

Which?

2012 / 2013 review



Head Office

Which? 2 Marylebone Road
London NW1 4DF

Phone 020 7770 7000
Fax 020 7770 7600

Customer Services

For all general and customer-related enquiries, including all Which? magazine subscriptions:

Which? Castlemead, Gascoyne Way
Hertford SG14 1LH

Phone 01992 822800
Fax 01992 827485
Email which@which.co.uk
Monday-Friday 08.30-18.00
Saturday 09.00-13.00



Making consumers' lives fairer

Council Chairman

This was another highly successful year for Which?, with continued commitment throughout the organisation to deliver our mission 'to make individuals as powerful as the organisations they have to deal with in their daily lives'. Our growing work on behalf of all consumers is funded solely by the profits from our commercial ventures.



Unlike most other well-known charities, we receive no government money or donations from the public or charitable foundations. Earning our own funds preserves our impartiality and keeps us rooted in the real world. It gives us direct relationships with consumers that no amount of research could replicate. It also helps us stand as an exemplar of what we exhort from other businesses - to offer products and services that genuinely put customers' needs first and represent good value for money.

Our subscription products and services help our members make good choices - particularly important in an economic climate where household budgets remain stretched.

Further growth in subscriptions to more than 1.4m is testament that we continue to deliver good value. But we aim to keep improving, for example by launching new mobile apps that increasingly allow members to access Which? whenever they want, wherever they are.

Our charitable arm (Consumers' Association) now spends over £10m a year on directly promoting consumer interests - a six-fold increase since 2003 - giving free consumer information and advice, and campaigning for change that will benefit all consumers.

Over the past year we have researched and campaigned on a wide range of consumer issues, such as letting agents, high-cost credit and the academic and social experience of university students. To support this work, we have also established a consumer insight team within our policy department with the remit of

building a rich understanding of UK consumers.

However, we're one organisation, not two. Our commercial activities support our charitable purpose directly by making markets work better, as well as by funding our campaigning activities. Further, our reputation as an independent, trusted third party with deep understanding of real consumers means that, in some sectors, there's an opportunity not only to campaign for change, but also to step in and offer direct solutions ourselves.

Financial services is one such sector, and it has been good to see Which? Mortgage Advisers growing strongly this year, alongside our campaign proposals for big changes in banking culture and practices - now being taken forward in the Banking Reform Bill.

On governance, at the Extraordinary General Meeting in July 2012, Council proposed that the number of its members be reduced from 18 to 15, in line with current best practice. This was approved by the ordinary membership in both the vote at the meeting and the votes cast by proxy.

Finally, I would like to thank outgoing Council members Tanya Heasman, Roger Pittock, Richard Thomas and Steve Woolgar for their valuable contributions throughout their service, and to welcome new members Dan Bogler and Harriet Kimbell.

Patrick Barwise

Patrick Barwise
Council Chairman

Inside this review:

Positive change Food, Personal finance, Energy, Consumers' rights

Trusted voice The voice of the consumer

Which? publishing 1.4 million subscriptions

Consumer services:

Which? University, Which? Consumer Rights, Which? Legal Service, Which? Mortgage Advisers, Other services: Which Local, Computing Helpdesk, Travel Helpdesk, Money Helpline, Which? Switch, Which? Books

Which? exists to make individuals as powerful as the organisations they have to deal with in their daily lives

Board Chairman

This has been another strong year of growth for Which?, with our core trading business growing on all the measures that matter. Revenue was up by over 6% and subscriptions now exceed 1.4 million, representing an all-time record. The profits from this growth have enabled a significant expansion of our charitable activities.



This growth is the result of our continued focus on delivering ever-greater value to members. It also gives us the financial strength to enable us to invest for the future – not only in our offer to members, but also in a range of new ventures which we believe will deliver an even stronger Which?, with greater reach and impact, in the years to come. And, of course, the profits also provide the foundation for the increased level of spending by the charity on behalf of all UK consumers.

During the next year we will be investing yet further in the research and product testing that is the bedrock of our magazines and our online content. We have made real strides this year on the digital side, including successful launches of the Which? Reviews for iPhone app, and apps that allow members to read Which? on iPads or Android tablets. Next year we will continue to enhance the experience for members accessing our content and services online.

The most advanced of our new ventures is Which? Mortgage Advisers. This service aims to help consumers find the best mortgage deal for them by offering an expert and unbiased search of all the deals currently available.

Our team of advisers will also handle the application process through to completion for customers who want this extra level of support. We expect to be able to offer this excellent level of service in a way that adds to our financial strength.

Another new venture, 'Right Choice', our subscription magazine in India, also made strong progress this year. Significant growth in subscriptions plus reduced acquisition costs point the way to a sustainable, profitable business model.

A significant investment decision this year was to redevelop and extend the Which? Local concept. We want to extend the reach of this popular service to support many more consumers who find it difficult to identify local traders they can trust. This will include adding a layer of expert vetting and inspection in addition to the existing user reviews. It will also mean opening the service up to all consumers to use. Our plans will be tested and further refined in the year to come.

Finally, we took the decision to sell the Good Food Guide to Waitrose. The guide has been commenting on the restaurant scene for some 62 years, and has been published by Which? for most of that time. During those years, it has played a key role in improving the quality and standard of culinary excellence in the UK. We believe that it should now belong to an owner such as Waitrose who can focus on the fine-dining market and develop the brand commercially.

I would like to thank the management and staff of Which?, who have delivered such a successful set of results again this year.

Mike Clasper
Which? Limited Board Chairman

Group Chief Executive

With the economic climate remaining tough, I am especially pleased to be able to report growth in both subscriptions and revenue for the seventh year in a row. However, we are far from complacent. Which? can only deliver this growth by putting consumers' needs first, and it was particularly rewarding to see Which? become the UK's bestselling monthly magazine this year.



