This year we've refreshed our approach to equality, diversity and inclusion, putting more focus on acknowledging equality disparities within society and the impact they have. There's more we need to do and we've accelerated work in this area. We're confident that we have the plans and resources in place to make genuine and lasting change.

There's a lot we can be immensely proud of. This has all been possible because of our 28,000 volunteers and staff whose resilience and unwavering commitment has meant we can continue to be a trusted source of support for millions of people, whoever they are and whatever their problem.

**Warren Buckley**  
Chair of Trustee Board

**Dame Gillian Guy**  
Chief Executive

**We helped  
2.8 million people  
find a way forward,  
celebrated our  
80th anniversary  
and tackled new  
and emerging  
challenges.**

## A message from our Patron

From its beginnings during World War 2, Citizens Advice has always embraced change in a fast-paced world to maintain an important place within our communities. So many people have been able to get the advice they need thanks to the dedication and expertise of staff and volunteers. When they are facing challenges, they turn to Citizens Advice as a source of reassurance and support to help them move forward. At its heart, the charity always puts people first.

The organisation is also making incredible strides in advocating for the people it helps, influencing change that has a lasting impact on so many people's lives.

I'm delighted that I'll continue being the Patron of Citizens Advice for another 3 years.

Thank you to everyone, past and present, for your hard work.

### HRH The Princess Royal



HRH The Princess Royal and Citizens Advice volunteers, annual conference 2019, photography by Emile Holba.

# About Citizens Advice

The Citizens Advice service is made up of the national charity, and our network of over 270 independent local Citizens Advice charities in England and Wales.

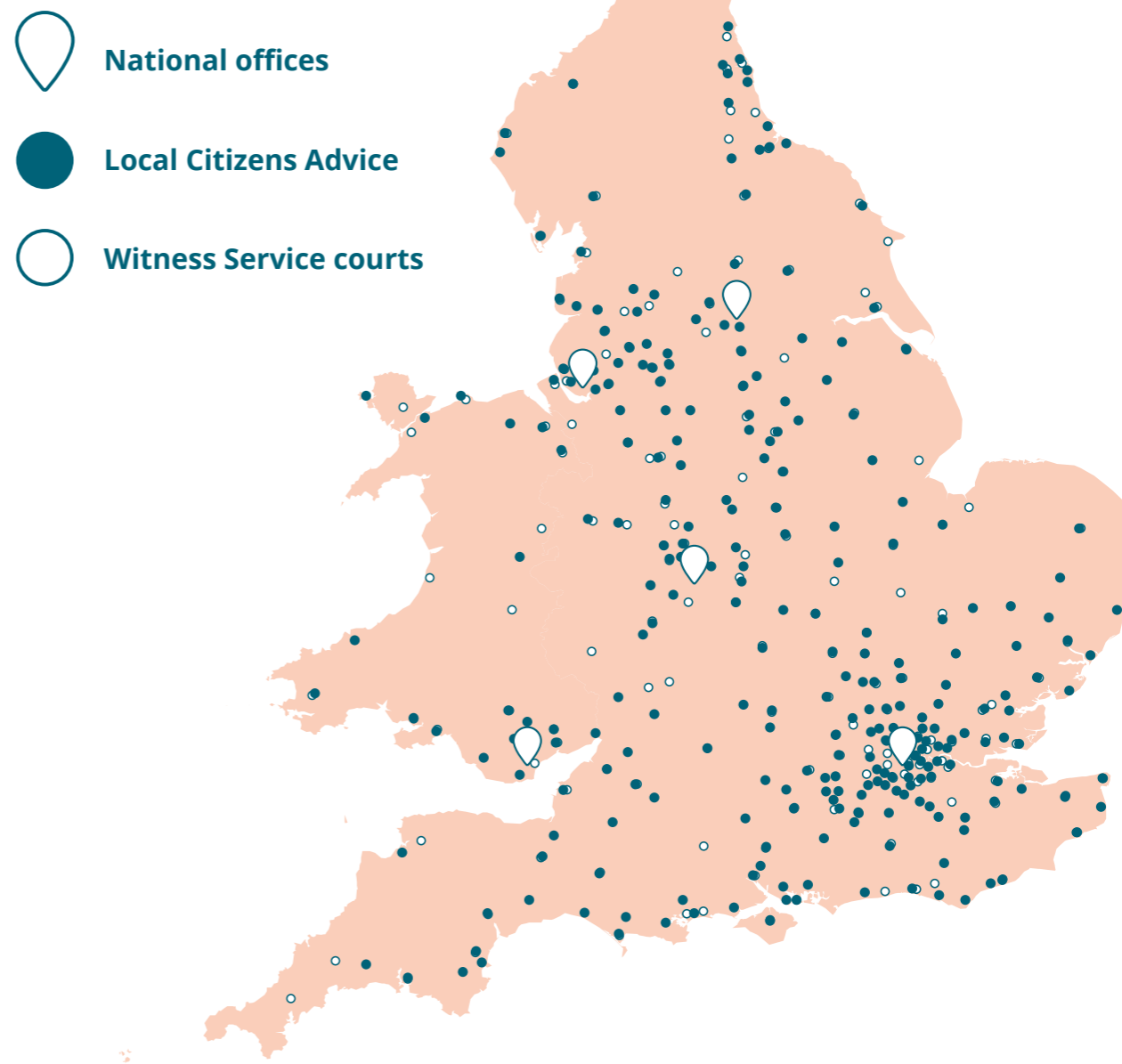
## How we deliver services

Our role as a national charity is to enable local Citizens Advice to deliver their services and to jointly deliver other services at a national level.

We're run by a mixture of 950 national staff and 6,300 local staff, 18,300 local volunteers and 2,500 Witness Service volunteers, who are all highly trained.

Together we deliver the Witness Service, Pension Wise, the consumer service, the Help to Claim service and debt advice funded by the Money and Pensions Service. We're also the consumer champion for the energy market and the statutory consumer watchdog for the postal service.

Nationally, Citizens Advice is run from 5 administrative offices. Locally, advice is offered from approximately 2,550 locations. The Witness Service is available in all criminal courts across England and Wales.



# Our strategy

2019 was a year for celebrating our history – but we also looked forward to what we want to achieve in the future.

## The Future of Advice

Our Future of Advice strategy is built on delivering the services people need, and we set ourselves ambitious targets as we embarked on the first year of delivery.

## Our vision

By 2022 – we'll be able to make the following offer:



### You won't struggle to get help from us

Our services will be available when you need them, and you'll have a great experience – wherever you start your journey, whatever your need is, and wherever you are.



### Our service will feel joined up

You'll access advice quickly and easily through our different services and channels, without having to repeat yourself.



### We'll help you find a way forward, whatever your problem

We'll offer you the resources, tools and expertise to solve your problem. If we can't help you directly, we'll signpost you or make a smooth referral to a trusted partner who can give you the advice you need.



### You'll get the level of support you need

If you're at higher risk of disadvantage, detriment or harm, we'll take extra steps to make sure you have the appropriate level of support. Whatever situation you're in, you'll be informed about the different ways of accessing support, and be able to choose the one that works best for you.



### You know that we'll speak up for you

We'll advocate for changes to government policy and industry practices that are making life harder for you.



## Our ambitions

We set ourselves ambitions in 5 key areas: advice, advocacy, technology, sustainability and culture, including specific equality, diversity and inclusion goals.

In 2019/20, we prioritised work to:

- meet more demand on phones and webchat
- expand Help to Claim to support people managing Universal Credit
- release new, improved digital advice content in response to people's needs
- select a new content platform to help us deliver more tailored advice online
- develop a new learning offer for staff and volunteers in local Citizens Advice
- progress our Inclusive Employer action plan and culture development work

We describe our progress in this report. Our full strategic framework can be viewed on [our website](#).

## Building an inclusive culture

We want to be a great place to work for everyone. It's one of the reasons we've made culture a pillar of our current strategic framework. In the autumn of 2019 we embarked on a listening exercise as the first step of a period of culture change. We engaged with hundreds of staff through workshops and a survey to understand what our culture should look like. They told us that being collaborative and transparent, coupled with strong leadership, was vital to a great organisational culture. We're continuing this work into 2020/21.

A key theme emerging from our listening exercise was inclusion, and it was an issue around equality, inclusion and diversity that led us to accelerate our culture work in 2019.



**We want to be a great place to work for everyone. It's one of the reasons we've made culture central to our strategic framework.**

## **Equality, diversity and inclusion**

In our Future of Advice we set out an equality, diversity and inclusion (EDI) goal for each of our 5 strategic areas: advice, advocacy, technology, sustainability and culture. These were developed to ensure our services are accessible, particularly for those at greater risk of disadvantage, detriment or harm, and that we create an inclusive working environment service wide.

Our teams have worked on a range of initiatives including:

- setting client satisfaction and outcome targets that can be measured by different characteristics (such as age or ethnicity) – this is so we can understand and address any differences in experience and barriers to access
- taking into account the needs of those who experience disproportionate disadvantage, detriment or harm in our advocacy work
- procuring a translation service nationally, which has enabled our local offices to access translation services at a significantly reduced rate

- ensuring our user research and service design have a particular focus on those at risk of digital exclusion
- providing training for our technology and digital team to ensure they understand and address the accessibility needs of our clients and advisers
- developing an Inclusive Employer action plan, which aims to increase the diversity of our workforce and develop an inclusive workplace

In 2019 we carried out an investigation to assess how a set of training materials that included negative stereotypes about people from Black, Asian and Minority Ethnic (BAME) communities was published. As well as implementing all the recommendations, we took this opportunity to reflect on and reexamine our approach to EDI. This resulted in the recruitment of 2 new senior EDI roles to enable us to accelerate and drive our goals forward in a meaningful and impactful way across the service.

## The impact of Covid-19 and how we've responded



### Social and economic impacts

Our data has provided unique insights into the social and economic impacts of Covid-19. At the beginning of the outbreak people's concerns changed rapidly. This was followed by more consistent demand for advice on furlough, self-employment, benefits and paying bills. Demand then became much more varied again, with people seeking support on redundancy, housing and consumer issues.



### Financial impact

We are alert to the funding pressures going forward, as public sector finances at national and local levels become even more squeezed. In line with our Future of Advice strategy, we'll continue to support local Citizens Advice to secure funding. We'll also look for opportunities to diversify our income and ensure we take a sustainable approach to the way we design, cost and deliver services.



### Operational impact

As it became unsafe to deliver face to face services, we worked with local Citizens Advice to transition all of our advice to phones, webchat and email. Local offices collaborated to answer out of area calls and staff and volunteers adapted quickly to continue giving advice throughout the transition.

The service answered 60,000 more Adviceline calls and 6,000 more Help to Claim calls in the final quarter of 2019/20 than in the previous quarter. We rapidly produced new digital content to meet the surge in demand for advice on Covid-19 related topics, and there was a substantial increase in visits to our website. During our busiest week on record we had 2.4 million views.

All teams also refocused their work on dealing with the impact of Covid-19 and worked quickly to help shape the Government's initial response in March.

National staff were well-positioned to adapt to the crisis as most of our technology systems are cloud-based and accessible remotely. Like our local services, we were able to maintain business continuity following the rapid shift from office to home-working.



### Impact on our strategy

In 2019, we'd already made progress in providing a seamless customer journey so more people can easily access our services through different channels. Adapting to respond to the crisis has seen us accelerate these plans. We're boosting our phone and webchat capacity, improving our digital content and delivering quality and accessible advice remotely.

At the end of our financial year, we only just started to see the effects of Covid-19 on our service and the people we help. We'll be publishing more insights into the impact of the pandemic throughout 2020.

# The service answered 60,000 more Adviceline calls and 6,000 more Help to Claim calls.

# How we help people

Whether it's by phone, email, webchat or face to face, we've supported 2.8 million people to get the advice they need in a way that works for them. In 2019/20, this included:



**34.5 million**  
visits to our website



**1.3 million**  
people helped face to face



**1 million**  
people used our  
phone service



**483,000**  
people contacted our  
consumer helpline



**424,000**  
people received help  
by webchat or email



**97,000**  
witnesses supported through  
the Witness Service

## Top 5 issues people wanted advice on:\*

- 1 **Benefits**  
891,000 people
- 2 **Consumer**  
866,000 people
- 3 **Debt**  
389,000 people
- 4 **Housing**  
266,000 people
- 5 **Employment**  
202,000 people

\* People seeking advice in person, via email, phone or webchat

## Views of our online advice pages:

**Benefits**

**14.2 million**

**Employment**

**9.7 million**

**Consumer**

**7.2 million**

**Relationships  
and family**

**5.3 million**

**Housing**

**4.9 million**

**34.5  
million**  
visits to our website

## Our value to society

We help millions of people every year. This provides us with unique insight into the challenges our clients are facing today. We're not only helping people find their way during difficult situations, but also identifying and tackling the underlying causes of their problems.

The people we help, our funders, government and the organisations we work with see the value we deliver and the impact we're making.

For every £1 spent on the Citizens Advice service, we benefit our clients by £12.60 and we save the government and public services £685 million.

We estimate our total social and economic value to society to be £4 billion. In 2019/20, 89% of people using our local services said they would recommend us to a friend. After contacting a local Citizens Advice, 77% of people were helped to solve their problem.

More details can be found on our website, in our

# £1

Every pound we spend benefits our clients by £12

# £685 million

Amount we saved the government and public services

# £4 billion

Estimated total social and economic value to society

## What is the overall client experience of the service?

As part of our client survey, we ask about their experience of our service.

### How easy or difficult was it to access the service?



### To what extent did the service help you find a way forward?



### To what extent is your problem now resolved?



### How likely would you be to recommend the service to other people?



### Client feedback





## Zoey's story

Zoey came to us for help applying for Universal Credit.

"I lived in temporary accommodation for many years. Because of some health problems, I have been unable to work so have been receiving Employment Support Allowance. I was helped with my rent by housing benefit and I also received council tax benefit.

I was recently offered a permanent home so I moved. When I went to the jobcentre to find out how to apply for housing benefit, I was told that I had to apply for Universal Credit. I did not know what that was. It sounded really complicated but I said I would try and apply at home.

I started the application but it quickly started to become confusing. I asked my daughter to help but

she could not understand it. I then called my son as he is good with computers and forms. He said it was too complicated and could not help me.

I went back to the jobcentre and they said to go to Citizens Advice. I saw an adviser the same day. They have something called Help to Claim. The adviser helped me with the whole application. We have put through the application and I also got help to apply for Personal Independence Payment.

If I did not get help from Citizens Advice, I would not have been able to complete my Universal Credit application. It was far too complicated for me to understand. So thank you for your help and support!"



# How we're reaching more people

More people are coming to us for help with increasingly different problems. By 2022 we want people to be able to access our help in the way they want to, without having to wait too long or repeat themselves. This year we've worked collaboratively across our service, designing and delivering support that works for people, whatever their problem.

