

MAIDSTONE CITIZENS ADVICE BUREAU
(A company limited by guarantee)

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2010

Registered Charity No 299055

Company No 2234220

TUESDAY



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MAIDSTONE CITIZENS ADVICE BUREAU

LEGAL AND ADMINISTRATIVE INFORMATION

REFERENCE AND ADMINISTRATIVE DETAILS

The Maidstone Citizens Advice Bureau is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association (Charity number 299055, Company number 2234220)

THE BOARD OF TRUSTEES

The Trustees of the charitable company are its directors for the purposes of company law and throughout this report are collectively referred to as the Trustees

The members of the Board of Trustees who served during the year were as follows -

ELECTED TRUSTEES

Mr B Manning	<i>(Resigned March 2010)</i>
Mrs P Garrett	
Mr R Piercey	<i>(Resigned September 2009)</i>
Ms R Hesling	<i>(Resigned March 2010)</i>
Mr A Bhattacharya	<i>(Resigned March 2010)</i>
Sir Michael Buckley	<i>(Elected September 2009)</i>

REPRESENTATIVE TRUSTEES

PS J Bradley	
Cllr Mrs J Gibson	
Cllr M Ring	
Mrs S Towns Okorodudu	
Mr P Cox	<i>(Resigned September 2009)</i>
M I Owen	
Mr P Green	
Mr R Sawtell	
Mrs M Goodsell	<i>(Resigned September 2009)</i>
Mr P Coles	
Mr P Gray	<i>(Appointed September 2010)</i>
Mrs W Tull Kneller	<i>(Appointed September 2010)</i>

CO-OPTED MEMBERS

Ms S Hawkins
Mr R Press

STAFF TRUSTEES

Mr S Malhotra	
Mrs J S Woods	
Mr M Ford	
Mrs C Wale	<i>(Resigned September 2009)</i>
Mr R Rixon	<i>(Appointed September 2009)</i>

REGISTERED OFFICE AND PRINCIPAL ADDRESS

2 Bower Terrace, Tonbridge Road, Maidstone, Kent ME16 8RY

STATUTORY AUDITORS

Day, Smith & Hunter, Globe House, Eclipse Park, Sittingbourne Road, Maidstone, Kent ME14 3EN

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2010

The Board of Trustees presents its report and the audited financial statements for the year ended 31st March 2010. The Trustees confirm that the annual report and financial statements of the Bureau comply with current statutory requirements, the requirements of the Bureau's governing document and the provisions of the Statement of Recommended Practice (SORP) issued in March 2005.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Bureau provides independent, free, confidential, impartial advice to everybody regardless of race, gender, sexuality or disability. The Bureau aims to ensure that individuals do not suffer through a lack of knowledge of their rights and responsibilities or of the services available to them, or through an inability to express their needs effectively.

The Bureau also aims to exercise a responsible influence on the development of social policies and services both locally and nationally.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on the public benefit when reviewing the Bureau's aims and objectives and in the planning of future activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Trustees produces an annual report detailing the Bureau's activities during the year. The report is available on request from the Bureau's office.

(a) Method of appointment or election of Trustees

In accordance with the Articles of Association the Trustee Board shall consist of not less than 13 nor more than 30 Trustees of whom -

- not less than 2 nor more than 5 shall be Elected Trustees (Schedule 1 members) who are self-nominated from among the local community and elected by all those present at the Annual Public Meeting,
- not less than 8 nor more than 15 shall be Representative Trustees (Schedule 2 members) who are nominated by voluntary and statutory organisations from within the Borough of Maidstone and appointed at the Annual Public Meeting, and
- not less than 3 nor more than 6 shall be Staff Trustees, 2 of whom are the Chief Executive and Service Manager and the remainder can be elected by the volunteers at the July Staff Meeting and presented at the Annual Public Meeting,

Additionally the Trustee Board may co-opt up to 4 members

(b) Operational structure and decision making

The Trustee Board sets the overall policy and direction of Bureau business within the parameters set by the Citizens Advice Membership Agreement and any Service Level Agreements or Contracts currently in being. Operational decisions are made by the Chief Executive subject to any specific Trustee Board directions and referring to the Trustee Board as necessary.