Our new ventures are also making progress. Right Choice, our venture in India, passed some significant milestones, finishing the year with 24,000 subscribers – a huge increase from around 3,000 at the start of the year. This was achieved by completely overhauling the acquisition approach to attract new subscribers at a more affordable cost. Many significant challenges remain, and this is a vital year. By the end of 2013/14, however, we expect each new subscriber to be profitable, enabling us to drive faster in building a business that both benefits Indian consumers and contributes a healthy financial return to the group in the longer term.

Meanwhile a very different Which? new venture, Which? Mortgage Advisers, was also delivering results, with significant growth in the number of mortgages arranged, along with extremely positive customer feedback. We are confident that we will achieve a sustainable business for Which? in the long term. As a result, we took the decision to accelerate our investment in Which? Mortgage Advisers next year.

On a different side of financial services, over the past few years, Which? has been influential in the debate around how to deliver fundamental long-term reform of the banking sector, with the Financial Services and Banking Reform bills containing many of our recommendations.

This year we focused on the need for a genuine culture change in banking, launching our Big Change campaign in September 2012. We proposed that bankers should put customers first, not sales; meet professional standards; and be punished for mis-selling and bad practice. Our

evidence to the Parliamentary Commission on Banking Standards, and ensuring that they heard the strength of consumer concern, paid off with the final report addressing our three asks and mentioning Which? evidence 28 times.

Looking at the landscape for consumer redress and legal advice, we see a sector where the scales are often weighted against consumers. So we have developed a range of solutions to address that – from policy work to influence the Consumer Rights Bill, through a successful launch of our free consumer rights advice hub, to plans for further developing our legal service.

Another successful launch was the free-to-use Which? University website, designed to help students make more informed higher education decisions against a backdrop of increasing tuition fees and a burgeoning array of choice. It has proved extremely popular, with more than one million visits in the first 10 months.

Influencing at a European as well as a UK level has been an important part of Which? campaigning work for many years now, and so I was delighted to be elected President of BEUC, the umbrella European consumer organisation, in November 2012. BEUC brings together 41 leading consumer organisations from 31 European countries, representing its members to the EU institutions. My priority is to see BEUC continue to increase its influence in making the interests of consumers central to EU policy.

Peter Vicary-Smith
Group Chief Executive

Change can take time Food

Finally seeing the lights

Some issues require sustained research and campaigning over a number of years before we achieve success. Traffic-light nutrition labelling is one of them.

The labels colour code levels of fat, saturated fat, sugar and salt so that consumers can easily see if food products are high (red), medium (amber) or low (green). After nine years of campaigning we secured major victories this year, with all the major food retailers and a number of leading manufacturers finally getting on board. Consumers will soon see the scheme on around two thirds of food products.

Which? started campaigning for traffic light labelling in 2004, having identified it as an important action food companies could take to make healthy eating easier. Nutrition labels at the time were confusing and inconsistent. Our research and testing found that traffic lights worked best, and research by the Food Standards Agency backed this up. The Co-operative, Marks & Spencer, McCain, Sainsbury's and Waitrose started to use the scheme. But the other retailers and main food manufacturers

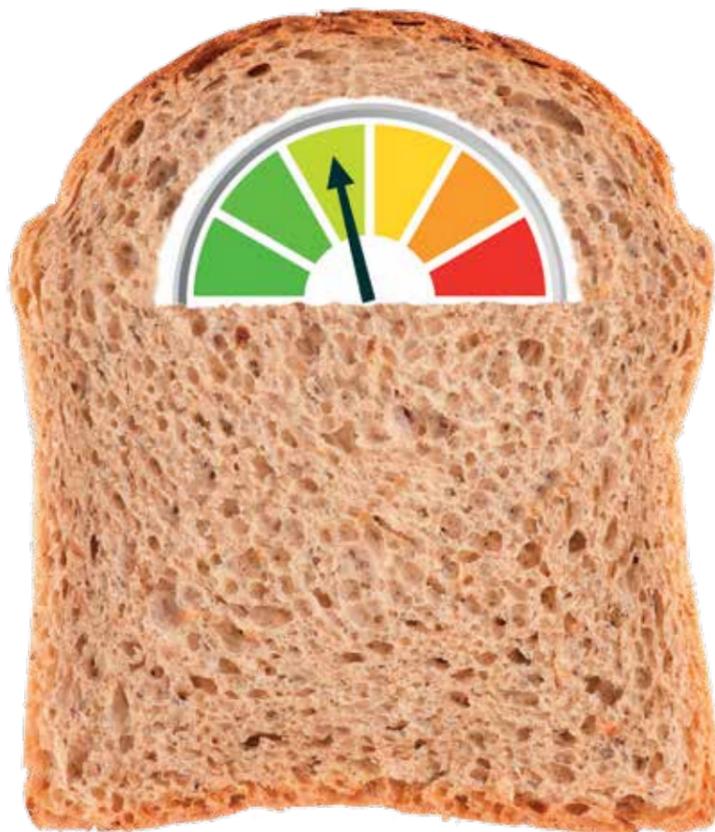
resisted, lobbying for a scheme showing just the percentage of your guideline daily amount (%GDA) in a product.

Persistence pays off

We took the fight to Europe, working with BEUC, the European Consumer Organisation, to push for traffic lights to be included in the EU Food Information Regulations. Despite heavy lobbying from some parts of the food industry, the final legislation made nutrition information mandatory for the first time, and allowed member states to adopt national labelling schemes beyond the minimum requirements. Tesco had a rethink, and in August 2012 announced that it would use traffic lights. The other main retailers quickly followed.