## How we're meeting more demand on phones

The launch of our single queue pilot this year has helped those local offices involved support 48% more people in the first 6 months than we did during the same period last year. People contacting our Adviceline are put through to the first available adviser, no matter where they live. Due to Covid-19 we expanded the pilot, quickly adapting to meet urgent client demand when we were unable to provide face to face support.

By working collaboratively and innovatively, we've shown we're able to keep delivering our Future of Advice ambitions and meet increased demand in the coming years. It's helped local offices develop better ways of working and has resulted in improvements to our clients' journey.

## Expanding webchat

We want people to be able to get in touch with us in a way that works for them. For some, webchat and email meets a specific need, which isn't met by other channels. We've made meeting more demand through chat a key goal in our Future of Advice strategy, and have put a lot of effort into expanding our national webchat and email services. We allocated resources from our national contact centres to take chats from people all over England and Wales, and together we answered over 47,000 chats.

We also focused on engaging with the local network to help more offices to use these channels. By making it easier for offices to get involved, we increased the number of offices actively using webchat and email.

**Over the course of the year we saw the monthly demand on webchat increase by 150%.**

## Helping people understand what Brexit means for them

We help people find their way through complicated processes and difficult situations they may never have faced before.

Brexit has resulted in a fundamental shift in the support people need from us. Its impact on key aspects of people's lives – from benefits and rights to work and welfare – has seen a continued increase in demand for Brexit-related advice.

Brexit is by far the most important immigration-related issue seen by our advisers. Our online immigration advice pages were also viewed 1.9 million times. We've helped more people who are struggling to apply to the Government's Settlement Scheme because of language barriers, lack of digital skills and trouble providing the documents required. Some people seeking advice about applying to the scheme had benefits problems, like claiming for Universal Credit, and also needed help to understand their rights.

We also supported more people as Covid-19 caused delays for people seeking to resolve their immigration status.

### Using data has helped us deliver support that works for people

In the lead up to the withdrawal from the European Union (EU), teams across Citizens Advice worked to understand the impact of legislative changes for our clients. The Brexit-related content on our website has been continuously updated to include advice that's relevant to the client's journey and current needs. We've designed over 125 pages and audited over 4,000 pages of content.

Our data has helped us track the real-time implications of Brexit on people's concerns. For example, we saw a spike in visits to our advice pages in the period leading up to the 29 March 2020 deadline for the UK to leave the EU.

We also looked at how we provide reassurance in challenging and stressful situations, alongside the advice we give. For example, we used banners at the top of our advice pages to help provide reassurance about what changes were happening and when.

### Setting up new services to expand our advice

To help us improve the quality of our advice, we launched our new Adviser Immigration Helpline. It supports our advisers with the information and training they need to help people with such fast-paced changes.

The helpline was extended to cover all immigration enquiries in October 2019. We'd seen an increase in non-EU Settlement Scheme queries so expanded the relevancy of our support to help more people, and cover the overlap between immigration and welfare. The helpline is designed to support local services and their advisers to build their capacity and confidence.

We have dealt with over 1,500 calls to the helpline. The range and complexity of issues have changed considerably with an increase in those relating to benefit entitlement, where the immigration status is uncertain or have No Recourse to Public Funds, particularly in respect of Universal Credit.

## Raising awareness and advising on online scams

The Scams Action service provides advice and information to people by phone, email and webchat, through online content and our new Online Scams Helper, which provides people with tailored self-serve advice.

This year we provided advice to over 18,000 people and more than 300,000 people visited the scams advice pages on our website. With a sharp rise in online scams during Covid-19, this service provided vital and timely support for people's emerging needs.

Our 2019 Scams Awareness campaign was a great success, with over 375 partners getting involved. We engaged with over 100,000 people through face to face campaigning and reached many more through news coverage and social media activity. As a result, we saw a significant increase in the number of people seeking advice on our webpages and reporting scams to our consumer service.

## Improving our digital advice

This year we started work to further develop our public website and adviser platforms. We've invested in technology to improve the experiences of both clients and staff, and to free up resources to meet more demand. We're not simply replacing old technology, we're transforming the way we create, manage, publish, and tailor our advice content across all our digital systems.

**We've helped over 18,000 people and more than 300,000 people visited our scams advice online.**

For many people simply using our website is enough to help them feel confident and informed. We've therefore made improvements to our website's accessibility, mobile experiences and page design, so that people can navigate it more easily.

This development is key to delivering our Future of Advice ambition to create more tailored, tactical advice through digital channels. This will allow us to meet more demand for our service by enabling people to get the help they need online 24 hours a day.

We also launched Adviser Online which provides local staff with expert resources and information so they can give accurate, up-to-date advice. Working across our network this way takes full advantage of the expertise of our staff to meet the changing needs of our clients.

# Our services across England and Wales

Sustainability is core to our Future of Advice strategy. Across England and Wales, we're providing services that deliver a high value for money offer to our funders. This includes:



Helping more people manage Universal Credit, by expanding our service



Securing funding to deliver advice services across all regions and remotely



Providing expert advice on key issues such as , , and



Improving people's access to



Helping more people with specific support through our and

## Help to Claim

In the first year we established the service in every area of England and Wales, as well as on phone and online, through webchat. We welcomed confirmation our funding would continue for a second year.

We helped 232,000 people with issues related to their Universal Credit claim from over 1,200 locations around the country.

This has included:



**189,000+**

face to face  
appointments



**97,000+**

phone calls  
answered



**175,000+**

visits to the  
webpage



**35,000+**

webchat  
sessions

We've seen the impact of our independent tailored support. 79% of people reported that they felt less stressed, depressed or anxious after using our service. 94% reported a positive experience and said they would recommend us to a friend. We've also achieved £386 million in total financial gains for our clients.

This year we worked to integrate Help to Claim with wider local support services. In line with our strategic ambitions, we're helping more people find a way forward through smooth referrals and signposting. A third of our clients were referred on for help with wider issues, either from Citizens Advice or from other local services.

We've seen an unprecedented need for our service through phone and webchat. These channels have been crucial in helping people continue to access support during Covid-19. To respond to this demand we supported 2,500 advisers to deliver Help to Claim remotely.

**We helped 232,000 people with issues related to their Universal Credit claim from over 1,200 locations around the country.**

## Consumer service

The consumer service provides practical and impartial advice on how to resolve consumer problems. It can tell people which laws and regulations apply to their situation and pass information about complaints on to Trading Standards.

The top issues we've supported people with include complaints about used cars and car repairs, household furniture, energy bills and lost or mis-delivered mail.

In 2019/20 we supported 760,010 people across 3 channels including 25,000 on our new webchat channel. 81% of our clients and 91% of our service partners were either satisfied or very satisfied with the service. For every £1 that was spent on the service, £23 was saved in consumer detriment. We sent 186,189 referrals to Trading Standards.

## Pension Wise

We received funding for 2020 to deliver Pension Wise across England, Wales and Northern Ireland. This will ensure more people can easily access impartial and expert guidance about their pension options.

This year we expanded telephone appointments further by running another pilot in North Tyneside. We also supported more people saving for their pension through successful employer engagement.

When Covid-19 impacted face to face delivery, the whole service swiftly transferred to delivering telephone appointments. This change was informed by the experiences and learning from our hybrid face to face and telephone services in North Tyneside and Northern Ireland. People were able to continue getting guidance and signposting throughout the lockdown period.

Client satisfaction remained above 98% throughout the year.



# Client satisfaction scores for waiting times rose significantly to 90%.



## Money and debt advice

Our debt relief order pilot has continued to significantly improve people's experiences and enable them to access help sooner. Debt relief orders are a way for people to deal with their debts if they don't have a lot of spare income or assets. This year, the waiting time from an initial referral to an appointment was reduced from 4 weeks to just 2 days, with referrals for a debt relief order submission reduced to just 30 days. As a result client satisfaction scores for waiting times rose significantly to 90%.

In line with our Future of Advice strategy, we're committed to scaling up our work where evidence shows it helps our clients. In 2020 this will become our standard way of working, so even more people will have improved access to debt advice.

This year, we also developed a budget planner tool which is integrated with our Casebook case management system. This will make it simple to deliver high quality debt advice, create a seamless end-to-end debt advice journey and make the system more friendly for advisers by reducing their admin work. This will be rolled out in 2020, following a pilot.

We've also expanded the ways people can get money and debt advice through a pilot enabling people to book appointments directly with our contact centres. This year they provided appointments with 75% of all referrals.

In addition, our expanded webchat service helped us to meet growing demand for money and debt advice by supporting an additional 8,000 people. Through our local offices, contact centres and debt relief orders, we achieved £154 million of debt written off for our clients.

## Gambling support

Our Gambling Support service provides advice, information and referrals to people identified at risk of gambling. We delivered 605 events for the public and professionals to raise awareness of gambling harms and screened over 15,000 people. This year we've also developed a stronger evidence base to inform government policy and industry practices.

## Windrush

The Windrush Compensation Scheme helps people whose lives have been affected because they aren't able to provide documents proving their lawful right to permanently stay in the UK. We've helped people apply to the scheme and provide all relevant evidence, with compensation including payment for both financial losses and non-financial impact.

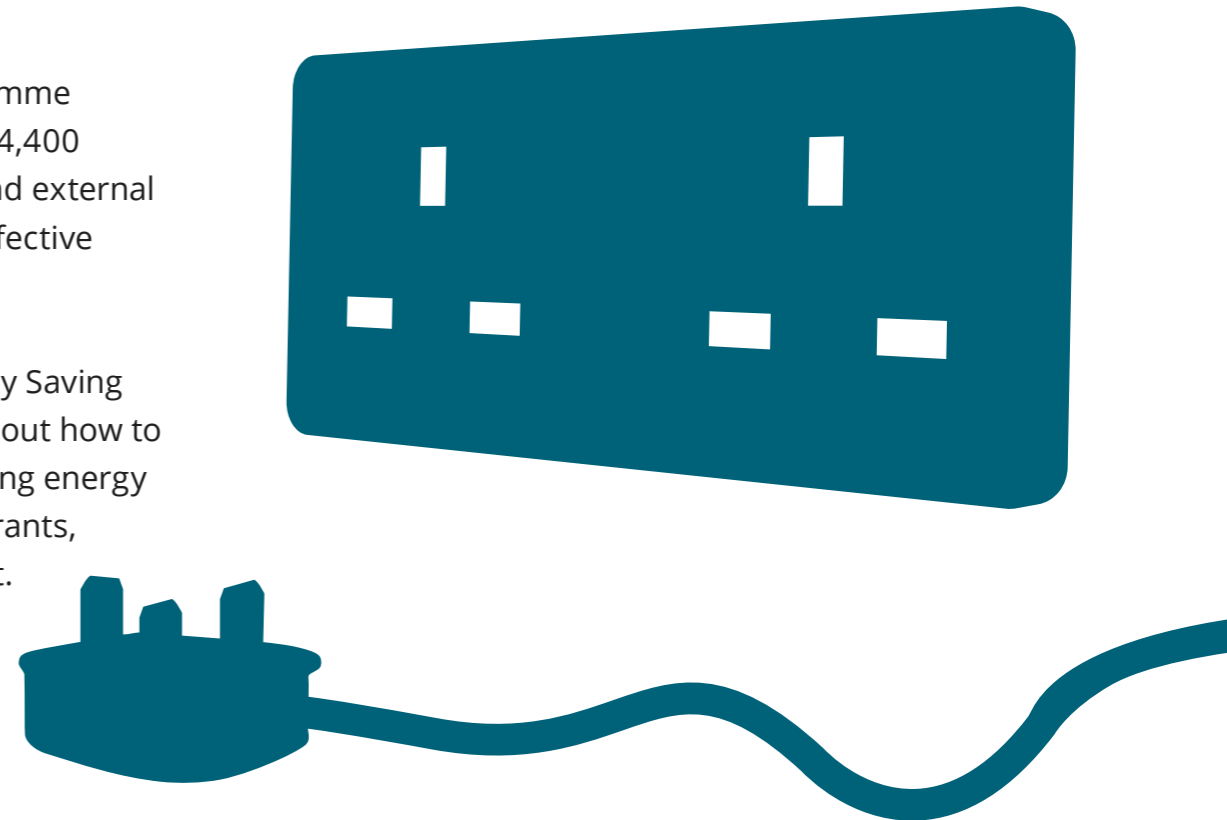
This year we delivered 200 appointments, with 97% being held at the client's local office.

## Energy

The Energy Advice Programme is delivered by 120 local Citizens Advice across England and Wales. The programme provides advice to people experiencing fuel poverty who are struggling to pay their bills and need help getting better energy deals. We also support people accessing help from energy suppliers and the Government.

Our Big Energy Saving Network programme also helped 16,342 people. We trained 4,400 frontline workers from both internal and external organisations, so they could provide effective support to clients.

We also helped to deliver the Big Energy Saving Week campaign. It raises awareness about how to save money on energy costs by switching energy supplier or tariff, access discounts or grants, and make homes more energy efficient. This year, we worked with over 90 local partners to host over 500 events helping 18,459 people to save money on their energy bills.





## Witness Service

The Witness Service provides independent support for witnesses giving evidence in court. In our Witness Experience Survey, 97% of witnesses said they were very satisfied or satisfied with the service.

We were also asked by the Ministry of Justice to extend our service and deliver support to victims of domestic abuse in 12 family court sites as part of a 1 year pilot. Feedback from victims and stakeholders about the support we provided ahead of the hearing and on the day has been overwhelmingly positive. Our support contributed to people feeling comfortable, safe and empowered when attending family court hearings. Following the success of the pilot, the Ministry of Justice has asked us to continue the service, with a view to expanding it into further courts next year.

**98%**

of supported witnesses felt more informed about the court process

**96%**

felt more confident about giving evidence in court

**99%**

said they had been treated fairly and respectfully by Witness Service staff and volunteers

**97%**

were helped to feel safe at court

## Working in Wales

In 2019 we successfully secured £8.1 million of funding to provide generalist and specialist advice across all of Wales. Developing Advicelink Cymru has allowed us to progress many of our Future of Advice ambitions. Working with external partners, we've tested new ways of running a remote telephone and digital service for the whole of Wales which is helping to realise our goal for a seamless customer experience. This also positions us at the centre of the emerging Regional Advice Networks by introducing a digital e-referral platform into the advice sector for the first time.

In the first quarter of its delivery, 25,714 people across Wales accessed our Advicelink services.

In total, 21,857 (84%) Advicelink clients across all regions identified themselves as having one or more protected characteristics.

Advicelink services achieved a total of £2,953,751 of debts being written off for clients in Wales. This equates to an average of £12,955 per client.

Advicelink Cymru is designed to help people who are most in need of support, particularly those who would not usually seek advice. We received £1.2 million grant funding needed to support the EU, European Economic Area and Swiss nationals to seek settled and pre-settled status under the EU Settlement Scheme (EUSS) in the UK. Since the beginning of the project we have supported over 1,400 people. To deliver this support, Citizens Advice has worked with a range of partners who have expertise in engaging with diverse communities across Wales.

