

MAIDSTONE CITIZENS ADVICE BUREAU
(A company limited by guarantee)

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2018

Registered Charity No. 299055

Company No. 02234220

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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 02234220).

Citizens Advice Maidstone is the operating name of Maidstone Citizens Advice Bureau.

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

Cllr R Bird - (Chair)	
Mr J Cobbett - (Hon Treasurer)	
Mrs W Tull	
Mrs S Hawkins – (Hon Solicitor)	
Mr I Owen	
Mr S Cook	<i>(resigned September 2017)</i>
Mrs J Gibson	
Mr D Khadka	<i>(resigned March 2018)</i>
Mr M Fitzgerald MBE	<i>(appointed May 2017)</i>

CO-OPTED MEMBERS

Cllr M Ring

STAFF REPRESENTATIVES

Mr S Malhotra - (Hon Secretary)
Mrs H Hardy
Mrs S Smith

REGISTERED OFFICE AND PRINCIPAL ADDRESS

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

STATUTORY AUDITORS

Wilkins Kennedy, 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 2018

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2018. 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 – Accounting and Reporting by Charities (SORP FRS 102 effective 1 January 2015).

Objectives and activities

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.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard 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 (revised 23 September 2013 to bring our Memorandum and Articles of Association in line with the national policy of Citizens Advice and the guidance of the Charity Commission) the Trustee Board consists of a minimum of 3 and a maximum of 15 members. There may be a maximum of 10 elected members, each of whom is elected for a term of three years by the members of the company at its Annual General Meeting. At expiry of their term of office elected trustees are eligible for re-election.

In addition the Trustee Board may co-opt members, whose number may not exceed one third of the total number of Trustees.

No member of the staff of the Bureau whether paid or voluntary can be a member of the Board. However, the Chief Executive, one representative of the paid staff and one representative of the voluntary staff, have the right to attend and speak (but not vote) at meetings of the Board.

(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 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 for the year amounted to £4,272. There was a surplus of £5,273 in relation to core business. As at 31 March 2018 general unrestricted reserves amount to £42,646 and total restricted reserves amounted to £4,278.

Achievements and performance

Citizens Advice Maidstone provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. The Organisation values diversity, promotes equality and challenges discrimination. This essential work, professionally carried out by our team of paid and voluntary staff helps people to solve their problems and changes their lives.

MIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2018

(continued)

Achievements and performance (continued)

Our main offices are located on Tonbridge Road with an extension recently opened at Maidstone Town Hall in the High Street. A number of outreach sessions are also provided at certain parishes in the Borough. This enables us to connect with a broad and diverse client base within the Borough. Clients can access our service for face-to-face advice as well as by telephone or email for those who cannot otherwise get to us. It is our goal to empower clients to solve their problems by themselves; others requiring more support do receive further help through casework conducted by our specialists or generalist volunteer advisers. In order to prevent financial problems re-emerging, we also run educational services such as financial capability or energy efficiency training sessions in collaboration with local partners.

The last year has continued to provide the Board with additional challenges, Financial, Organisational as well as Regulation & Compliance. With the changes agreed within the Citizens Advice Service the new Membership Scheme required each local Citizens Advice to carry out a Leadership Self-Assessment. The Board worked together with paid and volunteer staff to look at its policies and procedures and submitted its own Assessment to the Performance Assessor. After minor corrections, the Organisation is judged to be a yellow grade in the RYAG Grading, which is good. Our next attempt would be to get exceptional grade.

Our workforce, both paid and voluntary have produced an excellent set of statistics, the majority of which can be seen in our Annual Report. Suffice to say that we continue to provide our service to many more people than other similar organisations. Financially it has been more of a challenge to match up the needs of our community against the funding available to us through various resources. There have been a number of unplanned and unbudgeted events requiring the Trustees to use monies from our scarce reserves. Notwithstanding, our total income for the year was £564,165 with the expenditure pegged at £559,893 showing a small excess of £4,272 for the 2017/18 financial year. At the end of the Financial Year our Restricted Reserves were £4,278 & Unrestricted Reserves stood at £42,646, a small increase from last year.