The government announced that it wanted to see a consistent scheme that included traffic lights and %GDAs, and Which? has been inputting into the detail of the scheme. It was launched in June along with a commitment by Nestlé, Mars, Pepsico and Premier Foods to use it. This incredible turnaround shows how persistence and solid research eventually pay off. We'll now focus on the remaining manufacturers.

We took the fight to Europe, to push for traffic-light labelling to be included in the EU Food Information Regulations



Pricing it right

Food prices continue to be one of the issues people are most worried about. Thanks to our Price It Right campaign, it's going to be easier for people to compare which products are best value in supermarkets.

Aldi, The Co-operative, Morrisons and Waitrose have all agreed to our three commitments to improve the way they display their unit prices - a consistent unit price using the same unit of measurement, including unit prices on special offers and ensuring unit-price labels are clearly visible.

These go a long way to addressing the problems Which? research found were making it difficult for people to compare prices: inconsistent units, poor legibility and no unit-price information on special offers. In addition we are also working to ensure longer-term changes to legislation so that simpler units are used, and there is more consistent pricing of fruit and vegetables.

Which? has also made progress towards ensuring people can trust supermarket special offers, with our research prompting the Office of Fair Trading to publish new, stricter guidance. We will be monitoring its impact.

The future of food

This year Which? also published a major piece of research looking at how the challenges facing the global food supply chain will impact on consumers in the coming years.

Issues such as food price volatility, food security and sustainability, as well as rising rates of obesity, are preoccupying policy makers and the food industry, and Which? was concerned that consumers did not have a voice in the discussion.

So we conducted a national food debate. This included four in-depth citizens juries in Belfast, Cardiff, Glasgow and London, backed up with a travelling video booth to record people's immediate priorities when shopping for food. While price dominated choices, people became very interested in the wider issues facing the food system. We also conducted surveys both before and after horsemeat contamination hit the headlines, and held discussions with opinion formers.

The final policy report *The Future of Food - Giving Consumers a Say* sets out a series of recommendations for giving consumer interests greater priority in discussions about future food production and policy.

The Future of Food - Giving Consumers a Say sets out a series of recommendations for giving consumer interests greater priority



Culture shift Personal finance

Big Change

In September 2012, Which? launched the Big Change campaign, urging the Parliamentary Commission on Banking Standards and the government to bring about a fundamental change to banking culture and practices.

The Parliamentary Commission was established in the wake of the Libor rate-rigging scandal, and Which? was keen to ensure that MPs and Peers who sat as Commissioners heard consumers' views on how banking culture should be reformed.

Our campaign was supported by more than 150,000 people, and we used a number of innovative ways to bring the public to the Commission - for example through hosting events with Commissioners, and publishing a dossier of consumer views.

We have used original Which? consumer insight research on banking to engage with key decision-makers in Westminster and Whitehall. This resulted in much of it being referenced by both the Commission, in evidence sessions, and by MPs during the stages of the Banking Reform Bill in Parliament.

Our evidence had an impact

Peter Vicary-Smith gave evidence to the Commission twice, and we conducted new research to feed into their report.

We proposed that banks should:

- Put customers, not sales, first
- Meet professional standards
- Be punished for mis-selling and bad practice.

The final report published in June 2013 responded directly to our three proposals, and mentioned Which? evidence on 28 occasions. It contains proposals to reform remuneration and bonus schemes, improve professional standards and make sure that bankers will be punished for mis-selling and bad practice.

These changes will now be brought forward through government amendments to the Banking Reform Bill, which began its consideration in Parliament in March 2013. Which? has been mentioned 18 times by MPs and Peers during the Bill debates. As the Bill continues its passage through the House of Lords in autumn 2013, we will continue to ensure that the consumer voice is heard, and that the Commission's recommendations are enacted.

The report published in June 2013 responded directly to our three campaign asks, and mentioned Which? evidence on 28 occasions



Credit Britain

The reform of consumer credit moved centre-stage this year as a much-needed spotlight was shone on the high-cost credit sector, and the Financial Conduct Authority (FCA) prepared to take over credit regulation in April 2014.

By combining analysis of the whole credit market with direct evidence from more than 3,000 borrowers, the Which? Credit Britain report, released in May, delivered practical recommendations to fix the major problems in this sector and protect often vulnerable consumers. In June, Which? evidence was quoted in the Office of Fair Trading's report referring the payday loan sector to the Competition Commission.

Continuing to campaign

We're pushing for strong FCA action in five key areas:

- Banning excessive default fees and charges
- Cracking down on irresponsible lending
- Putting people in control of their credit
- Clear and transparent information
- Swift and early intervention for people in financial difficulty.

Which? Credit Britain report delivered practical recommendations to fix the major problems in this sector and protect often vulnerable consumers

Pension charge stopped

Our workplace pensions investigation led to consultancy charges for auto-enrolment pension schemes being banned by the Department for Work and Pensions.

We found that people saving for retirement could have been placing significant amounts of their contributions straight into the hands of pension scheme consultants rather than their pension pots - and there was nothing they could do to stop it.

Identifying excessive charges

When an employer sets up a pension scheme they can use the services of a consultant. These consultants don't have to be regulated or have any qualifications. Our mystery shopping research identified the risk that people automatically enrolled into pensions could face excessive consultancy charges, seriously eroding the value of their pension savings.

Pensions minister, Steve Webb MP, said that some of our research findings 'were particularly scary', and that they influenced his decision to ban consultancy charges for automatic enrolment pension schemes.



Improving the market **Energy**

Making the case for clearer prices

The Which? campaign for simple, clear energy prices rose to the top of the media and political agenda in autumn 2012 after another round of price rises from the major energy companies.