The Trustee Board meets once every two months. Financial oversight is delegated to the Finance sub-Committee which meets 14 days before the Trustee Board to appraise financial reports and recommend action to the Trustee Board.

FINANCIAL REVIEW

The net surplus of incoming resources for the year amounted to £46,538. There was a surplus of £18,198 in relation to core business. As at 31 March 2010 general unrestricted reserves amount to £59,256.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2010

continued

ACHIEVEMENTS AND PERFORMANCE

The financial year 2009/10 has been an eventful one. The Bureau experienced major changes. These include the effects of the economic crisis, changes within the Trustee Board, reorganisation within the Citizens Advice Service, increase in the numbers of paid staff and volunteers, and the upsurge in client need. These changes meant that the Trustee Board needed to review how the Bureau provided services to its clients. The Board charged the Management Team to investigate, establish and maintain a service commensurate with the Organisation's Business and Development Plan's objectives and relevant to the needs of the community.

In 2009/10 the Bureau was invited by the Borough Council to join other organisations in producing the Sustainable Community Strategy for Maidstone. The Bureau's presence on the Board of the Local Strategic Partnership, and the fact that its Chief Executive chairs one of the LSP's sub-groups demonstrate the Bureau's importance in the local community.

During the course of 2009/10 the Bureau continued to develop its new services in partnership with Maidstone Borough Council at the Maidstone Gateway in the Town Centre. Generalist Advice was provided to 3,200 clients Mondays to Fridays. The decision to provide a full advice service at the Gateway was taken in response to clients' requests elicited via the annual Client Satisfaction Surveys. This partnership has allowed the Bureau to work even more closely with other organisations within the Gateway and enabled clients to sort out multiple issues during a single visit.

The Outreach and Home Visiting service was reintroduced, with the Bureau providing its service in rural areas in partnership with Parish Councils and other organisations. With initial financial support from Kent County Council for this much requested service, the project has continued to be oversubscribed and well supported by clients.

The Bureau Trustee Board continued to pursue its objective of being proactive in the provision of the Bureau's services to its clients by establishing a new partnership with Barclays Bank. Under the 'Barclays Money Skills' banner the Bureau works with the funder to provide financial skills to young people aged 16-25. This project started in December 2009 and is funded for 2 years. The team has successfully created effective and efficient partnerships in Kent, Sussex and Surrey to deliver this project.

By securing 'Additional Hours Advice' funding from Citizens Advice the Trustees were able to support the establishment of additional services at the Maidstone Gateway. The Bureau continues to be a leader within the service in managing the Financial Capability Forum for the South East. This Forum provides effective support to Bureaux and other partner organisations to have a collective voice in the region.

With the introduction in 2008 of a new contract with the Legal Services Commission covering Debt, Housing, Employment, Welfare Benefits and Family Law, the Bureau's paid staff complement has doubled. Increasing the specialist workforce has allowed the Bureau to offer a comprehensive service to its clients and there is now little need to refer clients to external service providers. The knowledge and experience gained from this work has enabled the Bureau to offer its services to other organisations in the Borough.

The Bureau's partnership with the Specialist Domestic Violence Court Service Steering Group continues to flourish. It allows the Bureau to provide a Magistrate's Court based service to victims of domestic abuse and has been successful in helping to reduce re-offending in this area.

Increasing the scope of its work within the Borough also meant that the Bureau needed to attract even more volunteers to join its advisory staff. Over 100 prospective volunteers were interviewed during the course of the year, and a quarter went on to train as advisers and took the Citizens Advice basic training course.

The Main Bureau at 2 Bower Terrace continued to provide its existing service of generalist and specialist advice to all clients who visited the premises personally, and by telephone and e-mail. By increasing its presence to two venues the Bureau has seen a 6% increase in the number of new clients helped.

