

2019
2020

Annual Report
and financial statements

Thank you for being part of a movement of over 1.5 million members and supporters, all helping to make life simpler, fairer and safer for all UK consumers.

About Which?

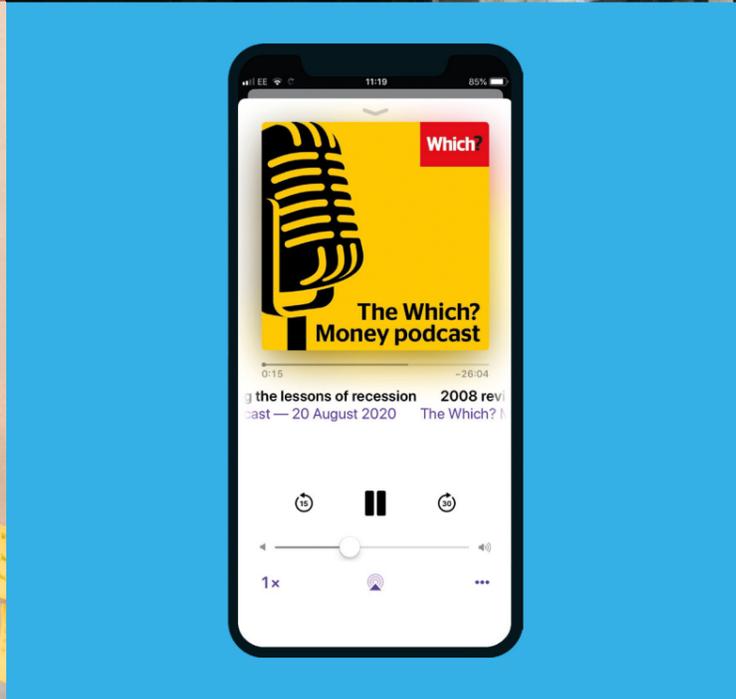
Which? is the UK's consumer champion.

As an organisation we're not for profit and all for protecting consumers – a powerful force for good, here to make life simpler, fairer and safer for everyone.

We stand up for what's right for consumers. Our research gets to the heart of the consumer issues that matter, and our expert advice is completely impartial. Same goes for our product reviews – our rigorous tests and expert recommendations help consumers to make better decisions. We investigate and make change happen – from tackling online scams to campaigning for safer products, we're the independent consumer voice that influences politicians and lawmakers and holds businesses to account.

We fund our work mainly through member subscriptions. Businesses whose products or services earn our endorsement can, for a fee, use our name to promote them, and we get commission from some retailer websites where consumers can buy products or services that we feature on our site. We're not influenced by third parties – we never take advertising or accept freebies from manufacturers.

Everything we do is about championing consumers. We'll always be on their side, fighting their corner and **working to make them more powerful.**



Contents

ANNUAL REPORT

6	A year like no other	26	Money
8	Welcome	28	Our strategy
10	Council of Trustees & Strategic Report	29	How we fund our work for consumers
12	Financial performance 2019/20	30	Our magazines and expert content
14	Assessing our impact	32	Membership, advice and other services
16	COVID-19	34	Council of Trustees report
20	Digital life	36	Governance
22	Consumer rights and protections	41	Our people
24	Scams		

FINANCIAL STATEMENTS

45	Independent Auditors' Report	49	Consolidated cash flow statement
47	Consolidated Statement of Financial Activities	50	Notes to the Financial Statements
48	Balance sheets	66	Council, Boards, Committees and Executive membership

A year like no other

On 16 March 2020, we left our offices and relocated our jobs to our bedrooms, kitchen tables and dining rooms. We may have been apart from each other, but our purpose was clear and we were united as an organisation in our vital work as the UK's consumer champion.



Dom Coletti, IT Support Manager getting our entire London office ready for home working



Our fantastic Workplace Experience team, **Sinead Beglane**, **Bilal Irshad** (pictured) and **Robert Mylse** getting our London office ready for a phased staff return



Hannah Burke, Press Officer and Head of Which?'s LGBT Network has been working hard to get media coverage on travel refund rights



John Gregg, Learning and Development Manager, simultaneously tackling a day's work and home schooling



Neil Caldicott, Director of Audience, Brand and Communications joined us during lockdown

Rory Boland, Which? Travel Editor, doubling up his daughter's bedroom for a studio whilst making multiple TV appearances during the COVID-19 pandemic



Our values

We care, we're rigorous, we're brave, we make it happen and we're connected



Lisa Barber, seconded as Which? Magazine Editor, juggling home schooling, a dog and managing the curation of Which? Magazine entirely remotely for the first time in history



Campaigns Manager **Genevieve Lloyd** has been hard at work remotely on our Access to Cash campaign



Kevin Curtis, Head of Product Management, using his product development skills to put together daughter Ophelia's garden swing during lockdown

WELCOME



Welcome from the Chair of the Consumers' Association

When I had the honour of taking up my post in January, it was both daunting and exciting to be joining such a well-respected and successful organisation at a time of major change, aimed at broadening and deepening our membership and supporter base in order to enhance our effectiveness for consumers. Little did I know, though, that within three months – and having only recently chaired my first Council meeting – we would be faced with the massive disruption of the COVID-19 crisis and lockdown.

Responding to the crisis gave me an early glimpse of Which? at its very best. Above all, the crisis demonstrated the importance of our unique blend of independence and rigour in providing vital advice to consumers facing a novel and highly stressful environment. And the organisation delivered, through the speedily introduced Coronavirus Hub and in many other ways. I much admired the commitment and professionalism of all our staff as they adapted – without missing a beat – to the more-or-less overnight move from office to virtual working.

Everybody played their part – from the IT and Workplace team ensuring every employee was set up to work from home, to the Member Services team guaranteeing continuity of support to our members, to the editors and experts speaking out for consumers, and many more besides.

I would like to pay tribute to Anabel Hoult and her Leadership Team for orchestrating a successful response that was both strategic and empathetic, as well as to my fellow Council members and to Judy Gibbons and her Which? Limited Board – all of whom adapted quickly and without complaint to unfamiliar virtual governance arrangements, ensuring appropriate scrutiny while still providing clear strategic focus.

Finally, I would like to thank you – our members – for your continuing steadfast support over the past year. It is this that provides the indispensable underpinning for our ambitious plans for the future.

We now have in place a new Leadership Team and – thanks to your support at last year's AGM for the recommendations of the Governance Review – the structure enable us to build on our movement of almost 1.5 million members and supporters to achieve even more for and with consumers in the year ahead.

Sam Younger
Chair of the Consumers' Association



Update from the Chair of Which? Limited Board

In last year's report, I talked about how impressed I was with the resilience and dedication of Which? as an organisation. I was proud again this year that, as the world came crashing down around us, Which? stood up, and we stood strong.

We have invested significantly during 2019/20 in improving our commercial offer and user experience. I'm happy to say that we are also seeing growth and improvements in conversion to paying subscribers. In the final quarter we returned to growth in subscriber numbers as consumers turned to our advice during the pandemic, demonstrating that Which?'s purpose as a consumer champion is now, as much as ever, relevant to UK consumers.

Income in 2019/20 for Which? Limited decreased by 3% to £89.3m, this was against an expected decline of 4.3% and shows the positive impact of a growing member base in the final months of the year. Within this number our endorsement revenues were adversely affected in the last quarter and we have seen UK traders suffer the consequences of this tumultuous year, meaning 10% of traders requested payment holidays at Trusted Traders.

We remain as focused as ever on being the UK's consumer champion. Our priorities for the year ahead are to increase our relevance to UK consumers, amplify our voice in the market and work together in a very focused way to achieve more. Underlying these priorities will also be the exploration and development of our revenue streams, a continued focus on cost and asset management, and our digital transformation work.

Finally, I would like to thank all our Which? colleagues for their incredible work in the past year, particularly in the face of COVID-19. This has not only impacted their working environment but has seen them have to work harder than ever to respond to the challenges consumers have faced. And in this ever-evolving situation, they have done us proud.

Judy Gibbons
Chair of Which? Limited Board

CHIEF EXECUTIVE'S WELCOME



This has been a year like no other. The COVID-19 pandemic has turned life upside down for millions of us and brought personal tragedy and financial hardship to so many people.

For Which?, it presented our organisation with one of the greatest challenges it has faced in its 63-year history.

Before COVID-19 arrived in the UK, Which? had been making great progress with our commercial goals and our campaigning to make life simpler, fairer and safer for all UK consumers.

Our focus on timely advice and relevant content resulted in healthy audience growth among a broader range of people than ever before. And in the Budget, our 'Freedom to Pay. Our Way' campaign secured a huge win when the Chancellor confirmed the government would legislate to protect cash – a vital step that will make a real difference to millions of people who rely on it as a payment method.

Then COVID-19 hit – meaning an almost overnight switch to remote working for hundreds of colleagues based in our London, Bristol and Cardiff offices. Test labs around the world shut their doors. International travel ground to a halt. Government announcements of emergency measures with huge implications for millions of consumers came thick and fast.

Yet, just three weeks after the UK went into lockdown, one of our longest-serving employees, production editor Joanna Bregosz, pushed the button from her home in north London to send an historic and important edition of Which? magazine to the printers. Historic, because it was the first edition of Which? to be produced entirely remotely by a team of journalists and production staff scattered across the country. Important, because it sent a clear message to our members – that there would be no interruption to the services they value, especially when they need our advice and expertise the most.

It typified the extraordinary dedication and commitment of our staff and demonstrated that we care, we're rigorous, we're brave, we make it happen and we're connected.

Amid a flood of misinformation and COVID-19-related scams we set up our online Coronavirus Hub in a matter of days, making timely and insightful content available for free to all consumers. We also saw a huge surge in calls and emails to our Tech and Legal Support teams and more than 63,000 sign-ups to our scams alert service.

Our teams lost count of the number of often deeply moving messages we have received saying 'thank you' for helping our members to navigate these uncertain times.

This period has really demonstrated the value of Which?'s unrivalled ability to gather stories from consumers and then amplify them to bring about change. Which? Travel Editor Rory

Boland has become familiar in households across the nation as the face of our tireless campaigning to ensure holidaymakers are not ripped off by operators flouting the law. We have persuaded dozens of travel companies to offer greater flexibility over refunds and rebooking and ensured refund credit notes that were issued to thousands of people are financially protected. Meanwhile, we have pushed the government to support the ailing travel industry and made the case for major reform of the sector by highlighting the shortcomings of the current system of rules and regulations.

Which? also exposed price-gouging and worked to ensure the most vulnerable consumers were not forgotten by supermarkets, banks and the government during the pandemic.

COVID-19 has accelerated emerging trends and exposed weaknesses in consumer protection in a constantly changing and uncertain world. It makes me more confident than ever that our key impact areas – Consumer Rights and Protections, Money, Digital Life and Scams – are the right ones. The appetite for a trustworthy source of information and advice during this period was reflected in significant increases in traffic to our website and app, boosting our membership and core reviews business.

The growth of our endorsement scheme, affiliate retail work and switching sites are also helping us lay the foundation of a sustainable business for the future.

In 2020/21 we are building on this with even more relevant content and a more flexible subscription model for our growing audience.

I have pledged to make Which? an organisation where our actions reflect our values. Following the shocking killing of George Floyd, we have made a series of anti-racism commitments to guide us as we work to make Which? more diverse, inclusive and reflective of UK society and the consumers whose interests we represent. Which? is for everyone, whether you are an employee or a consumer.

We know from our research that many consumers wish they could make more sustainable choices about the goods and services they buy – but they feel frustrated by a lack of clear information. In future, you will see more Which? testing, research and expert advice for consumers who want to help the environment and put more pressure on businesses and policymakers to do their bit.

I want to thank our 1.5 million members and supporters, my colleagues, Council Trustees and Board of Which? Limited for their support through these challenging times. This has been a turbulent year – in which we have all been tested, personally and professionally, in ways we could never have imagined. I hope we never see another year like it. But I know that when I look back years from now at how Which? performed when its commitment to consumers was put to the test, I will recall that we helped the people who needed us most and helped ourselves by laying down solid foundations for the future. I will look back with incredible pride at what we have achieved together.

Anabel Hoult
Chief Executive of the Consumers' Association

Council of Trustees report

(incorporating strategic report 19/20)

Strategic report

Overview of the year

In a year defined by extraordinary events, we've found the role of Which? for UK consumers has been more important than ever. We are proud to be able to share with you the positive difference we have made for and on behalf of our members and all UK consumers in the twelve months from July 2019 to the end of June 2020. The aim of this report is to demonstrate the significant achievements made against our strategic objectives, and also to share some of the inspirational ways in which we have gone that bit further to help consumers when they have most needed a champion.

The foundations for success

The restructure and strategy review we began last year was completed in the first quarter of this 2019/2020 reporting period, meaning that we faced into the challenges of COVID-19 as an agile, strategically aligned organisation, with the structure and leadership in place to deliver growth and future success.

Our Governance Review, which concluded in 2019, and the related resolutions approved at last year's AGM are also beginning to deliver the change we need to function effectively as a modern charity. You can read in more detail about the changes and the additional positive improvements we are expecting in the Governance section of the report on p36.

Before COVID-19

With COVID-19 dominant in so many aspects of our lives currently, it's important to remember and acknowledge the progress that we had made and the significant positive outcomes we had achieved for consumers before the crisis hit us in March 2020. Which? exceeded the targets we set ourselves for positive consumer outcomes across our impact areas, with high-profile and effective initiatives such as Cash Week driving important government policy to protect access to cash. You can read more about the impact we have had in 2019/2020 in the impact report on p14 and learn more about our work for consumers across the reporting year on pages 14–33.

The global pandemic

Which? has also been an essential, reassuring voice for consumers throughout the COVID-19 crisis. We have been there to offer the latest advice on all consumer issues in an extremely fast-moving environment. We have lobbied government and regulators to step in and make sure that consumers are treated fairly. We have been there to convince businesses to do the right thing and we have been there on the end of the telephone to help and reassure our members.

All the key Which? strengths have been utilised to make consumers' lives simpler, fairer and safer throughout this life-altering period. You can read more about what we did through the first three months of the crisis and the difference we made – and continue to make – on pages 17–19 and throughout the report.

You can also see how – despite working remotely – our employees have not only joined forces and worked determinedly for the good of members and consumers but have felt more engaged and purposeful. You can find out more about remote working and our employee engagement scores on p41.

A successful commercial business

To continue our public benefit work for all UK consumers we need to be commercially successful. With the 2019 closure of some of Which?'s businesses, the restructure of our Leadership Team, and some other changes, we ensured that we had the foundations of a solid business model, based around a robust commercial offer, providing helpful and valuable services to our members – and other consumers – that would both benefit them and secure the funding necessary for our charitable work.

In 2019/2020 we have achieved better-than-expected financial results, driven in part by the success of our free-to-access online coronavirus content, which drove an impressive volume of visitors to our website and boosted membership numbers accordingly. We have innovative and ambitious future plans about how we attract and retain our members and how we can get more UK consumers engaged in what we do. We look forward to sharing more with you in next year's report.

In line with many organisations, the unexpected economic impact of COVID-19 affected the value of some of our investments and the group's hybrid pension scheme. You can find out more about this issue and how we have addressed it in the Financial Overview section and in the accounts on pages 47–8.

Responding to external issues

Finally – and significantly – we have challenged ourselves on important external issues and asked ourselves how Which? can do more to help to drive positive change – both as a research and campaigning organisation and as a business – on the issues of diversity and inclusion and sustainability.

We are proud to share the commitments we have made on these important matters and look forward to sharing our progress with you.

“Every purchase I make ... I am checking its environmental footprint and social responsibility impact... It is stressful and I am forced by the options available to me to pick a product that will be harmful to either the environment or the workers... I've cut out... [items] from outside the UK completely, but my cupboard shows it and so does my bank balance... It is a struggle to shop... It is unbelievably stressful.”

Participant in Which? Conversation



Eco-offset certificate: as of 22 June, Which? has offset 122,090kg carbon emissions as part of our sustainability commitment to counteract the environmental impact of travel by our testing and content teams.

Sustainability

Which? has always helped consumers to buy better, and 'better' keeps evolving. We're committed to giving consumers information so they can buy with confidence and make sustainable choices that can reduce harm to the environment – including when not to make a purchase. More and more, consumers are recognising how essential it is to make sustainable choices in everyday life. And we'll put the consumer at the top of the agenda when working with policymakers and businesses to deliver sustainable options. Which? is committed to championing sustainability in what we do, and in where and how we work. Our aim is to run low-carbon environments, use green energy, produce less waste and reuse and recycle more. Indeed in 2019/2020, we've made a number of steps towards a more sustainable future, both internally in how we operate and in the services we offer to consumers. Such activity includes embedding a new reparability programme into key product tests, dropping Best Buys from lithium-ion cordless products that don't have replaceable batteries, installing an electric vehicle charging point at our London office, and recording and offsetting the carbon footprint of our Product Testing and Which? Travel teams (see certificate) – to name just a few.

Public benefit and section 172(1) statements

The Council of Trustees has a responsibility to follow the Charity Commission's public benefit guidance. The Trustees are also bound by duties as charity trustees and under s172(1) of the Companies Act 2006 as company directors, in particular by their duty to promote the success of the Consumers' Association to achieve its charitable purposes. The Trustees have discharged their duties, and in this report we provide an account of the year which demonstrates

Diversity and Inclusion

Our anti-racism commitments

We shared a series of anti-racism commitments in June 2020, contributing towards the ongoing process of making our organisation more diverse, inclusive and reflective of UK society and the consumers whose interests we represent. Anti-racism is more than not being involved in racist behaviour, it's about actively seeking to oppose racism, racial inequality and unconscious bias. It's about acknowledging systemic racism and unconscious bias and taking action to address it. This includes being committed to an ongoing learning journey for all.