Concerned that the regulator, Ofgem, wasn't going to introduce the radical measures needed to reform energy tariffs, Which? pressed the government to intervene and wrote to the Prime Minister – one year on from 2011's Energy Summit – demanding action. This contributed to wider pressure on the government about energy prices, and secured a commitment from the PM to put all consumers on their supplier's cheapest tariff.

Finding the flaws

In December 2012, Which? published our blueprint for a competitive retail market and received a warm response from ministers and the opposition.

Over the course of 2013, in discussion with the government and others, we have conducted further research to demonstrate the flaws in Ofgem's approach, arguing the case for 'single-unit' pricing of energy tariffs – similar to the way petrol prices are shown. This has included conducting consumer research, as well as holding detailed

discussions with both large and small energy companies, to understand their views on the impact of single-unit pricing.

In late 2012 the Energy and Climate Change Select Committee recommended that Ofgem consider introducing single-unit pricing. One major supplier, EDF Energy, publicly declared its support for the proposal in spring 2013. And our work with MPs has ensured that the government has been pressed on this issue during the Energy Bill's passage through Parliament.

Ministers have said that that our proposals 'have merit' and that the coalition is considering them as part of energy-tariff reforms. We'll continue to press for single-unit pricing.

We published our blueprint for a competitive retail market and received a warm response from ministers and the opposition

Pushing for better information

Alongside campaigning for single-unit pricing, Which? has successfully campaigned for positive changes which will improve consumers' everyday experience of the retail energy market.

From 2014, all bills and annual statement will have to have a Tariff Information Label. This label, modelled on the summary box Which? has been campaigning for since 2008, will have all the key information needed to compare tariffs.

And following pressure from Which?, Ofgem has secured a voluntary agreement from the major energy suppliers to publish improved and more accessible information on how many complaints they get and how quickly these are handled.

Improving behaviour towards consumers

To improve the way energy suppliers treated their customers, in 2009 Ofgem introduced standards of conduct. While Which? supported the principle, the standards weren't enforceable. Ofgem is now changing this so that the standards are all underpinned by a licence condition. This means Ofgem can take action if there is a breach.

Which? has succeeded in getting exit-fees on variable rate tariffs banned. Exit fees will only be allowed on fixed-rate tariffs

Keeping an eye on things

In January 2013 the government launched two new flagship energy efficiency programmes – the Green Deal and the Energy Company Obligation (ECO). Following pressure from Which?, the Department of Energy and Climate Change (DECC) has agreed to include robust mystery shopping in the duties of the body overseeing the Green Deal. We have also secured a commitment from DECC that companies would be required to report the cost of ECO – something they didn't have to do in the past. And we'll continue to press them to require companies to report how costs are passed through to consumers.

Exit-fee success

Suppliers will no longer be able to roll a customer from one fixed-term deal to another, and so locking them in to a deal that may be unsuitable or unwanted. Consumers will still have the option to move to another fixed-term deal, but only if they actively choose to. Otherwise they will be moved onto a standard tariff with no exit penalties.

Furthermore, Which? has succeeded in getting exit fees on variable-rate tariffs banned. Exit fees will only be allowed on fixed-rate tariffs. Ofgem has also stopped suppliers from offering 'discounts' that were only paid to the consumers at the end of a tariff contract, and so acted as exit penalties.



Protecting consumers' rights

Fixed Means Fixed

In May 2012, Three became the fourth mobile phone company to increase prices for customers on 'fixed' mobile phone contracts. Our Which? Conversation story on the subject had more than 1,000 comments and in July 2012, we launched our Fixed Means Fixed campaign, calling for an end to price increases during 'fixed' mobile contracts.

We estimated that around 10.5 million adults were affected by the price rises, and spent nearly £34.5m extra on contracts as a result. Which? made a formal complaint to Ofcom asking it to intervene. In October 2012, it said it would consult on the issue.

Ofcom's consultation, published in January, said its preferred solution was that customers should be given the chance to leave without penalty if prices go up mid-contract. We were supported by more than 45,000 people in our campaign and pressed the regulator to introduce this change.

In March 2013 we submitted a formal response to Ofcom. Fixed Means Fixed was driven by Which? Conversation, so we wanted to ensure we let individual consumers have their say as much as possible. We also conducted two mystery shopping exercises, finding that mobile phone salespeople have misled customers about fixed price contracts.

Which? is continuing to press the case with Ofcom as we await the decision from the consultation. As of today, eight mobile providers have increased prices on fixed contracts, some more than once, proving the need for a change.

More than **45,000** people backed our Fixed Means Fixed campaign for an end to increases in prices during fixed term mobile contracts



Tackling nuisance calls

Which? launched a major campaign to tackle nuisance calls and texts in March 2013, after widespread frustration from people about the problem. Our Calling Time on Nuisance Calls and Texts campaign launched with a challenge to the four regulators that could immediately act against companies breaking the rules. Which? called on the Information Commissioner's Office (ICO), Ofcom, the Claims Management Regulator (CMR) and the OFT to set up a taskforce, investigate the PPI claims industry and report its actions in 12 weeks.

The regulators started to intervene more visibly and take stronger enforcement action as a result. There was also a recognition that their powers aren't enough to take the action needed to cut off nuisance calls.

After 12 weeks, Which? began the second phase of the Calling Time campaign - this time focusing on the government. Having identified that the regulators needed new powers and the law needed to be changed with regard to consumer consent, we pressed the Communications

Minister to commit to new laws through the government's Communications Review.

Our campaign was supported by a Calling Time roadshow in five cities across the UK where our team spoke to almost 30,000 consumers, including nine MPs and two MSPs.

We also engaged with people online, launching our new campaign website, which has received 140,000 visits since launch. As a result there have been more than 80,000 pledges of support for the campaign.