In 2009/10 the Bureau saw 8,518 new clients, and had 31,993 contacts with its clients. The advisers raised 68,241 issues during these client contacts. These figures show a 19% increase in client contacts and a 17% increase in the number of issues raised. A comparison with other Bureaux in Kent demonstrates that Maidstone deals with 16% of all clients seen in Kent and Medway, almost twice as much as any other bureau in the area.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2010

continued

ACHIEVEMENTS AND PERFORMANCE (continued)

The economic downturn has meant that the Bureau saw more clients who needed advice on debt and housing matters. The number of clients in debt helped by the Bureau's Money Advisers increased from 472 to 772. The amount of debt dealt by our specialists rose from £9.63 million to £13.43 million. Average debt per client rocketed from £12,474 to £17,398. The Bureau's Housing Advisers prevented 78 clients from becoming homeless. More than £400,000 of Welfare Benefits was obtained for the Bureau's clients by the Benefits Advisers. The Employment Advisers enabled their clients to recover £84,280 of unpaid wages from their employers.

Maidstone Citizens Advice Bureau provides a modern advice service that makes a difference to the lives of individuals, their families and their communities. It helps people deal with debt, benefits, housing, employment, relationship breakdown problems, and more. Its volunteer and paid advisers work with those in greatest need, to prevent problems arising in the first place, and by providing money management training and support. The Bureau provides opportunities for volunteering and helps people back into work through training and work experience. It supports the local economy, tackles social exclusion and promotes community cohesion. The Bureau Trustee Board, and its paid staff and volunteers value diversity, promote equality and challenge discrimination.

The Trustee Board has instructed its Finance Committee to provide an effective and stringent control over its day to day finances. Careful management of resources allowed the Bureau to increase its General Reserves to £59,256. In 2008 the Trustee Board decided to establish a pension deficit fund. This year it was able to increase this fund to £10,000.

RESERVES POLICY

The Board of Trustees has reviewed the reserves of the Bureau. The review encompassed the nature of the income and expenditure streams and the need to match variable income with fixed commitments and the nature of the reserves.

The Bureau continues to maintain a reserves policy. The policy is reviewed at least annually. The Bureau sets aside restricted funds, as set out in the Statement of Financial Activities. All other monies are treated as general funds and are utilised accordingly. The Bureau will aim to maintain at all times a free reserve equivalent to 25% of its annual budget as an emergency reserve. The purpose of this emergency reserve is to ensure that the charity can continue its operations in the event of an unforeseen crisis in expenditure or interruption of income until the crisis has been effectively addressed. It is the opinion of the Trustees that 25% is an appropriate ratio of reserves to expenditure in view of the Bureau's contractual commitments and the precarious nature of its income.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees as directors are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the results of the charity for that period. In preparing these financial statements, the Trustees are required to -

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with Companies Act 2006 and the Charities Act 1993.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2010
continued

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS (continued)

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In accordance with company law, as the company's directors, we confirm that

- so far as we are aware, there is no relevant audit information of which the charity's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

SPECIAL EXEMPTIONS

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE
BOARD OF TRUSTEES

M.S. Buckley

SIR MICHAEL BUCKLEY

REGISTERED OFFICE
2 Bower Terrace
Tonbridge Road
Maidstone
Kent ME16 8RY

9 Aug 2010

MAIDSTONE CITIZENS ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2010

We have audited the financial statements on pages 8 to 16 of Maidstone Citizens Advice Bureau for the year ended 31 March 2010. These financial statements have been prepared under the accounting policies set out herein, the Statement of Recommended Practice "Accounting and Reporting by Charities" and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

Respective responsibilities of Trustees and auditors

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993. We also report to you whether, in our opinion, the information in the Trustees' annual report is consistent with those financial statements.