Our commitments are:

- We are working to address unconscious bias, embed inclusivity into our DNA and change our organisation for the better. This work is supported by an independent consultancy to help boost our expertise and develop our work long term.
- We are providing specialist support for Black colleagues and any other colleagues who face, or have faced, racism.
- We are reviewing our recruitment and retention practices to ensure that our attraction and selection processes are fully inclusive. We have created dedicated channels so that colleagues can get involved and be heard in the conversation around race.
- We will be open and transparent about representation and pay in our organisation.
- We will ensure all colleagues – starting with our Leadership Team – receive diversity and inclusion training within six months.
- We will review our content and channels to ensure better representation.
- We will set out to uncover how consumer issues impact different consumers disproportionately and will address this harm through our advocacy work.

You can find out more about our diversity and inclusion policy and progress in the People section on pages 41–2.

clearly how the group's significant activities, and those of the Consumers' Association specifically, have contributed directly and indirectly to the delivery of the Consumers' Association's charitable purposes for public benefit and how the Trustees have discharged their s172(1) Companies Act duties and taken account of stakeholder interests (see p40 for some specific commentary around our stakeholders' interests).

Financial performance 2019/20

Overview of the year

The Consumers' Association has spent almost £22m delivering public benefit for consumers this year. You can see how we have delivered positive outcomes for consumers in our impact report on p14 and across our impact areas on pages 14–33.

This has been wholly funded by our commercial business, which includes member subscriptions, the endorsement scheme (such as Best Buys, which enable businesses to purchase a licence to use the logo with their Best Buy products, if awarded) and other products and services that help in our aim to make consumers' lives simpler, fairer and safer.

In addition, our commercial business generated a further £8.2m of income for the charity, which has been offset against unrealised losses on pensions, resulting in a £4m decrease in the Group's reserves during the year but still leaving a healthy reserves position of £52.4m.

Commercial income

In 2019/20, underlying income from our principal commercial subsidiary decreased by 3% (to £89.3m). Encouragingly, we saw an increase in new subscriptions in the final quarter as our consumer advice became even more relevant to consumers during the pandemic. However, our endorsement revenues (see endorsement scheme details on p33) were adversely affected by COVID-19 in the last quarter.

In addition, revenues from our mortgage and insurance advice services decreased by £5.5m to £1.4m as we closed this business to new applications during the previous financial year. This meant overall commercial income decreased by 8.5% to £90.7m, and Group income – which last year included a one-off profit of £2.6m from the sale of the charity's Hertford site – decreased by 11% to £91.2m.

Expenditure

Our total expenditure decreased by £16.1m year-on-year primarily due to tight cost control, the decision to pause some commercial activity following last year's strategic review and a reduction in costs due to the closure of mortgage and insurance advisory services business in the year.

£1.7m of our cost saving (only approximately 10% of the aggregate saving) was due to reduced charitable spend, bringing this year's spend to £21.9m. This decrease resulted from paused activity during last year's strategic review and also from the disruption caused by COVID-19. Looking forward, we will continue with significant charitable spend to achieve our objectives: we evaluate success in terms of positive impact generated for consumers and not solely on the amount we spend. You can see how we have assessed our performance in this area in our Impact Report on p14.

Charitable resources

As explained, our reserves position has been affected by a significant increase in our FRS 102 pension liability, driven largely by the economic downturn caused by the global pandemic. As a result, our reserves decreased by £4m year-on-year but still remained strong at £52.4m. It is worth noting that the volatility of both investment performance and the FRS 102 pension valuation may cause significant increases or decreases in reserves over the coming years.

Our statement on the financial impact of COVID-19

You will see throughout the report how the organisation has reacted to and been affected by the global coronavirus pandemic and its wider impact. The Group is exposed to risk and uncertainty affecting the variability of the market which is impacted by COVID-19. The Trustees have considered this impact of COVID-19 on the financial statements. Revenues have been affected by approximately £0.4m, due mainly to a decline in endorsement sales driven by a reduction in marketing spend as a result of the economic conditions. However, due to the lockdown and other restrictions, this impact was partially offset by cost savings as we were unable to carry out some planned activities, plus the closure of the offices in March has resulted in general savings in building costs. There has been no material net impact on reserves and cash.

The actuarial FRS 102 pension valuation showed an adverse movement of £12.3m in the year. This in part was impacted by COVID-19, for example, contributing to changes in discount rates and other financial assumptions that underlay the valuation. However, it is not possible to exactly quantify.

To ensure that appropriate plans are in place to enable the service of our customers we are closely monitoring the impact of COVID-19 on the business, including the monitoring of cash and liquidity forecasts. The Trustees do expect some further impact on endorsement revenues and potentially on subscription revenues as the economic impact of COVID-19 begins to affect disposable incomes. However, the Trustees do not believe this will have any material impact in the long-term financial position of the Group and it does not affect the going-concern basis of preparation of the financial statements.

Processes in place to protect staff are currently implemented and continuously reviewed per the latest government guidelines and include increased social distancing in our offices, promoting remote working and restricting travel arrangements.

Our charitable purposes

The purposes of the Consumers' Association are set out within the Articles of Association. Members approved a modernisation and expansion of our purposes at our 2019 AGM and our new purposes are:

- to advance education in such ways as the Trustees think fit, including through:
 - (i) undertaking, promoting and disseminating impartial, scientific and/or evidence-based analysis of or research into:
 - (a) the standards of goods and services available to the public as consumers; and
 - (b) ways in which the quality, safety and availability of such goods and services may be maintained and improved;
 - (ii) promoting and improving knowledge and understanding of:
 - (a) laws, regulations, public policies and business practices so as to empower consumers in their everyday lives;
 - (b) any aspect of public health and in the principles of physical and mental health; and
 - (c) life skills including those relating to personal finance, digital and technology, horticulture and the home;
- to uphold and promote compliance with consumer laws, regulations and public policies, in particular through the exercise of the Association's statutory powers for the benefit or protection of the rights of consumers;
- to protect and promote the safety of consumers; and
- to promote the interests of consumers who are restricted from accessing or using goods, services or data because of their youth, age, ill-health, disability, financial hardship or other disadvantage.

We cannot achieve public benefit without a commercial income, and on pages 32–33 you can read more about our commercial activities that fund this work in a way that offers significant benefit to consumers and aligns with our purpose.

We also set out the measures we are putting in place to ensure that we have a sustainable business model to guarantee that we will be able to continue in our mission to be seen as the preeminent force driving positive impact for and with UK consumers now and into the future.

In addition to this, you can also find out more about how we changed the way that we work as an organisation and how we stepped up to help consumers face the challenges of COVID-19.

Assessing our impact

Everything we do helps to make a positive difference for consumers

Our advice helps people make informed decisions; our campaigns tackle consumer detriment to make life simpler, fairer and safer and our services and products put consumers' needs first, to bring them better value.

On the following pages, you can see the measurable outcomes we have achieved for consumers as a result of our efforts this year and then you can read in more detail about exactly where and how we helped and advised UK consumers – and influenced positive change through our relationships with businesses and policymakers – across each of our four strategic impact areas, through both our charitable and our commercial services.

Streamlined Energy and Carbon Reporting (SECR)

Large organisations are now obliged to report publicly on their energy use and carbon emissions. Below you can see the Consumers' Association and Which? Limited's assessment for 2019/20. This analyses how much energy we have used in our offices and when our employees have been travelling on business.

The energy is then converted into greenhouse gas (carbon) emissions. From this assessment we have calculated a ratio of 0.7 tonnes of CO2e emissions per average employee in the Group. In the next reporting period we will be able to compare year-on-year progress.

Intensity ratio (CO2e per full-time equivalent):

0.7 tonnes of CO2e per average number of employees in the Group in the year to 30 June 2020.

Energy efficiency measures taken this year include:

Carbon offsetting for travel undertaken by our testing and travel editorial teams. See p11 for further details.

Methodology:

The electricity and gas quantities used in the year were taken from the suppliers invoices for use of our headquarter offices, 2 Marylebone Road in London. The conversion of gas from kWh to CO2e was based on gross calorific values. Conversion factors for this and the below were obtained from www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020. The usage of gas and electricity in the offices not owned by the Group (Bristol and Cardiff) were estimated, based on an average usage per employee for 2 Marylebone Road and prorated for the headcount in those respective offices. Company figures are derived by splitting total usage by the headcount of the respective entities. The quantity of kWh used for transport is based on the mileage completed by employees on business expenditure and converted to kWh using 'average car' by size and 'unknown basis' of fuel-type conversion factors from the above website.

Which? SECR 2019/20 UK Energy use

Activity	CONSUMERS' ASSOCIATION		WHICH? LIMITED		GROUP	
	kWh	CO2e	kWh	CO2e	kWh	CO2e
Electricity	624,790	145.7	981,076	228.7	1,605,866	374.4
Gas	121,950	22.4	191,492	35.2	313,442	57.6
Transport	24,693	6.1	53,128	13.2	77,821	19.3
Total	771,433	174.2	1,225,696	277.1	1,997,129	451.3

Assessing our impact

How have we delivered positive outcomes for consumers?

Everything we do helps to make a positive difference for consumers

1 EASIER CHOICES

We have supported consumers to make informed decisions about the products and services they buy. Developing our product reviews app, adding to our numbers of Trusted Traders, and driving more traffic to our website have all helped us increase the number of decisions we have helped people make.

"I have used Trusted Traders whenever I have needed any job doing. I have never been disappointed. Without it would be like closing your eyes and sticking in a pin."

c. 6 million

purchasing decisions supported

80%

of consumers surveyed about our Trusted Trader scheme said it had made it easier for them to choose a trader they could trust

2 EASIER PROCESSES

We have helped those who might otherwise have found it difficult or overly time-consuming to take a consumer action that would benefit them; e.g. easier broadband or energy switches, easier complaints processes or will-writing. Take-up of our practical support significantly increased during lockdown.

"Patient, knowledgeable, professional, sense of humour. It's like somebody holding your hand and guiding you at night through the woods."

78%

of consumers who used our online complaints and claims tools in 2019/20 said that our tools helped make for a smoother, less time-consuming process

c. £3 million

estimated total saving made by consumers we helped to make an energy switch this year

3 BETTER ENGAGEMENT

Our Best Buys, Recommended Provider and Trusted Trader schemes have given millions confidence in their decisions and helped them avoid 'buyer's remorse'. This year we created even more impact than last year by helping consumers buy smart and avoid goods or services more likely to disappoint.

"Saves hours of googling and gives me confidence. Couldn't even begin to tell you how much I've saved over the years."

81%

of consumers who see our endorsement logo while shopping say that it makes them less worried about choosing the wrong thing or wasting their money

87%

of consumers surveyed in 2019/20 who had bought a product on the back of our endorsement reported that they were afterwards either happy or very happy that they had done so



SIMPLER

FAIRER



4 BETTER REDRESS

Our helplines supported consumers to tackle more than 88,000 money, legal and computing problems, and our online claims tools (including a new one for second-hand cars), helped many more seek redress after problems with goods and services. We were particularly successful this year in helping last-minute PPI claims and money-back claims for those whose travel and other plans had been affected by COVID-19.

"The tool was amazing, so easy to use, very well worded and I really believe it speeded up the compensation with [airline]... they were blaming other circumstances for the flight cancellation, so I thought they would not pay. Once they received this letter they paid straight away!"

c. 195,000

claims for redress made with the help of our online claim tools by consumers experiencing problems with goods and services

c. £73 million

estimated value of refunds paid out to consumers using our online claim tool

FAIRER

5 FAIRER MARKETS

We have protected consumers from being short-changed by unfair business practices. Our investigations, campaigns and consumer rights actions have achieved important wins on issues of fairness, transparency and accountability, e.g. challenging rail companies and airlines for not respecting consumer rights during COVID-19.

"Fantastic service. I was about to give up after being rebuffed by the car dealership, but this letter tool saved me a small fortune."

c. 110

occasions when we directly influenced companies, mostly high street brands or global marketplaces, to play by the rules and do better for consumers

c. 200

instances of price gouging during COVID-19 that were removed from websites after we brought them to the attention of online marketplaces, social media platforms and regulators

6 SAFER MARKETS

We have reduced the risk to consumers from unsafe products and insecure smart products and protected consumers from risk of scams with a significant increase in our online scams content and a new scams alert service that is now reaching more than 63,000 consumers a week.

"These companies do not have a good track record of owning up to potentially dangerous faults. Thanks for all your help."

c. 105,000

safer homes thanks to the removal of unsafe tumble dryers by Whirlpool at the culmination of our four-year campaign for a full recall – though we are still monitoring and acting on problems as the recall rolls out

c. 500

listings of unsafe products removed from major online marketplaces after our research identified risks to consumers

SAFER



Facts. Not fakes.

By Which? 1 min ago

Don't buy based on a lie. Visit which.co.uk for impartial product reviews.



How we delivered impact and helped consumers this year



which?

MAGAZINE



#protectcash

COVID-19

The huge impact the pandemic has had on consumers, from where and how they shop, to the struggles faced getting refunds for holidays they were unable to take, has brought Which?'s purpose to the fore. In the middle of March, overnight, our operations were moved to living rooms, spare rooms, dining tables and kitchens, meetings went virtual and our IT and Workplace Experience teams worked hard to ensure that colleagues were equipped to continue to represent our members and all UK consumers from home. Despite this sudden change to our colleagues' working lives, our teams have worked hard to be the voice for the consumer in uncertain times and we've had to fight harder than ever for people's rights. And we've heard directly from consumers telling us what our priorities should be; indeed, our post on Which? Conversation: 'Coronavirus pandemic: tell us your consumer concerns' received 750 comments and gave us great insight into where we should be focusing our efforts.

COVID-19 information and advice

Recognising the growing threat that COVID-19 was posing to consumers, we needed to ensure that Which? acted as a trusted source of up-to-date and reliable information – especially given how much misinformation was running rife. So our teams turned to reporting on the wealth of consumer issues thrown up by the pandemic – everything from how those shielding could access

groceries to how to get refunds for cancelled flights and the latest advice on face masks and other preventative measures. In a crowded market for COVID-19-related advice, our timely and insightful content performed well against key COVID-19 search terms, ranking alongside authoritative and high-profile sites such as the BBC and gov.uk. We created a dedicated landing page for COVID-19 content on which.co.uk, launched our coronavirus email bulletin and used social media and other platforms to reach consumers.

Influencing businesses and regulators

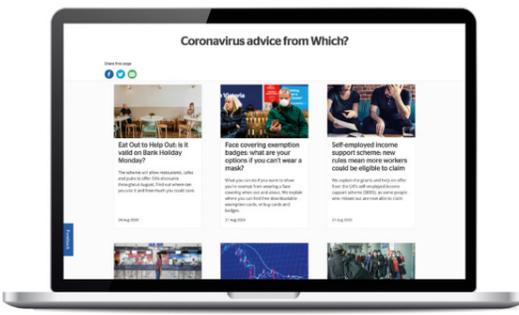
We challenged hundreds of businesses to treat consumers fairly during the pandemic. We challenged shops on their returns policies; airlines, holiday and travel companies as well as wedding providers on fair refunds; and online marketplaces on price gouging. Listening to consumers helped us apply pressure for change. This insight helped us drive change directly with businesses as well as with the Civil Aviation Authority and the Competition and Markets Authority on travel rights, and also with the latter on price-gouging. We also worked closely with government bodies and regulators on other important consumer issues, including the Financial Conduct Authority over fair treatment for those taking payment holidays, and with the Department for Environment, Food and Rural Affairs to ensure access to food for vulnerable consumers.

More than **9m** people viewed our content on COVID-19

The most-viewed article was 'Coronavirus: how to clean your home effectively', which received **660,000** online views

We managed to get the pages up and running within **2** days

We have posted more than **400** separate articles on the Hub so far



Travel rights and refunds

The imposition of travel restrictions meant that millions of holidaymakers were left trying to get refunds on the trips they could no longer take. We received many complaints from customers spending hours on the phone trying to get refunds, and telling us that some companies were trying to insist customers accept travel vouchers rather than cash refunds. Through our online advice, social media and member communications on the issue, we helped many people get the refunds they so desperately needed.

a repatriation scheme to bring people home. The story was picked up across national print, television, radio and a host of online news outlets, generating 263 pieces of coverage in under a week, and featured on the BBC News and Guardian's homepages, spending nearly a day in the BBC's top 10 most-read stories.

Win!

Our article 'cancelled or postponed events - can I get my money back?' was viewed more than 350,000 times, and our investigation into the impact on weddings led to the details of nine venues being passed to the Competition and Markets Authority (CMA). Our work with the CMA also led to action on refunds from Hoseasons and Sykes Holiday Cottages.

Our media work has also been key to spreading the word, In March, we worked with journalists to highlight the plight of thousands of stranded UK residents, and we placed public and private pressure on the government, resulting in

More than **30,000** people started a Section 75 or 'chargeback' claim to get their holiday refunds, as a result of our advice

We have investigated the refund and cancellation policies of more than **200** companies and have successfully influenced several dozen of them to improve their practices where necessary, using threat of publication, legal warnings or the possibility of being removed as a Recommended Provider. We also reported more than a dozen who refused to comply with their regulator

Our travel Q&A has had more than **1m** readers

Our #TravelRefund hashtag was the first Which? campaign hashtag to trend at number one on Twitter and generated over **60,000** stories from affected consumers

The 'Coronavirus: your travel and consumer rights questions' Which? Conversation topic received more than **44,500** views

A bottle of Dettol handwash was being sold for £14.99 rather than £1.50 via Amazon and a packet of paracetamol was displayed at more than seven times the usual price in a local store.

By 28 June we had received **1,500** reports to the tool

We found the average difference in price for hygiene items was an incredible **414%** and for medical goods this was **345%**

133 reports to our price-gouging tool were for items of PPE, including face masks being sold for nearly 20 times the usual reported price

Which?'s face-mask buying guide generated **650,000** views in a matter of weeks (13 times more views than the next best-performing advice content on the Which? website)

Health news stories generated over **1.5m** unique visits to the Which? website

A tuneful thank you from the Scottish Fiddle Orchestra

When the Scottish Fiddle Orchestra was refused a refund for £34,000 spent on flights for a cancelled American tour, Which? Travel stepped in. The orchestra should have been entitled to a full refund, but instead it was left with a struggle to survive after also losing out on other expenses associated with the tour. However, following pressure from Which?, the orchestra received a full refund. Bob Diamant, the orchestra's chairman, said in a thank-you letter to Which?: "The rapidity of positive response after your intervention on our behalf is in stark contrast to the delays and refusals we were met with during multiple direct communications over a four-month period. The substantial amount of money recouped will help us survive at a time when we are unable to generate any income from live performances. We are extremely grateful for your help and I can see a tune or two being written and performed in your honour - you may need a kilt to fully enjoy it."