Which? worked with a number of MPs who were also concerned about the rise of nuisance calls and texts in their constituency mailboxes. Which? worked particularly closely with Mike Crockart MP, who secured a Private Members Bill to reform the law on nuisance calls which will be debated in Parliament in autumn 2013. We also pressed the Culture Media and Sport Select Committee to hold an inquiry into the issue, which will take place in the autumn.

We spoke to nearly **30,000** people during our Calling Time campaign roadshow which visited five cities across the UK



The consumer's voice

Quarterly Consumer Report

The Which? Quarterly Consumer Report, which celebrated its first anniversary in July 2013, helps us lead opinion on how people are coping in the current economy. And it gives robust evidence to support our policy, campaigns and editorial work.

We track people's opinions every month, enabling Which? to represent the voice of all consumers on the cost of living and the longer-term financial security of the population. We track how they are coping financially and their top concerns. We've raised the profile of Which? expertise among journalists, opinion formers and government.

The key insights from our first year are:

- Confidence in the economy has improved: 36% expect the economy to get better in the next year, up from 20% last year.
- This is despite a decline in consumer spending power, which is a result of high inflation on essentials such as food and energy – consistently top concerns.
- An extra 1.5 million households are feeling squeezed now compared with a year ago – cutting back on essentials, or using credit or savings to make ends meet. The research

helps us identify trends and issues that face consumers, and to shape Which? policy, campaigning and editorial work. For example, we have been monitoring how rising energy prices have affected different types of households.

Externally, the research helps position Which? as a trusted voice on people's experience of the economy, and as the home of consumer understanding.

The quarterly report and monthly tracker has attracted widespread media coverage and sparked positive changes for the consumer:

- In October 2012, BBC Radio Five Live hosted a live summit on the north/south divide on the consumer experience, based on our analysis.
- Following the October 2012 quarterly report on mortgages, the Co-operative launched a new mortgage deal for first-time buyers with low deposits – citing our research as one of the reasons for launching it.
- The Office for National Statistics has used our tracking data in its bulletins alongside its own wellbeing tracking.

The Which? Quarterly Consumer Report helps us lead opinion on how people are coping in the current economy



Influencing businesses

Convincing a company to make changes can be a quicker way to improve a market than regulation or legislation.

Which? influences businesses in many ways.

We advise companies on how to improve their products and services, reward excellence through our endorsement schemes and the Which? Awards, and hold companies to account when we identify bad practice. We also work with individual businesses and industry bodies to help achieve our campaigning objectives.

We are able to do this thanks to the strong 'critical friend' relationships we have developed with companies across the banking, energy, food and telecoms sectors. In the last year, Which? held over 200 meetings with corporate contacts from board level down to discuss our campaigns.

Building these relationships results in regular invitations to speak at major corporate events. This year, Which? was invited to speak at the annual leadership conferences of Barclays and the Royal Bank of Scotland.

Our standing with senior industry figures was further demonstrated at this year's Which? Awards, with 50 chairmen, chief executives and directors attending – many from

companies that were not shortlisted for an award.

Our day-to-day engagement with companies this year has produced positive changes for consumers:

- Several energy suppliers acted on the findings of our Best Practice Criteria reports. Npower, for example, used our recommendations to inform a project to redesign the bills it sends to customers.
- Following our report on confusing small print, Barclays sought our feedback when rewriting its terms and conditions.
- Tesco has used our Taste for Change report to inform a major internal review.
- In response to our Fixed Means Fixed campaign, mobile operator Utility Warehouse removed a term from its fixed-term contracts that would allow it to increase prices in line with inflation.
- Four supermarkets have signed up to our commitments to make unit pricing clearer for consumers.

Our endorsement schemes have enjoyed another record-breaking year, with 315 licences sold, and companies spending £100m on ads containing the Which? Best Buy, Recommended Provider and Awards icons.

Companies spent **£100m** on ads containing Which? Best Buy, Recommended Provider and Awards icons



Our magazines and website

1.4 million subscriptions

Which? No1 selling monthly magazine

Which? magazine

Which? is now the UK's bestselling monthly magazine

This has been a landmark year for Which? magazine. Strong annual growth saw it close the year with 646,000 subscribers, the highest since 1995. We bucked the trend of decline in print titles, and became the bestselling monthly magazine, significantly ahead of titles such as Good Housekeeping and Saga.

The magazine is our main way to engage with members about the full range of what Which? offers, from groundbreaking investigations and product tests to consumer rights and extra member services. This year, it was key to driving forward the organisation's ambitions to improve the energy, finance and food markets. An investigation into claims management companies, for example, launched our

Nuisance Calls campaign.

Value for money remains a key theme - articles with a strong value angle rate highly with members. In the year ahead, we aim to deliver ever more useful and unique content to help readers choose the best products and services.

Which? magazine bucked the trend of decline in the magazine market and had **646,000** subscribers at June 2013 - the highest since 1995

Which? Computing magazine

Subscriptions rise to more than 200,000 a year

Which? Computing continues to hold top spot in its category - subscriptions grew to more than 200,000 this year. Our readership scores have been lifted across the board through analysis of member feedback. We've delivered more articles members want, and fewer they don't. A big success was our unique investigation into ink wasted by home printers. Our world-first findings showed how printers are designed to waste ink that costs more by the millilitre than vintage champagne.

Which? Money magazine

Biggest-selling personal finance title continues to grow

Which? Money, the biggest-selling personal finance title in the UK, enjoyed further growth this year. Subscriber numbers rose 3.6% year-on-year, to 71,000. Our hard-hitting investigations have contributed to important changes in the finance industry, securing commitments from banks to review staff training on continuous payment authorities and treatment of customers with Power of Attorney. And our research into mortgage fees, banking and saving complaints, and peer-to-peer lending has supported our policy and advocacy goals.