In addition, we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Trustees' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

MAIDSTONE CITIZENS ADVICE BUREAU
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2010
(continued)

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities,
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993, and
- the information given in the Trustees' annual report is consistent with the financial statements

Mike Startup FCA
Senior Statutory Auditor
For and on behalf of Day, Smith & Hunter, Statutory Auditor
Registered Auditors and Chartered Accountants

Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent ME14 3EN

9 August 2010

MAIDSTONE CITIZENS ADVICE BUREAU
STATEMENT OF FINANCIAL ACTIVITIES AND
INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2010

	<u>Notes</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u> <u>31 3 2010</u>	<u>Total</u> <u>31 3 2009</u>
INCOMING RESOURCES					
Incoming resources from activities for generating funds					
Fundraising		4,306	-	4,306	3,867
Donations		3,347	-	3,347	3,939
Investment income		191	-	191	2,705
Incoming resources from charitable activities					
Maidstone Borough Council grants		193,359	-	193,359	188,964
Legal Services Commission		265,891	-	265,891	158,158
IDVA Grant (Community)		-	51,000	51,000	46,281
IDVA Grant (Civil)		-	3,400	3,400	47,505
CITA Grants		16,955	-	16,955	32,601
MHT Grant		3,000	-	3,000	3,000
KAMCA		-	20,000	20,000	-
Barclays Money Skills		-	22,486	22,486	-
Additional Hours of Advice Project		-	34,374	34,374	-
Total incoming resources		<u>487,049</u>	<u>131,260</u>	<u>618,309</u>	<u>487,020</u>
RESOURCES EXPENDED					
Charitable activities	2	465,364	101,324	566,688	462,270
Governance costs	3	3,487	1,596	5,083	5,416
Total resources expended		<u>468,851</u>	<u>102,920</u>	<u>571,771</u>	<u>467,686</u>
NET INCOMING RESOURCES	4	18,198	28,340	46,538	19,334
Total funds at 1 April 2009		41,058	13,945	55,003	35,669
Total funds at 31 March 2010	6,7	<u>£59,256</u>	<u>£42,285</u>	<u>£101,541</u>	<u>£55,003</u>

The income and expenditure account should be read in conjunction with the reconciliation and analysis of movements of the funds on pages 12 and 13

The Bureau has no recognised gains or losses other than those shown in the income and expenditure account

All incoming resources and resources expended derived from continuing activities

The notes on pages 10 to 16 form part of these accounts

MAIDSTONE CITIZENS ADVICE BUREAU

BALANCE SHEET

As at 31 March 2010

	<u>Notes</u>		<u>31 3 2009</u>
TANGIBLE FIXED ASSETS	5	6,704	8,626
CURRENT ASSETS			
Debtors and prepayments		55,493	36,834
Cash at bank		191,436	66,295
Cash in hand		216	367
		<u>247,145</u>	<u>103,496</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR			
Accruals and deferred income		138,247	50,266
Other taxes and social security		14,061	6,853
		<u>152,308</u>	<u>57,119</u>
NET CURRENT ASSETS		<u>94,837</u>	<u>46,377</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£101,541</u>	<u>£55,003</u>
UNRESTRICTED FUNDS	6	59,256	41,058
RESTRICTED FUNDS	7	42,285	13,945
		<u>£101,541</u>	<u>£55,003</u>

The balance sheet should be read in conjunction with the reconciliation and analysis of movements of the funds on pages 12 and 13

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board of Trustees on 9 Aug 2010

Pauline K. Garrett
MRS P GARRETT)

) MEMBERS OF THE BOARD OF TRUSTEES

M. S. Buckley
SIR MICHAEL BUCKLEY)

The notes on pages 10 to 16 form part of these accounts

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010

1 ACCOUNTING POLICIES

a) Accounting convention

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

In preparing the financial statements the Charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) published in March 2005

The bureau has availed itself of Paragraph 4(1) of Schedule 1 of The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities

b) Charitable status

The Bureau was incorporated with charitable status and is limited by guarantee, not having a share capital

No corporation tax liabilities therefore arise on the surplus of any income over expenditure for the year

c) Income and expenditure

Income is recognised in the accounts on an accruals basis with the exception of donations which are recognised on a cash received basis

Expenditure is recorded on an accruals basis

d) Grants

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable

e) Tangible fixed assets and depreciation

Tangible fixed assets for use by the Charity are stated at cost less depreciation. Depreciation is provided on office and computer equipment to write off the cost, less estimated residual value of assets over their expected useful economic life of two or three years

f) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term

g) Pensions

Contributions payable to the Bureau's multi-employer pension plan are charged to the income and expenditure account on a payments basis

h) Allocation of costs to restricted funds

Costs are allocated on the following basis -

- Costs directly allocated - actual basis
- Support costs - depending on type of cost and the Trustees' best estimate of usage