Win!
The Prime Minister's spokesperson made a statement that referenced the Which? research into the unfair pricing of hand sanitiser and the Competition and Markets Authority launched an investigation into the issue.

"I've never had to make a claim before and had no idea where to start. The letter template was a perfect help."

Online claims tool user

"Incredibly helpful. We really thought we would never get either a replacement holiday or a refund. We got the former and are very happy."

Section 75 tool user



Price-gouging

Toilet paper, hand sanitiser and baby formula, to name a few, became the most in-demand products as fears around the pandemic grew. With the major supermarket shelves left bare many consumers turned to other stores and online marketplaces. Unfortunately, unscrupulous sellers took advantage of the situation by massively inflating prices for basic essentials. In April, Which? launched a price-gouging tool on our website, encouraging people to report goods with unusually high price tags. We also called on the government to work with the Competition and Markets Authority to introduce emergency legislation to ensure prices of essential items remain reasonable in the current crisis and future emergencies.



9 out of **10** consumers we surveyed who had received advice from us on a COVID-related problem said that our advice had helped them feel reassured and better informed about their options

We directly helped consumers claim back as much as **£12m** of redress they were owed during lockdown

Looking ahead

The COVID-19 crisis is far from over and we continue to invest a huge amount of effort into supporting consumers through this difficult time. Some of the campaigns we were already working on - such as fake reviews - have been accelerated as a result. With online purchases providing a lifeline for many during lockdown, it has demonstrated the urgency and importance of ensuring consumers are protected in this area. We know from the way our teams adapted and reacted to a fast-moving and unprecedented situation, they'll be ready for whatever new challenges emerge.

DIGITAL LIFE

Digitalisation is rapidly revolutionising every aspect of consumer lives, even more so since the COVID-19 pandemic. Whilst this can bring huge benefits for business and consumers, the rate of change can present challenges, especially around keeping consumers safe online.

This year, we've been calling on key stakeholders for more competitive digital markets, the responsible use of technology, safe smart appliances and access to good connectivity for all.

Stop Fake Reviews campaign

Fake online reviews are influencing people across the UK into purchasing billions of pounds' worth of products and services every year. Some of these products are poor quality and occasionally unsafe.

Since 2018, we have been campaigning to Stop Fake Reviews as Which? research shows that three in 10 people have bought a product because it had excellent online customer reviews and have then been disappointed with it.

In 2019/20 we also undertook new research into this widespread problem. We conducted a first-of-its-kind Which? behavioural experiment that found people are more than twice as likely to choose poorer-quality products that have been boosted by artificially positive reviews when making buying decisions.



Facts. Not fakes.

By Which? 1 min ago

Don't buy based on a lie.
Visit [which.co.uk](https://www.which.co.uk) for impartial product reviews.

Win!

Following Which? investigations repeatedly exposing fake or incentivised reviews being used to mislead people on online marketplaces, the CMA launched a programme of work aimed at tackling fake and misleading online reviews.

In January 2020, the CMA announced that Facebook and eBay have both committed to action to crack down on the trading of fake reviews on their sites as a result of the regulator intervening.

In May 2020, the CMA launched phase two of its investigation into fake reviews and how they are being used to manipulate online shoppers on major websites. This followed several investigations by Which? exposing fake reviews on some of the biggest online platforms and review sites. One Which? investigation into Amazon's Choice uncovered dozens of Amazon's Choice-recommended products bearing what Which? experts consider to be the hallmarks of suspicious reviews. This led to Amazon removing the Amazon's Choice logo from a number of products and taking action against some sellers.

Mobile and broadband infrastructure

In response to Which?'s calls for improvements to mobile coverage in the UK, the Government and mobile network operators agreed plans for a Shared Rural Network (SRN) to improve 4G mobile coverage across the UK, particularly in rural areas.

The Government also pulled forward the Telecoms Infrastructure Bill, including measures to deliver full-fibre broadband in all new-build properties, a specific Which? ask.

Keeping your data safe

We challenged financial institutions and digital providers to do better at keeping consumers' data safe and joined with other charities to create pressure for better protection of consumer data. We also worked hard behind the scenes to ensure that consumer data concerns are taken into account in a new draft bill to guarantee smart products are more secure by law.

5 major banks made improvements to their online security after we pointed out potential weaknesses



Safer smart toys

In December 2019, we exposed serious security flaws with popular children's smart toys and called on the government to introduce mandatory security standards to prevent unsecure products being available for sale. Which? looked at seven popular devices and found that with three of them a stranger could exploit flaws in the design to communicate with a child.

In 2018, the Department for Digital, Culture, Media & Sport (DCMS) established the 'Secure by Design' voluntary code to improve the security of connected technology products, yet most manufacturers failed to sign up. Which? called for it to be made mandatory for manufacturers to ensure smart products meet appropriate security standards in order to go on sale, and in January 2020, DCMS announced their intention to introduce regulation to require so-called smart devices to meet certain security measures. DCMS have subsequently opened a call for views on the detail of the regulation to which Which? is responding.

Looking ahead

We will continue advocating for competitive and fairer digital markets. In order to be more proactive in the digital space, Which? needs to understand the future and we must ask ourselves, 'what's coming next for consumers?'.

In this fast-moving, hugely significant impact area, it is vital that we anticipate the opportunities and the potential risks for consumers. That's why we are developing a 'Digital Futures' stream of work, and we will be starting with connectivity, and exploring the near- and far-term consumer implications of 5G. We'll also be looking at the growing problem of digital obsolescence that's presenting huge security risks to large numbers of consumers with older model smartphones and tech products.

CONSUMER RIGHTS AND PROTECTIONS

The last year has seen a number of events that have given Which? the chance to show our strength in fighting for consumer rights. We quickly prioritised key issue areas in the wake of the COVID-19 pandemic, reviewing our current campaigns and priorities in order to respond to consumer needs and the dramatically shifting environment. We saw

our advice and services become more popular than ever and demonstrated that we can generate a lot of evidence very quickly through providing the means for consumers to easily report issues. This helps us to identify priorities, inform our policy development and support regulatory enforcement action.

We collected and shared around **15,000** reports on holiday cancellations and price-gouging to the CMA COVID Taskforce and CAA

500+ listings for dangerous smoke and carbon monoxide alarms have been removed from sale by online marketplaces in the last 12 months following Which? testing

66% of products that we tested for safety concerns from online marketplaces AliExpress, Amazon Marketplace, eBay and Wish failed safety tests – vital evidence to support our campaign for safer products

More than **70,000** people who visited our Consumer Rights content online opted in to hear more about Which? campaigns and consumer advice

Our Which? Conversation topic ‘Do you know your consumer rights?’ was our second most-commented-on topic of the year, drawing **1,250** comments

Thomas Cook collapse

The collapse of Thomas Cook in September 2019 brought with it the largest peacetime repatriation effort in UK history (at the time, this was then superseded by the COVID-19 repatriation efforts). Without warning, thousands of holidaymakers were left stranded abroad and many more were left out of pocket for planned holidays. Which? jumped into action, sharing countless pieces of advice across all our channels – including the most successful Facebook live we’ve ever done, with 12,000 people tuning in and 111 questions answered. We sent out advice-laden emails to our members and supporters and our experts appeared on television and radio to give vital advice to those affected. We secured more than 100 pieces of coverage on the issue, including big broadcast slots on the BBC’s *The One Show* and Channel 4’s *Dispatches*. We also put out a special Which? Money podcast dedicated to the topic. Our Which? Conversation content on the collapse also proved popular, seeing almost 500 comments from users.

Through this wide range of outreach, our advice and support was readily available to Which? members and the wider public, ensuring that their questions were answered and problems resolved: whether it was getting official advice updated or getting a scam website shut down. Which? had a real impact, influencing the decisions of key policymakers, and reaching millions of consumers with our advice.

Win!

Which? investigations resulted in the Competition and Markets Authority taking enforcement action against six hotel booking sites, addressing practices such as pressure selling, misleading discount claims and transparency in search rankings.



Adam French, Which? Consumer Rights Editor gave several interviews, including an appearance on BBC’s *The One Show*, to highlight the issues faced by Thomas Cook customers, such as the rise in scammers taking advantage of those left out of pocket by the travel company’s collapse.

Payment Protection Insurance (PPI)

In the run up to the deadline for PPI claims in August 2019, our advice and free online PPI claim tool saw almost 200,000 submissions and more than 500,000 unique views of our PPI advice content. Our Consumer Rights, Press Office and Supporter Engagement teams worked collaboratively to ensure

our advice reached a wide audience, and the promotion of our PPI advice and free claim tool also saw us get more than 70 pieces of national coverage. Our member services team and Money Helpline were inundated with calls concerning PPI during deadline week, helping consumers get the advice they needed.

Almost **200,000** Which? PPI tool submissions in July and August 2019

More than **500,000** unique views of our PPI advice content

More than **70,000** opted in to hear more about Which? campaigns and consumer advice

More than **60,000** opted in to hear more about Which?’s products and services

Our media coverage had a reach of more than **22** million people

Whirlpool and product safety

In July 2019, Whirlpool was forced to finally announce the recall of up to 800,000 of its tumble dryers due to them posing a fire risk – an action that Which? had been campaigning for since the fault was announced in November 2015. The company also published the full list of its 627 affected tumble dryer models, another call that Which? had also repeatedly made. This progress was the result of sustained political, consumer and media pressure generated by Which?’s campaigning activity, undertaken alongside its members and supporters.

Influencing businesses to do better

There was evidence of Whirlpool’s more responsible approach to product recalls following the company’s announcement in December 2019 that it was recalling more than 500,000 washing machines – again because they posed a fire risk. The recall achieved one of the highest success rates for a white goods safety issue, representing a great win for our product safety campaign for white goods safety issues.

Win!

Which?’s quick response to the Whirlpool washing machine recall included a news piece online with advice to concerned consumers. This was viewed more than 274,000 times in the first month of posting. We also published a Q&A-style Which? Conversation topic that received over 33,000 views and more than 400 comments, helping us better understand consumers’ experiences. Over 50,000 people were directed to the Whirlpool recall site from which.co.uk to register their dangerous appliances.

Extensive press coverage also followed, with our response to the recall and advice to those affected generating almost 70 pieces of media coverage across print, broadcast and online, including a front-page quote in the Daily Mail.

Whirlpool campaign highlights

- We asked supporters to share their concerns with the regulator
- We gave evidence at a Select Committee inquiry session in Parliament, at which a dryer fire victim gave evidence to MPs.
- We pushed for improvements to the UK’s product safety system, resulting in the regulator and the Office for Product Safety and Standards taking a new decision on the safety of modified Whirlpool tumble dryers.

The challenges and opportunities of Brexit

As our transition from the EU is finalised, we’ll be ready to support consumers with helpful, expert advice on what this means for their consumer rights and campaigning hard for a better consumer enforcement system.

We’ll also be building up the pressure on our Save our Food Standards campaign, launched in June 2020, with a petition that quickly became one of Which?’s most successful ever petitions – drawing more than 100,000 signatures in the first 48 hours and more than 200,000 to date. As we progress through trade deal negotiations, Which? will be working hard to see that these deals only bring positive outcomes for the UK consumer, through increased choice and availability, without compromising on health and wellbeing, increasing costs or reducing choice.

Looking ahead

Over the next year, we’ll be continuing to deal with the impact COVID-19 has had on consumers. In support of Which?’s wider commitment to diversity and inclusion, we’re also branching out into publishing advice for consumers who have been discriminated against in the provision of goods or services – something we’ve worked on with regards to age discrimination and gender discrimination.

SCAMS

We've continued demanding that banks and businesses do more to safeguard us from scams, as well as issuing advice to consumers through our new scam-alert service, empowering them to protect themselves from fraudsters.

COVID-19 brought a wave of new scams that threaten UK consumers. From bogus text messages saying you've been fined for breaking lockdown rules, to dodgy tech retailers tricking customers into buying cheap goods, fraudsters took advantage of the turbulence and confusion

82% of our scams alert recipients report that we have helped them better understand scams and scam risk with a majority of these then taking action to reduce their risk – for example, improving password security or dealing correctly with suspect emails or social media contacts

Wins!

Confirmation of Payee

We campaigned for banks to introduce a 'Confirmation of Payee' checking process, and in August 2019, the Payment Systems Regulator (PSR) announced new measures to protect 90% of bank transfers. Under the direction of the PSR, the six largest banking groups must now all offer Confirmation of Payee (or 'CoP') to protect customers when they pay someone new or edit an existing payee.

We estimated that this long-overdue system could have saved fraud victims £320m since 2017 if it had been in place sooner.

Crucially, not all banks have introduced these measures and if a bank doesn't offer CoP and a customer falls victim to an Authorised Push Payment (APP) scam that CoP would have prevented, Which? believes they should be fully reimbursed.

Authorised Push Payment Refunds, one year on
In May 2019, the launch of the voluntary Contingent Reimbursement Model Code set a new standard of consumer protection from APP scams.

This was a direct result of our 2016 super-complaint, which called on banks to take more responsibility for protecting their customers from APP scams.

We've taken steps to ensure that consumers are protected from these scams by adding sign-up to the voluntary code to our Which? Recommended Provider criteria for banks. This is an added incentive for the banks to participate in the scheme and it means that consumers can choose their bank with confidence that they have these protections in place.

and employed ruthless tactics to target often the most vulnerable people.

Stamp Out Scams campaign

Which? estimates that £1.1bn could have been lost to bank transfer fraud over the past three years, our largest live campaign, 'Stamp out scams', now has over 400,000 signatures. We are demanding that banks and businesses do more to protect consumers from fraudsters.

"I am more vigilant now and would never disclose personal information to anyone on my phone."

Scam alert recipient

One year on from the introduction of the code there has been a significant increase in the number of victims being reimbursed. In the first six months, banks that had signed up to the code reimbursed 41% of the money lost to these scams – compared to 19% that was returned to victims in the previous year.

Social media scammers

A Which? Money investigation revealed that social media websites were fuelling the fire of the UK's fraud crisis by failing to clamp down on scammers selling people's personal details through their platforms.

We discovered 50 scam profiles, pages and groups across Facebook, Twitter and Instagram with clear evidence of blatant criminal activity. Due to pressure from Which?, the pages were subsequently removed by the social media giants.

A Which? Investigation also uncovered that dodgy retailers that breach consumer laws on refunds and returns were paying Google to secure the most prominent slots in its shopping listings. Following this, Google and other domain hosts took down numerous fake sites and ads.

Looking ahead

We are concerned that the fundamental principle of reimbursing blameless people who have lost money through bank transfer fraud is not being applied fairly or consistently and will continue to apply pressure on both banks and the regulator, in addition to providing help and support to victims.

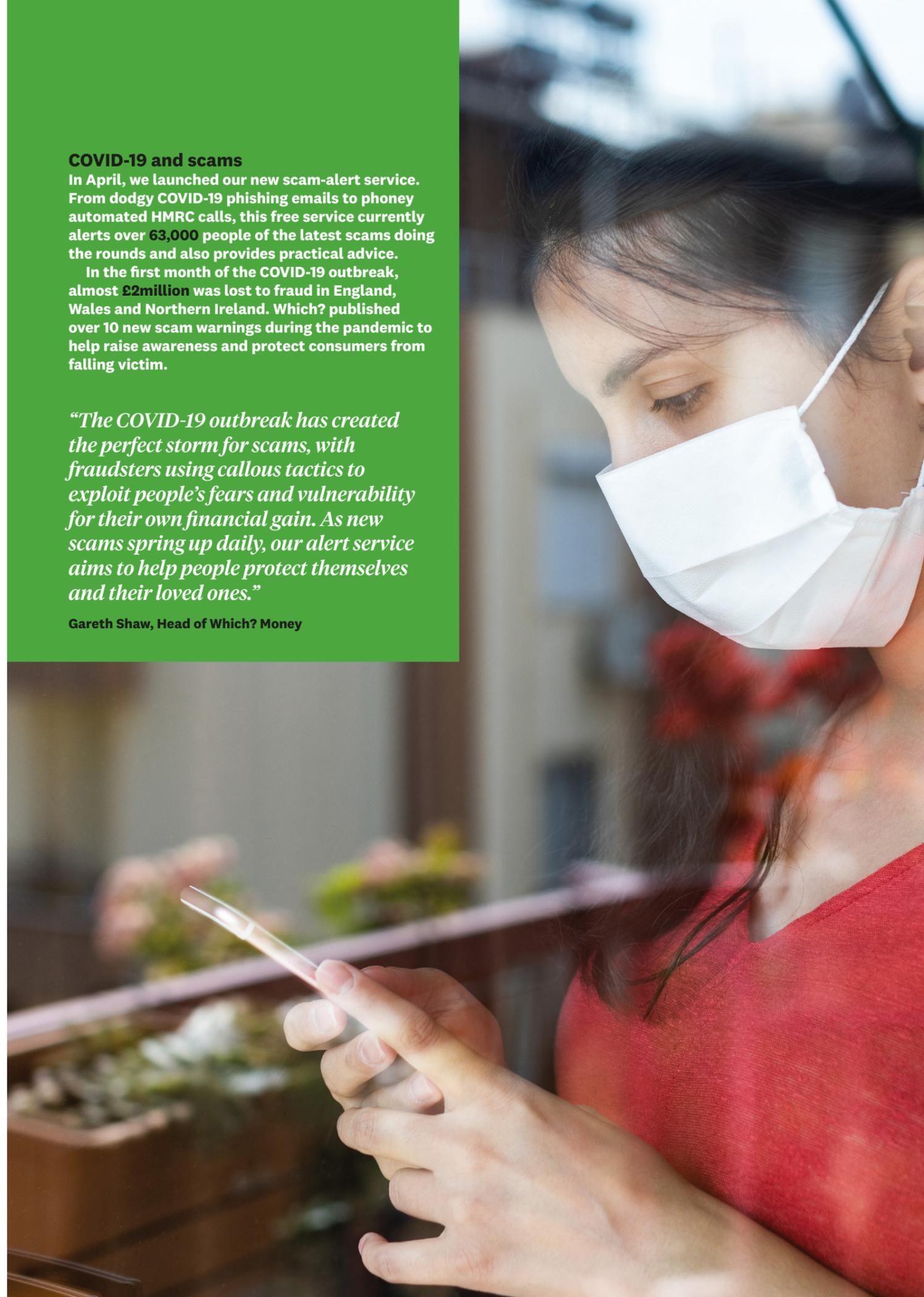
COVID-19 and scams

In April, we launched our new scam-alert service. From dodgy COVID-19 phishing emails to phoney automated HMRC calls, this free service currently alerts over 63,000 people of the latest scams doing the rounds and also provides practical advice.