Demonstrating the value of our work is crucial as the pressures on the public finances continues to gather pace with national and local spending decreasing further year on year. It is our responsibility to communicate to funders why Citizens Advice is an essential service and not just 'nice to have'. Citizens Advice Maidstone is unique for many reasons: in our team we have our totally motivated 28 full/part time paid staff; our 40+ dedicated and highly trained volunteer advisers; our 45+ Trustees, administrative and support volunteers; our presence within the communities across the Borough; our impact by the team's ability in solving our Clients' complex problems; and the wide range of additional issues we are able to help people with. It will therefore come as no surprise to all who work or interact with the service to learn that Citizens Advice Maidstone's value is also unique.

Our services are provided with funding from a wide variety of sources. A Service Level Agreement with Maidstone Borough Council allows us to provide an essential Core Service of general and specialist advice to Clients in the Borough of Maidstone. Additional funding from Golding Homes helps to add services to their tenants in the Town. We have a Contract with Citizens Advice/DWP to provide Pension Wise guidance to people in Kent, Medway and East Sussex. Funding from Hillier Trust allows us to continue to provide our service to people suffering from MS. Our work in HMP Maidstone continues to be funded by Henry Smith Charity and latterly also from HMP Maidstone. Funding for our work on Energy Best Deal (EBD), EBDX and EBD Champion came through Citizens Advice and amongst all these, other smaller projects were funded through smaller grants from external funding sources.

We continue to work with a number of partners within Local Government and Statutory Agencies to improve the policies and practices that affect our communities. We work collectively with other Citizens Advice Centres in Kent to inform public policy and help regulators, as well as influence private industry to make their services fair for consumers. In addition to Local and National campaigning, with the help of our volunteers we empower clients and communities to engage with society and make a difference to issues that matter.

Volunteers are vital to the service in Citizens Advice Maidstone. Trustees and our Management Team are working in partnership with our paid and voluntary staff to provide excellent quality advice and support to over 9,500 people in the Borough of Maidstone every year. Additionally, Trustees are also engaged in providing direction in the Governance of our bureaux. Our Volunteers are an integral part of the way we deliver our advice, support and service today to the communities of Maidstone, and have been since the conception of Citizens Advice Bureaux (CABs) almost 80 years ago in 1939. The service in Maidstone commenced on the 1st January 1940 with the groundwork laid by prominent burghers of our community including the Sharps family.

Last year, 85+ volunteers donated nearly 37,908 hours to our service and the community of Maidstone, amounting to a massive contribution of £680,233 worth of volunteering hours (*ONS Statistics 2017*). In order to deliver this high-quality service to our clients, we continually invest in volunteer recruitment, development and management. By ensuring a supportive and constructive environment, we enable a range of people with different skills and backgrounds to volunteer.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2018
(continued)

Achievements and performance (continued)

Volunteers have always been integral to the Citizens Advice service and are increasingly involved in delivering within all areas of advice work. Volunteers bring with them a wealth of experience and skills and it is important for us to recognise the resource we have within the service. Volunteers are vital to the way we deliver our service, allowing us to reach many more people than if we were purely delivering our work through paid staff. Volunteers undertake a range of tasks from assessing and providing advice, supporting the running of bureaux, campaigning in the community and acting as trustees.

Our volunteers come from a wide range of backgrounds, including young people, professionals who want to broaden their horizons, retired people who want to give something back and mothers whose children have started school – so we offer a range of support services to meet the needs of all our volunteers. Our commitment to value diversity and promote equality means we can encourage individuals who might not otherwise wish/be able to volunteer.

Understanding our trainee volunteers' needs and expectations is a very important aspect of the training programme. Providing a well-structured training plan helps the trainee to gain better employment prospects as well as offering an opportunity for personal development, increased confidence and self-esteem. Our training manager has trained many frontline workers who have then gone on to share the knowledge and information they have learnt with their clients and colleagues. A post training evaluation has demonstrated that each frontline worker cascades their learning to at least 15 of their clients.

Each prospective volunteer receives training and ongoing support specific to their role, and we had 15 volunteers undertaking CAB adviser training last year, whilst a number of others were trained for support or assessor roles. The average initial cost of training and recruiting a volunteer is £2,800 with an ongoing annual cost of £1,700. This investment of time and resource ensures that each volunteer is fully prepared for their role, and that our clients receive quality advice and support.

Providing an active contribution to the day-to-day running of a CAB can develop volunteers' practical skills, such as problem solving, communication and team work, as well as boost their confidence and belief in their abilities. This improves employability, presents career development opportunities, and can help those currently unemployed, move into work.