Our Warmer Wales service has also delivered expert energy advice to people who are at risk of fuel poverty or are categorised as 'fuel poor'. This service includes advice on energy efficiency, energy surveys, options on switching suppliers, managing debt and helping people to get the income they're entitled to.

This year we supported 2,219 people and achieved £75,212 of debt written off.

**Advicelink services achieved a total of £2.9 million of debts being written off for clients in Wales.**



# Using our influence to tackle people's problems

This year, we achieved policy improvements across welfare, debt, post, housing, energy, employment, and consumer issues to help make life easier for people. We worked quickly at the end of 2019/20 to help shape the Government's initial response to the Covid-19 crisis.

## Money and debt

We submitted a report to the Gambling Commission being used for gambling. Our research showed that 49% of people used credit cards to fund their gambling. The Gambling Commission banned credit cards in early 2020.

We used data collected during debt advice sessions to help inform the Government's response to support people through the Covid-19 pandemic.

## Welfare and employment

We responded quickly to Covid-19, producing 2 papers: *Protecting people's incomes* and *Supporting people's incomes*, outlining proposals to help protect people's incomes in light of the pandemic. All agency workers, anyone in a household with a shielded individual, parents, carers and foreign nationals were confirmed as eligible for the Job Retention Scheme: something we had called for.

## In Wales

Landlord letting fees were banned in Wales, following a sustained campaign by Citizens Advice, which revealed that renters in Wales were paying £3 million a year in fees.

The Welsh Government ended the use of prison sentences for non-payment of council tax debt in Wales. This arose out of our work to highlight that the sanction of imprisonment is an outdated and disproportionate response to a civil debt issue.

## Consumer

It's been nearly 2 years since we submitted our [letter](#) to the Competition and Markets Authority about the loyalty penalty people pay across 5 essential markets. The loyalty penalty is the extra cost people are charged by companies for not regularly switching providers.

Since then, the Financial Conduct Authority has proposed a Single Easy Access Rate. If introduced, this could save customers £260 million a year. Ofcom brokered voluntary commitments with mobile phone providers, expected to save people £58 million. Broadband providers have also made voluntary commitments to address the loyalty penalty.

When the Covid-19 crisis began in March 2020, we helped secure a pause on evictions following a campaign targeted at the Government. As a result of our work to ensure the ban on tenant fees works for renters, a ban will now be applied to all new contracts, saving people £13 million a month in unfair and uncompetitive fees.

## Energy

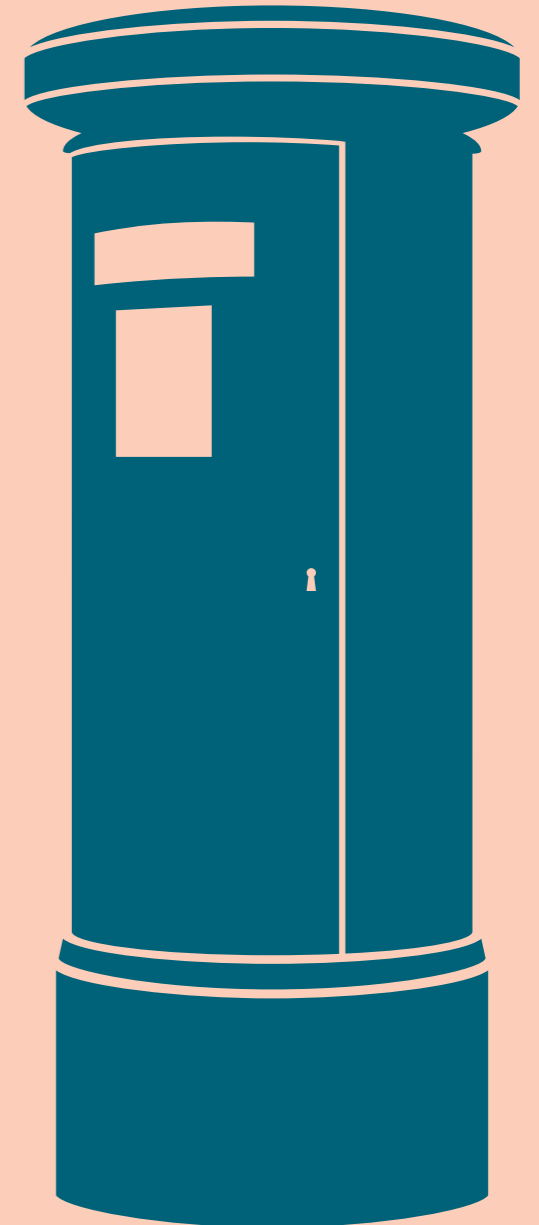
Ofgem changed its cost of capital calculation for network price controls taking on many of our [recommendations](#). This is set to save people at least £6 billion over 5 years.

In September 2019, the Government responded to our campaign by extending the smart meter rollout by 4 years to 2024. This gives suppliers time to fix ongoing technical problems and make sure customer service isn't sidelined, and it helps to ensure people get good value for money.

## Post and Telecoms

We're asking the Government to invest in an Address & Collect service provided at post offices, so that

As a result of our [campaign](#), 6 parcel operators signed up to our pledge to allow disabled customers to tell them their delivery needs.



# Our structure, governance and management

Our trustee board gives strategic direction and sets the vision for Citizens Advice. The 12 members are trustees under charity law and directors of the charitable company.

In January 2020, the trustees agreed to increase the number of formal trustee board meetings each year from 4 to 6, along with other meetings and events, to help trustees shape the organisation's strategic direction and develop as a team.

Our Chief Executive, working with the executive team, is responsible for delivering the strategy and for day to day operations.

The trustee board is committed to high standards of corporate governance and complies with the principles and practices set out in the Charity Governance Code.

## Our trustees

**Warren Buckley (Chair)** is Global Head of Contact Centres for HSBC Plc, with accountability for 25,000 people. He was Chair of the Business Disability Forum, a charity working with the disabled community and business. **Warren is also Chair of the Chair's committee.**

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**Lucy Inmonger (Deputy Chair)** is an Investment Manager at LGT Impact Ventures, investing in sustainable businesses seeking to improve the lives of disadvantaged people. Lucy became a trustee of the NACAB Pension Trustees Limited board on 9 May 2018. **After 6 years on the trustee board, Lucy retired on 29 April 2020. Lucy also retired as a trustee of the NACAB Pension Trustees Limited board on this date.**

**Lucinda Bell (Treasurer)** has had a successful career in the corporate sector and now works as an independent Non-Executive Director of 4 FTSE 250 companies: office developer Derwent London, house builder Crest Nicholson, global engineering business Rotork and fund management company Man Group. She is also Audit Chair at Rotork and Derwent London. **Lucinda is Chair of the audit and risk committee and a member of the Chair's and people committees.**

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**Andrew Stephenson** is HR Director at Waterstones Booksellers Limited. He was previously Group People Director at Lookers, where he was responsible for the HR function and people agenda for over 8,500 employees across areas in the UK and Ireland. **Andrew is Chair of the people committee and a member of the Chair's committee.**

**Ann-Marie Harkin** is the Financial Audit Director and Engagement Lead at the Wales Audit Office. She has won both the Leading Wales Women in Leadership award and the CIPFA Wales Public Finance Professional of the year. **Ann-Marie became Chair of the Cymru advisory board on 1 December 2019 and is a member of the Chair's committee.**

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**Ashok Vaswani** is Global Head of Consumer Banking and Payments for Barclays UK, overseeing the execution of plans for the Group's consumer banking, and cards and payments businesses, in the UK and internationally. **Ashok is a member of the audit and risk committee.**

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**Barbara Shaw** has more than 20 years of experience working in the Citizens Advice service. She served as Chief Executive of both Citizens Advice West Oxfordshire and Citizens Advice Banbury. **Barbara is a member of the technology committee.**

**Finola McDonnell** joined the Financial Times in 2018 as Chief Communications and Marketing Officer. A member of the FT Group executive board, Finola oversees global communications, brand management, commercial marketing, and partnerships and events. Previously, she worked for US news outlet CNBC, holding the position of Vice President of international communications and marketing. **Finola joined the board on 31 March 2020 and became a member of the technology committee on 30 June 2020.**

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**Fran Keene** has worked in the public and not-for-profit sectors for over 20 years and was Head of Diversity at the Audit Commission. She has been a funder, practitioner and regulator, and is now an independent adviser. **Fran retired as a trustee and Chair of the equality committee on 25 October 2019.**

**Jabbar Sardar** is Global HR director for BBC Studios, the commercial subsidiary of the BBC which oversees TV production, channels and distribution globally. Jabbar is Chair of the International Advisory Board at the School of Management at the University of Bradford. He is also on the Steering Group for the Employers Initiative on Domestic Abuse (EIDA). **Jabbar joined the board on 29 April 2020.**

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**Jonathan Mogford** is Director of Policy, and member of the Corporate Executive Team, at the Medicines and Healthcare Products Regulatory Agency. This is an Executive Agency of the Department of Health and Social Care, and Jonathan is responsible for the Agency's EU, Brexit, international and regulatory policy work and for the agency's corporate strategy, business planning, accountability and partnership work. **Jonathan is Chair of the equality committee and a member of the Chair's committee.**

**Mark Haysom** is an author. He previously had a 30 year career in newspapers, rising to Managing Director of Mirror Group. He later held the role of Chief Executive of the large government agency the Learning and Skills Council. He has served on the boards of a number of charities dedicated to overcoming poverty and disadvantage and was Chair of Phoenix Futures. **Mark is a member of the audit and risk committee.**

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**Rolande Anderson** has had a wide-ranging senior career in government and now works as an independent Non-Executive. She is Vice-Chair of Governors at London Metropolitan University, a Senior Assessor at the College of Policing, Independent Panel Member for Public Appointments, and a Trustee of St Mungo's and the mentoring charity Brightside. **Rolande is a member of the equality committee, Chair's committee and Chair of the trustee development group.**

**Will Cavendish** is Director, Global Digital Services Leader at Arup, and Leader of the London-based Advanced Digital Engineering Group. He is responsible for leading Arup's work to support clients to take advantage of the major transformation in their world that is being brought about by digital and other advanced technologies. **Will is Chair of the technology committee and a member of the Chair's committee.**



## Section 172 (1) statement

The trustees act in good faith to make decisions – the outcome of which they consider will be most likely to promote the success of the charity, for the benefit of its charitable purposes as a whole, both in current periods and in the long term.

In discharging their duties above, the trustees carefully consider, amongst other matters, the impact on and interests of clients, staff, volunteers, funders and suppliers, and factor these into their decision making process.

### Clients

The trustees commit considerable time, effort and resources into understanding and responding to the needs of our clients, which are reflected in the [redacted] and our response to the [redacted].

### Staff and employees

Trustees receive information on staff and volunteer physical and mental wellbeing and are committed to promoting a healthy workforce. They support the current work to [redacted], and as such are committed to attracting and retaining diverse, high calibre talent which staff and [redacted] helps support.

### Funders

The trustees closely monitor our funder relationships and receive regular reports on how we are meeting funder requirements. Our [redacted] and [redacted]

[redacted] section of this report, demonstrate how we're providing services that deliver a high value for money offer for our funders.

### Suppliers

The trustees have established procedures to ensure that external suppliers are individually verified to ensure they meet with health and safety, regulatory and financial security standards required by the charity.

### Community and the environment

The charity recognises the importance of its environmental responsibilities and has measures in place to monitor and control its impact on the local environment and its compliance with any regulatory environmental standards. The charity seeks to implement policies aimed at reducing any potential detrimental environmental impact of its activities. See the [redacted] section for more details.

### Standards and conduct

The charity has various policies regarding ethical standards and the conduct of business.





## Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements.

Company law requires trustees to prepare statements for each financial year, to give a true and fair view of the state of affairs of the charitable company and the group – as well as the incoming resources and application of resources – including the income and expenditure of the charity for that period.

Trustees must:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the charities' statement of recommended practice (SORP)
- make reasonable and prudent judgements and estimates
- 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's inappropriate to presume that the charitable company will continue in business

The trustees are responsible for ensuring proper accounting records are kept. The records must disclose with reasonable accuracy, at any time, the financial position of the charitable company and the trustees must make sure the financial statements comply with the Companies Act 2006. The trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Trustees must safeguard the assets of the charitable company and the group and take reasonable steps to prevent and detect fraud and other irregularities. As far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## Delegation of duties

Our scheme of delegation outlines decision-making responsibilities within national Citizens Advice. It lists issues reserved for the board and areas which may be delegated to the executive team. The standing financial instructions form the basis of the delegation of financial functions by the Citizens Advice trustee board to staff. Our procurement policy sets out authority levels for purchasing decisions.

## Trustee committees

The following committees support the trustee board in its work:

### Audit and risk committee

Advises the trustee board on risk management, internal controls, external audit and financial reporting. This committee has 3 independent co-opted committee members.

### Chair's committee

Acts as a sounding board for the Chair of the trustee board in carrying out their responsibilities. This includes the planning of the board's agendas, and shaping and agreeing the board's business. The committee is also responsible for trustee recruitment.

### Cymru advisory board

Advises the board on policy and advocacy, and business development opportunities regarding delivery, policy and legislation specific to Wales. It also advises the board on whether we're meeting our duties under Welsh language legislation.

### Equality committee

Gives expertise and guidance on equity, diversity and human rights to the board and the service, making sure promoting equity and tackling discrimination for clients is at the heart of our advice and policy work. This committee has 2 independent co-opted members.

### People committee

Supports the trustee board through its oversight of Citizens Advice national people strategy, including inclusive employer priorities, and ensures that the policies and practices associated with the people strategy are consistent with organisational behaviours and culture. It also monitors and provides feedback on our pay and reward strategy and advises the Chair on the appointment, appraisal and pay of the Chief Executive and executive directors. This committee has 1 independent co-opted member.

### Technology committee

Responsible for helping to shape, monitor and give feedback on the technology strategy. This committee has 2 independent co-opted members.



## Recruitment, induction and training of national trustees

We recruit trustees through an open, competitive process. We use national media, recruitment agencies and our network to find talented individuals who have the skills and perspectives we need to provide good leadership and make sound decisions.

Trustees can serve for up to 2 consecutive terms of 3 years, but must then step down. A trustee who holds office as Chair, Deputy Chair or Treasurer may not hold office in that capacity for more than 6 consecutive years, but at the end of that period a Deputy Chair or Treasurer may be appointed as Chair. No trustee may hold office for more than 12 consecutive years. After the end of this period, 2 further years must pass before any former trustee may be re-appointed.

During 2019/20, we recruited 2 new trustees and 1 independent committee member. As part of a wider succession programme, 1 trustee was appointed in March and the other in April. New trustees receive a full induction, when they meet the Chair, agree their role and meet key members of staff. They also visit local Citizens Advice to get a better understanding of the service and the vital work we do. Inductions are tailored to meet trustee's individual needs and interests. Trustees are unpaid volunteers, but are reimbursed for reasonable expenses, like travel costs to attend meetings.

### Public benefit

The trustees confirm they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of Citizens Advice, and in planning activities and setting policies and priorities for the year ahead.