Which? Travel magazine

New online content and real change

Which? Travel, now published six times a year, had a successful year, closing with more than 55,000 subscribers. We launched which.co.uk/leisure, a home for our travel content online. Our investigations also delivered real change. We found five companies advertising 'hurry deals' in national papers, but then offering equally good or better prices after the cut-off date for the original deal. We reported our findings to the Advertising Standards Authority - all those named have changed their ads. Three car hire companies also reviewed their websites after we found hidden charges online and our lawyers reminded them of their legal obligations.

Which? Gardening magazine

Great results by focusing on what our customers want

Which? Gardening has seen great results by focusing on what customers want. We analysed customer feedback and surveyed members to understand what they want to read about - and what they don't. We honed our testing and features, and tweaked the way we present results. Acting on feedback about grasstrimmers breaking, we introduced a 'line feed' test. After comments on Which? Conversation about the poor quality of plants ordered online, we launched our Better Plants by Post campaign in 2012. Many major firms backed it and we'll check for improvements.

Which? Online

Improving experience for increasing subscribers

The number of people accessing Which? online grew 42% this year. We have focused on improving the experience that they have. We launched an improved navigation, which makes it easier for consumers to find what they are looking for, and overhauled our home page so that people can better see the breadth of our content and services.

More than 20% of people using Which? online do so from a mobile device, so we have ensured that new products (such as Which? University and Which? Consumer Rights) work on all screen sizes. At the start of 2013 we launched Which? Reviews for iPhone, an app that gives people expert reviews of more than 5,000 products in their hand whenever they want and wherever they are. We also launched apps that let subscribers read Which? on their iPad or Android tablet.

Social media is also becoming increasingly important, especially in engaging people with our campaigning work, and over the year we reached 250,000 'social' supporters across all our activities.

The number of people accessing Which? online grew **42%** this year



Our services

Which? University

In September 2012, against a backdrop of increasing tuition fees and a burgeoning array of choice, Which? launched a new, free-to-use website designed to help students make more informed higher education decisions.

The site has a searchable database and profiles of 30,000 higher education courses at nearly 300 UK institutions. It combines official information and statistics from league table rankings to UCAS course details with the unbiased, expert advice and analysis you'd expect from Which?. Working with the National Union of Students, it also aims to capture what university life is really like - written for students, by students.

Since launch, Which? University has grown strongly, surpassing 1m visits in its first 10 months, thanks to ongoing online, offline and in-school efforts to engage 14 to 18-year-old students, their parents, teachers and careers advisers.

This places us among the top five university comparison sites (we had the second highest number of visits in June). Our plans over the next year aim to take us to number one.

Don't just take our word for it:

- 'It is a great website, and I'm already recommending it to staff, parents and students.' Careers adviser, Godolphin School
- 'This is a fantastic site, and would really benefit any student considering applying to university.' Study centre manager, Alexandra Park School
- 'You are one of the best - if not the top - resources I use with my students. My students think you are great, too!' Careers adviser, Haringey Sixth Form Centre
- 'When choosing between two universities, I think it will lend me that helping hand when comparing little things I may have not thought of previously.' Sixth form student Shreeya, Leicester

Which? Consumer Rights

In February 2013, Which? launched the Consumer Rights website to give free, expert advice to people faced with everyday consumer problems. With a clear search function and easy-to-navigate design, the site makes it simple for users to find the help they need when things go wrong.

Featuring information on problems ranging from bodged building work and dodgy decorators to damaged deliveries and blundering broadband - the site is split into three areas:

- Help with your problem
- Take action
- Understand the regulations.

The site provides step-by-step guides and more than 100 downloadable template letters to help consumers complain effectively and get the redress they deserve.

The site has gone from strength to strength and has surpassed 150,000 monthly visits - a 40% traffic increase year-on-year. Our aim in the coming year is to build on this and extend the reach of our Consumer Rights offering.

Which? Legal Service

Which? Legal Service has continued to increase its membership, and call volumes were up 4% on 2012. We had 232 calls a day on average (more than 60,000 for the year) and helped members resolve a wide range of issues. We also increased the number of wills made through our Which? Wills service to over 4,000 and we now advise on wills and probate matters in Scotland.

Which? Mortgage Advisers

Which? Mortgage Advisers grew strongly in 2012/13, giving consumers and Which? members clear, independent and impartial advice in the mortgage market. Building on the success of the previous year, the number of advisers doubled

Which? Mortgage Advisers arranged over **2,000** mortgages on behalf of its customers in 2012/13

to 35, and the compliance and administration teams also expanded. This culminated in the move to a new, larger office big enough for our exciting future growth plans.

Which? Mortgage Advisers arranged more than 2,000 mortgages on behalf of its customers in 2012/13. This is

planned to triple in the year ahead as the team provides needs-based advice to all types of customers whether first-time buyers, home-movers, or those who are looking to remortgage or invest in property. A resounding 97% of those we've helped would recommend us to friends and family.

Other Which? consumer services

Demand for individual, personalised advice across other Which? services continues to be strong.

Which? Local

Which? Local continued to be strongly used by members with more than 77,000 businesses, traders and service providers reviewed and rated on the site. It remains one of the best places to get recommendations for businesses, and continues to grow. Almost 50,000 members registered to use the service in the past year, contributing to the 130,000 reviews on the site.

Computing Helpdesk

The Helpdesk responded to 24,000 queries in 2012 and numbers continue to rise. We remain committed to answering

any question within two working days. March 2013 saw the rollout of the Computing Helpdesk phone service, with our expert team now offering phone support to thousands of our members.

Travel Helpdesk

We continue to offer Which? Travel members personalised advice when planning holidays. We answer up to 220 queries a month by email, and have introduced monthly phone-in days.