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010

(continued)

2 CHARITABLE ACTIVITIES

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	Total <u>31 3 2010</u>	Total <u>31 3 2009</u>
Costs directly allocated to activities				
Staff costs	294,350	79,851	374,201	316,561
Recruitment	6,312	-	6,312	1,733
Travel	9,697	1,448	11,145	4,941
Training costs	5,831	1,251	7,082	7,550
Support costs allocated to activities				
Staff costs	60,806	-	60,806	55,430
Premises costs	38,573	7,348	45,921	29,401
General office costs	39,284	10,531	49,815	38,351
Bank charges	193	36	229	228
Depreciation	10,318	859	11,177	8,075
	<u>£465,364</u>	<u>£101,324</u>	<u>£566,688</u>	<u>462,270</u>

3 GOVERNANCE COSTS

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	Total <u>31 3 2010</u>	Total <u>31 3 2009</u>
Auditors' remuneration				
2009 underprovision	191	17	208	704
2010 provision	2,650	523	3,173	2,990
Meeting costs	646	1,056	1,702	683
Compliance costs	-	-	-	1,039
	<u>£3,487</u>	<u>£1,596</u>	<u>£5,083</u>	<u>£5,416</u>

4 NET INCOMING RESOURCES

This is stated after charging -

	<u>31 3 2010</u>	<u>31 3 2009</u>
Board of Trustees' remuneration	£52,235	£50,703
Auditors' remuneration	£3,381	£3,694
Rent payable on property under operating leases	£22,000	£21,577
Depreciation of computer and office equipment	<u>£11,177</u>	<u>£8,075</u>

The Board of Trustees' remuneration relates wholly to two paid senior members of staff who are also trustees

The average number of salaried employees during the year was 24 (2009 18) No employee earned more than £60,000 per annum (2009 none)

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010

(continued)

5 TANGIBLE FIXED ASSETS

	<u>Office and computer equipment</u>
<u>Cost</u>	
At 1 April 2009	58,804
Additions	9,255
At 31 March 2010	<u>£68,059</u>
 <u>Depreciation</u>	
At 1 April 2009	50,178
Charge for the year	11,177
At 31 March 2010	<u>£61,355</u>
 <u>Net book value</u>	
At 31 March 2010	<u>£6,704</u>
At 31 March 2009	<u>£8,626</u>

6 UNRESTRICTED FUNDS

Part of the unrestricted funds has been designated as being allocated to the Pension Fund to provide resources for future pension fund liabilities (note 10) The Premises and Development Fund has been designated to provide for future resources in these two areas The movement on these funds for the year are as follows -

	<u>31 3 2010</u>	<u>31 3 2009</u>
<u>General Funds</u>		
Balance brought forward 1 April 2009	22,906	17,499
Net movement in funds	18,198	10,407
Transfer to Pension Fund	(5,000)	(5,000)
Transfer to Premises and Development Fund	<u>(7,000)</u>	-
	29,104	22,906
 <u>Pension Fund</u>		
Balance brought 1 April 2009	5,000	-
Transfer from General Fund	<u>5,000</u>	5,000
	10,000	5,000
 <u>Premises and Development Fund</u>		
Balance brought forward 1 April 2009	13,152	13,152
Transfer from General Fund	<u>7,000</u>	-
	20,152	13,152
As at 31 March 2010	<u>£59,256</u>	<u>£41,058</u>

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010

(continued)

7 RESTRICTED FUNDS

	<u>Balance at 1 April 2009</u>	<u>Incoming resources</u>	<u>Resources expended</u>	<u>Balance at 31 March 2010</u>
Independent Domestic Violence Adviser Project	13,945	54,400	43,966	24,379
Barclays Money Skills	-	22,486	12,483	10,003
Additional Hours of Advice Project	-	34,374	31,864	2,510
Kent and Medway Citizens Advice (KAMCA)	-	20,000	14,607	5,393
	<u>£13,945</u>	<u>£131,260</u>	<u>£102,920</u>	<u>£42,285</u>