Our charitable objects are to promote any charitable purpose for the advancement of education, the protection and preservation of health and the relief of poverty, sickness and distress.

In carrying out its objects and in all aspects of its work, Citizens Advice is committed to promoting equality and diversity, preventing prejudice and discrimination, ensuring equal access and promoting good relations between all sections of the community.

The main activities undertaken to further our charitable purposes for public benefit are to provide the advice people need for the problems that they face and to improve the policies and practices that affect people's lives.

## Executive team

Our executive team is responsible for delivering the trustee board's vision and for the day-to-day operation of Citizens Advice. The executive directors who served during the reporting period and their areas of responsibility are as follows:

### **Dame Gillian Guy**

#### **Chief Executive**

Strategic direction and leadership of Citizens Advice.

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### **Alistair Cromwell**

#### **Chief Operating Officer**

Financial strategy and management, business development, business planning and performance, business change, risk management, property and accommodation, governance, commercial and legal services.

### **James Plunkett**

#### **Executive Director of Advice and Advocacy**

Technology, customer journey and digital, expert advice, data, policy and advocacy, communications and external affairs.

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### **Kirsty Holt**

#### **Senior People Leadership Support**

Kirsty is providing senior people leadership consultancy and leading our people transformation programme whilst we recruit an Executive Director of People.

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### **Michele Shambrook**

#### **Executive Director of Operations**

Service delivery, support and advice for local Citizens Advice, quality assurance, service standards and membership, information governance, equality strategy and volunteering strategy.

## Our people

Citizens Advice has grown significantly in the past 5 years. We are making Citizens Advice a great place to work. Our staff are passionate about what we do and understand the importance of their contribution to our business and strategic objectives.

We are investing in and supporting our over 950 staff working across our different services, membership support and corporate functions to enable an inclusive, purpose-driven workplace that listens, is collaborative, open and honest and helps everyone be the very best they can be.

We have started a transformation programme to improve the experience of our workforce, empower our managers and energise and engage our staff. Our vision and strategy are underpinned by strong leadership, inclusion and collaboration.

The 4 defined pillars of our people strategy are:

- an inclusive and collaborative culture
  - enabling a transparent, collaborative, people-centred and purpose-driven culture

- building a diverse and inclusive organisation that is representative of the communities we serve
- working together as 1 team
- attracting the best talent and supporting and developing all our people
- bold and visible leadership
  - developing visible leaders who embody and demonstrate inclusive leadership
  - be a role model for our culture and behaviours and be clear about their responsibilities to their teams
- investment in our talent
  - investing in learning to ensure everyone has the right skills to deliver the Future of Advice strategy
  - attracting the best talent and maximising our employer brand and values
- a fully enabled people directorate
  - delivering a high quality people service for all teams at scale and pace, supported by strong data and analytics to enable evidence-based decision making

We are committed to ensuring that our recruitment and selection processes are inclusive and support our inclusive employer plans. Our staff profile shows that 69% are female and 31% are male. 17% of staff have identified themselves as having a disability or a long term health condition. 14% are Black, Asian, Minority Ethnic (BAME) and 8% are Lesbian, Gay or Bisexual (LGB).

We've made progress in how we support staff wellbeing and built on our wellbeing forums to encourage peer to peer support.

We continue to build our learning and development programme for all staff. We have invested in a new learning platform, built our learning capacity and worked in partnership with leading skills providers to develop and launch a suite of digital learning to support our national staff and the wider networks of local Citizens Advice that we support.

## Volunteers

Volunteers continue to be an essential part of our work. Over 18,500 volunteers across our local Citizens Advice network in England and Wales contributed their time, skills and experience to help us meet the needs of our clients. Volunteers undertook roles from trusteeship to research and campaigns, from giving information and advice and supporting the running of local offices. Volunteers continue to adapt as the needs of our service and clients change, taking on more work remotely and having to navigate new and complex issues. They do so with passion, energy and enthusiasm. We are thankful for their significant ongoing contribution in these challenging times.



**18,500+**

volunteers across our local Citizens Advice network in England and Wales

## Witness Service volunteers

Around 2,500 volunteers support witnesses within courts and in our outreach service. Over the year we have made a number of improvements to our support for the team leaders who manage volunteers. This included creating recruitment and supervision best practice toolkits, and delivering 6 volunteering webinars. Our 2019 volunteer experience survey continued to show increases in the number of people who are likely to recommend us as a great organisation to volunteer with.



**2,500**

volunteers supported witnesses within courts and in our outreach service



Alicia, Volunteer Adviser at Citizens Advice North East Lincolnshire, photography by Emile Holba.

## Risk and internal controls

Our trustees are responsible for the effective management of risk and for making sure that internal controls are in place and operating as designed.

During the year, the audit and risk committee and trustee board reviewed and agreed our risk management strategy and policies. Risk owners regularly review divisional and strategic risks to assess the likelihood, impact and relevance of risks, the plans for managing them and the adequacy of those plans.

We operate a robust system of internal financial controls which is fully compliant with charity commission guidance and good practice. The executive team and trustee board review and agree budgeting systems and financial reports. Internal audit plans are informed by an analysis of the risks to which the organisation is exposed.

The audit and risk committee holds a database of all audit recommendations and monitors progress.

On a quarterly basis, the audit and risk committee and trustee board assess the principal risks facing Citizens Advice. This year, the audit and risk committee continued to support the organisation to further embed risk appetite into strategic risk discussions and develop realistic plans and timeframes to address the risk appetite.

The Covid-19 pandemic began at the end of the financial year and prompted a thorough review of our strategic risk profile by the trustee board. Our key risks and uncertainties, along with the trustee board's plans to mitigate and manage them, are set out below, with additional commentary where relevant about how Covid-19 affected the principal risks and uncertainties.

## Service delivery

### Risks and uncertainties

Matching capacity to demand and delivering on the expectations of our clients while ensuring quality.

### Mitigation and management

We have closely monitored our progress towards the ambitious targets for meeting more demand that we set out in the Future of Advice strategy. We have had success with the pilot of a single queue for telephone advice. The Covid-19 crisis and the necessary rapid shift from face to face interactions to solely phone and online services has highlighted a need to understand and address potential barriers to access. This will be a key focus for 2020/21 and will inform the role of face to face and in-community advice as this begins to resume and how we develop our digital services to ensure accessibility.

## People engagement and resilience

### Risks and uncertainties

We need to ensure our culture, workforce planning and staff wellbeing keeps up with our organisational growth.

### Mitigation and management

Culture and staff engagement was a key focus this year and part of wider work to strengthen our people function to match the growth of the organisation.

We ran a culture survey to identify key areas to work on and completed the transition to a new staff engagement platform. This allows us to obtain more regular feedback from staff and plan actions more effectively in response.

The Covid-19 pandemic saw us shift from a largely office-based workforce to all home working. Our cloud-first technology strategy and agile workforce meant this happened with a low level of disruption. The leadership team has communicated regularly with staff, held virtual staff get-togethers and provided a wide range of new resources, tools and policies to support staff wellbeing and mental health while working from home.

## Equality, Diversity and Inclusion

### Risks and uncertainties

Ensuring we deliver on our strategic ambitions to ensure all people, especially those at greatest risk of disadvantage, detriment or harm, can access our services and to create an inclusive culture and more diverse workforce.

### Mitigation and management

During the year, we have appointed a strategic equality, diversity and inclusion lead and workforce diversity lead, ensuring that staff and leadership have access to specialist equality expertise at all times. We have made good progress on our inclusive employer programme.

We are using part of the funding received from the Department for Business, Energy and Industrial Strategy to help us respond to Covid-19 to ensure we are addressing any barriers to advice created during the rapid shift to remote delivery.

## Financial sustainability and resilience

### Risks and uncertainties

There are intensifying pressures on public sector funding at both national and local level and this poses an ongoing risk to services, particularly in a climate of increased demand.

### Mitigation and management

During the year, we've successfully maintained existing funding and secured new funding, but the risk to our long term sustainability remains. It is likely to intensify as the public sector becomes even more stretched and we will face competition for funding other sectors.

We continue to look for opportunities to diversify our funding and support our network to do the same. We expect demand for advice to increase and are working to put in place long term sustainable solutions to boost our capacity, particularly on our phone and online services and consolidate changes made during Covid-19.



## Data, technology and digital

### Risks and uncertainties

This year we committed to further investment in data, technology and digital to ensure our decisions are evidence based and we are supporting local delivery through best-in-class platforms.

### Mitigation and management

Our business is increasingly powered by data, technology and digital, and this year we brought these 3 functions together to ensure we are working well together across these areas.

Our overall technology strategy stands up well to recent developments. The principles behind our approach – to use cloud-based, internet-facing products – make us resilient to a world of more remote service delivery and remote working.

Our bigger challenge relates to the platforms that underpin some of our front-line remote delivery. Replacing legacy systems with a more flexible architecture was a top priority in 2019/20 and remains so in the year ahead.

## Pension liability

### Risks and uncertainties

The national charity is the principal employer in a defined benefit pension scheme. The deficit in the scheme has risen significantly again this year, driven primarily by underlying economic factors, including the sustained period of low gilt rates.

### Mitigation and management

The scheme was closed to new members and future accrual in 2008 and is overseen by independent trustee directors and pension administrators. Significant work has been undertaken to clarify the legal interpretation of the benefits within the rules and to tidy up the membership records so that the liability calculations for the scheme are based on more accurate data. We have continued to make annual contributions over and above the recovery plan.

## Protecting our data

### Risks and uncertainties

We take the protection of our clients' data extremely seriously. Cyber attacks, external threats and the changing regulatory environment were key areas of focus this year.

### Mitigation and management

We continued to strengthen our controls in the areas of privacy and cyber security. We refocused our Privacy Risk Management Board to be less reactive and more strategic. We continued to work towards Cyber Essentials Plus.

We reviewed our key controls in the light of the increased threats from cyber attacks due to the pandemic and have communicated regularly with staff throughout lockdown about their duties in relation to data privacy while working remotely and how to protect themselves from cyber attacks.

## Energy disclosures

### Climate change and Citizens Advice

As an organisation we recognise the impact of climate change and our responsibility to take action to contribute to the safeguarding of the natural environment for present and future generations. We take steps across a number of our areas of operation to reduce our environmental impact, and to work in the least environmentally harmful way possible.

We are committed to reducing energy use and carbon emissions in our operations, and to raise awareness of the need to do the same amongst our staff.

### Our carbon strategy

Citizens Advice is mainly an office-based organisation. We work to reduce our carbon emissions through a focus on:

- working with our landlords on improving energy efficiency and waste reduction
- promoting public transport and more sustainable travel use and encouraging video conferencing where appropriate

This is the first year of formal energy reporting and we will use this as our baseline. We set a target of a 5% reduction in CO2 output for the 2020/21 financial year.

### Methodology

Emissions are related primarily to our offices, travel and overnight stays at hotels. Citizens Advice national offices are all based in landlord-managed buildings. Travel and hotels emissions are calculated based on information from our suppliers and government guidance on emissions.

Building landlords provide the meter readings to Citizens Advice. We have used Carbonxgen, an independent company to calculate the CO2e with standard UK Government methodology and to verify the numbers presented in this report.

### Greenhouse gas emissions due to UK energy use

Emission source	Tonnes CO2e
Natural gas combustion	25.76
Total electricity	79.91
UK travel	324
<b>Total tonnes</b>	<b>429.67</b>

Total CO2e tonnage per employee (intensity ratio) is 0.452. Total energy usage is 459,741 kWh.

# Financial review

## Income

In 2019/20, the total income for the national charity grew to £139.1 million from £109.8 million in the previous year.

This reflects a higher increase in restricted income to £113.8 million (2019: £84.0 million) and particularly the full-year impact of the Department for Work and Pensions Help to Claim project funding of £34.3 million (2019: £9.8 million) which began in October 2018.

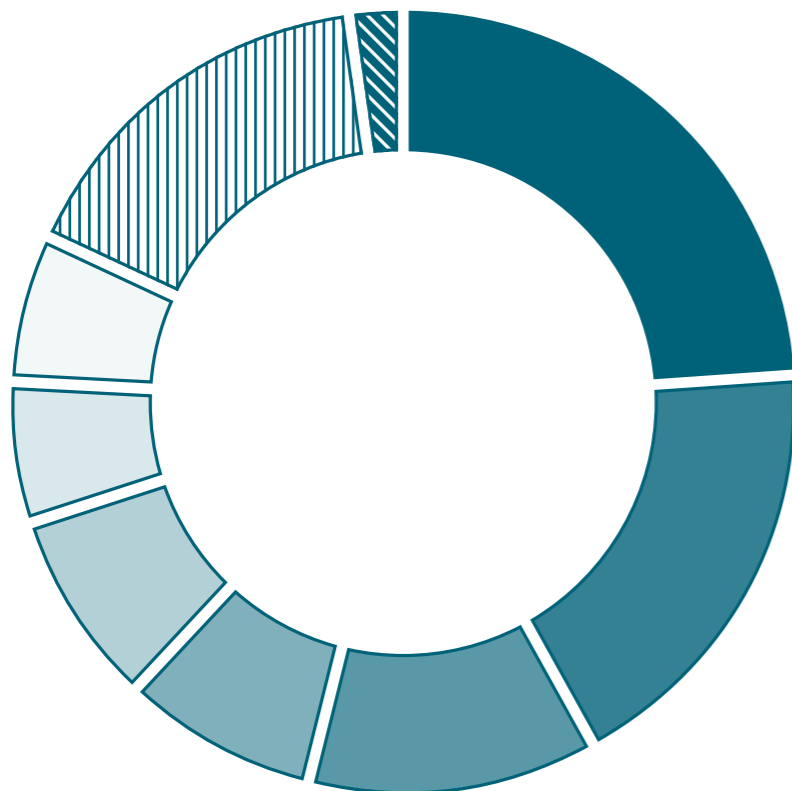
The restricted income includes the Money and Pensions Service funding of £24.5 million (2019: £26.5 million) to deliver money and debt advice. This funder also provided funding of £10.9 million (2019: £9.1 million) for our Pension Wise service.

Other significant streams of restricted income include £16.0 million (2019: £16.0 million) from the Department for Business, Energy and Industrial Strategy (BEIS) for our consumer work, £11.0 million (2019: £11.5 million) from the Ministry of Justice for the Witness Service and £8.4 million (2019: £5.4 million) from the Welsh Government.

Total unrestricted income was largely unchanged from the prior year at £25.4 million (2019: £25.7 million). The most significant unrestricted funding continues to be that provided by BEIS to support our core activities. This remained static at £22.3 million (2019: £22.3 million).

The majority of our funding is awarded through annual funding agreements, is restricted to a particular area of activity and relates to a specific financial year. Therefore, where restricted income grows there will tend to be a corresponding increase in expenditure in the same year. This is reflected in the 5 year snapshot of income and expenditure on the next page.