Volunteering provides individuals with an opportunity they might not otherwise have to develop their personal skills and abilities. For those out of work, volunteering keeps them active and motivated, potentially countering the negative impacts of unemployment on mental wellbeing – research shows that one in five jobseeker's allowance claimants experience a mental health disorder.

Volunteering enables people to realise their own potential, supporting priorities around increased social mobility – 29 per cent of volunteers that left the CAB service did so for paid employment, education or training (National Statistics). It also enables individuals to make an economic contribution to society, one which may be factored into future national Gross Domestic Product and productivity calculations.

CAB volunteering can also develop an individual's softer skills, resilience and other personal attributes. This can have a positive impact on how people feel about themselves, how they respond to others and their capacity to manage life's challenges.

For retired individuals, volunteering may offer new opportunities, provide structure and a sense of purpose as well as help them feel involved in society, all highlighted as vital to personal wellbeing. Ensuring that retired people are mentally and physically active also has wider reaching benefits to society, including reducing the NHS provision required to cope with an ageing population. Volunteering with us does not just have an impact on individuals, it benefits their communities too. Our volunteers are local people, and through volunteering, they increase their knowledge about community issues and build relationships with their locality. This creates stronger communities, with engaged and active members, and more social action.

Our volunteers also come from a wide range of backgrounds. They include previous clients wanting to give something back; individuals supplementing their working life with something different; those looking to return to employment; law students gaining experience; and retired professionals giving their skills and time. Volunteers enable the service to achieve its aims of changing lives and making society fairer. Without them, we would not have the reach to be able to deliver to the volumes of people we currently see.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2018

(continued)

Achievements and performance (continued)

The Citizens Advice Service also plays an integral role in supporting and strengthening its local community. We provide a service that meets local needs and reaches out to a broad and diverse client base. We support and strengthen other community-focused organisations, partnering with them to share our insight on how best to support local people. We also use our extensive knowledge to act as an advocate for the local area, mobilising and connecting people with their community. We are a local service, working with local people, for the benefit of the local community.

The value we get from working with volunteers is greater than just our ability to provide a quality advice service. In addition, our investment in developing volunteers, and enabling them to volunteer in their local area, has tangible benefits for the individual, community, and society at large. This is an additional benefit to the community, created through the way we deliver our service.

Data

We give advice to people who need help, but we also collect data on all these issues enabling us to map issues geographically—down to ward level. For example, we can show attendant issues affecting people who come to us with problems around council tax. As a result, we are better able to ascertain the most efficient ways to help people understand their problems more completely. For councils and councillors, this data is powerful. It can help address failure demand, facilitate the consideration of new service options and provide additional insight to the scrutiny process.

Councils are increasingly working together to deliver services in new ways and save costs, whether in shared service arrangements or in combined authorities with devolution deals. This can also unlock funding and address long-standing problems across the county. We want to be able to work with our local government—at parish, district, county level—to inform debate with our data and client stories. More than this, we can provide innovative services that mesh closely with those offered by public authorities. Citizens Advice is working nationally to make this as easy as possible, with new data products for combining output and impact data across variable geography as well as direct support to areas of innovation across our network.

Partnership on its own won't keep the wolf from the door but it will maintain strong relationships at a local level, that can really make the most of the resources that do exist within the community—and help to tackle the most serious areas of need.

Social exclusion

People can suffer social exclusion when they face a series of problems such as poor skills, low incomes, bad housing and family breakdown. Increasing people's confidence in their ability to make wiser financial choices can help people vulnerable to getting into debt, crime or suffering from mental illness, break the cycle of social exclusion. Often, an individual's ability to move into work is limited by one or more 'barriers' that impact on their capacity to gain or sustain employment, potentially relating to their personal circumstances. As a result of volunteering with us, these barriers can be reduced or removed.

As a result of their experiences and development, our volunteers are better equipped and more confident in their abilities, and hence are more likely to move into employment. This has a value to society, by moving people closer to the labour market, which may reduce their need to claim benefits related to unemployment. It may also reduce other costs to the state associated with sustained unemployment, especially for young people not in employment, education or training. Equally, community volunteering enables unemployed individuals to make a form of economic contribution to society, the value of which may be factored into future national GDP and productivity calculations.