The objective of the Independent Domestic Violence Adviser Project is to provide domestic violence advice to people in the community

The objective of the Barclays Money Skills Project is to provide training sessions for young people aged between 16 and 25

The objective of the Additional Hours of Advice Project is to support the expansion of the generalist advice service provided by volunteers from local Citizens Advice Bureaux

The objective of the Kent and Medway Citizens Advice Project is to support work undertaken by local Citizens Advice Bureaux within the county of Kent

8 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>
Tangible fixed assets	4,987	1,717	6,704
Current assets	89,848	157,297	247,145
Creditors Amounts falling due within one year	(35,579)	(116,729)	(152,308)
	<u>£59,256</u>	<u>£42,285</u>	<u>£101,541</u>

9 FINANCIAL COMMITMENTS

The Bureau had annual commitments under non-cancellable operating leases as follows -

	<u>Land and Buildings</u>	
	<u>31 3 2010</u>	<u>31 3 2009</u>
Expiry in 2 to 5 years	<u>£22,000</u>	<u>£22,000</u>

The lease is subject to 5 yearly rent reviews and at the last review in 2009 the annual rent increased to £22,000
The next review will take place in 2012

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010

(continued)

10 PENSION COMMITMENTS

Maidstone Citizens Advice Bureau participates in the Pensions Trusts' Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Growth Plan is a multi-employer pension plan.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The rules of the Growth Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Growth Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Growth Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Growth Plan state that the proportion of obligatory contributions to be borne by the Member and the Member's Employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

Maidstone Citizens Advice Bureau paid contributions of £16,919 (2009 - £9,581) at the rate of 6% during the accounting period. Members paid contributions at the rate of 4% during the accounting period.

As at the balance sheet date there were ten active members of the Plan employed by Maidstone Citizens Advice Bureau. Maidstone Citizens Advice Bureau continues to offer membership of the Plan to its employees.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Growth Plan is a multi-employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from the total scheme assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contributions payable.

The valuation results at 30 September 2008 have now been completed and have been formalised. The valuation of the Scheme was performed by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742 million and the Plan's Technical Provisions (ie past service liabilities) were £771 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a funding level of 96%.

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010
(continued)

10 PENSION COMMITMENTS (continued)

The financial assumptions underlying the valuation as at 30 September 2008 were as follows -

	%
	Per annum
Investments return pre-retirement	7.6
Investment return post retirement	
Actives/deferreds	5.1
Pensioners	5.6
Bonuses on accrued benefits	0.0
Rate of price inflation	3.2

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions, such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary has prepared a funding position update as at 30 September 2009. The market value of the Plan's assets at that date was £765 million and the Plan's Technical Provisions (ie past service liabilities) were £820 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £55 million equivalent to a funding level of 93%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

In view of the small funding deficit and the level of prudence implicit in the assumptions used to calculate the Plan liabilities the Trustee has prepared a recovery plan on the basis that no additional contributions from participating employers are required at this point in time. In reaching this decision the Trustee has taken actuarial advice and has been advised that the shortfall of £29 million (as at 30 September 2008) will be cleared within 10 years if the investment returns from assets are in line with the "best estimate" assumptions. "Best estimate" means that there is a 50% expectation that the return will be in excess of that assumed and a 50% expectation that the return will be lower than that assumed over the next ten years. These "best estimate" assumptions are 8.4% per annum pre retirement, 5.1% per annum retirement (actives and deferreds) and 5.6% per annum post retirement (pensioners).

A copy of the recovery plan must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens and actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2008 valuation was forwarded to the Pensions Regulator on 18 December 2009.

The next full actuarial valuation will be carried out as at 30 September 2011.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2010
(continued)

10 PENSION COMMITMENTS (continued)

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis ie the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's pre October 2001 liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Maidstone Citizens Advice Bureau has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2009. As of this date the estimated employer debt for Maidstone Citizens Advice Bureau was £78,725.