## Our main sources of income



Income 2019/20

**£139.1 million**

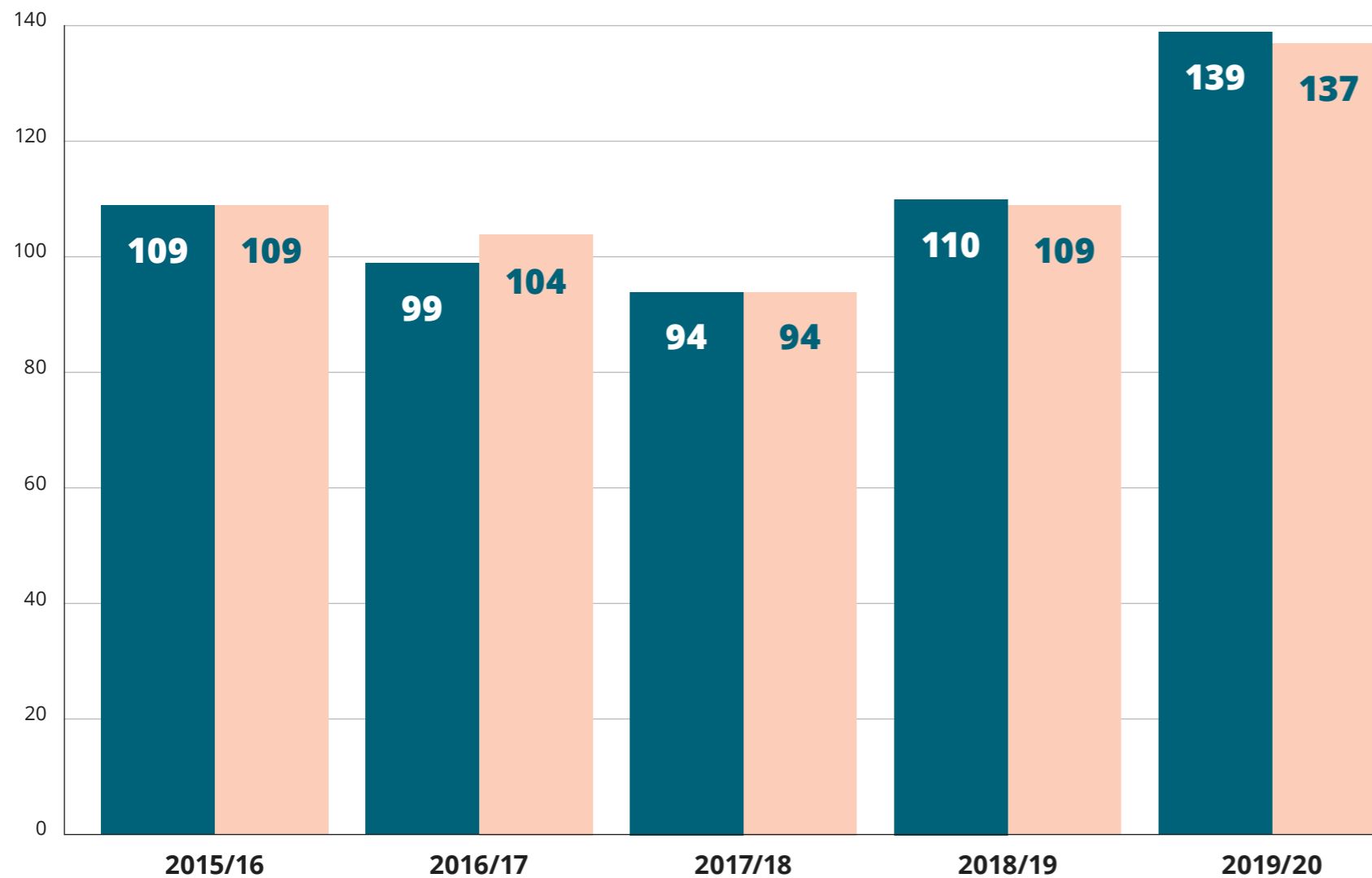
### Restricted

- £34.3 million**  
 Department for Work and Pensions  
 – Help to Claim (2018/19 £9.8 million)
- £24.4 million**  
 Money and Pensions Service  
 (2018/19 £26.5 million)
- £16 million**  
 Department for Business, Energy and Industrial  
 Strategy – Consumer (2018/19 £16.0 million)
- £11 million**  
 Ministry of Justice – Witness Service  
 (2018/19 £11.6 million)
- £10.9 million**  
 Money and Pensions Service  
 – Pension Wise (2018/19 £9.1 million)
- £8.8 million**  
 Other income (2018/19 £5.8 million)
- £8.4 million**  
 Welsh Government (2018/19 £5.4 million)

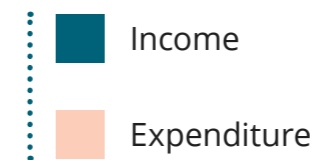
### Unrestricted

- £22.3 million**  
 Department for Business, Energy and Industrial  
 Strategy – Core (2018/19 £22.3 million)
- £3 million**  
 Other income – unrestricted  
 (2018/19 £3.5 million)

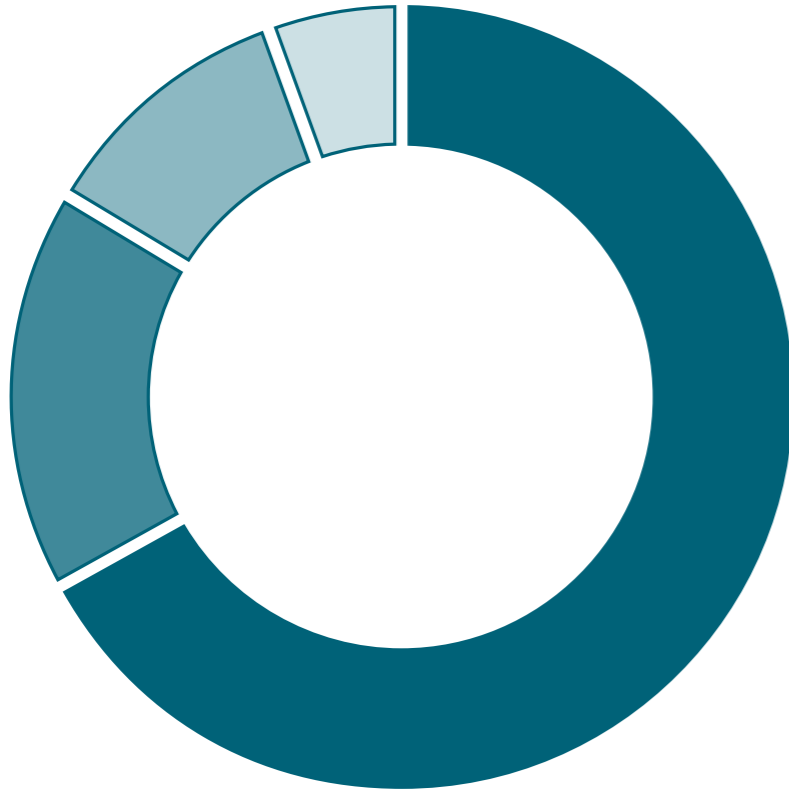
## 5 year snapshot of our income and expenditure (£millions)



The impact of Covid-19 on income in 2019/20 was small, as it began late within the financial year.



## Expenditure against our 4 areas of charitable activity



**Expenditure 2019/20**  
**£137.1 million**

- **£82.9 million**  
Delivering through partnerships  
(2018/19 £55.7 million)
- **£27.2 million**  
Delivering information and advice  
(2018/19 £26.9 million)
- **£17.6 million**  
Strengthening the network  
(2018/19 £16.5 million)
- **£9.2 million**  
Advice and advocacy  
(2018/19 £10.0 million)

### Delivering through partnerships

This represents the largest proportion of our expenditure at £82.9 million (2019: £55.7 million), which corresponds with the increase in income. This includes a significant part of the funding to the local Citizens Advice network, which overall increased to £71.7 million (2019: £47.4 million) as a result of the increased income received.

### Delivering information and advice

Our spending on the direct delivery of information and advice in 2019/20 was £27.2 million (2019: £26.9 million). This category includes the direct delivery of services by Citizens Advice. The main areas of expenditure cover our consumer service, the Witness Service and the continued investment in our online and digital services for clients.

### Strengthening the network

In 2019/20 we spent £17.6 million (2019: £16.5 million) on this area. This covers our core network support services, information services, systems support, training and quality assurance costs.

### Advice and advocacy

Our expenditure in 2019/20 on advice and advocacy was £9.2 million (2019: £10 million). This category includes the delivery of our energy and post statutory duties in line with our agreed work plan, as well as expenditure on policy and influencing from our unrestricted funds to support our other key areas of advice work.

## Balance sheet

Total funds at 31 March 2019 were £12.3 million (2019: £10.5 million), and made up of unrestricted funds, restricted funds and the negative pension reserve.

The restricted surplus for the year of £0.3 million (2019: £1.1 million deficit) reflects some funding recognised in the year as income due to accounting rules, but that will only be spent in 2020/21. This surplus means that restricted funds carried forward increased to £10.0 million (2019: £9.7 million).

The net movement in our unrestricted funds for the year of £1.6 million (2019: £2.7 million) included £0.5 million on core operations, meaning our unrestricted funds grew to £21.5 million (2019: £20.9 million).

The remaining net movement in our unrestricted funds reflects the reduction in negative pensions

reserve from £20.2 million to £19.1 million. This negative pension reserve reflects the net present value of the agreed annual payments to a closed defined benefit pension scheme. At 31 March 2020, the deficit of £19.1 million reflects the agreement to pay £1.6 million annual payments to the closed defined benefit scheme until December 2033.

We continue to benefit from a strong cash flow supported by our funders. The total cash balance at the year-end was £41 million (2019: £39.1 million). This includes funds held on fixed term deposit and in notice accounts.

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## Remuneration policy

We continue to assess new roles with our industry standard job evaluation scheme and are allocating roles to grades with the aim of providing a more structured, transparent and fair pay scheme. To

attract the right talent, our pay and grading scheme is structured on the basis of market median salaries. All national Citizens Advice employees earn in excess of the Living Wage and, for those who live in the capital, the London Living Wage.

Executive team remuneration is the responsibility of the trustee board's people committee, which sets pay levels on the basis of job evaluation outcomes and comprehensive benchmarking.

A 2% annual salary increase was awarded to all staff effective as of April 2019. Our progressive pay award effective from April 2020 sees lower-paid employees get a larger percentage increase than those on higher salaries, with the overall average increase being 2%.

In line with the legislation we calculate and publish our annual gender pay gap in April each year. Our mean gender pay gap in April 2019 was 16.8% (2018: 17.7%) and median 18.0% (2018: 22.1%).

### Improving our gender pay gap

We've made progress and are committed to further improving our gender pay gap. We've identified 5 actions to help us achieve this, some of which are continuing actions that are already producing positive results:

**1**

Continue to invest in and prioritise our equality, diversity and inclusion goals, ensure they're an integral part of our 3 year strategic framework (Future of Advice). This includes implementing a progressive pay approach in the annual pay award.

**2**

Attract more women into technology and digital roles. Our gender split has improved from 77% men to 23% women (2018) to 61% men and 39% women (2019) as we grow our digital team, recruiting female leaders into these teams.

**3**

Review our interview process to include practical tasks/ presentations for all roles, providing candidates with a better opportunity to demonstrate relevant skills and knowledge for the role. This can support women returning to work and provide better promotion opportunities.

**4**

We already offer a wide range of flexible working options. We'll review these benefits and our employee engagement offer to ensure we have a compelling, competitive, and family friendly offer.

**5**

Identify and offer opportunities for leadership development programme courses for women, utilising our apprenticeship levy to build confidence to work at more senior levels.

Our full report is [available on our website](#).



## Grant making policy

National Citizens Advice awards grants to local Citizens Advice (and other local charities and organisations), in line with our grant agreements with funders and to meet the needs of clients. Funds either come directly from national Citizens Advice for developmental opportunities that enhance our service to clients (including piloting or testing new ways of meeting needs or reaching more people) or as a result of funding awards to national Citizens Advice for specific services. These are then passed on to the network for delivery.

The grant application process is published on the Citizens Advice intranet so applicants are aware of the methodology. Evaluators are trained in-house and include members of the network to ensure transparency and objectivity. In 2019/20, £71.7 million in grants has been allocated to the network of local Citizens Advice and other organisations from funding sources including:

- Department for Business, Energy and Industrial Strategy for the consumer service
- Money and Pensions Service, for delivery of money and debt advice in England and Wales

- Money and Pensions Service, for the delivery of pensions guidance through Pension Wise
- Department for Work and Pensions for the provision of support to help people make a Universal Credit claim
- Ministry of Justice funding for 2 contact centres for the Witness Service
- Energy companies for energy advice and education programmes
- Welsh Government for the delivery of face to face and telephone advice
- Gamble Aware for providing training, information and awareness on gambling-related harm

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## Fundraising policy

In 2019/20, Citizens Advice began to test small scale fundraising activities. During the year, Citizens Advice did not use professional fundraisers or commercial participators to act on its behalf.

However, in line with our ethics, data security and complaints policies, we did conduct individual giving pilots utilising a call to action on 3 of our online advice content pages, as well as via a small

amount of donated Facebook advertising credits. We have also started to actively develop long term partnerships with companies, trusts, and foundations to support our strategic aims and long term sustainability.

We recognise the need to protect vulnerable people and other members of the public from undue pressure and any intrusion of privacy. This is reflected in the non-invasive small scale fundraising activities we carried out in 2019/20. Given that we expect such activities to continue into the 2020/21 financial year, we will ensure that, in compliance with our policies and general approach, we continue to protect the public's interests. We have registered with the Fundraising Regulator and in compliance with its voluntary regulation scheme, our fundraising policies and practices align with the Fundraising Code of Conduct, in addition to relevant marketing regulations and legislation.

We did not receive any complaints related to fundraising during this period.

## Reserves policy

Each year, our trustee board reviews our reserves policy and considers the appropriate level of reserves for the organisation to hold. It considers the level appropriate for the current size and complexity of the organisation, the economic environment we're operating in, the risks we're currently managing and known investment plans above and beyond annual budgeted costs. Trustees also consider our current risk profile, balancing the need to reflect that risk, while making sure we're not holding funds unnecessarily at the expense of committing funds to meet our charitable objectives.

As a result of this year's review, the trustee board, advised by the audit and risk committee and considering Charity Commission published guidance, decided to leave the basis of the reserves policy unchanged.

The policy is to hold in free reserves (unrestricted funds less designated funds) the equivalent of 3 to 6 months' core operating costs. This means the target range is now £9 million to £19 million (2019:

£9 million to £18 million) due to a small movement in these costs.

As of 31 March 2020, our free reserves (unrestricted funds less designated funds) totalled £14.4 million and so were within the target range.

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## Pensions

National Citizens Advice is the principal employer of a defined benefit multi-employer pension scheme. The other employers in this scheme are a small number of local Citizens Advice offices in London. The scheme was closed to new members and to future accrual in 2008.