In the first month of the COVID-19 outbreak, almost £2million was lost to fraud in England, Wales and Northern Ireland. Which? published over 10 new scam warnings during the pandemic to help raise awareness and protect consumers from falling victim.

"The COVID-19 outbreak has created the perfect storm for scams, with fraudsters using callous tactics to exploit people's fears and vulnerability for their own financial gain. As new scams spring up daily, our alert service aims to help people protect themselves and their loved ones."

Gareth Shaw, Head of Which? Money



MONEY

With the UK facing an uncertain economic period as a result of COVID-19, Which? has been a valuable resource, providing consumers with the impartial advice they needed to sift through the speculation, help with finding the best financial advice and services as well as stepping up on our campaign to protect access to cash.

'Freedom to Pay. Our Way.' campaign

Cash is a necessity millions couldn't live without, and a backup for everyone when online systems fail. But with banks and free-to-use cashpoints disappearing at an alarming rate, we're concerned some people may be left behind.

Our 'Freedom to Pay. Our Way.' campaign, which launched in 2017, saw some significant successes during 2019/20, including an important commitment from the government to protect access to cash.

Protecting Access to Cash

Which? identified that unless there was urgent Government intervention, cash would disappear in two years. With cash being a vital method of payment for millions of people, we couldn't let this happen. So, between 24 and 28 February, we mobilised our incredible supporter base and launched a #ProtectCash week of action, ahead of the new Chancellor's Budget.

What's next for the campaign?

Gen Lloyd, Campaign Manager, said,

"As we look ahead in the campaign, we will continue to call on the Government to introduce the access to cash legislation which was announced at the March 2020 Budget. We will also work with regulators and industry to ensure a minimum level of cash access is guaranteed for those who need it."

A Which? survey found that since the COVID-19 outbreak:

7% said they had found it more difficult to take out cash

51% of those looking after the finances or grocery shopping of someone else had been paid in cash in return for doing shopping

1 in 3 people reported still using cash to make some or all of their payments, yet many retailers started encouraging non-cash payments and banks started reducing branch opening hours

Money content and advice

Our money content has continued to grow, with more than 30m sessions on money news and advice, up 56% year on year. We've also seen 1.4m sessions on Which? Money Compare, our financial comparison site, up 71%. We've also welcomed 117,000 new subscribers to the Which? Money Weekly newsletter, up 72%.

Our Which? Money podcast started in May 2019 and since then we've had more than 320,000 listens. Our money experts continued to record the podcast during lockdown (from their living rooms and make-shift studios).

Our most popular episodes included, *The dark arts of car insurance pricing* and *Couples reveal finance splitting secrets*.

Over 200,000 people now subscribe to our Money Weekly newsletter, which delivers the latest news, views, deals and money-saving tips directly to our subscribers' inboxes.

In addition to our online content, we provide bespoke financial assistance to our members through the Which? Money helpline. This service has had another busy year, following its 10-year anniversary in 2019. Our advisers handled almost 14,000 calls during 2019/20 on a range of personal finance queries.



Win!

We shouted and they listened! On 11 March, Chancellor Rishi Sunak pledged to protect access to cash in the 2020 Budget.

Continuing the fight, COVID-19 and cash

As many consumers turned to alternative payment methods during the pandemic, it was vital that we continued our campaigning to protect cash. We supported schemes introduced by banks and businesses to provide access or alternatives to cash during this crisis and called on the government to take all necessary steps to ensure people can continue to use cash to pay for essential goods and services. These proposals were backed by a diverse group of organisations that all shared our concerns, including the Access to Cash Review - led by Natalie Ceeney CBE, Age UK, the RSA, Independent Age, Alzheimer's Society and Link.



Which? Chief Executive Anabel Hoult delivering our #ProtectCash stories to 10 Downing Street

Cash Week in numbers

17m social media accounts reached through our hashtag, #ProtectCash that trended nationally. We called upon our supporters to tweet HM Treasury, sharing why they want cash protected in the next budget

6,000 people joined our 'Team Cash' Facebook group and started sharing their stories on why protecting cash was vital for them

10,000 people shared their #ProtectCash stories with us on Twitter, our 'Team Cash' Facebook group and our bespoke reporter tool

10 Downing Street: we put the stories into a dossier and our Chief Executive, Anabel Hoult, delivered it directly to Number 10 Downing Street

2m people reached through our newspaper advertisement, calling on the Chancellor to protect cash

Looking ahead Pensions

We continued to support the development of the pensions dashboard - an initiative that will allow people to see all of their pensions savings in one place - as the government reiterated its commitment to make this happen. Which? was appointed to the Pensions Dashboards Steering Group to ensure that consumers' needs are represented, and in

February, the Government announced that it would be requiring all dashboards to be properly regulated - one of our central asks. The legislation to establish pensions dashboards should progress through parliament shortly, and we will be working with the industry to ensure that all dashboards show the right information that people need to see.

Our strategy

WHAT: OUR PURPOSE

Tackling consumer harm and helping consumers to be as powerful as the organisations they deal with in daily life

WHY: OUR MISSION

By the end of 2022, Which? is seen as the pre-eminent force driving positive impact for and with UK consumers. (Which? is the UK Consumer Champion)

HOW: KEY SHIFTS

(STEP CHANGES WE NEED TO MAKE TO ACHIEVE OUR PURPOSE AND MISSION)



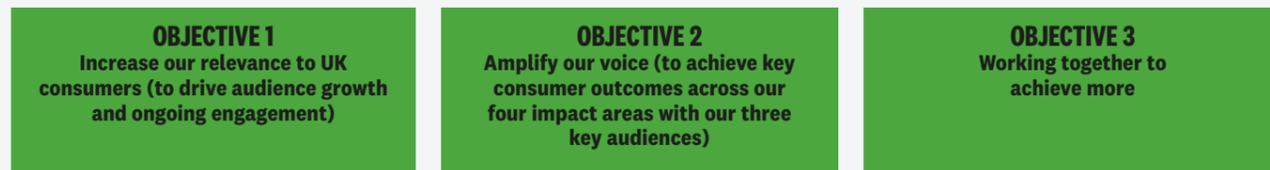
HOW: DELIVERING KEY SHIFTS

(THE INITIATIVES AND PROGRAMMES OF WORK THAT WILL ENABLE US TO ACHIEVE OUR KEY SHIFTS)



FY 20/21 ANNUAL OBJECTIVES & KEY RESULTS (OKRs)

(THE STEPPING STONES TO HELP US ACHIEVE OUR FIVE KEY SHIFTS AND DELIVER OUR MISSION)



QUARTERLY OBJECTIVES & KEY RESULTS (OKRs)

(BREAKING DOWN THE ANNUAL OBJECTIVES INTO ACHIEVABLE CHUNKS SO PROGRESS CAN BE REVIEWED MORE REGULARLY)

How we fund our work for consumers

We create propositions that consumers can't live without

We generate income to fund our research and campaigning from commercial activities, including our endorsement scheme and subscriptions. All our charitable and commercial work seeks to make consumers' lives simpler, fairer and safer. This allows us to be independent and impartial in how we help consumers make informed decisions, raise awareness of consumer issues and drive positive change.

We will continue to assess and review how we generate revenue, to ensure a long-term sustainable business. This goes further than just thinking about how we improve our current commercial offer and how we market it to attract new members and businesses, but also looks at how we can create additional and innovative ways of generating income.



Our magazines and expert content

Our expert reviews and advice are what attracts and retains our members, helping to fund the charitable work we do on behalf of all UK consumers. This year, our Buy Smart proposition helped to make our valuable content more accessible, attractive and streamlined for our members.

BUY SMART

We launched the Facebook members' group at the end of 2019 and it now has almost **10,000** members asking for and providing advice on products and services, so far attracting **1,900** posts and **39,000** comments



Helping consumers to buy smart at Christmas

With Black Friday now the busiest shopping period of the year, our investigations into the true nature of the discounts offered and our warnings into the 'Don't Buy' products on sale created a huge stir across the Which? Website, Which? Magazine and in the media and helped consumers to navigate the sales to find the best deals on the best products.

Tech items are often the most popular during the Black Friday sales and our tech experts exposed a number of dodgy technology products. The story prompted Google to pull questionable retailers – and their risky products – from its shopping network.

Our Christmas food and drink reviews are eagerly anticipated by members and the media, with the food producers and retailers eager to score a coveted Best Buy to boost the sales of their seasonal ranges. In 2019, our Food team produced our biggest ever set of festive taste tests, comprising an epic 15-page special in Which? Magazine, and a full programme of digital and PR content, spanning mince pies, Christmas puddings, Champagne, red wine and turkey and trimmings, as well as 191 separate canapés.

We produced more than **70** Black Friday and Christmas shopping stories, collectively increasing traffic to these pages on our website by **26%** year-on-year

Our Black Friday press work was our most successful media story of the year, seeing us reach more than **75m** people with over **800** pieces of coverage in November



Which? Awards

Due to COVID-19 restrictions, we were unable to host the Which? Awards in June 2020 as planned. Instead, we announced the winners in October on our social media channels. The Which? Awards exist to champion the businesses that put consumers at the heart of everything they do. In October 2020 we recognised the brands that took extra steps to protect their customers during the pandemic, as well as the products and services that were essential to UK consumers as we went through lockdown.

Reviews app
Our reviews app provides members with easy access to our reviews on the go via an app on their smartphone or tablet. We now have around 60,000 active users each month

STAYING CONNECTED
We reveal the best mobile phone providers to help you stay in touch with family and friends – see p22

300% increase in Gardening subscriptions from March to June
7,000 Gardening Facebook group members by July, up from 4,000 in March



Magazine redesign

The redesign of the magazine for the September 2019 issue came about after months of work in collaboration with groups of Which? members. We listened to their thoughts about the magazine, which focused on the following points:

- That the old design too often replicated information that they now prefer to access online and via our reviews app – this was a significant shift in attitudes when compared to similar research we carried out five years ago.
- They wanted the magazine to be more complementary to the other products and services included in their Which? membership.
- They enjoy the features and investigations, including longer reads, that have been central to the magazine for many years – and they are typically among the most well-read and popular articles in each issue according to our monthly member surveys.

The new-format magazine encompasses all of this feedback, plus a fresher, more contemporary design, and we continue to receive positive feedback.

Membership, advice and other services

Member numbers

Subscriptions continue to be a key driver of revenue for Which?, with over 600,000 members paying an annual or monthly fee to access a range of expert content and advice. Prior to the outbreak of the COVID-19 pandemic, performance had been meeting expectations, albeit on a continued downward trajectory.

Since the outbreak of the COVID-19 pandemic we have seen a significant increase in consumer demand for product-buying advice content. Across May and June 2020, monthly visits to our reviews and advice content from non members averaged 4.1m, up 61% year-on-year. Likewise, the number of visitors to take up a Which? subscription increased 17% year-on-year across the same period. As a result of this exceptionally strong demand, we've seen the Which? paying membership base grow.

While the pandemic has had a positive impact on new member numbers, it remains that the existing subscription model continues to present us with challenges. Specifically, people tell us it's expensive and inflexible, which in part leads to under 20% of new £1 trialists remaining a paying member by the end of the first year.

We need to remain focused on increasing new membership as well as ensuring subscribers decide to continue membership, and in 2020/21 we are introducing innovation and flexibility with both a new tiered subscription model and free 'basic' membership offerings, plus the implementation of strategies to increase the engagement of new and existing members to stabilise our retention rates and build a platform for membership growth.

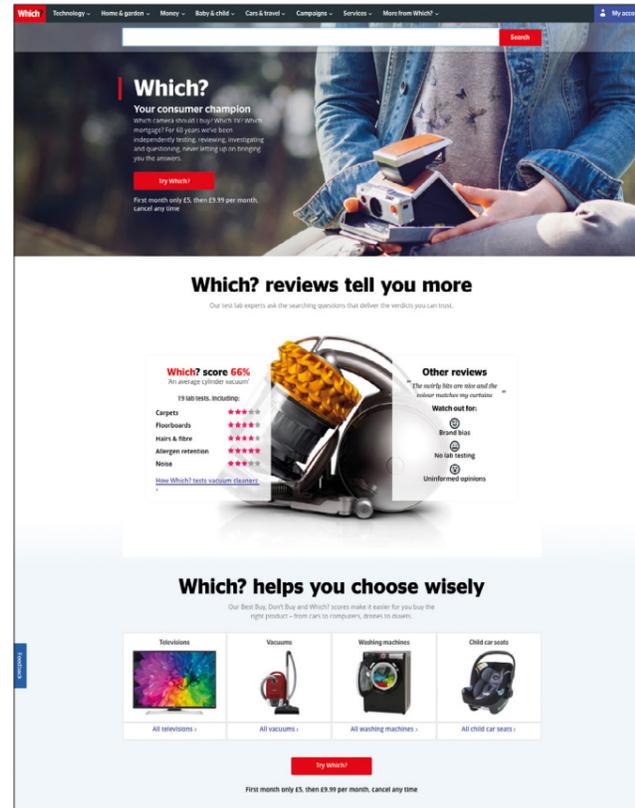
Which? Trusted Traders

Although COVID-19 hit our trader base hard, 85% of traders who were Trusted Traders at the start of the year remained with us through 2019/20 (the 2018/19 figure was 87%). This is a testament to the hard work and dedication of our teams, who handled the switch to home working positively and allowed us to continue to provide the level of service that both our traders and consumers expect.

As a result of the pandemic and of the existing potential detriment to consumers in the home improvement market, we have an opportunity to demonstrate the value of Trusted Traders to consumers and to grow our trader base.

"Eased some of the worries of employing an unknown trader." Trusted Traders customer

"Saved time and obviated the need to 'take a chance!'" Trusted Traders customer



A simpler consumer journey

In March, we launched a new system to allow us to link our products directly to retailers and have a better system for availability and pricing in the 'where to buy' section of our reviews pages. It's an important step forward for us. Our long-term aim is to get full retailer coverage for all of our products on our website to make the journey for consumers from review to purchase simpler.

98% increase in our affiliate revenue

Advice services

Our specialist advice services took an unprecedented number of queries, demonstrating the effect that COVID-19 had on people's demand for specialist legal, financial and computing advice. We received a significant number of calls from members wanting to know about their travel refunds rights, as well as many queries from landlords and tenants. Our Tech Support team responded to a lot of queries from members trying to get online for the first time – during the UK lockdown, people who had no previous experience in the online world needed advice on how to get set up so they could keep in touch with family and friends virtually. More than 130 member support colleagues seamlessly moved to home working and due to the fantastic effort of everyone involved, our advice services remained available throughout.

45% increase in total contact to our tech advice services and **25%** increase in total contact to our legal services as a result of the impact of COVID-19

How we helped thousands of consumers with our expert advice

Calls

Legal **41,750**

Tech **16,000**

Money **11,000**

Email volumes

Legal **9,310**

Tech **8,500**



Endorsement scheme

Our Endorsement scheme helps consumers to easily identify products, services and providers that have performed to a high standard in our independent expert testing and research process. Through the purchase of a licence, companies can clearly signpost to shoppers that their product is a Which? Best Buy or that they are a Which? Recommended Provider for the service they offer.

We've faced challenges as marketing investment in most organisations has been significantly reduced because of the impact of COVID-19. However, we have expanded the range of products and services eligible for a Which? Best Buy endorsement, putting us in an excellent position for when the economy picks up again.

Thank you, Tech Support

"My email had been frozen for over a week which, as I am in self-isolation as part of an 'at-risk group', was a worry. I tried my broadband provider but had no joy with it. Then a friend reminded me I was a member of Which? and perhaps they could help. My call was answered within a minute; a friendly voice at the other end took my details and then put me through to Alison on the Tech Support team. She was so patient, which she needed to be as I was at my wits' end! I can't thank Alison and Which? enough: the relief of having another form of making contact again with the outside world is invaluable."

Andree McDade

Looking ahead to 2021

Understanding and listening to our members and potential members is key to engaging more UK consumers in the purpose of Which? – and when engaged, it is important that the right products and services are available. In the year ahead, there will be significant changes, including:

- The launch of tiered membership, offering different products to meet the needs of different consumers, will help us to move away from the high turnover rate created by the £1 trial model. We will also offer different ways to pay, with annual subscriptions as an option for the first time.
- Engaging with a wider population through the introduction of a free 'basic' membership, which will help better engage with consumers and provide more relevant content to them, increasing the impact Which? can have in the UK consumer market.
- We want to ensure that our members can access our content and advice in a way that suits them. The current advice services offering is predominantly via the telephone, but we know many people would like more choice, such as accessing services through a live chat function online. Over the next year we plan to provide members with more ways to access Which? services.
- We will introduce new sustainability categories and rapid reviews as new licence opportunities and this will extend the reach of the endorsement business.
- We aim to extend our retail partnerships to more companies and will implement a cross-organisational team dedicated to driving traffic to the relevant pages.