MAIDSTONE CITIZENS ADVICE BUREAU

DETAILED INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2010

		<u>Unrestricted</u> <u>funds</u>	<u>Restricted</u> <u>funds</u>	<u>Total</u> <u>31 3 2010</u>	<u>Total</u> <u>31 3 2009</u>
INCOME					
Maidstone Borough Council					
- annual grant		193,359	-	193,359	188,964
Legal Services Commission		265,891	-	265,891	158,158
IDVA Grant (Community)		-	51,000	51,000	46,281
IDVA Grant (Civil)		-	3,400	3,400	47,505
CITA Grant		16,955	-	16,955	32,601
KAMCA		-	20,000	20,000	-
Barclays Money Skills Project		-	22,486	22,486	-
Additional Hours of Advice Project		-	34,374	34,374	-
Donations		2,695	-	2,695	3,311
Clients' boxes		652	-	652	628
Deposit account interest		191	-	191	2,705
MHT Grant		3,000	-	3,000	3,000
Fundraising		4,306	-	4,306	3,867
		<u>487,049</u>	<u>131,260</u>	<u>618,309</u>	<u>487,020</u>
EXPENDITURE					
	<u>Schedules</u>				
ESTABLISHMENT					
EXPENSES	1	38,573	7,348	45,921	29,401
ADMINISTRATION					
EXPENSES	2	424,746	93,838	518,584	431,783
SUNDRY EXPENSES	3	5,532	1,734	7,266	6,502
		<u>468,851</u>	<u>102,920</u>	<u>571,771</u>	<u>467,686</u>
SURPLUS FOR THE YEAR		<u><u>£18,198</u></u>	<u><u>£28,340</u></u>	<u><u>£46,538</u></u>	<u><u>£19,334</u></u>

MAIDSTONE CITIZENS ADVICE BUREAU

SCHEDULES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2010

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	Total <u>31 3 2010</u>	Total <u>31 3 2009</u>
1 ESTABLISHMENT EXPENSES				
Rent	18,480	3,520	22,000	21,577
Insurance - premises	570	108	678	636
Water	599	114	713	250
Gas	1,331	254	1,585	1,164
Electricity	2,849	543	3,392	2,245
Repairs and renewals - premises	13,179	2,511	15,690	1,748
Cleaning and cleaning materials	1,565	298	1,863	1,781
	<u>£38,573</u>	<u>£7,348</u>	<u>£45,921</u>	<u>£29,401</u>
2 ADMINISTRATION EXPENSES				
Salaries and social security costs	338,237	79,851	418,088	362,410
Employer's pension scheme contributions	16,919	-	16,919	9,581
Recruitment	6,312	-	6,312	1,733
Volunteers' travel	9,697	1,448	11,145	4,941
Training	5,831	1,251	7,082	7,550
Books, information and IT systems	8,809	1,315	10,124	7,394
Telephone	5,931	1,641	7,572	6,401
Printing and stationery	7,470	4,051	11,521	5,751
Postage	2,512	468	2,980	2,108
Advertising and publicity	1,025	442	1,467	1,974
Computer and office expenses	2,498	1,858	4,356	5,375
Tea and coffee	985	246	1,231	1,419
Insurance	1,237	310	1,547	1,477
Hire of rooms	861	98	959	545
Depreciation of office and computer equipment	10,318	859	11,177	8,075
Project costs	11,816	-	11,816	7,230
Input VAT reclaimable	(5,712)	-	(5,712)	(2,181)
	<u>£424,746</u>	<u>£93,838</u>	<u>£518,584</u>	<u>£431,783</u>
3 SUNDRY EXPENSES				
Bank charges	193	36	229	228
Auditors' remuneration	2,841	540	3,381	3,694
Sundry expenses	99	-	99	202
AGM and other meetings	646	1,056	1,702	683
Professional fees	1,753	102	1,855	1,695
	<u>£5,532</u>	<u>£1,734</u>	<u>£7,266</u>	<u>£6,502</u>