The total deficit of the closed scheme as of 31 March 2020 was £54.3 million, decreasing from £55.5 million in 2019. This movement relates to changes to the actuarial assumptions on the liabilities of the scheme as a whole.

We remain committed to meeting our obligations in relation to the scheme and work closely with the Pension

Scheme trustee board and its advisers. Accordingly, we made an additional payment of £500,000 in 2019/20, on top of the agreed payment schedule.

National Citizens Advice operates a defined contribution scheme. New staff are automatically enrolled into the scheme and employer contributions are charged as they are incurred.

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## Pension reserve

In line with the reporting requirements of the Charities SORP, the negative pensions reserve decreased to £19.1 million (2019: £20.2 million). This represents the net present value of Citizens Advice's share of the agreed £1.6 million annual payments to the closed pension scheme over the remaining repayment period to December 2033. This negative balance reduces by the annual deficit contributions over the payment period.

The formal triennial valuation of this scheme based on the position at 31 March 2019, and the related discussion on the level of future payments, is ongoing.

It is likely that annual payments remain at the current level or increase, with a consequent impact on the negative pension reserve. At this time any potential additional payment cannot not be reliably measured and so the liability in the balance sheet is based on the current agreed level of payment.

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## Investments

As required in our Memorandum, national Citizens Advice has the power to invest monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

Citizens Advice's investment strategy is to manage the charity's cash flows and investments, controlling the associated risks to maximise income with minimal risk. At the year end all such funds are held as fixed-term cash deposits or immediately available cash, and are held in UK-based institutions with strong credit ratings. Where risk or return is

not negatively impacted, we hold funds as "green" treasury deposits. The investment policy is reviewed at least annually.

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## Going concern

The financial position and performance have been outlined in the financial review. The trustees have assessed our position and concluded that Citizens Advice is well-placed to meet our liabilities as they fall due and to manage the business risks we face.

This position is supported by a strong cash flow, sufficient reserves, good relationships with our key funders and a proven ability to secure new services. Our planning and reporting processes, including financial projections, take into consideration the current economic climate (including the effects of the Covid-19 pandemic) and its potential impact on our various sources of income and planned expenditure. We acknowledge our pension fund obligations and have a clear strategy to recover the deficit.

We have therefore adopted the going concern basis of preparation of these financial statements on the basis that we have concluded there is a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements.

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## Approval

This annual report of the trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the board of trustees on 21 July 2020, including approving in their capacity as company directors the strategic report, and is signed as authorised on the board's behalf by:

**Warren Buckley**

Chair

## Our funders

Citizens Advice enjoys support from a wide range of funders and we obtain the maximum value for every pound we spend. We'd like to thank all of the organisations that have supported us during 2019/20. We look forward to working with all of you in future years.

### Government funders

- Department for Business, Energy and Industrial Strategy
- Department of Health
- Department for Work and Pensions
- HM Treasury
- Home Office
- Ministry of Justice
- Welsh Government

### Other public bodies

- Money and Pensions Service
- The Insolvency Service

### Other major funders

- British Gas
- British Gas Energy Trust
- E.ON
- Facebook
- Gamble Aware
- JP Morgan
- Money Advice Trust
- Nationwide Foundation
- Shell Energy
- SSE Electricity
- Utility Warehouse

# Legal and administrative details

## Legal status

National Citizens Advice is a registered charity and a company limited by guarantee. It's incorporated in the United Kingdom and the registered office of the charity is in England. All independent local Citizens Advice are members of the national Citizens Advice charity and there are no other full members. The maximum liability of each member is limited to £1. Citizens Advice is governed by its Memorandum and Articles of Association as amended in October 2000, September 2009 and September 2010.

The registered name of the charity is The National Association of Citizens Advice Bureaux. From 6 January 2003, the charity has used the operating name of Citizens Advice. The charity was incorporated as a company limited by guarantee on 13 July 1979.

The charity has an active trading subsidiary, Citizens Advice Limited (formerly Advice Services Information Limited). Consolidated accounts have been prepared. The basis of consolidation is set out in the accounting policies note. The charity also has a subsidiary pension trustee company, NACAB Pension Trustees Limited.

## Registered office

**Citizens Advice**  
3rd Floor North  
200 Aldersgate  
London EC1A 4HD

Telephone: 03000 231231  
citizensadvice.org.uk

Registered charity number: 279057  
Company number: 1436945

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## Advisers

### Independent auditor

**Crowe U.K. LLP**  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

### Internal auditor

**Mazars LLP**  
Tower Bridge House  
St Katharine's Way  
London E1W 1DD

## Bankers

**Barclays Bank PLC**  
1 Churchill Place  
London E14 5HP

## Lloyds Bank

25 Gresham Street  
London EC2V 7HN

## Solicitors

**Bates, Wells and Braithwaite**  
10 Queen Street Place  
London EC4R 1BE

## Company Secretary

**Nicola Clarke** (Acting from March 2019, formally appointed in February 2020)

# Independent auditor's report to the members of The National Association of Citizens Advice Bureaux

## Opinion

We have audited the financial statements of The National Association of Citizens Advice Bureaux for the year ended 31 March 2020 which comprise consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of

- resources for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006

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## Basis for opinion

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

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk](#). This description forms part of our auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Naziar Hashemi**

Senior Statutory Auditor

For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH



# Consolidated statement of financial activities

Year ended 31 March 2020 incorporating an income and expenditure account

	Note	Unrestricted		Restricted		Total	Total
		2020 £'000	2019 £'000	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Income</b>							
Donations and legacies	2	254	282	13	1	267	283
<b>Income from charitable activities:</b>							
Grants	3	22,300	22,304	113,137	83,381	135,437	105,685
Delivery of services		1,584	1,735	566	522	2,150	2,257
Training and support		602	936	-	-	602	936
<b>Other income:</b>							
Other incoming resources		311	272	70	123	381	395
Investment income		285	198	-	2	285	200
<b>Total income</b>		<b>25,336</b>	<b>25,727</b>	<b>113,786</b>	<b>84,029</b>	<b>139,122</b>	<b>109,756</b>
<b>Expenditure</b>							
Expenditure on raising funds	6	223	30	39	-	262	30
<b>Expenditure on charitable activities:</b>							
Delivering information and advice	6	5,420	5,972	21,747	20,877	27,167	26,849
Advice and advocacy	6	2,638	4,040	6,522	5,958	9,160	9,998
Strengthening the local Citizens Advice network	6	14,379	13,747	3,263	2,788	17,642	16,535
Partnerships	6	993	49	81,910	55,624	82,903	55,673
<b>Total expenditure</b>		<b>23,653</b>	<b>23,838</b>	<b>113,481</b>	<b>85,247</b>	<b>137,134</b>	<b>109,085</b>
Net gains/(losses) on investments		-	-	-	138	-	138
<b>Net income/(expenditure)</b>		<b>1,683</b>	<b>1,889</b>	<b>305</b>	<b>(1,080)</b>	<b>1,988</b>	<b>809</b>
Actuarial gains/(losses) on defined benefit pension schemes		(112)	837	-	-	(112)	837
Transfer between funds		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>1,571</b>	<b>2,726</b>	<b>305</b>	<b>(1,080)</b>	<b>1,876</b>	<b>1,646</b>
<b>Reconciliation of funds</b>							
Total funds brought forward	18	756	(1,970)	9,701	10,781	10,457	8,811
<b>Total funds carried forward</b>	18	<b>2,327</b>	<b>756</b>	<b>10,006</b>	<b>9,701</b>	<b>12,333</b>	<b>10,457</b>

All activities derive from continuing operations. The charity has taken exemption from presenting its unconsolidated profit and loss account under s408 of the Companies Act 2006. The unconsolidated surplus for the year is £1.9 million (2019: £1.6 million).

# Consolidated balance sheet

At 31 March 2020

	Note	Group		Citizens Advice	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Fixed assets</b>					
Intangible assets	10	1,798	1,936	1,798	1,936
Tangible assets	11	91	51	91	51
Investments	14	-	-	-	-
<b>Current assets</b>					
Debtors	12	2,564	3,658	2,631	4,147
<b>Cash and cash equivalents:</b>					
Infrastructure funding	15,18	5,145	5,322	5,145	5,322
Other	15	35,877	33,818	35,810	33,329
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(13,238)	(13,334)	(13,238)	(13,334)
<b>Net current assets</b>		<b>30,348</b>	29,464	<b>30,348</b>	29,464
<b>Total assets less current liabilities</b>		<b>32,237</b>	31,451	<b>32,237</b>	31,451
<b>Provisions</b> for liabilities and charges	16	<b>(19,904)</b>	(20,994)	<b>(19,904)</b>	(20,994)
<b>Total assets less all liabilities</b>		<b>12,333</b>	10,457	<b>12,333</b>	10,457
<b>Funds</b>					
Restricted funds	18	10,006	9,701	10,006	9,701
Unrestricted funds	18	21,451	20,916	21,451	20,916
Pension reserve	18	(19,124)	(20,160)	(19,124)	(20,160)
<b>Total funds</b>		<b>12,333</b>	10,457	<b>12,333</b>	10,457

The financial statements were approved and authorised for issue by the trustee board on 21 July 2020 and signed on their behalf by:

**Warren Buckley**

Director (Chair)

**Lucinda Bell**

Director (Treasurer)

# Consolidated statement of cash flows

Year ended 31 March 2020

	2020 £'000	2019 £'000
<b>Cash flows from operating activities</b>		
Net movement of funds	1,876	1,646
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	67	31
Amortisation of intangible assets	329	385
(Gain)/loss on investments	-	(138)
Interest receivable	(285)	(200)
Decrease/(increase) in debtors	1,094	(138)
Increase/(decrease) in creditors	(96)	6,237
Increase/(decrease) in revenue provisions	(1,090)	(2,094)
<b>Net cash generated from operating activities</b>	<b>1,895</b>	<b>5,729</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(107)	(59)
Purchase of intangible assets	(191)	(28)
Proceeds of sale on shares	-	716
Dividends from shares	-	23
Interest receivable	285	200
<b>Net cash used in investing activities</b>	<b>(13)</b>	<b>852</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,882</b>	<b>6,581</b>
Cash and cash equivalents at the beginning of the year	39,140	32,559
<b>Cash and cash equivalents at the end of year</b>	<b>41,022</b>	<b>39,140</b>

# Notes to the financial statements

Year ended 31 March 2020

## 1. Accounting policies

### a) Accounting convention

The financial statements have been prepared in accordance with 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) and the Companies Act 2006. Citizens Advice meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The principal accounting policies, which have been applied consistently, except where noted are set out here:

### b) Going concern

The financial statements have been prepared on the going concern basis. Financial budgets are set to ensure that the organisation can continue to operate for the foreseeable future, being at least 12 months from the date of approval of these financial statements. Detailed financial budgets are presented and approved by the trustee board on an annual basis with plans in place for 2 years beyond that. Furthermore, management accounts are presented at regular intervals to the trustee board throughout the financial year on progress against budget and to review the forecast outturn.

There are no material uncertainties which cast doubt on the charity's going concern.

### c) Fixed assets

Fixed assets are recognised in the statement of financial activities on initial acquisition, in accordance with FRS 102.

Only assets over £1,000 are capitalised. Depreciation is charged on a straight-line basis on the cost of assets less residual value over their estimated useful life. A full year's depreciation is charged in the year of acquisition.

The estimated lives of the assets are as follows:

- office and computer equipment – 3 years
- infrastructure software – between 3 and 8 years, depending on the duration of licence
- software development costs and infrastructure purchased and developed in-house have been capitalised within intangible assets as they can be identified with a specific project anticipated to produce future benefits – once brought into use they will be amortised on the straight line basis over the anticipated life of the benefits arising from the completed project, usually expected to be between 3 and 8 years
- fixtures and fittings – 5 years

## 1. Accounting policies (continued)

### d) Leases

Rent free periods are accounted for over the period of the lease to the first break clause for each property.

### e) Pension costs

The National Association of Citizens Advice Bureaux (NACAB) Pension and Assurance Plan (1991) is a multi-employer defined benefit scheme which was closed during the financial year ended 31 March 2008. 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 102 in this circumstance are shown in note 22. The expected cost of providing pensions is calculated periodically by a professionally qualified actuary. The operating costs of providing retirement benefits to employees are charged to the statement of financial activities in the year in which they are incurred as required by FRS 102.

On 1 April 2005, Citizens Advice introduced a defined contribution pension. From April 2014 staff are automatically enrolled unless they opt out of the scheme. The employer's contributions are charged to the statement of financial activities in the period in which they were incurred. 1 Consumer Futures member of staff who transferred in April 2014 retains participation in the Civil Service scheme.

### f) Financial instruments

Citizens Advice has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and the group's debtors excluding prepayments.

Financial liabilities held at amortised cost comprise the group's short and long term creditors excluding deferred income and taxation payable. Financial liabilities held at fair value comprise the group's provisions. No discounting has been applied on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Investments are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

### g) Grants payable and receivable

Grants payable are made to local Citizens Advice 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 funding agreement.

### h) Other income

Donations are recognised upon receipt. Gifts in kind are valued at a reasonable estimate of the value to Citizens Advice, which is normally equal to the market value.

## 1. Accounting policies (continued)

### i) Deferred income

Deferred income relating to subscriptions is shown within the balance sheet. Other deferred income relates to restricted funding received in advance but where the related expenditure can only take place in a future accounting period.

### j) Legacies

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

### k) Delivery of services

The trading activities of Citizens Advice, mainly the local Citizens Advice membership fees and the sale of information products, are exercised in the course of carrying out the primary purpose of the charity.

The income and expenditure is shown in the statement of financial activities as delivery of services and strengthening the network respectively.

Any activities that are not for the primary purpose of the charity are accounted for in Citizens Advice

Limited and this subsidiary has been consolidated into the Statement of financial activities. The income and expenditure is also shown in the statement of financial activities as delivery of services and strengthening the network respectively.

### l) Training and support

The training and support activities comprise income from the provision of training courses in debt, employment, welfare benefits and consumer issues as well as contributions towards the cost of providing insurance cover on behalf of the network in England and Wales.

### m) 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.

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

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

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

Support costs, including premises, fundraising, central administration, IT support, human resources costs, governance and 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 direct staff costs of the principal activity as shown in note 7.

### n) Reserves

Unrestricted funds represent funds raised or grants awarded for no specified project which are expendable at the discretion of the trustees in furtherance of the charity's objectives. The expenditure will arise in subsequent financial periods. There are no carry forward restrictions on unrestricted funds. Transfers to and from designated funds are subject to the approval of the trustees.

## 1. Accounting policies (continued)

Restricted funds are awarded for a specified programme as declared by the funder, or restricted with their authority or with a restriction created by a legal process. The scope of the programme is still within the wider objectives of the charity. Income may be awarded in 1 year for expenditure in that or a subsequent year on a specified programme.

### o) Provisions

Provisions for future liabilities are recognised when Citizens Advice has a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made.

### p) Consolidation

Citizens Advice Limited, a trading subsidiary controlled by Citizens Advice has also been consolidated within the accounts on a line by line basis.