Council of Trustees report

(incorporating strategic report 19/20)

Reserves, risk and compliance

Group balance sheet and reserves

Total Group reserves decreased by £4m to £52.4m at June 2020, largely reflecting £8.2m of net incoming resources from trading activities (after accounting for £21.9m of expenditure on our charitable activities) offset by a £9.9m increase in the FRS 102 pension liability. Key points to note from the balance sheet include:

- The £1.8m increase in intangible assets reflects an uplift in software costs as we continue to improve our digital platforms.
- Tangible assets decreased by £1.8m during the year due to depreciation of our Marylebone Road long-leasehold premises and fixtures, fittings and equipment across our sites.
- The investment fund increased by £1m during the year with both realised and unrealised gains (£0.6m) combined with in-year income (£0.4m). Creditors due within one year fell by £5m to £15.7m, largely because of the payment of Marylebone Road final invoice and the closure costs of Which? Financial Services Limited previously accrued.
- Creditors due after more than one year fell by £1.3m due to continued repayment of the outstanding mortgage balance on Marylebone Road.
- The defined benefit pension liability is recognised at £9.9m (June 2019: zero). The external valuation showed an actuarial loss of £12.3m but this was offset by cash contributions by the Group of £2.4m.

Reserves policy

The Council of Trustees' policy is to review annually its reserve levels to ensure they are sufficient:

- Ensuring there is sufficient working capital across the Group;
- Providing some protection against potential risks that could impact the organisation; and
- Offering some flexibility should investment need to be made within the business

All our reserves are unrestricted, with no material amounts designated for specific purposes in future years.

The Council of Trustees anticipates that reserves might be used to fund the Group objectives and the commercial business. Where reserves are used to fund the commercial business, this is expected to benefit the charity's funding in the medium to long term and also contribute to making consumers' lives simpler, fairer and safer.

Taxation

In the year, Which? Limited made £4m (2018-19: £10m) of gift aid contributions to the Consumers' Association. The amount of gift aid it was able to distribute to Consumers' Association in year was limited as a consequence of the prior year impairment of investment in wholly owned subsidiary, Which? Financial Services Limited. As the Consumers' Association is a registered charity, no corporation tax was payable on its net outgoing resources.

Pension schemes

During 2019/20 the Group operated both a defined contribution and a hybrid pension scheme. The hybrid scheme combined the features of defined benefit (final salary) and defined contribution schemes and in March 2019 was closed to future accrual. At 30 June 2020, the hybrid scheme, valued under the FRS 102 accounting basis had a £9.9m liability (£0.6m asset at 30 June 2019, which was not recognised in the balance sheet on the basis of prudence).

During the previous financial year, the company agreed to the 31 March 2018 triennial valuation on a technical provisions basis and subsequent recovery plan with the pension trustees. The valuation was a £10.7m deficit (31 March 2015 – £14.7m deficit). The company and the pension trustees are preparing for the next triennial valuation, due 31 March 2021.

Risk management

Which? recognises the value of successful management of risk as a key driver in the delivery of our strategy and objectives as we seek to manage downside risks and assess opportunities to continually improve our support to consumers.

Our formal approach to risk management is delivered through the application of our risk framework, which sets out the mechanisms through which the organisation identifies, evaluates and monitors its principal risks and the effectiveness of the controls put in place to mitigate them.

The Council of Trustees as the ultimate risk owner has overall responsibility for ensuring the effective management of risk within the Group. The Group Audit and Risk Committee, a joint committee of the Council and our Which? Limited Board, is responsible for assuring itself that internal controls around information security, financial records and the external auditor are reliable, internal audit arrangements are effective and providing oversight of the risk management framework

and the group's review of the risks. The Group Audit and Risk Committee has at least one member with recent and relevant financial experience.

The Group has a risk register which identifies and evaluates significant, financial, operational, compliance, external and strategic risks.

The Leadership Team is responsible for the day-to-day management of key risks and ensuring effective mitigation is in place. With the support of Group Risk they regularly review the principal risks facing the Group. Group Risk continues to work with teams across the organisation to further embed and strengthen our risk management arrangements and to ensure they are operating effectively and provide relevant and timely reporting to Council, the Group Audit and Risk Committee and subsidiary boards.

In 2019/20, the principal risks – those considered material to the achievement of our strategy or future prospects – were identified as:

Operating environment – The impacts of COVID-19 on businesses and consumers is unprecedented. We responded promptly both in providing support and advice to consumers through the Coronavirus Hub and by making changes to our ways of working, with our priority being to ensure the wellbeing of our staff whilst being confident that we could support all our audiences effectively.

Brexit – At the end of the transition period, consumers and businesses may be exposed to changes that provide challenges to the way in which we operate. However, we believe the impact on our revenues will not be material and our products and services will be even more relevant to consumers.

Technology and innovation – our ability to offer relevant and accessible advice to our consumers and a compelling offering is contingent on the delivery of benefits from new technologies and our approach to innovation. We are working to transform our digital resources to enhance our offer to consumers. We are also mindful of the external risks and the cyber threat that has been exacerbated during the lockdown and how vital our digital offerings are to consumers.

Living our values – Maintaining our independence and being true to our values in all that we do are really important to us, we continually need to ensure that our own customer offerings are consistent with our values. We seek to understand and remediate operational weaknesses and continually review our

offerings to ensure that we listen to consumers to provide relevant content across all channels.

Financial sustainability – We anticipated a fall in revenue as the result of COVID-19 due to the financial challenges faced by consumers and businesses and the potential loss of access to products and to review. We worked with our commercial partners and Trusted Traders to support them.

We also ensured we continued to put our resources to best effect through the ongoing development of procurement and contract management frameworks.

Third-party relationships

Again, Council adopted six guiding principles to cover relationships with third-party organisations where we receive a commission, referral fees or other benefits, for delivering a commercial service to consumers. These principles can be viewed on our website: www.which.co.uk/about-which/company-info/462/third-party-relationships

We remain satisfied that relevant relationships adhered to these principles during the year.

Modern slavery

Which? takes a zero-tolerance approach to slavery and human trafficking and is committed to ensuring they do not take place in our organisation and supply chains.

Although we consider the sectors in which we and our supply chains operate to be at lower risk of slavery, we continue to review our internal policies and supplier arrangements to ensure ongoing compliance to the UK Modern Slavery Act. Our Modern Slavery Act statement can be viewed on our website: www.which.co.uk/about-which/company-info/which-anti-slavery-statement

Governance

In 2017 we decided we needed to modernise our governance to make Which? sufficiently resilient to face competitive challenges.

We undertook a review led independently by Dame Deirdre Hutton DBE and supported by Dame Julia Unwin DBE. It was completed in three stages and we gathered input from members and other stakeholders at each stage. The final phases – recommendations and votes on constitutional review – took place in the first half of the 2019–20 financial year. The review made 33 recommendations around the themes of:

- building a greater culture of participation and transparency for members
- creating a simplified governance framework
- delivering excellent stewardship, which we have been working on in-year.

The review’s recommendations and a full status update can be found on our website. We summarise our work below.

A culture of connectedness with transparency at its heart

Continuing work from 2018–19 when we restated our organisational values, the Council of Trustees has championed the use of those values to shape the ‘how’ of what we do. We have monitored success through quarterly all-employee engagement surveys and were pleased to see ‘values’ scores increased an average of 7% in year (from 6.9 to 7.4). Our values emphasise the importance of engagement with our members, consumers, policymakers and businesses (our key audiences) as well as connectedness within the organisation. You can read more about how this was achieved on pages 10–11.

We have worked hard too on our own connectedness as a council, ensuring we are truly connected to the organisation, the Leadership Team and our commercial subsidiary’s Board. We have developed more informal relationships and established more mentoring relationships with the Leadership Team.

Creating a simplified governance framework

At our November 2019 AGM and with the prior approval of the Charity Commission, our members approved the adoption of an updated governing document for the charity (the Consumers’ Association Articles of Association) and refreshed and expanded charitable purposes.

Thanks to members’ support we now have a modernised, more relevant expression of what we exist to do in our constitutional document and simpler rules to govern how we are run.

This was the first stage of a wider process to update our internal governance frameworks across the Group so that they are clearer, more aligned to risk, minimise duplication, improve scrutiny and simplify reporting lines. This work will continue in 2020–21.

Delivering excellent stewardship

Our governance review made a number of recommendations to ensure that the Council of Trustees provides expert and effective oversight of the organisation and is representative of the diversity of UK consumers. This included changing our Trustee appointment process and introducing firmer limits on the length of time any one individual can serve as a Trustee.

Members can now vote for all Trustees over a three-year cycle. Trustees will be recommended by the Council of Trustees and new Trustees appointed by the Council will need to be approved by members within a year of their appointment. All Trustees are now subject to a maximum service limit of nine years other than in truly exceptional circumstances.

We want to assure the robustness of our Trustee appointment processes, and challenge ourselves on the skills, experience and diversity we need by introducing two independent members to our Nomination Committee, (this otherwise consists of members of the Council and our commercial subsidiary Board). The search process for our first two independent members started during the year and we were pleased to appoint Elizabeth Oni-Iyiola and Michelle Rajkumar-Clifford to the Committee post in the financial year in September 2020.

We also want to enable Trustees to be successful. In 2020 we re-engineered our new Trustees’ and directors’ induction programme to give them a clearer understanding of the organisation and what we are seeking to achieve with our three-year strategy. We have supplemented this with formal and informal training, available to all Trustees on Trustee duties, our finances and our remuneration policies. We also agreed to introduce a new system of annual Trustee and commercial subsidiary director appraisals and have adopted a culture of ‘continuous improvement’ for our meetings, gathering feedback at each meeting on what worked well and what could be better.

Once circumstances permit, we will be organising Trustee visits to testing laboratories and our service centres in Cardiff and Bristol.

Governance Review aims

We set out with the ultimate aim of having a modern governance framework built on **trust** and **transparency**. The Trustees agreed with the Review Committee that this is best achieved by:

- creating a **simple** governance structure that makes the organisation **easy to lead** and **easy to understand**
- being **easy to engage with** so we benefit increasingly from a diverse membership, reflective of contemporary Britain
- having **Trustees** who are **diverse** in their thinking, expertise and experience, who can **oversee collectively** and **effectively** all aspects of what Which? does

Summary recommendations

- Develop **better ways** to enable **members** to **participate** in, and **influence what Which? does**
- **Refresh** the **purposes** and **values** of the **charity** to better reflect what we aspire to do and guide how we achieve our goals
- **Simplify** and **modernise** the charity’s **Articles of Association**, making them easier to understand
- Adopt a **new internal governance framework** which enables the Council of Trustees, subsidiary Board and the Leadership Team to **deliver** on the group’s **mission, values** and **strategy** in a risk-focused way
- Adopt a **new approach to Trustee recruitment, appointment and development** which is **transparent**, focused on achieving **diversity** of thinking, background and experience and reflects the importance of all Trustees’ **accountability to members**.

What did we learn?

We heard from members that Which? membership needs to become increasingly **reciprocal**, that you want to feel that Which? is **open and honest** in how it makes **commercial decisions** and **communicates with members**. 68% of respondents to the review rated relevant **experience** on the Council of Trustees and commercial subsidiary Board as the most important governance priority.

The review drew on other insights and feedback to reach its recommendations, in particular:

- the not-for-profit **landscape has changed** beyond recognition from when Which? first became a charity: **trust** in charities is falling across the sector and is no longer something any charitable organisation can rely on
- **members** are seeking opportunities to be involved in driving the activities of organisations to which they belong and in **shaping the work** they choose to do
- changes in the **regulatory environment** put volunteer trustees in positions of considerable **responsibility** and public **accountability** that were rarely known even ten years ago.



Elizabeth Oni-Iyiola



Michelle Rajkumar-Clifford



How Which? is governed

The Consumers' Association is the parent of the Which? Group. It is established as a company limited by guarantee (no. 00580128) and a registered charity (no. 296072) and wholly owns the trading company Which? Limited (no. 00677665), which generates the income for the Group to enable it to provide its many products and services to, and deliver impact for and with, UK consumers. Which? Limited owns a small financial services company, Which? Financial Services Limited (no. 07239342), regulated by the Financial Conduct Authority, and Which? Legal Service Limited (no. 08109992), which remains dormant.

The Council of Trustees of the Consumers' Association is the most senior governing body in the Group and our 15 Trustees are both trustees of the charity and company law directors. Our main commercial Board is chaired by Judy Gibbons. The Board consists of four other independent non-executive



Roles and Responsibilities

The Council of Trustees:

- Sets the strategy for the Group to enable the charity to deliver its charitable purposes.
- Provides scrutiny, support and stretch to the Which? Limited Board and the Leadership Team (Executive) to drive progress and deliver impact.
- Stewards the charity to make best use of its resources, protecting and conserving its assets for consumers tomorrow as well as today.

The **Which? Limited Board** sets and oversees the commercial direction within the context of the Group strategy and values, with the aim of delivering a long-term sustainable financial return for the charity.

The **Leadership Team** is responsible for developing and implementing the Group strategy and commercial direction and managing the day-to-day operations of the Group.

directors and Anabel, our CEO. Neither Anabel nor any member of her Leadership Team are Trustees.

Where we focus our time

We aim to focus our time as a council in four key areas: strategy to deliver our purpose, operational performance, financial performance and risk, and governance (including culture and stakeholder matters). We balance the time we spend on each. As well as the governance work outlined above, during 2019/20 we have:

- provided oversight and support for the CEO and the Leadership Team in managing the organisation through COVID-19
- reviewed and approved the development of our audience-led commercial strategy which puts consumers' and customers' needs first and connects more coherently to our charitable purposes
- updated our impact strategic priorities
- been able to have more focused and challenging regular operational and performance review conversations thanks to enhanced reporting from the Leadership Team.

Importantly in these unprecedented times, the Council has met virtually as and when needed: we conducted fortnightly calls with the Leadership Team and the Board members during the early months of lockdown to ensure the wellbeing of our people, and that Which? was delivering the urgent need for clear consumer advice, continued to advocate for consumer interests with business and government and remained financially resilient.

The Council of Trustees and Which? Limited are supported in their work by a number of specialist committees, sub-groups and working groups. A list of our formal committees and each of the members of them are set out on p66. This approach ensures that Trustees have sufficient oversight of key issues for the charity and that the Council as a whole receives the assurance it needs to support its decision-making.

Our Trustees and changes in year

The Council of Trustees consisted of 15 Trustees at 30 June 2020. Their names are on p66 together with a record of their attendance at meetings during the year.

Until the 2019 AGM, Trustees were appointed one of two ways. The majority were appointed directly by members at our AGM through a ballot process on the basis of a personal statement and were known as 'Elected Trustees'. The minority were appointed by the rest of the Council of Trustees after a search and selection process led by the Council's Nomination Committee and were known as 'Co-opted Trustees'. We had nine Trustees serving in the year who were appointed as Elected Trustees, four of whom were elected or re-elected at the 2019 AGM in our final ballot process. We also had five Trustees serving as Co-opted Trustees, two of whom retired at the end of their current terms – our former Chair, Tim Gardam and Deputy Chair, Anna Walker.

PRINCIPAL GOVERNANCE COMMITTEES OF THE CONSUMERS' ASSOCIATION

The Trustees determine the exact remit of each committee and their membership.

Remuneration Committee	Makes recommendations to the Council of Trustees and decisions on remuneration of the Group CEO and other Group senior executives, and the overall pay policy.
Nomination Committee	Responsible for succession planning for the Council of Trustees, the subsidiary Board and Group CEO.
Investment Committee	Makes recommendations on the investment strategy and monitors investment performance in relation to the reserves of the charity.
Group Audit & Risk Committee	Responsible for monitoring the integrity of financial statements, overseeing external auditor relationship and reviewing the adequacy and effectiveness of the Group's risk management arrangements.
Member Governance Committee	Provides a forum for considering governance issues and formal proposals raised by ordinary members.

The Council of Trustees made three new appointments during the year under our new appointment process. These Trustees – our new Chair, Sam Younger, Dorothy Burwell and Harry Gaskell – were appointed after an extensive search and selection process led by our Nomination Committee and members are being asked to approve their appointments as part of the 2020 AGM.

Application of the Charity Governance Code

As a charity, we aim to apply the high standards set out within the Charity Governance Code. This means we adopt an 'apply or explain' approach to the Code. We also have regard to the UK Corporate Governance Code and the NCVO Report of the inquiry into charity senior executive pay and guidance for Trustees on setting remuneration.

Our governance review took account of the Charity Governance Code in making its recommendations. The Trustees are satisfied that the charity applies the seven principles in the Code but recognises that it can continue to strengthen its governance in line with the aims and recommendations of its governance review.

Trustees' and directors' duties under section 172(1) Companies Act 2006

- In discharging our section 172 duties, the Trustees are required to have regard, among other matters, to the:
- likely consequences of any decisions in the long-term interests of the company's employees
 - need to foster the company's business relationships with suppliers, customers and others
 - impact of the company's operations on the community and environment
 - desirability of the company maintaining a reputation for high standards of business conduct
 - the need to act fairly as between members of the company.

In addition, we also have regard to other factors which we consider relevant to the decision being made. These include the interests of our pensioners, which is a particular focus of our Joint Pensions Working Group of Council Trustees and pension trustees. By considering the charity's purpose, mission and values, together with its strategic priorities, the Council of Trustees aims to make sure that its decisions are consistent and predictable.

Our people

Stakeholder engagement

Our purpose and values play a fundamental role in the way that we deliver our strategic goals and operate day-to-day. The Council of Trustees and our commercial subsidiary Board receive regular updates throughout the year on engagement with our different stakeholders. Trustees spend time ensuring we integrate this into our thinking and decision making.

Consumers and members

We want to make life simpler, fairer and safer for consumers and aim to understand the landscape of current and emerging consumer issues better than anyone else. Across the organisation we undertake quantitative and qualitative research with consumers and members, listen to member stories received via our website and helplines, use our economic and policy expertise and engage with specialist organisations to ensure our products, services and advice provide consumers with the help they need, when they need it and that we campaign for change on issues that will make a positive difference for them.

A significant part of the quantitative feedback is gathered through Which? Connect, a research panel of more than 30,000 members who, through surveys and focus groups, feed directly into our work – from the magazine articles we write to our national campaigns. Pages 14–15 show just some of the positive outcomes we achieved for and with UK consumers in our four strategic impact areas during 2019–20.

We also currently have a committee – the Member Governance Committee – which exists to consider governance issues raised by ordinary members. There were no governance issues raised with the committee in the year. Looking forward, the Council of Trustees will be reviewing if the committee should continue to exist or its role can be fulfilled in another, better way.