Money Helpline

A busy year saw us deal with 22,700 calls, compared with 20,000 last year. Our most popular subjects are savings, tax, general insurance and pensions, and we can help with most areas of personal finance. We continue to help members pursue complaints against providers, and to win back more than £1.9m.

Which? Money Helpline has helped our members win back more than **£1.9m** in redress and compensation

Which? Switch

More people used our energy switching service than in any of the previous five years, saving £3.3m in total. We ran collective switches for Nottinghamshire and Derbyshire county councils and Community Energy Direct, helping 3,500 people to get cheaper energy bills.

Which? Books

We've continued to publish in our core areas, with new gardening and technology books, and updated editions of our successful finance and property titles.



Executive Management Team

Financial summary

Directors



Peter Vicary-Smith
Group Chief Executive



Kim Brosnan
Director of Talent



Jacques Cadranel
Group Finance Director



Chris Gardner
Managing Director -
Which? Publishing



Michael Johnson
Managing Director -
New Ventures



Richard Lloyd
Director of Consumer Action



Helen Parker
Assistant Chief Executive
and Director of Policy

Consumers' Association, which trades as Which? is registered in England and Wales (company no. 580128) and is a charity (no. 296072). Its primary trading subsidiary Which? Limited (no 677665) offers consumer subscription products and services in the UK. Other wholly owned subsidiaries within the group are responsible for publishing the magazine 'Right Choice' in India and Which? Mortgage Advice in the UK.

Which? is completely independent, receives no government funding and does not accept advertising. Because our charitable work is solely funded from our trading activities, growing our commercial operations is essential if we want to increase our activity in benefiting UK consumers.

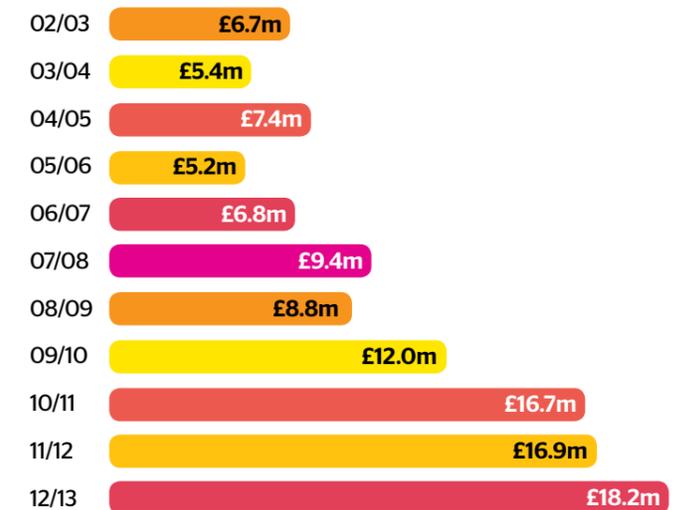
As the graphs opposite show, over a ten year period we have grown profits in our core Which? Limited business by 172%. This considerable expansion has then funded a six-fold increase in our spend on promoting consumer interests. Continuing this positive cycle of growth is our primary goal in the upcoming years, delivered by both our core business and hopefully increasingly through our expansion into new ventures.

Core business

A key factor in our recent success within our core UK subscription business has been the expansion of products and services offered across a variety of mediums that meet the needs of our members. We have increased the number of specialist magazines, widened our helpdesk services and expanded considerably the content available on our online resource. Within the last year, we also launched an iphone app for reviews and our ipad and android apps allow Which? to be read on a tablet.

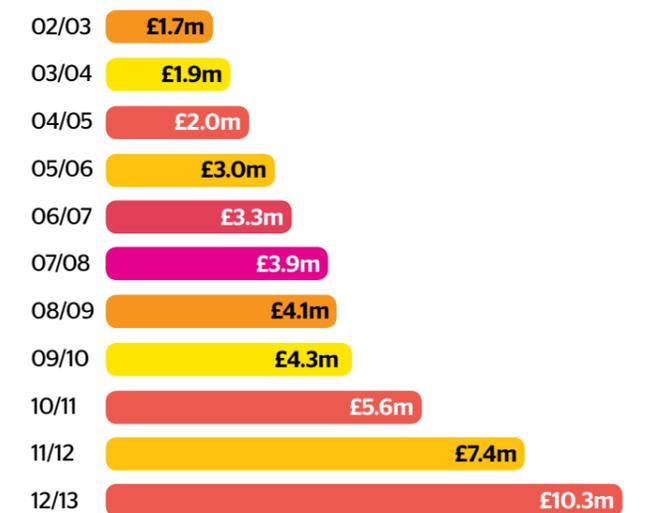
This wider product offering has proved very popular and subscriptions over the last ten years

Which? Limited profits*



* Operating profits excluding impairment of investments

Promoting consumer interests



To request a large-type, text-only copy of this review, please call 01992 822800 and speak to one of our customer service representatives.

have increased consistently. As the adjacent graph shows, our total UK subscriptions have increased every year over the last decade and at June 2013 stood at 1,416,000, 34,000 (2.5%) higher than June 2012 and representing a new all-time record. Looking at the ten years as a whole, total subscriptions have increased by 604,000 – a 74% uplift.

Our flagship title, Which? magazine, continues to go from strength-to-strength with a June 13 subscriber level of over 646,000 being the highest number since 1995. Which? Computing (still the UK's most popular magazine in the sector) reached an all-time high mark of 206,000 subscribers, while Which? Money, a title that was only launched in 2007 also broke the 70,000 subscriber level for the first time during the year.

Although growing our revenue is extremely important, it is also essential that accompanying costs are kept under control. Delivering on both of these objectives meant that a record £18.4m of gift aid was able to be donated to the charity.