The net incoming resources for Citizens Advice alone were £1,989,000 in 2019/20 (net incoming resources £809,000 in 2018/19).

A separate statement of financial activities for the charity is not presented because the charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006. The charity has taken advantage of the exemption in FRS 102 from the requirements to present a charity only cash flow statement and certain disclosures about the charity's financial instruments.

### q) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key estimates that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

**Pension liabilities** – The charity recognises its liability to its defined benefit pension scheme which involves a number of estimates as disclosed in note 22.

**The dilapidations** – Liability is estimated and disclosed as part of our provisions in note 16.

## 2. Donations and legacies

	2020 £'000	2019 £'000
Legacies	17	237
Donations	250	46
<b>Total donations and legacies</b>	<b>267</b>	<b>283</b>

Donations include gifts in kind to the value of £2,978 (2019: £9,355) for professional services provided by 2020 Trustee Services.

### 3. Grants

#### a) Government grants

Funder	2020 £'000	2019 £'000	Purpose
<b>Government department grants</b>			
Department for Business, Energy and Industrial Strategy (BEIS) unrestricted	22,300	22,300	Core charitable objectives
BEIS restricted	17,757	15,946	Consumer advice and other restricted activities
BEIS restricted	1,641	1,597	Big Energy Saving Week/Network
Department of Health	59	-	Membership of the Health and Wellbeing Alliance
Department of Work and Pensions	34,324	9,804	Universal Support: Help to Claim
Ministry of Justice	10,967	11,534	Court based Witness Service
HM Treasury	206	99	Debt advice for veterans and emergency services personnel
Home Office	221	31	Windrush interim hardship support services
<b>Welsh Government</b>			
Welsh Government	119	151	Better advice: better health
Welsh Government	280	369	Discrimination advice
Welsh Government	3,060	1,558	Advice service
Welsh Government	3,366	1,287	Debt and housing advice
Welsh Government	1,548	2,065	Tackling poverty
<b>European grants</b>			
European Commission	-	114	Equality advice
<b>Total government grants</b>	<b>95,848</b>	<b>66,855</b>	



### 3. Grants (continued)

#### b) Grants from other public bodies

Funder	2020 £'000	2019 £'000	Purpose
The Insolvency Service	135	137	Debt relief orders
Money and Pensions Service*	10,908	9,053	Pension guidance
Money and Pensions Service	24,433	26,545	Money and debt advice and debt relief orders
<b>Total grants from other public bodies</b>	<b>35,476</b>	<b>35,735</b>	

\*From 1 January 2019 funding from the Department of Work and Pensions for pensions guidance was provided by the Single Financial Guidance Body (now called the Money and Pensions Service). Therefore this income is now disclosed as grants from other public bodies instead of Government department grants. The 2019 income has been disclosed in the same category for consistency and comparability. There was no change to the nature of this funding as a result of the change in funder.

#### c) Other grants

Purpose	2020 £'000	2019 £'000
Online scams awareness	953	1
Equality and diversity	4	23
Energy advice	2,208	2,460
Specialist support	21	-
Money advice	927	611
<b>Total grants from other public bodies</b>	<b>4,113</b>	<b>3,095</b>
<b>Total grants</b>	<b>135,437</b>	<b>105,685</b>

## 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 non-executive directors (2019: nil). Expenses of £5,714 (2019: £9,503) were reimbursed, or paid directly to third parties, for 7 (2019: 7) non-executive directors during the year in respect of expenses for travel, accommodation and subsistence incurred in the course of executing their duties. No trustee indemnity insurance was purchased.

Employee costs during the year:

	2020 £'000	2019 £'000
Wages and salaries	33,521	28,399
Social security costs	3,476	2,817
Pension costs	2,143	1,892
Temporary staff	1,690	550
<b>Total employee costs</b>	<b>40,830</b>	33,658

Wages and salaries above include £947,815 (2019: £299,186) for redundancy and settlement costs. Redundancy payments were made in line with our contractual terms.

Pension costs shown above relate to amounts accrued in the year. Payments totalling £2.1 million (2019: £1.9 million) were made to the Citizens Advice Group Personal Pension Plan and to the Civil Service Pension scheme for Consumer Futures staff who transferred to Citizens Advice in April 2014. In addition to the pension costs disclosed above, contributions totalling £2.4 million (2019: £2.4 million) were made to the NACAB Pension and Assurance Plan (1991) which closed on 27 March 2008. The 2019 pension cost has been amended to exclude this amount for comparability and consistency.

The number of employees who received employee benefits (excluding employer pension costs but including compensation for loss of office) in excess of £60,000 is analysed below:

	2020 Number	2019 Number
£60,000 to £69,999	31	21
£70,000 to £79,999	15	7
£80,000 to £89,999	9	7
£90,000 to £99,999	2	2
£100,000 to £109,999	3	3
£110,000 to £119,999	1	1
£130,000 to £139,999	1	-
£150,000 to £159,999	1	1

Citizens Advice has identified the key management personnel as the executive directors. The figures below comprise gross salaries and employer's pension contributions paid to executive directors. In addition, the key management personnel were reimbursed £1,836 (2019: £1,227) for travel and out-of-pocket expenses incurred in the course of executing their responsibilities. No other amounts were payable.

## 4. Information regarding directors and employees (continued)

Key management personnel are as follows:

Post	Salary 2020	Pension 2020	Total 2020	Total 2019
Chief Executive	154,632	-	<b>154,632</b>	151,574
Chief Operating Officer	132,546	5,326	<b>137,872</b>	127,313
Executive Director of Policy and Advocacy	107,214	9,004	<b>116,218</b>	113,358
Executive Director of Operations	107,193	7,611	<b>114,804</b>	112,552

Total remuneration for key management personnel was £606,980 (2019: £617,139). This includes the Executive Director of People and Equality who resigned during the year. A permanent replacement has not yet been appointed.

Pension contributions for key management personnel in the scheme are paid at the same rate as for all staff. The maximum employer contribution available under the staff scheme is 6.5%.

During the year, all staff, including the key management personnel, received a pay award of 2%. Other salary changes were a result of role changes and re-valuations. The remuneration policy is set out in the strategic report.

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

	2020 Number	2019 Number
<b>Raising funds</b>	<b>3</b>	-
<b>Charitable activities</b>		
Delivering information and advice	<b>329</b>	338
Advice and advocacy	<b>136</b>	144
Strengthening the local Citizens Advice network	<b>254</b>	220
Partnerships	<b>206</b>	136
<b>Average number of persons employed</b>	<b>928</b>	838

## 5. Grants payable

Grant payments were made to local Citizens Advice members in the financial year:

### a) Grants to local Citizens Advice members

Purpose	2020 Total Number	2020 £'000	2019 £'000
Money and debt advice	641	19,746	20,627
Pensions guidance	121	7,999	6,288
BEIS	91	4,637	5,367
Universal Credit: Help to Claim	3,501	26,689	4,890
Welsh Government funded projects	327	7,120	4,629
Energy advice	637	2,616	3,605
Brexit advice	2	810	899
Witness Service	7	648	735
Online scams awareness	92	165	-
Gambling Support service	53	504	113
Debt Relief Orders	416	91	92
Various projects	229	671	191
<b>Total local Citizens Advice network grants</b>	6,117	71,696	47,436

Grants are received for the above purposes and distributed amongst local Citizens Advice members.

### b) Grants to other bodies

Grants paid to non-local Citizens Advice network participants in delivery of national projects, funded by partner organisations.

Purpose	Recipient	2020 £'000	2019 £'000
Debt advice	Advice NI	-	184
Debt advice	Ards and North Down Citizens Advice	-	120
Debt advice	Fermanagh Citizens Advice	-	65
Debt advice	Better Leeds Communities	64	65
Debt advice	Birmingham Community Law Centre	-	52
Debt advice	Birmingham Settlement	260	208
Debt advice	Burley Lodge Centre	69	-
Online scams	Citizens Advice Scotland	217	-
Debt advice	Ebor Gardens Advice Centre	134	104
Big Energy Saving Week	Energy Saving Trust	65	-
Brexit/immigration advice	Ethnic Minorities and Youth Support Team Wales	49	-
Supporting veterans	FirstLight Trust	59	-
Debt advice	Homemaker Southwest	169	156
Debt advice and financial capability	Ipswich Housing Action Group	104	85
Debt advice	Mind Salford	39	104
Debt line	Money Advice Trust	1,321	1,321
Various	Money Advice and Community Support	71	20
Debt advice	Norfolk Community Law Service	52	20
Debt/housing advice	Shelter and Shelter Cymru	389	468
Discrimination advice	SNAP Cymru	67	48
Energy advice	St Vincent's Support Centre	108	104
Various	96 miscellaneous grants (2019: 155)	489	980
<b>Total grants to others</b>		3,726	4,104
<b>Total grants</b>		75,422	51,540

## 6. Total resources expended

Total resources expended for the year ended 31 March 2020:

	Direct staff costs £'000	Grants £'000	Other direct costs £'000	Support costs £'000	Total 2020 £'000	Total 2019 £'000
<b>Costs of generating funds</b>	111	-	93	58	<b>262</b>	30
<b>Charitable objectives</b>						
Delivering information and advice	11,552	5,593	3,972	6,050	<b>27,167</b>	26,849
Advice and advocacy	4,781	-	1,875	2,504	<b>9,160</b>	9,998
Strengthening the local Citizens Advice network	8,906	50	4,022	4,664	<b>17,642</b>	16,535
Partnerships	7,231	69,779	3,357	2,536	<b>82,903</b>	55,673
<b>Total resources expended</b>	<b>32,581</b>	<b>75,422</b>	<b>13,319</b>	<b>15,812</b>	<b>137,134</b>	109,085

Total resources expended for the year ended 31 March 2019:

	Direct staff costs £'000	Grants £'000	Other direct costs £'000	Support costs £'000	Total 2019 £'000	Total 2018 £'000
<b>Costs of generating funds</b>	13	-	12	5	<b>30</b>	37
<b>Charitable objectives</b>						
Delivering information and advice	10,887	6,125	3,891	5,946	<b>26,849</b>	26,088
Advice and advocacy	4,646	120	1,860	3,372	<b>9,998</b>	10,825
Strengthening the local Citizens Advice network	7,109	104	4,162	5,160	<b>16,535</b>	14,208
Partnerships	4,400	45,191	4,680	1,402	<b>55,673</b>	43,008
<b>Total resources expended</b>	<b>27,055</b>	<b>51,540</b>	<b>14,605</b>	<b>15,885</b>	<b>109,085</b>	94,166

## 7. Support cost breakdown by activity

Support costs are allocated across activities based on direct staff costs. The amounts below represent the allocated staff and other allocated costs in note 6.

Support costs breakdown for the year ended 31 March 2020:

	Premises & Facilities Management £'000	Finance £'000	IT, Data & Change £'000	People services & Comms £'000	Other Corporate services £'000	2020 £'000	2019 £'000
<b>Costs of generating funds</b>	10	10	14	12	12	58	5
<b>Charitable objectives</b>							
Delivering information and advice	1,070	1,085	1,488	1,239	1,168	6,050	5,946
Advice and advocacy	443	449	616	513	483	2,504	3,372
Strengthening the local Citizens Advice network	825	837	1,147	955	900	4,664	5,160
Partnerships	449	455	624	519	489	2,536	1,402
<b>Total support cost</b>	2,797	2,836	3,889	3,238	3,052	15,812	15,885

Support costs include governance costs of £1.1 million (2019: £1.1 million). These costs include internal and external audit fees, costs incurred in supporting the work of the trustees and an apportionment of executive team costs.

Support costs breakdown by activity for the year ended 31 March 2019:

	Premises & Facilities Management £'000	Finance £'000	IT, Data & Change £'000	People services & Comms £'000	Other Corporate services £'000	2019 £'000	2018 £'000
<b>Costs of generating funds</b>	1	2	1	-	1	5	6
<b>Charitable objectives</b>							
Delivering information and advice	422	2,743	610	756	1,415	5,946	3,451
Advice and advocacy	521	1,171	754	323	603	3,372	2,597
Strengthening the local Citizens Advice network	797	1,792	1,154	493	924	5,160	5,036
Partnerships	211	494	306	136	255	1,402	2,652
<b>Total support cost</b>	1,952	6,202*	2,825	1,708	3,198	15,885	13,742

\*Included in the Finance costs are £2.4 million contribution to the defined benefit pension scheme including support for running costs.

## 8. Corporation tax

Citizens Advice is a registered charity and accordingly is exempt from taxation on income and gains where they are applied for charitable purposes. Citizens Advice Limited covenants all profits to the main charity each year under Gift Aid and does not incur any tax liability.

## 9. Net income

Net incoming resources for the year are stated after charging:

	2020 £'000	2019 £'000
<b>Operating lease costs</b>		
Property	1,722	1,609
Office equipment	19	11
<b>Amortisation</b>	329	385
<b>Depreciation</b>	67	31
<b>External auditor's remuneration</b>		
External audit fee	53	50
Tax advisory services	-	1
Assurance services	16	-
<b>Internal auditor's remuneration</b>	47	53

## 10. Fixed assets – intangible assets

The fixed assets of Citizens Advice are the same as those of the group, as stated below. Assets have been split between intangible and tangible assets in accordance with FRS102 and the Charities SORP 2015. Intangible fixed assets include computer licences and software purchases.

	Infrastructure software		Total £'000
	Work in progress £'000	Operational £'000	
<b>Cost</b>			
At 1 April 2019	-	3,602	3,602
Additions	191	-	191
<b>At 31 March 2020</b>	<b>191</b>	<b>3,602</b>	<b>3,793</b>
<b>Amortisation</b>			
At 1 April 2019	-	1,666	1,666
Charge for the year	-	329	329
<b>At 31 March 2020</b>	<b>-</b>	<b>1,995</b>	<b>1,995</b>
<b>Net book value at 31 March 2020</b>	<b>191</b>	<b>1,607</b>	<b>1,798</b>
Net book value at 31 March 2019	-	1,936	1,936

The amortisation charge is reallocated over all charitable activities.

## 11. Fixed assets – tangible assets

This includes capitalised fixtures, fittings and equipment.

	Fixtures, fittings & equipment £'000	Total £'000
<b>Cost</b>		
At 1 April 2019	94	94
Additions	107	107
<b>At 31 March 2020</b>	<b>201</b>	<b>201</b>
<b>Amortisation</b>		
At 1 April 2019	43	43
Charge for the year	67	67
<b>At 31 March 2020</b>	<b>110</b>	<b>110</b>
<b>Net book value at 31 March 2020</b>	<b>91</b>	<b>91</b>
Net book value at 31 March 2019	51	51



## 12. Debtors

	Group		Citizens Advice	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	345	627	290	626
Other debtors	680	1,083	680	1,083
Prepayments and accrued income	1,539	1,601	1,539	1,592
HM Revenue and Customs	-	347	-	347
Subsidiary undertakings	-	-	122	499
<b>Total debtors</b>	<b>2,564</b>	<b>3,658</b>	<b>2,631</b>	<b>4,147</b>

Included in other debtors is £66,000 (2019: £95,000) which relates to 41 (2019: 53) staff season ticket, car or career development loans. These are interest free and are recoverable through monthly payroll deductions. There were no executive directors (2019: 0) with a loan outstanding at the balance sheet date (2019: £nil).