Notwithstanding the work we do already, we know we need to do more to broaden our membership base and enhance consumer and member participation in Which?. Looking forward, we will be making changes to our membership offer during 2020–21 (see pages 32–33). We believe these will be the foundation for building a much larger and more diverse membership, bringing significant benefits to what we do and how we are run.

Policymakers

Policymakers are the second of the three key audiences we engage with and influence to deliver public benefit. Which? works closely with politicians, regulators and other individuals and organisations to build better policy by knowing the right outcomes for consumers. You can see how we have had a positive impact on policies across our strategic impact areas on pages 14–15.

Not only do we need to influence policymakers and regulators to deliver our purpose and mission, we are also accountable to the Charity Commission and the Financial

Conduct Authority as bodies which regulate the Group. We engage with both regulators and have regard to their guidance in the running of the organisation. During the financial year, we've engaged with the Charity Commission in relation to the closure of our mortgage advice business and the changes to our charitable objects and Articles of Association.

Businesses

Through our policy and campaigning work, our product testing and the group's endorsement schemes (including Trusted Traders) and investigative journalism, we engage and influence businesses to help them to stand out from the crowd and deliver for consumers to higher standards, helping good businesses to thrive and holding bad ones to account.

As a responsible organisation, we also consider the impact of our decisions on our suppliers, endorsement holders, traders and retail partners. We also worked with them to advise them on new safety standards once it was safe to return to work.

Our people

You can find out more about how we engage with our people opposite.

Our wider community and the environment

You can read more around our current and future sustainability and diversity and inclusion achievements and commitments on p37. We also partner with and contribute funding to a number of other organisations to amplify our work – notably International Consumer Research and Testing Limited, Consumers International, the Bureau Européen des Unions de Consommateurs – and we have supported the work of the Research Institute for Disabled Consumers (RIDC) through charitable donations of £150,000 in-year. You can read more about this on p60.

Director fees and expenses

Council Trustees do not receive any payment for their services. They are reimbursed for travel and accommodation expenses incurred when attending Council of Trustees meetings and other official events. During 2019/20, claims were made by 9 out of 15 Trustees (2018/19: 9 out of 16) totalling £8,053 (2018/19: £12,343). Insurance costs for the year to protect Council members against liabilities arising from their office totalled £12,728 (2018/19: £7,608). Non-executive directors on both the Which? Limited and Which? Financial Services Limited boards are remunerated for their services. The total remuneration in the year for Which? Limited non-executive directors was £92,916 (2018/19: £92,500). In Which? Financial Services, which operates within a regulated environment, the total remuneration was £51,917 (2018/19: £104,167).

COVID-19

It has been an extraordinary year for everyone the world over and many workplaces have had to scramble to move entire workforces to home working, while still supporting the often-changing needs of the business and the people who work for them. Which? has been no different, and in March 2020 we faced possibly the biggest challenge in our history for our colleagues. Our organisational values came swinging into force and the whole organisation came together to facilitate a smooth transition to home working to ensure we could still support consumers at a time when our services were so very needed. Through a combined effort of our teams, we demonstrated that we are a resilient, flexible and dedicated organisation, built to face such challenges head on.

Engagement survey

Last year we invested in a new employee engagement tool, so that we could more regularly check in with our colleagues around how they feel about working at Which? and their ideas about future improvements. Throughout the year we have adapted this tool and used other methods to seek feedback

from our colleagues with regards to our response to COVID-19, their preferences for returning to work and how we continue to engage a remote workforce. The latter has become especially important to ensure our colleagues have the right set-up in order to continue to support consumers.

Diversity and inclusion

We worked with employees from across the business and brought in an external, award-winning diversity and inclusion consultancy, Global Diversity Practice, to help us with our recruitment, and further developed diversity and inclusion training for our colleagues. We have also become a Stonewall Diversity Champion and have started to work towards becoming a Disability Confident Employer.

Our Diversity and Inclusion Strategic Task Force has seen renewed vigour and interest from colleagues and will continue to meet on a regular basis so that Which? can ensure all colleagues feel equally valued.

Looking to the year ahead, we have put plans in place to roll out diversity training for managers and colleagues, unconscious bias testing for managers and a representative group of employees, and further analytic work on the employee data.



We will also be looking at debiasing the talent acquisition process and brought in diversity and inclusion consultants Vercida to ensure that we are promoting our roles across more diverse channels.

The Council of Trustees has acknowledged a need to increase diversity across the Council and governing bodies. Within this financial year, we have appointed the Chair of the Council and two Trustees, and to help us appoint the new members, we partnered with Green Park, an executive search firm who specialise in recruiting diverse candidates.

Next steps in diversity

We will challenge ourselves during 2020/21 to do more to encourage diversity within Which?, with the appointment of two Independent Nomination Committee members, who will support us in further expanding our approach to diversity and playing the role of critical friend to Council and Board members. In addition, our recent panels undertook unconscious bias training ahead of the selection processes and we have advertised our roles across a wide range of job boards, including specialist diversity job boards. We have also made a commitment to be open and transparent about representation and pay across the organisation and will update on this in 2020/21.

Remuneration

Reward Policy and Principles

We want everyone at Which? to feel fairly rewarded for the work that they do. Reward isn't only about salary, but also our employee benefits and recognising the great work our colleagues carry out every day. Our Reward Policy plays an important role to support this in helping us to attract, retain and motivate our people, enabling us to become the pre-eminent force driving positive impact for and with consumers.

Our Pay Principles reflect the fact that Which? is both a charitable and a commercial organisation and give us the flexibility to successfully recruit accordingly. We externally benchmark employee Total Reward (salary + benefits) on an annual basis using a hybrid approach comparing remuneration elements against other charitable, commercial and not-for-profit organisations. We aim to be a market median payer for salaries.

We have a common reward framework which enables fair and consistent comparison of all roles using Hay KornFerry and Willis Towers Watson methodology. Each role is assigned a job family and compared against external market data with roles of a comparable skill level, accountability and experience. Two data sources are used to ensure we have a sufficient level of external market data from a broad range of sectors.

Our overall engagement score is 7.4, up from 6.9 when we first started the engagement survey

Average participation is 91%

Reward as a tool to support consumer impact

We are only as good as our people and so ensuring we have the right people for the job is key to achieving our overarching organisational aims for consumers. We believe that having the ability to attract and retain real talent is essential to ensure that Which? is able to thrive commercially and continue as the UK's consumer champion. We also believe that supporting our colleagues is the right thing to do. We adopt a hybrid approach that allows us to attract talent from markets that are not 'typical' for the charitable sector, for example, our Product and Content teams. Having the right talent in the right places means we can react to key consumer issues – something we've been able to demonstrate keenly during the pandemic.

Reward aligns to our impact position on pensions. We know how important pensions and saving for the future are for the consumer, and our policy on employee pensions reflects this. As an employer we are ahead of the market with an 11% employer pension contribution for anyone who has been employed by us for more than one year.

COVID-19 impact on reward

Like many organisations, COVID-19 has impacted our Reward strategy for 2020. Our annual review of salaries is carried out in line with the financial year and takes place in July each year. In 2020 the review period coincided with the national lockdown and unstable economic climate resulting from the COVID-19 pandemic. This meant as an organisation we needed to take a cautious approach to our pay review for the year ahead.

Recognition

Sharing the values of Which? is something we want from all colleagues and in order to highlight colleagues or teams that go above and beyond their role, we created the Values Sharer Award. Each month, colleagues who have demonstrated qualities such as showing great innovation or a proactive approach, or contributed a huge amount of effort in a specific impact area are nominated by fellow colleagues. Not only does this recognise colleagues and make them feel valued, but it also gives tangible examples of how great our teams are in practising what we preach and working together to achieve our charitable objectives. We are currently planning our annual values event to really recognise those who have exemplified our organisational values in the twelve months since their launch.

Remuneration of our key employees

Our key employees are defined as our Leadership Team. The total remuneration for our key employees was £2.06m as noted on p55. This is a decrease of 43% year-on-year.

There are a number of reasons for this change. During 2018/19 the organisation structure was aligned to our strategic goals; this resulted in a higher level of payment for compensation for loss of office paid to key employees. These payments were not repeated in this financial year. We also had a number of roles vacant for part of the 2019/20 year. We have now filled all but one vacancy within the Leadership Team (as of the end of this reporting period) and so expect these costs may increase next year to align with full-year payments being made.

Our highest-paid employee is our CEO.

Component	Amount 2019/20	Amount 2018/19*
Basic salary	£250,000	£197,115
Car allowance	£10,000	£7,500
Pension allowance**	£35,357	£13,393
Bonus	£103,068	£52,313
Total	£398,425	£270,321

* *Remuneration is pro-rata, reflecting the period employed by Which?.

**the pension allowance paid in the current financial year is higher due to the correction of an underpayment in 2018/19. Anabel joined the organisation in October 2018 and since that time there has been no change made to her remuneration package. Along with the Leadership Team she declined a salary review in July 2019.

CEO pay ratio

Since 2019 we are required to report our CEO pay ratio. This is the ratio of the CEO, our highest-paid employee when compared against the employees that represent the 25th median and 75th percentile.

Year	Method	25 percentile ratio	Median ratio	75 percentile ratio
2019/20	Option A	12:1	9:1	7:1

This calculation has used method A in line with the Government recommendation. We have included any employee who has worked for at least one month during the calendar year to ensure an accurate full-time equivalent pay can be calculated. To ensure a like-for-like comparison we have calculated the full-time equivalent for any of the following:

- Employees who work part time
- Employees who did not work the full 12-month period
- Employees who received reduced pay for any reason during the year. This would include Maternity Pay, Shared Parental Pay or Statutory Sick Pay.



All forms of pay and benefits have been included in the calculation of the pay ratio, but we have excluded any payments that do not relate to roles being performed. This includes payments made for first aid or fire marshal responsibilities or payments that related to compensation for loss of office.

We believe that our ratio is an accurate representation of our pay policy and principles. Our benefits are consistent in the main for all employees, which may be one of the contributing factors to our lower than average ratio when compared to the median of the FTSE 350 of 55:1. All employees regardless of role are offered the same pension and insurance benefits throughout the organisation. Seniority of roles is recognised through salary and in some cases an element of variable pay.

Remuneration

Gender pay gap

Our gender pay gap outlines the difference in pay between men and women at the snapshot date of 5 April 2019. Our mean hourly pay gap for the Group, which included Consumers' Association and Which? Limited employees, was 3.03%. This was a decrease of 5.52% versus the reported gap from April 2018. Our bonus gap also decreased to 6.76%.

- We can attribute the decreases to two main factors:
- In previous years the calculation included Which? Financial Services which historically followed industry trend with a higher number of male employees with commission structures in place driving a bigger pay gap.
 - For the reporting year there were a number of vacancies within our Leadership Team. As a result there were a higher proportion of women than men in these leadership roles. We expect our pay gap figures to be similar for the next reporting year.

Council of Trustees responsibilities statement

The Council is responsible for preparing the Council of Trustees' report (incorporating Strategic report) and the financial statements in accordance with applicable laws and regulations. Company law requires the Council to prepare financial statements for each accounting period. Under that law, the Council has prepared the financial statements in accordance with the United Kingdom Financial Reporting Standard, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable law (United Kingdom Generally Accepted Accounting Practice)'. Under company law, Council must not approve the financial statements unless it is satisfied that they give a true and fair view of both the Consumers' Association and the Group and of the incoming resources and application of resources including the income and expenditure of the Group for that year. In preparing these financial statements, Council has:

- selected suitable accounting policies and ensured they have been applied consistently;
- observed the methods and principles in the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities (2015);
- made judgements and accounting estimates that are reasonable and prudent;
- stated whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going-concern basis.

The Council of Trustees is responsible for ensuring adequate accounting records are kept that are sufficient to show and explain the organisation's transactions and disclose with reasonable accuracy at any time the financial position of Consumers' Association and the Group and enable it to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of Consumers' Association and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Council of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going-concern

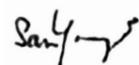
After making enquiries, and taking into consideration the impact of a severe but plausible downside scenario arising from the impact of COVID-19 on our customers and our operations, the Council of Trustees has reasonable expectation that the Group has sufficient resources to continue in operational existence for at least 12 months from the date the financial statements were approved. Given that there are no material uncertainties inherent across the Group, the Council of Trustees continues to adopt the going-concern basis in preparing these financial statements. Further information about the adoption of the going-concern basis can be found in the principal accounting policies within the financial statements (p52).

Financial statements

Our financial statements are made up of:

- a consolidated statement of financial activities (SOFA); designed specifically for charities, showing the income generated across the Group and how those monies have been spent (p47);
- balance sheets for both Consumers' Association and the Group, showing the total assets and liabilities as well as total reserves (p48); and
- a consolidated cash flow statement showing how the Group cash balance has changed over the year (p49).

These financial statements, including the Strategic report, comply with the current statutory requirements, the Articles of Association, the Financial Reporting Standard (FRS 102), the Charities Statement of Recommended Practice (SORP) 2015 and the Charities Act 2011. These principal statements are supplemented by extensive notes, providing further insight into the financial performance of the Group, and together form the financial statements of the Group.



Sam Younger
Council Chair

2 Marylebone Road, London NW1 4DF
8 October 2020

INDEPENDENT AUDITORS' REPORT

to the members of Consumers' Association

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the Consumers' Association's group financial statements and parent charitable company financial statements (the 'financial statements'):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2020 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements included within the Annual report and financial statements 2019/20 (the 'Annual report'), which comprise: the group and parent charitable company's balance sheets as at 30 June 2020; the consolidated statement of financial activities, the consolidated cash flow statement for the year then ended; and the notes to the financial statements.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING-CONCERN

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

- the Trustees' use of the going-concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charitable company's ability to continue as a going-concern.

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Council of Trustees' report (incorporating Strategic report)

In our opinion, based on the work undertaken in the course of the audit, the information given in the Council of Trustees' report (incorporating Strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic report and the Council of Trustees' report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic report and the Council of Trustees' report. We have nothing to report in this respect.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the Trustees for the financial statements

As explained more fully in the Council Responsibilities Statement set out on page 44, the Trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they 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 and parent 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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

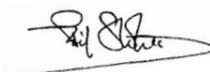
OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Philip Stokes (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
8 October 2020

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 June 2020

Incorporating a consolidated income and expenditure account

	Notes	Group Total 2019/20 £'000	Group Total 2018/19 £'000
Income from			
Incoming from trading activities		90,477	98,607
Research income		266	208
Investment income		401	535
Other income		26	2,608
Total income		91,170	101,958
Expenditure on			
Raising funds:			
Trading costs	2	(61,412)	(75,817)
Interest payable and other similar charges	2, 6	(168)	(183)
Charitable activities:			
Consumer research	2	(11,024)	(11,177)
Promoting consumer interests	2	(10,889)	(12,386)
Total expenditure		(83,493)	(99,563)
Net income before gain on investments		7,677	2,395
Realised gains on investments		516	566
Net incoming resources before other comprehensive income		8,193	2,961
Unrealised gains on investments	11	107	1,624
Actuarial losses on defined benefit pension schemes	21	(12,300)	(200)
Net movement in funds	5	(4,000)	4,385
Reconciliation of funds			
Total funds brought forward at 1 July		56,406	52,021
Total funds carried forward at 30 June		52,406	56,406

The consolidated statement of financial activities includes all gains and losses in the year.

There is no difference between net incoming resources and its historical cost equivalent in the current and prior year.

The figures above relate entirely to continuing operations.

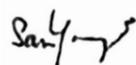
Note: All funds of the charity are unrestricted.

BALANCE SHEETS

As at 30 June 2020

	Notes	Group		Consumers' Association	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fixed assets					
Intangible assets	9	2,928	1,111	214	147
Tangible assets	10	29,279	31,032	28,036	29,520
Investments	11	32,348	31,382	32,348	31,382
Investments in subsidiary and associated undertakings	12	52	52	20,052	20,052
Other assets	19	-	8	-	8
		64,607	63,585	80,650	81,109
Current assets					
Debtors	14	7,288	7,438	1,416	7,534
Cash at bank and in hand		11,372	12,728	888	5,136
		18,660	20,166	2,304	12,670
Creditors: Amounts falling due within one year	15	(15,663)	(20,667)	(6,487)	(8,069)
Net current assets/(liabilities)		2,997	(501)	(4,183)	4,601
Total assets less current liabilities		67,604	63,084	76,467	85,710
Creditors: Amounts falling due after more than one year	16	(4,749)	(6,082)	(4,749)	(6,082)
Provisions	17	(549)	(596)	(126)	-
Net assets before defined benefit pension scheme liability		62,306	56,406	71,592	79,628
Defined benefit pension scheme liability	21	(9,900)	-	(9,900)	-
Net assets		52,406	56,406	61,692	79,628
Accumulated surplus	20	69,127	60,934	78,413	84,156
Revaluation reserve	20	6,579	6,472	6,579	6,472
Pension reserve	20	(23,300)	(11,000)	(23,300)	(11,000)
Total unrestricted funds		52,406	56,406	61,692	79,628

The financial statements on pages 52 to 65 of the Consumers' Association (registered number 00580128, charity number 296072) were approved by the Council of Trustees and authorised for issue on 8 October 2020. They were signed on its behalf by:



Sam Younger
Council Chair

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 June 2020

	2019/20		2018/19	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Net cash provided by (used in) operating activities (see below)		2,021		(2,982)
Cash flows from investing activities				
Income from investments	401		422	
Interest paid	(168)		(183)	
Sale of tangible fixed assets	-		4,676	
Purchase of intangible fixed assets	(1,938)		(978)	
Purchase of tangible fixed assets*	(30)		(1,984)	
Tangible fixed assets written off to expenditure	-		-	
Purchase of investments	(3,078)		(822)	
Sale of investments	2,147		2,640	
Net realised gain on sale of investments	516		566	
Decrease/(increase) in deposits awaiting investment	72		(77)	
Net cash (used in)/provided by investing activities		(2,078)		4,260
Cash flows from financing activities				
Repayments of borrowing	(1,333)		(1,334)	
Cash flows from swap contract	34		51	
Net cash used in financing activities		(1,299)		(1,283)
Change in cash and cash equivalents in the reporting year		(1,356)		(5)
Cash and cash equivalents at the beginning of the reporting year		12,728		12,733
Cash and cash equivalents at the end of the reporting year		11,372		12,728
Reconciliation of net movements in funds to net cash flow from operating activities				
Net incoming resources before other comprehensive income (as per the statement of financial activities)		8,193		2,961
Adjustments for:				
Amortisation charged		77		73
Depreciation charged		1,765		1,714
Impairment charged on intangible assets		44		-
Impairment charged on tangible assets		18		-
Loss on disposal of intangible assets		-		52
Profit on disposal of tangible assets		-		(2,580)
Decrease in debtors		150		769
Decrease in creditors falling due within one year		(5,004)		(3,567)
Decrease in other creditors falling due after more than one year		-		(95)
(Decrease)/increase in provisions		(73)		596
Adjustment for pension funding		(2,400)		(2,100)
Interest paid		168		183
Income from investments		(401)		(422)
Realised gain on sales of investments		(516)		(566)
Net cash provided by/(used in) operating activities		2,021		(2,982)

* There are no non-cash items included within Purchase of tangible fixed assets from investing activities (2018/19: £584k).

NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACCOUNTING POLICIES AND OTHER INFORMATION

GENERAL INFORMATION AND STATEMENTS OF COMPLIANCE

Consumers' Association (CA) is a registered charity (No 296072) and a private company limited by guarantee. It is registered in the United Kingdom (No 00580128) and its registered office is at 2 Marylebone Road, London, NW1 4DF.

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. They also conform to the recommendations contained in the Statement of Recommended Practice: Accounting and Reporting by Charities issued by the Charity Commission, published in 2015 (SORP FRS 102), together with the reporting requirements of the Charities Act 2011 (for charities registered in England and Wales and dual registered charities).

A summary of the principal accounting policies has been set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

BASIS OF ACCOUNTING

CA meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention unless otherwise stated in the relevant accounting policy note.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the group and charity accounting policies.

CA has taken advantage of the following exemptions:

- From preparing a statement of cashflows, on the basis that it is a qualifying entity. The consolidated statement of cashflows, within the financial statements, includes the CA's cash flows; and
- From the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures.

BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of all Group companies for the year to 30 June 2020, with the statement of financial activities (SOFA) and balance sheet being consolidated on a line-by-line basis. Transactions between Group companies are eliminated on consolidation in the SOFA.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply group accounting policies when preparing the consolidated financial statements.

INCOME

Income represents the sales value of goods and services supplied excluding value added tax (where applicable) and sales between group companies. The directors are of the opinion that substantially all of the group's income originates in the United Kingdom and is from the same class of business. All income is recognised on the accruals basis of accounting.

Subscription revenue on magazines is recognised when the related product is dispatched to the customer. Subscription revenue on services is recognised in relation to the time period the payment applies. Subscriptions received in advance of the product or service being received by the customer are treated as current liabilities (subscriptions received in advance), while revenue relating to products or services received by the customer before payment is treated as accrued subscriptions within debtors. Income from links with affiliates is accrued on a monthly basis on actual clicks in month.

Fees and commission earned on the sale of mortgages and other related products are recognised when the particular mortgage is completed or when the work associated with the fee has been completed.

EXPENDITURE

All expenditure on research is recognised in the year in which it is incurred. Wherever possible, expenditure by the charity is attributed specifically to the purpose for which it is incurred. Costs of generating funds and charitable activities comprise direct costs (including attributable staff costs) and an appropriate apportionment of support costs.

Support costs (which include shared costs such as finance, in-house legal, information technology and human resources costs) are allocated to ensure the indirect costs of products are recovered across the categories of:

- Expenditure on raising funds: primarily costs within our commercial operations; and
- Charitable activities: costs of consumer research and promoting consumer interests.

The basis for the allocation of shared support costs is as follows:

- Management, finance and in-house legal, human resources and direct support costs: number of staff; and
- Information technology: number of staff and number of content staff.

INTANGIBLE ASSETS

Intangible assets are measured at cost less accumulated amortisation and any provision for impairment. Amortisation is calculated on assets in order to write off their cost less residual value in equal instalments over their estimated useful lives. Assets are capitalised if the cost exceeds £10,000 and are considered to have a useful life of more than one year.

An impairment indicator assessment is conducted on an annual basis and any asset found to have a carrying value materially higher than its recoverable amount is written down accordingly. Asset lives are estimated as follows:

- Software: 1-5 years

These useful lives are reviewed on an annual basis.

Derecognition: Intangible assets are derecognised on disposal or when no future economic benefits are expected.

1 PRINCIPAL ACCOUNTING POLICIES AND OTHER INFORMATION continued

TANGIBLE ASSETS

Tangible assets are measured at cost less accumulated depreciation and any provision for impairment. Depreciation is calculated on assets in order to write off their cost less residual value in equal instalments over their estimated useful lives. Assets are capitalised if the cost exceeds £10,000 and are considered to have a useful life more than one year.

An impairment indicator assessment is conducted on an annual basis and any asset found to have a carrying value materially higher than its recoverable amount is written down accordingly.

Asset lives are estimated as follows:

- Long-term leasehold premises (2 Marylebone Road): remainder of lease (94 years)
- Fixtures, fittings and equipment: 1-10 years

These useful economic lives are reviewed on an annual basis.

Derecognition: Tangible assets are derecognised on disposal or when no future economic benefits are expected.

INVESTMENTS

Investments held as assets are revalued to bid value as at the balance sheet date. Realised and unrealised gains and losses arising from the revaluation of the investment portfolio in the year are included in net gains on investments in the SOFA.

INVESTMENTS IN SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

Investments in subsidiary and associated companies are valued at cost. When the directors consider a subsidiary to have suffered a permanent diminution in value, an appropriate adjustment is made to the value of the investment in the financial statements, to reflect its recoverable amount.

PROVISIONS

A provision is recognised in the balance sheet when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefit will be required to settle the obligation.

BORROWING COSTS

All borrowing costs are recognised in the SOFA in the period in which they are incurred.

FINANCIAL INSTRUMENTS

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments are initially recognised at transaction price, unless the arrangement constitutes a financial transaction. In this case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financial transaction. In this case the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of the derivatives are recognised in the SOFA within investment income.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expired.

DEBTORS

Debtors are stated initially at fair value less impairment losses. A provision for impairment of debtors is established when there is objective evidence that the group will not be able to collect all amounts due.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, and deposits held on call with banks.

RELATED PARTY TRANSACTIONS

The group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Trustees, separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

1 PRINCIPAL ACCOUNTING POLICIES AND OTHER INFORMATION continued

EMPLOYEE BENEFITS

Short-term benefits, including holiday pay and other non-monetary benefits, are recognised as expendable in the period in which the service is received.

PENSION COSTS

The Group operates a pension scheme with two sections: a hybrid and a defined contribution scheme. The hybrid scheme combines the features of both defined benefit and defined contribution schemes, providing benefits based on the higher of a final salary pension and a money purchase pension. The hybrid scheme was closed to new entrants on 1 April 2004 and to future accrual on 31 March 2019.

For the hybrid scheme, the amounts charged in total expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs have been recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. Under FRS 102, a net interest expense is calculated by applying the discount rate to the net defined benefit liability and is recognised in the SOFA. Actuarial gains and losses are recognised immediately in 'Other comprehensive income'.

Our hybrid scheme is funded, with the assets of the scheme held separately from those of the group, in separate funds administered by the scheme Trustees. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate or return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities.

The actuarial valuations are obtained at least triennially and are updated for FRS 102 purposes at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax is presented separately on the face of the balance sheet. Hybrid scheme assets are recognised only to the extent that the surplus can be recovered, either through reduced contributions in the future or through refunds from the scheme.

For the defined contribution scheme, the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the total of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The group has to make judgements in applying its accounting policies which affect the amounts recognised in the financial statements. In addition, estimates and assumptions are made that could affect the reported amounts of assets and liabilities within the financial year. The most significant areas where judgement and estimates are disclosed are in the following notes:

- Useful life of assets: notes 9 and 10.
- Pension costs: note 21.
- Provisions: note 17.
- Investments valuation: notes 11 and 21.

OPERATING LEASES

Leases that do not transfer over the risks and reward of ownership are classified as operating leases. The cost of operating leases is charged to the SOFA in equal instalments over the period of the lease.

FOREIGN EXCHANGE

The group financial statements are presented in pound sterling and rounded to the nearest thousand. The group's functional and presentational currency is pound sterling.

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are accounted for in the SOFA.

IRRECOVERABLE VAT

Any irrecoverable VAT is charged to the SOFA, or capitalised as part of the cost of the related asset where appropriate.

TAXATION

The activities of the charity are exempt from the liability to taxation which fall within the scope of Part 11 of the Corporation Tax Act 2010. No current tax liability arose in respect of the trading subsidiary (Which? Limited) because it made or is expected to make a gift aid payment to the charity within the allowable time frame post year end equal to its taxable profit after any applicable group relief.

Deferred taxation in the subsidiary is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of incoming resources and resources expended in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

GOING-CONCERN

The group's business activities, together with the factors likely to affect its future development performance and position are set out in the Council of Trustees' report. The group is funded primarily by retained earnings and has significant cash reserves and liquid investments. The group generates the majority of its cash in the form of subscription income and does not rely on external funding for day-to-day working capital requirements. The external mortgage partially funded the Marylebone Road headquarters redevelopment.

After making enquiries and taking into consideration the impact of a severe but plausible downside scenario arising from the impact of COVID-19 on our customers and our operations, the Council of Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going-concern basis in preparing the annual report and financial statements.

2 TOTAL EXPENDITURE

	Direct costs £'000	Support costs £'000	Total 2019/20 £'000	Total 2018/19 £'000
Raising funds				
Cost of sales	(20,127)	-	(20,127)	(25,030)
Distribution costs	(6,755)	-	(6,755)	(6,665)
Other trading expenditure	(22,547)	(11,983)	(34,530)	(44,122)
Total fundraising trading	(49,429)	(11,983)	(61,412)	(75,817)
Interest payable and other similar charges	-	(168)	(168)	(183)
Charitable activities				
Consumer research	(8,267)	(2,757)	(11,024)	(11,177)
Promoting consumer interests	(8,462)	(2,427)	(10,889)	(12,386)
Total expenditure	(66,158)	(17,335)	(83,493)	(99,563)

3 SUPPORT COSTS

	Management £'000	Finance & Legal £'000	Information Technology £'000	Human Resources £'000	Direct Support costs £'000	Total 2019/20 £'000	Total 2018/19 £'000
Raising funds							
Other trading expenditure	(197)	(2,765)	(2,669)	(4,143)	(2,209)	(11,983)	(12,211)
Interest payable and other similar charges	-	-	-	-	(168)	(168)	(183)
Charitable activities							
Consumer research	(187)	(619)	(570)	(718)	(663)	(2,757)	(2,718)
Promoting consumer interests	(163)	(538)	(496)	(625)	(605)	(2,427)	(2,785)
Total expenditure	(547)	(3,922)	(3,735)	(5,486)	(3,645)	(17,335)	(17,897)

Included in the support costs above are governance costs of £2760k (2018/19: £768k).

4 RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES

	Which? Limited 2019/20 £'000	Which? Financial Services Limited 2019/20 £'000
Profit & Loss Account		
Turnover	89,326	1,436
Other net expenditure	(71,388)	(1,438)
Underlying trading profit/(loss)	17,938	(2)
Balance sheet		
Total assets	19,655	1,156
Total liabilities	(9,827)	(269)
Total funds	9,828	887

Which? Limited provided education, information and advice to the benefit of consumers through the subscription to Which? products and services, and also operated the Which? Trusted Trader and Which? Legal services. It also received income from businesses that were licensed to use the Which? endorsement with relevant 'Best Buy' products and services.

5 NET MOVEMENT IN FUNDS

	2019/20 £'000	2018/19 £'000
Net movement of funds is stated after charging		
Net movement in funds is stated after charging:		
Amortisation on intangible assets	(77)	(73)
Depreciation of tangible assets	(1,765)	(1,714)
Impairment of intangible assets	(44)	-
Impairment of tangible assets	(18)	-
Loss on disposal of intangible assets	-	(52)
Profit on disposal of tangible assets	-	2,580
Expenses of the Council of Trustees (detailed in the Council of Trustees' report)*	(8)	(12)
Cost of liability insurance for Council of Trustees	(12)	(8)
Payment under operating leases charged to the SOFA:	(553)	(560)
The analysis of auditors' remuneration for the audit of the Company's annual financial statements		
Fees payable to the Company's auditor for the audit of the Company's annual financial statements		
The audit of CA	(35)	(27)
Fees payable to the Company's auditor and their associates for other services to the Group		
The audit of the Company's subsidiaries pursuant to legislation	(48)	(57)
Total audit fees	(83)	(84)
Tax services	(13)	(10)
Other services	-	(25)
Total non-audit fees	(13)	(35)

* Members of Council do not receive any payment for their services.

6 INTEREST PAYABLE AND OTHER SIMILAR CHARGES

	2019/20 £'000	2018/19 £'000
Interest on mortgage	129	170
Investment management charges	39	13
Total interest payable and other similar charges	168	183

7 EMPLOYEES

	Total 2019/20 £'000	Total 2018/19 £'000
Employee costs during the year amounted to:		
Salaries and wages	30,453	37,257
Social security	3,411	4,310
Pension costs – Defined Benefits	-	211
Pension costs – Defined Contribution	2,879	2,909
Compensation for closure of LTIP	-	43
Compensation for loss of office	381	2,292
Benefits in kind	879	1,103
Total	38,003	48,125

	Total 2019/20 number of employees	Total 2018/19 number of employees
The average monthly number of employees of the group during the year was:		
Consumer research	90	94
Promoting consumer interests	73	91
Support activities	89	97
Trading activities	386	513
Total	638	795

7 EMPLOYEES continued

The numbers of employees of the group who received emoluments in excess of £60,000 in the year were:

	Total number of employees 2019/20	Total number of employees 2018/19
£60,001-£70,000	43	63
£70,001-£80,000	32	33
£80,001-£90,000	21	22
£90,001-£100,000	10	14
£100,001-£110,000	11	9
£110,001-£120,000	4	6
£120,001-£130,000	6	6
£130,001-£140,000	3	6
£140,001-£150,000	2	3
£150,001-£160,000	4	2
£160,001-£170,000	-	1
£170,001-£180,000	-	3
£180,001-£190,000	1	1
£190,001-£200,000	2	1
£200,001-£210,000	1	-
£210,001-£220,000	-	1
£230,001-£240,000	1	-
£250,001-£260,000	-	3
£260,001-£270,000	-	1
£290,001-£300,000	1	2
£300,001-£310,000	-	1
£310,001-£320,000	-	2
£320,001-£330,000	-	1
£330,001-£340,000	-	1
£390,001-£400,000	1	-

7 EMPLOYEES continued

Key employees

Employee costs during the year amounted to:

	Total 2019/20 £'000	Total 2018/19 £'000
Salaries and wages	1,880	2,824
Pension costs – Defined Benefits	-	28
Pension costs – Defined Contribution	137	184
Compensation for closure of LTIP	-	43
Compensation for loss of office	40	485
Benefits in kind	3	20
Total	2,060	3,584

Key employee costs in 2019/20 relate primarily to 12 (2018/19: 15) employees in the Leadership Team.

8 TAXATION

Consumers' Association is a registered charity, and is therefore exempt from the liability to taxation on its current activities which fall within the scope of Part 11 of the Corporation Taxes Act 2010. No taxation, either current or deferred, arose in respect of any subsidiary company of the Consumers' Association.

9 INTANGIBLE ASSETS

	Software £'000		Software £'000
Group		Consumers' Association	
Cost or valuation		Cost or valuation	
At 1 July 2019	6,175	At 1 July 2019	535
Additions	1,938	Additions	101
At 30 June 2020	8,113	At 30 June 2020	636
Accumulated amortisation		Accumulated amortisation	
At 1 July 2019	5,064	At 1 July 2019	388
Amortisation charged	77	Amortisation charged	34
Impairment	44	Impairment	-
At 30 June 2020	5,185	At 30 June 2020	422
Net book value		Net book value	
At 30 June 2019	1,111	At 30 June 2019	147
At 30 June 2020	2,928	At 30 June 2020	214

10 TANGIBLE ASSETS

	Long-term leasehold premises £'000	Fixtures fittings & equipment £'000	Total £'000
Group			
Cost or valuation			
At 1 July 2019	32,700	6,364	39,064
Additions	-	30	30
At 30 June 2020	32,700	6,394	39,094
Accumulated depreciation			
At 1 July 2019	5,904	2,128	8,032
Depreciation charged	534	1,231	1,765
Impairments	-	18	18
At 30 June 2020	6,438	3,377	9,815
Net book value			
At 30 June 2019	26,796	4,236	31,032
At 30 June 2020	26,262	3,017	29,279

	Long-term leasehold premises £'000	Fixtures fittings & equipment £'000	Total £'000
Consumers' Association			
Cost or valuation			
At 1 July 2019	32,700	4,568	37,268
Additions	-	30	30
At 30 June 2020	32,700	4,598	37,298
Accumulated depreciation			
At 1 July 2019	5,904	1,844	7,748
Depreciation charged	534	972	1,506
Disposals	-	8	8
At 30 June 2020	6,438	2,824	9,262
Net book value			
At 30 June 2019	26,796	2,724	29,520
At 30 June 2020	26,262	1,774	28,036

'Long-term leasehold premises' represents the Consumers' Association's property at 2 Marylebone Road, London.

The properties of the Consumers' Association, together with associated fixtures and fittings and equipment were used both by staff employed by the charity and by its trading subsidiaries. An appropriate proportion of the operating cost is shared by each company, but it is not considered practicable to divide the value of the assets between those used by the charity for its own purposes and those used for trading.