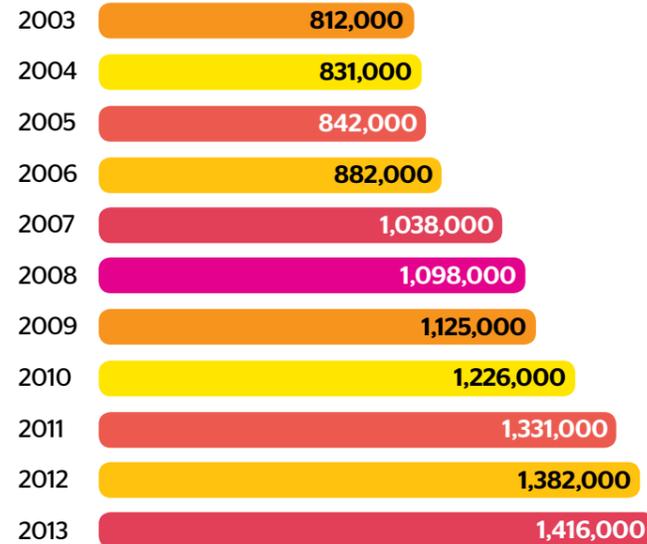
New businesses

Our core business has been very strong in recent years, but we know that to make further big steps in expanding our charitable work, we will need to succeed in our new businesses.

Therefore in recent years, we have been focused on sectors where we can build on both the expertise developed in our core UK business and the very strong Which? brand that we have developed.

In India, where we publish the 'Right Choice' consumer magazine, 2012/13 was a very encouraging year, delivering an eight-fold increase in subscribers to close the year on over 24,000. This growth has followed significant focus on customer acquisitions, both in terms of finding innovative and appealing offers to subscribers and also ensuring that the overall cost of acquiring new customers is reduced. There is still considerable work to do in the next few years to establish the 'Right Choice' brand to the levels we believe it can achieve, but this year has been a very positive step within that journey.

Total UK subscriptions



Our mortgage advice service has also had a very good year. The service, which advises customers on the best deals for them across the full market, has grown considerably over the last twelve months. Doubling adviser capacity has resulted in a similar increase in the volume of customer mortgages submitted. Our goal is to continue to recruit high calibre individuals to enable us to meet the demand for high quality and independent mortgage advice. Our advisers are incentivised not on commission earned, but on delivering the right mortgage for the customer.

Balance sheet & reserves

Throughout the recent period of commercial growth and increased charitable expenditure, the group's balance sheet has strengthened considerably. Through a combination of continued underlying profitability within the group, a recovery in investment values plus there being no FRS17 pension liability at June 2013 meant that group reserves closed the year at £51.6m, an amount £9.5m higher than the previous year.

This financial summary contains information from our financial statements for the 2012/13 financial year but is not the full statutory report and accounts. The full financial statements were approved by the Council of Management on 03 October 2013 and will be submitted to the Charity Commission and Companies House. They received an unqualified audit report. Ordinary Members of Which? receive the full statements automatically. If you are not an Ordinary Member and would like a copy, go to www.which.co.uk to read them online or write to us at the address on the back of this review.

Council members 2012/13



Patrick Barwise



Mark Addison



Daniel Bogler



Peter Cartwright



Melanie Dawes



Tanya Heasman



Harriet Kimbell



Sue Leggate



Natalie Macdonald



Jennifer Oscrift



Roger Pittock



Paul Preston



Tim Roberson



Peter Shears



Richard Thomas CBE



Tony Ward OBE



Steve Woolgar



Brian Yates

Council members

Patrick Barwise (Chairman)
 Mark Addison
 Daniel Bogler (from November 2012)
 Peter Cartwright
 Melanie Dawes CB
 Tanya Heasman (until January 2013)
 Harriet Kimbell MBE (from January 2013)
 Sue Leggate
 Natalie Macdonald
 Jennifer Oscrift (Deputy Chairman)
 Roger Pittock (until January 2013)
 Paul Preston
 Paul Preston (Deputy Chairman)
 Tim Roberson
 Peter Shears
 Richard Thomas CBE (until January 2013)

Tony Ward OBE
 Steve Woolgar (until January 2013)
 Brian Yates

Vice Presidents

Mr Anthony Burton OBE
 Sir Philip Goodhart
 Mr Raymond Goodman
 Mrs Dorothy Goodman
 Dame Jennifer Jenkins
 Mr John Rimington
 Ms Alma Williams
 Mr Christopher Zealley

Which? Limited Board

Mike Clasper CBE (Chairman)
 Claudia Arney
 Patrick Barwise
 Jacques Cadranel (Group Finance Director)
 Neil Cameron

Chris Gardner (Managing Director, Which? Publishing)
 Tanya Heasman (until February 2013)
 Andrew Mullins
 Helen Parker (Assistant Chief Executive) (until November 2012)
 Peter Vicary-Smith (Group Chief Executive)
 Kevin Wall
 Tony Ward OBE

Which? International Limited Board

Peter Vicary-Smith (Chairman)
 Jacques Cadranel
 Nick Castro
 Chris Gardner
 Paul Preston
 Paul Smith

Which? Financial Services Limited Board

Peter Vicary-Smith (Chairman from January 2013)
 Kim Brosnan
 Jacques Cadranel
 Nick Castro
 Matt Cooper (from July 2012)
 Chris Gardner (Chairman until January 2013)
 Mike Lawton

Group Audit Committee

Nick Castro (Chairman)
 Tanya Heasman (until January 2013)
 Sue Leggate
 Tony Ward OBE (from February 2013)

Investment Committee

Brian Yates (Chairman)
 Roger Pittock (until January 2013)
 Mark Tapley
 Tony Ward OBE

Terms of Service Committee

Paul Preston (Chairman)
 Patrick Barwise
 Daniel Bogler (from March 2013)
 Mike Clasper CBE
 Tanya Heasman (until January 2013)