## 13. Creditors: amounts falling due within one year

	Group		Citizens Advice	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	976	1,111	976	1,111
Local Citizens Advice network grants	2,380	2,250	2,380	2,250
Other creditors including taxation and social security	2,694	2,620	2,694	2,620
Accruals and deferred income	7,188	7,353	7,188	7,353
<b>Total creditors amounts falling due within one year</b>	<b>13,238</b>	<b>13,334</b>	<b>13,238</b>	<b>13,334</b>
<b>Accruals and deferred income comprises</b>				
Accruals	4,769	5,163	4,769	5,163
Deferred income brought forward	2,190	411	2,190	411
Amount released from previous year	(1,356)	(411)	(1,356)	(411)
Incoming resources deferred in the year	1,585	2,190	1,585	2,190
	<b>7,188</b>	<b>7,353</b>	<b>7,188</b>	<b>7,353</b>
<b>Other creditors including taxation and social security comprises</b>				
HM Revenue and Customs	958	822	958	822
Other creditors	1,736	1,798	1,736	1,798
	<b>2,694</b>	<b>2,620</b>	<b>2,694</b>	<b>2,620</b>

## 14. Investments

The value of shares held in Citizens Advice Limited is £2 being 2 ordinary shares of £1 each which represents 100% of the issued share capital. The company is a private limited company which was incorporated on 16 July 1982. The company is incorporated in England. The company manages all forms of sponsorship on behalf of the parent company and covenants all profits each year under Gift Aid. The turnover in 2020 was £98,024 (2019: £67,714) which generated a profit of £8,103 (2019: profit £17,164). Net assets were £2 in 2020 (2019: £2). The shares are held as a fixed asset.

## 15. Cash at bank and in hand

Cash and fixed term deposits valued at £41 million (2019: £39.1 million) were held as at 31 March 2020. These were all held in UK accounts. Of these, £5.1 million has been identified in the balance sheet as needing to meet future technology investments (2019: £5.3 million).

## 16. Provisions

	Group		Citizens Advice	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Property provisions</b>				
Provision at 1 April 2019	641	1,070	641	1,070
(Released) during the year	-	(429)	-	(429)
Additional provision	126	-	126	-
<b>Property provision at 31 March 2020</b>	<b>767</b>	641	<b>767</b>	641
<b>Other provisions</b>				
Provision at 1 April 2019	20,353	22,018	20,353	22,018
(Released) during the year	(106)	(839)	(106)	(839)
(Utilised) during the year	(1,685)	(826)	(1,685)	(826)
Additional provision	575	-	575	-
<b>Other provision at 31 March 2020</b>	<b>19,137</b>	20,353	<b>19,137</b>	20,353
<b>Total provisions at 31 March 2020</b>	<b>19,904</b>	20,994	<b>19,904</b>	20,994

The provision includes Citizens Advice's pension liability in compliance with FRS102 of £19.1 million (2019: £20.2 million).

The nature of provisions and the expected timing of resulting payments are:

Nature of provision	Amount £'000	Payment due
Dilapidations payments due on major repairs on leased buildings after the first break clause	767	Between 2020 and 2025
Local Citizens Advice pension liability	13	2027
Pension contribution liability	19,124	See note 22
<b>Total provisions at 31 March 2020</b>	<b>19,904</b>	

## 17. Financial instruments

As at 31 March 2020 the Group's financial instruments were:

	Group	
	2020 £'000	2019 £'000
<b>Financial assets at amortised cost</b>		
Trade debtors	345	627
Other debtors	680	1,083
Accrued income	389	464
HM Revenue and Customs	-	347
<b>Total financial assets at amortised cost</b>	<b>1,414</b>	2,521
<b>Financial liabilities at amortised cost</b>		
Trade creditors	976	1,111
Local Citizens Advice network grants	2,381	2,250
Other creditors	1,736	1,798
Accruals	4,769	5,163
<b>Total financial liabilities at amortised cost</b>	<b>9,862</b>	10,322
<b>Financial liabilities at fair value through income or expenditure</b>		
Provisions	19,904	20,994
<b>Total financial liabilities at fair value through income or expenditure</b>	<b>19,904</b>	20,994

Income, expenses, gains and losses in respect of these financial instruments were:

	2020 £'000			2019 £'000		
	Income	Expense	Gains/ (losses)	Income	Expense	Gains/ (losses)
<b>Financial assets at amortised cost</b>						
Interest on cash balances	285	-	-	200	-	-
<b>Financial assets at fair value through income or expenditure</b>						
Gain on revaluation of shares	-	-	-	-	-	138
<b>Financial liabilities at fair value through income or expenditure</b>						
Actuarial gain on defined benefit scheme	-	-	(112)	-	-	837

## 18. Statement of funds

	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Pension adjustments £'000	Transfers £'000	At 31 March 2020 £'000
Infrastructure projects	2,466	15,980	(15,027)	-	-	3,419
Local Government projects	115	-	-	-	-	115
Welsh Government projects	28	8,347	(8,347)	-	-	28
Social policy projects	737	1,641	(1,828)	-	-	550
Financial awareness	244	964	(964)	-	-	244
Specialist support projects	1,133	-	-	-	-	1,133
Pension Wise	153	10,908	(10,908)	-	-	153
Universal Support: Help to Claim	100	34,324	(34,324)	-	-	100
Court-based Witness Service	26	10,967	(10,967)	-	-	26
Energy	2,346	2,208	(2,335)	-	-	2,219
Other projects	1,201	3,989	(4,286)	-	-	904
Debt advice	1,152	24,458	(24,495)	-	-	1,115
<b>Total restricted funds</b>	9,701	113,786	(113,481)	-	-	10,006
Designated funds	7,309	-	(177)	-	(98)	7,034
Unrestricted funds	13,607	24,188	(23,476)	-	98	14,417
<b>Total unrestricted funds</b>	20,916	24,188	(23,653)	-	-	21,451
Pension scheme	(20,160)	1,148	-	(112)	-	(19,124)
Total pension reserve	(20,160)	1,148	-	(112)	-	(19,124)
<b>Total funds</b>	10,457	139,122	(137,134)	(112)	-	12,333

Restricted funds represents funding received with specific restrictions as to what it is spent on. The funds carried forward represent restricted funding where income has been recognised but where the funds have not yet been spent.

Unrestricted funds represent funding where there is no restriction applied to how the funding is spent. This is split between freely available unrestricted funds and designated funds.

Designated funds represent those unrestricted funds that have been allocated by the board of trustees for technological investment, with a value of £5.1 million (2019: £5.3 million). The remaining £1.9 million (2019: £2.0 million) is a designated fund reserved for tangible and intangible fixed assets which are equal to the net book value of those assets.

## 18. Statement of funds (continued)

The board of trustees has reviewed the reserves policy in the year and has maintained the target range of free reserves as 3 to 6 months of core operating costs. This equals £9 million to £19 million (2019: £9 million to £18 million). Free reserves are considered to be unrestricted funds less designated funds.

The pension reserve as at 31 March 2020 was £19.1 million (2019: £20.2 million) and represents the discounted liability of the defined benefit pension scheme of Citizens Advice.

Comparative statement of funds were:

	At 1 April 2018 £'000	Income £'000	Expenditure £'000	Pension adjustments £'000	Transfers £'000	Gains on investment assets £'000	At 31 March 2019 £'000
Infrastructure projects	2,825	14,822	(15,181)	-	-	-	2,466
Local Government projects	115	-	-	-	-	-	115
Welsh Government projects	19	5,430	(5,421)	-	-	-	28
Social policy projects	744	1,654	(1,661)	-	-	-	737
Financial awareness	244	1	(1)	-	-	-	244
Specialist support projects	1,133	-	-	-	-	-	1,133
Pension Wise	-	9,053	(8,900)	-	-	-	153
Universal Support: Help to Claim	-	9,804	(9,704)	-	-	-	100
Court-based Witness Service	26	11,536	(11,536)	-	-	-	26
Energy	3,295	2,460	(3,409)	-	-	-	2,346
Other projects	1,444	3,065	(3,446)	-	-	138	1,201
Debt advice	936	26,204	(25,988)	-	-	-	1,152
<b>Total restricted funds</b>	10,781	84,029	(85,247)	-	-	138	9,701
Designated funds	7,638	-	-	-	(329)	-	7,309
Unrestricted funds	11,389	25,727	(23,838)	-	329	-	13,607
<b>Total unrestricted funds</b>	19,027	25,727	(23,838)	-	-	-	20,916
Pension scheme	(20,997)	-	-	837	-	-	(20,160)
Total pension reserve	(20,997)	-	-	837	-	-	(20,160)
<b>Total funds</b>	8,811	109,756	(109,085)	837	-	138	10,457

## 19. Analysis of net assets between funds

	Unrestricted		Restricted		Total	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Fund balances at 31 March are represented by:</b>						
Fixed assets – intangible	1,798	1,936	-	-	1,798	1,936
Fixed assets – tangible assets	91	51	-	-	91	51
Current assets	25,327	25,158	18,259	17,640	43,586	42,798
Creditors: amounts falling due within one year	(4,985)	(5,395)	(8,253)	(7,939)	(13,238)	(13,334)
Provisions	(19,904)	(20,994)	-	-	(19,904)	(20,994)
<b>Fund balance</b>	<b>2,327</b>	<b>756</b>	<b>10,006</b>	<b>9,701</b>	<b>12,333</b>	<b>10,457</b>

## 20. Local Citizens Advice network

The financial statements record the income and expenditure of Citizens Advice. Individual local Citizens Advice network members 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.

## 21. Operating lease commitments

At 31 March 2020, Citizens Advice was committed to making the following minimum payments in respect of operating leases:

	2020		2019	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
<b>Leases which expire:</b>				
Within 1 year	1,752	19	1,722	11
Between 2 and 5 years	5,411	-	5,679	-
After 5 years	101	-	-	-
<b>Total operating lease commitments</b>	<b>7,264</b>	<b>19</b>	<b>7,401</b>	<b>11</b>

There were no capital commitments at the end of the year.

## 22. Pension scheme

### National Association of Citizens Advice Bureaux Pension and Assurance Plan (1991)

Citizens Advice ('the Principal Employer') operates a defined benefit scheme ('the Plan') in the UK which provides both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salaries at retirement and their length of service. The Plan also contains some money purchase AVCs and protected rights funds, which are not included in these disclosures.

The Plan is closed to future accrual. In accordance with the schedules of contributions in force over the 2019/20 accounting year, the contributions to the Plan for the year ending 31 March 2020 are expected to be £2,049,000, which includes £1,749,000 towards the deficit and £300,000 as an allowance for administration expenses and all scheme levies.

The Plan is a registered scheme under UK legislation. The Plan is subject to the scheme funding requirements outlined in UK legislation. The Plan is governed by the Plan's Trust Deed and Rules dated 4 April 2011. The Trustee is responsible for the

operation and the governance of the Plan, including making decisions regarding the Plan's funding investment strategy (although they are required to consult the Principal Employer).

A full actuarial valuation of the Plan was carried out as at 31 March 2020 by a qualified independent actuary, based upon membership data as at 31 March 2016.

The most recent formal valuation of the Plan was as at 31 March 2016 and revealed a funding deficit of £52,374,000. In the recovery plan agreed following the valuation, the Principal Employer and other participating employers agreed to pay deficit reduction contributions of £1,749,000 per annum with effect from 1 July 2017 with the view to eliminating the deficit by 31 December 2033.

The liabilities of the Plan are based on the current value of expected benefit payment cash flows to members of the Plan over the next 60 or more years. The average duration of the liabilities is approximately 14 years. The Plan is exposed to actuarial risks such as market (investment) risk, interest rate risk, inflation risk, currency risk and longevity risk.

The formal triennial valuation of this scheme based on the position at 31 March 2019, and the related discussion on the level of future payments, is ongoing. It is likely that annual payments remain at the current level or increase, with a consequent impact on the negative pension reserve. At this time any potential additional payment cannot be reliably measured and so the liability in the balance sheet is based on the current agreed level of payment. If Citizens Advice paid its annual contributions as currently agreed, using an actuarial discount rate of 2.4%, the net present value would be £19,124,445 (2019: £20,160,022 and 2.5% discount).

### Present values of scheme liabilities, fair value of assets and defined benefit asset (liability)

	31 March 2020 £'000	31 March 2019 £'000
Fair value of plan assets	85,959	88,882
Present value of defined benefit obligation	140,310	144,378
Surplus (deficit) in plan	(54,351)	(55,496)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(54,351)	(55,496)

## 23. Related party transactions

Citizens Advice Limited is a subsidiary company owned by Citizens Advice and all Citizens Advice non-charitable trading is conducted through it. The directors are the National Association of Citizens Advice Bureaux and Warren Buckley. During the year ended 31 March 2020, it made a surplus before Gift Aid of £8,103 (2019: £17,164).

At 31 March 2020, Citizens Advice Limited (company number 1652053) owed £122,329 to Citizens Advice (2019: £499,001). The accounts for the year ended 31 March 2020 were approved on 21 July 2020.

A subsidiary company was registered on 4 April 2008, Citizens Advice Management Services, to provide management services to the local Citizens Advice network members. There were no financial transactions or balances in the year to 31 March 2020 (2019: none). The subsidiary's directors applied to dissolve the company on 27 February 2020. The notice for voluntary strike-off was published on 10 March 2020, with the process of dissolution expected to complete in 2020.

Citizens Advice International is a company which was registered in Belgium on 6 December 2004. Although not a related party under FRS 102, it is included here due to the connection of name and objectives. It was established to provide support to Citizens Advice organisations throughout the world. No charge has been made for any expenditure incurred by Citizens Advice on behalf of Citizens Advice International during the year. At 31 March 2020, Citizens Advice owed Citizens Advice International £nil (2019: £nil). Citizens Advice International is not consolidated into the accounts as it is a separate entity and Citizens Advice does not have the power to control it.

NACAB Pension Trustees Limited is a company limited by guarantee and is the corporate Trustee of the NACAB Pension & Assurance Plan (1991). Citizens Advice is the sole member of this company. This subsidiary was incorporated on 14 February 2017. There were no financial transactions or balances in the year to 31 March 2020.

## 24. Company limited by guarantee

Citizens Advice is a registered charity and a company limited by guarantee. All local Citizens Advice are members of Citizens Advice and there are no other members. The maximum liability of each member is limited to £1. The trustees have no liability.



# Citizens Advice helps people find a way forward.

We provide free, confidential and independent advice to help people overcome their problems. We are a voice for our clients and consumers on the issues that matter to them.

We value diversity, champion equality, and challenge discrimination and harassment. We're here for everyone.



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