11 INVESTMENTS

	Deposits awaiting investment £'000	Market value of investments £'000	Total £'000
Balance at 1 July 2019	106	31,276	31,382
Income from investments	401	-	401
Purchases during the year	(3,078)	3,078	-
Sales during the year	2,663	(2,663)	-
Cash withdrawal	(45)	-	(45)
Realised gain on sale of investments	-	516	516
Unrealised gain on investments	-	107	107
Charges	(13)	-	(13)
Balance at 30 June 2020	34	32,314	32,348
Historical cost			
At 30 June 2019		24,980	
At 30 June 2020		25,912	

Fixed asset investments consist of direct holdings in Exchange Traded Funds which track International Equities and hold short-term UK corporate bonds.

Investments in a security exceeding 5% of the total value of the portfolio:

iShares Core MSCI World UCITS ETF	54.4%
iShares £ Corp Bond 0-5yr UCITS ETF	19.4%
Charities Property Fund	15.3%

Following the outbreak of COVID-19, the Consumers' Association received notification from the Charities Property Fund that trading in their property funds was temporarily suspended because of material uncertainty in the valuations of the properties in the funds. This remains the case at the date of signing this report. A 5% fall in the valuation of these investments would result in a reduction in value of £247k at the year end. This is a notional indication.

12 INVESTMENTS IN SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

Subsidiary undertakings	Holding	Proportion owned	Principal activity
Direct holdings of CA			
Which? Limited	Ordinary shares	100%	Publishing
Indirect holdings of CA			
Which? Financial Services Limited	Ordinary shares	100%	Mortgage broking
Which? Legal Limited	Ordinary shares	100%	Dormant
Other investments			
Direct holdings of CA			
International Consumer Research and Testing Limited	'A' Ordinary shares	17%	Consumer research on international basis

The registered office for all subsidiary undertakings is 2 Marylebone Road, London NW1 4DF.

	Group £'000	Consumers' Association £'000
Shares in subsidiary and associated companies		
Cost and net book value		
At 1 July 2019	52	20,052
At 30 June 2020	52	20,052

13 RELATIONSHIPS

POLITICAL AND CHARITABLE CONTRIBUTIONS AND RELATED PARTY TRANSACTIONS

No political donations were made during the year (2018/19: £nil). Total charitable donations were £150k (2018/19: £75k).

RESEARCH INSTITUTE FOR DISABLED CONSUMERS (RIDC)

Consumers' Association made a donation of £150k during the year to the registered charity, RIDC (2018/19: £75k), representing a general grant to cover operating expenses. Both a Council Trustee and an employee of the Consumers' Association are Trustees of RIDC. The donation received from the Consumers' Association represented a material proportion of RIDC's own income.

INTERNATIONAL CONSUMER RESEARCH AND TESTING LIMITED (ICRT)

During the year, the Consumers' Association paid £120k (2018/19: £120k) in membership fees to ICRT. In addition, a further £1,100k (2018/19: £673k) was paid in respect of research and product testing. ICRT has one board member in common with Which? Limited. The amount payable to ICRT at 30 June 2020 was £259k (30 June 2019: £62k).

14 DEBTORS

	Group		Consumers' Association	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	1,050	1,028	25	41
Amounts due from group undertakings	-	-	-	6,107
Other debtors	415	551	227	439
Prepayments and accrued income	4,335	4,355	1,164	947
Accrued subscriptions	1,488	1,504	-	-
Total debtors	7,288	7,438	1,416	7,534

Amounts due from group undertakings are interest-free and unsecured loans due to the nature of trading and short-term settlement.

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Consumers' Association	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	4,901	6,240	1,959	2,705
Amounts due to group undertakings	-	-	550	-
Taxation and social security	846	950	343	391
Other creditors	10	62	5	4
Accruals and deferred income	6,013	9,035	2,297	3,636
Subscriptions received in advance	2,560	3,047	-	-
Mortgage: 2 Marylebone Road (see note 16)	1,333	1,333	1,333	1,333
Total creditors (due within one year)	15,663	20,667	6,487	8,069

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Consumers' Association	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Mortgage: 2 Marylebone Road	4,749	6,082	4,749	6,082
Total creditors (due after more than one year)	4,749	6,082	4,749	6,082

The mortgage loan reflects the borrowing to part-fund the building development at the group's headquarters at 2 Marylebone Road, London. Interest is calculated on the basis of LIBOR plus a fixed margin. Any interest accrued over a three-month period is repaid in full soon afterwards. This loan matures in April 2021.

17 PROVISIONS

	Group		Consumers' Association	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Onerous lease	423	596	-	-
Derivative Financial Instrument	26	-	26	-
Other	100	-	100	-
Total provision	549	596	126	-

18 FINANCIAL COMMITMENTS

The group had the following minimum lease payments under non-cancellable operating leases for each of the following periods:

	Operating leases (Combined)			
	Group		Consumers' Association	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Not later than one year	942	788	280	280
Later than one year and not later than five years	3,513	4,402	1,120	1,120
Later than five years	25,257	25,845	24,640	24,920
Total financial commitments	29,712	31,035	26,040	26,320

The majority of the total financial commitments relate to the lease on the building at 2 Marylebone Road, London. The group and company had no other off-balance sheet arrangements.

19 FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Group	
	2020 £'000	2019 £'000
Investments	32,314	31,276
Other assets (derivative financial instrument)	-	8
Trade debtors	1,050	1,028
Other debtors	415	551
Accrued subscriptions	1,488	1,504
Financial assets	35,267	34,367

The above represent financial assets that are debt instruments measured at amortised cost, except investments and other assets (derivative financial instrument), which were measured at fair value through the consolidated statement of financial activities.

	Group	
	2020 £'000	2019 £'000
Trade creditors	4,901	6,240
Other creditors	10	62
Accruals and deferred income	6,013	9,035
Mortgage: 2 Marylebone Road: (due within one year)	1,333	1,333
(due after more than one year)	4,749	6,082
Other liabilities (derivative financial instrument)	26	-
Financial liabilities	17,032	22,752

The above represent financial liabilities that are debt instruments measured at amortised cost.

Derivative financial instrument - interest rate swap

The instrument is used to hedge the company and Group's exposure to interest rate movements on the Barclays mortgage facility. The hedging rate arrangement fixes the total interest payable at 0.722%. The fair value, determined by the current market price, of the interest rate swap at 30 June 2020 was a liability of £26k (30 June 2019: asset of £8k). Interest on the mortgage is disclosed in note 6 and cashflows on the swap are paid quarterly until 2021. During 2019/20 a hedging loss of £34k (2018/19: £51k loss) was recognised in the consolidated statement of financial activities for changes in the fair value of the interest rate swap.

20 STATEMENT OF MOVEMENT OF FUNDS DURING THE YEAR

	Accumulated surplus* 2019/20 £'000	Revaluation reserve 2019/20 £'000	Pension reserve 2019/20 £'000	Group funds 2019/20 £'000	Group funds 2018/19 £'000
Balance at 1 July	60,934	6,472	(11,000)	56,406	52,021
Net incoming resources	7,677	-	-	7,677	2,395
Revaluation of investment assets (note 11)	-	107	-	107	1,624
Realised gains on investments (note 11)	516	-	-	516	566
Actuarial losses on defined benefit pension schemes	-	-	(12,300)	(12,300)	(200)
Balance at 30 June	69,127	6,579	(23,300)	52,406	56,406

*Accumulated surplus comprises the below:

	Unrestricted charity funds 2019/20 £'000	Accumulated deficit of trading subsidiaries 2019/20 £'000	Consolidation adjustments 2019/20 £'000	Total 2019/20 £'000
Balance at 1 July	84,156	(32,158)	8,936	60,934
Net (outgoing)/incoming resources	(6,259)	17,936	(4,000)	7,677
Realised gain on investments (note 11)	516	-	-	516
Gift aid distributions paid from subsidiaries to charity	-	(4,000)	4,000	-
Balance at 30 June	78,413	(18,222)	8,936	69,127

21 STAFF PENSIONS

The hybrid section of the scheme provides a pension which is the higher of a defined benefit based on a member's pensionable service and salary and the pension that can be provided by a money purchase account which builds up from part of the employer and employee contributions.

The hybrid section was closed to new entrants from 1 April 2004 and closed to accrual on 31 March 2019. Under the current Schedule of Contributions dated 27 June 2019, deficit reduction contributions to the hybrid section of £1.25m per year are payable in equal monthly instalments from 1 July 2019 to 31 March 2023, with an additional payment of £0.20m in July 2019. A contingent contribution mechanism ('the CCM') has also been agreed between the employers and the scheme and is documented in the schedule of contributions. The CCM tests the progress of the funding position of the scheme against the progress expected under the recovery plan, dated 27 June 2019. CCM tests occur every 6 months, with the first test on 30 September 2019. If the funding position is worse than expected at the point of a CCM test, an additional contribution of 25% of the shortfall to the expected deficit, up to a maximum payment of £0.50m per CCM test, is payable by the employers to the scheme. If the funding position is ahead of the expected position

at the point of the CCM test, the deficit reduction contributions agreed in the schedule of contributions continue to apply. Additional contributions under the CCM of £1m were paid by the employer to the scheme during the year to 30 June 2020 as a result of the CCM tests as at 30 September 2019 and 31 March 2020. Contributions to the Hybrid section for the year beginning 1 July 2020 are expected to be £1.25m, with a maximum of £1m additional contributions under the CCM.

The value of the liabilities at the reporting date have been estimated by a qualified independent actuary by updating the preliminary results of the annual actuarial update as at 31 March 2020. This allows for the passage of time, benefits paid out of the hybrid section of the scheme and changes in actuarial assumptions over the period from 31 March 2020 to 30 June 2020. Such an approach is normal for the purposes of accounting disclosures.

It is not expected that these projections will be materially different from a summation of individual calculation at the accounting date, although there may be some discrepancy between the actual liabilities for the hybrid section of the scheme at the accounting date and those included in the disclosures.

	2020	2019
Assumptions		
The major assumptions used by the actuary to calculate the scheme under FRS 102 were (in nominal terms):		
Rate of increase in pensions in payment – RPI linked	2.8%	3.1%
Discount rate	1.4%	2.2%
Inflation assumption (RPI)	2.8%	3.1%
Inflation assumption (CPI)	1.9%	2.1%
Rate of revaluation of pensions in deferment	1.9%	2.1%
Return on money purchase underpin fund	6.0%	6.0%
Assumed life expectancies on retirement at age 65 are:		
Retiring today		
Males	22.3	21.9
Females	24.4	23.9
Retiring in 20 years' time		
Males	23.7	23.3
Females	25.9	25.4
The assets in the scheme were:	Value at 30 June 2020	Value at 30 June 2019
	£m	£m
Equities and property	12.7	19.1
Bonds and cash	75.0	57.9
With-profits fund	51.0	46.4
Multi-asset fund	13.6	16.6
Fair value of scheme assets at 30 June	152.3	140.0

Following the outbreak of COVID-19, the Trustees received notification from Legal & General Investment Management, M&G Investment Management and Lothbury Investment Management that trading in their property funds was temporarily suspended because of material uncertainty in the valuations of the properties in the funds. This remains the case at the date of signing this report. A 5% fall in the valuation of these investments would result in a reduction of £590k in the net assets as at the year end.

The scheme does not hold any ordinary shares issued or property occupied by the Consumers' Association.

The actual return on assets over the year was	14.4	4.5
Net pension liability	2020	2019
The amounts recognised in the balance sheet are as follows:	£m	£m
Present value of funded obligations	(162.2)	(139.4)
Fair value of scheme assets	152.3	140.0
(Deficit)/Surplus	(9.9)	0.6
Unrecognised surplus	-	(0.6)
Net pension liability recognised before tax	(9.9)	(0.0)

21 STAFF PENSIONS continued

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:	2020	2019
	£m	£m
Benefit obligation at beginning of year	139.4	139.0
Current service cost	-	0.3
Interest cost	3.1	3.5
Actuarial losses	24.2	0.5
Benefits paid	(4.5)	(2.8)
Curtailements	-	(1.1)
Benefit obligation at end of year	162.2	139.4
Reconciliation of opening and closing balances of the fair value of the scheme assets:	2020	2019
	£m	£m
Fair value of scheme assets at beginning of year	140.0	137.1
Interest income on scheme assets	3.1	3.6
Return on assets, excluding interest income	11.3	0.9
Contributions by employers	2.5	1.3
Benefits paid	(4.5)	(2.8)
Scheme administrative costs	(0.1)	(0.1)
Fair value of scheme assets at end of year	152.3	140.0
Amount recognised in profit or loss:	2019/20	2018/19
	£m	£m
Service cost – including current service costs, past service costs and settlements	-	0.3
Service cost – curtailements	-	(1.1)
Service cost – administrative cost	0.1	0.1
Net interest on the hybrid scheme liability	-	(0.1)
Total expense	0.1	(0.8)
Remeasurement of the net defined benefit liability to be shown in OCI:	2019/20	2018/19
	£m	£m
Actuarial losses on the liabilities	(24.2)	(0.5)
Return on assets, excluding interest income	11.3	0.9
Unrecognised surplus	-	(0.6)
Change in the amount of surplus that is not recoverable, excluding interest income	0.6	0.0
Total remeasurement of the net defined benefit liability to be shown in OCI	(12.3)	0.2

22 LIABILITY OF MEMBERS

The liability of members is limited. In the event of the company being wound up during a member's period of membership, or within one year afterwards, an amount not exceeding 50p may be required from that member towards the payment of the costs of winding up the company and the debts and liabilities of the company incurred before membership ceased.

2019/20 COUNCIL, BOARDS, COMMITTEES AND EXECUTIVE MEMBERSHIP

Council (Consumers' Association)

Attendance/number of meetings in the year	7
Sam Younger CBE (Chair) (from 01.01.20)	2 / 2
Shirley Bailey-Wood MBE	5 / 7
Caroline Baker	6 / 7
Dorothy Burwell (from 10.12.19)	2 / 3
Christine Forde	7 / 7
Melanie Fuller (Dr) (from 05.02.19) (until 23.11.19)	2 / 4
Tim Gardam (Chair) (until 31.12.19)	5 / 5
Harry Gaskell (from 10.12.19)	2 / 3
Donald Grant	7 / 7
Sharon Grant OBE	7 / 7
Melanie Griffiths (from 23.11.19)	3 / 3
Jennifer Oscroft (Deputy Chair) (until 23.11.19)	3 / 4
Roger Pittock (until 23.11.19)	4 / 4
Peter Shears	4 / 7 ¹
Richard Sibbick (from 23.11.19)	3 / 3
Jonathan Thompson	5 / 7
Anna Walker CB (until 31.10.19)	2 / 3
Charles Wander	7 / 7
David Woodward	7 / 7
Brian Yates	7 / 7

Which? Limited Board

Attendance/number of meetings in the year	7
Judy Gibbons (Chair)	7 / 7
Deborah Davis	6 / 7
Julie Harris	6 / 7
Anabel Hault (Group Chief Executive)	7 / 7
Ian Hudson	7 / 7
Jonathon Moore (from 01.02.20)	3 / 3
Jonathan Thompson	6 / 7
Tony Ward OBE (until 12.02.20)	4 / 4

Which? Financial Services Limited Board

Attendance/number of meetings in the year	6
Steve Britain (Chair from 09.12.19)	6 / 6
Michael Barley (Chair until 09.12.19) (until 31.01.20)	4 / 5
Anabel Hault (from 29.11.19)	2 / 2
Martin Potkins (until 11.12.19)	4 / 4
Jan Smith (until 31.10.19)	2 / 3
Paul Smith (until 02.12.19)	4 / 4

Group Audit & Risk Committee

Attendance/number of meetings in the year	4
Ian Hudson (Chair)	4 / 4
Shirley Bailey-Wood MBE	4 / 4
Deborah Davis	4 / 4
Jan Smith (until 31.10.19)	1 / 1
David Woodward	4 / 4

Investment Committee

Attendance/number of meetings in the year	3
Brian Yates (Chair)	3 / 3
Caroline Baker	2 / 3
David Stewart	3 / 3
Melanie Griffiths (from 06.05.20)	1 / 1

Nomination Committee

Attendance/number of meetings in the year	3
Sam Younger CBE (Chair) (from 01.01.20)	1 / 1
Caroline Baker (from 27.02.20)	0 / 0
Christine Forde	3 / 3
Tim Gardam (Chair) (until 31.12.19)	2 / 2
Judy Gibbons	2 / 3
Donald Grant	3 / 3
Julie Harris	2 / 3
Jennifer Oscroft (until 23.11.19)	2 / 2
Peter Shears (until 31.01.20)	0 / 2
Richard Sibbick (from 27.02.20)	0 / 0

Remuneration Committee

Attendance/number of meetings in the year	4
Caroline Baker (Chair)	3 / 4
Shirley Bailey-Wood MBE (to 27.02.20)	1 / 2
Dorothy Burwell (from 27.02.20)	2 / 2
Tim Gardam (until 31.12.19)	2 / 2
Harry Gaskell (from 05.05.20)	1 / 1
Judy Gibbons	3 / 4
Sam Younger CBE (from 01.01.20)	2 / 2

Leadership Team (at 30 June 2020)

Jenni Allen (Content Director)
Phil Amy (Commercial Director)
Charmian Averty (General Counsel & Company Secretary)
Eric Brown (Chief Technology Officer)
Neil Caldicott (Director of Audiences, Brand and Communications)
Anabel Hault (Group Chief Executive)
Bridget Goona (Group People Director) (Interim)
Helen Moore (Group People Director) (on maternity leave)
Andrew Nash (Chief Financial Officer)
Caroline Normand (Advocacy Director)
Rico Surridge (Chief Product Officer)

For those serving for only part of the year the total number of meetings they could have attended is presented alongside the number attended (number attended/total possible).

¹Absence due to exceptional circumstances

Head Office

Which?, 2 Marylebone Road,
London NW1 4DF
Phone +44 (0)20 7770 7000
Fax +44 (0)20 7770 7600

Customer Services

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

Which? Member Services
Three Capital Quarter
Tyndall Street
Cardiff CF10 4BQ
Phone 029 2267 0000
Email which@which.co.uk
Monday-Friday 08.30-18.00
Saturday 09.00-13.00



To request a large-type, text-only copy of this review, please call 029 2267 0000 and speak to one of our customer service representatives.