Citizens Advice has a major impact on people's lives, particularly the most vulnerable in society. Our service is best known for solving problems through advice but we also make a difference by solving the underlying causes of these problems through our research and campaigns volunteers. Our work has also contributed to vital policy changes that will help more people make ends meet, such as the government's proposal to ban letting agent fees. Through cutting-edge research, our Research and Campaign volunteers contributed our own unique data as one of the 29 districts who sent in feedback to Citizens Advice concerning letting agents and their overt and covert charging policies.

Money advice

National research shows that just over a quarter of adults say that they do not consider themselves to be good at managing money and one third say that they would prefer not to think about planning their finances at all. Many people have poor financial skills and this often leads them to make ill-informed decisions on their money matters. Citizens Advice has found that the negative effects of a lack of financial awareness can be compounded by limited or poor quality consumer information and inadequate advice. People can miss out on the growing range of financial products available and fail to make the best use of Government initiatives.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2018

(continued)

Money advice (continued)

However, building the necessary confidence in financial services is an uphill task. Citizens Advice Maidstone helps people resolve their money, legal and other problems by providing information and advice as well as by influencing policymakers. Our service is the largest provider of free money advice in the Borough of Maidstone. We provide specialist level money advice services, helping people resolve a range of money and debt issues. By providing advice and information about money in the heart of our community, we help people resolve a range of debt and personal finance-related problems.

The Citizens Advice service is a network of independent, local charities that helps people resolve their money, legal and other problems. The CAB service is the largest provider of free advice in the UK. Citizens Advice also uses evidence of CAB clients' money problems to campaign for change and is contributing to the Government's plan to provide all UK adults with access to generic financial advice. Citizens Advice wants people to have the skills, knowledge and confidence to make informed decisions across a range of personal money matters. We work with a range of partner agencies to improve the financial skills of people of all ages, particularly those at risk of social or financial exclusion.

For the past few years we have been successful in accessing grants from external sources to continue our work on financial capability training. This service goes out to a wide variety of recipients. After completing the financial capability training, people are more confident about the technical aspects of financial products and services available to them. They also feel more knowledgeable about general financial guidance and information. Just as importantly, they will have a greater understanding of how to discuss and explain complex financial ideas and products when previously they may have had a limited knowledge of either.

There are great number of advantages to providing these training sessions to a wider audience. It has the capability of reducing risky borrowing behaviour leading to debt; improves take up and awareness of benefits and entitlements; improves awareness of preventive measures such as building up emergency funds; helps to maintain tenancies; improves access to more economical utility tariffs to name but a few.

The sessions can also highlight early warning signs by identifying those group members with debt issues who could be helped by our in-bureau specialists, enabling them to take steps to get further help. By accessing hard to reach groups, it increases their awareness of the services available to them from both bureau and other providers. Learners can share new skills and knowledge with friends and family. Frontline workers attending these sessions increase their knowledge and confidence to give early help and signposting to clients.

Financial skills training can change behaviour - participants become better at budgeting, choosing financial products, saving and making their money go further and these changes persist over time. Developing financial skills not only boosts financial well-being but also confidence and general peace of mind. Tenants who do get into financial difficulty know where to turn to for help, seek out support sooner and as a result, are better equipped to cope.

Prison work

Citizens Advice Maidstone's strategy aims to increase the capacity of our paid and voluntary staff to deal with our Clients' debt and other money problems in order to prevent the financial problems faced by many people becoming major crises. This supports our wider focus of encouraging our team to work with more vulnerable groups such as offenders to meet their finance, benefit and debt needs. In relation to offenders, Citizens Advice is clear that personal debt and other financial problems can be a cause of an individual offending in the first place, and such problems can increase the likelihood of reoffending on release. Being able to manage debt and other financial problems during a prison sentence or upon release into the community could help to reduce re-offending.

Many offenders with families may fall into rent or mortgage arrears caused by a reduction of income during the prison sentence. Stable accommodation can help reduce re-offending by providing a secure environment in which to live, enabling them to open a bank account, receive benefits and find regular employment. Timely access to advice can, among other things, secure accommodation for an offender or their family on release; ensure access to benefits for the payment of rent and advocate on behalf the family if they are refused support from the local authority. Such services can greatly reduce the risk of re-offending. Debt can also present problems for offenders and their families both during their sentence and after release. 60% of families of offender's report that a family member being imprisoned has made them less well off. This could be due to loss of income due to 'unemployment' while in prison, loss of child maintenance or even an increase in the insurance premiums they are required to pay. Access to advice and support could enable offenders to ensure their family is maximising their benefit entitlements and that housing benefit is continued.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

**For the year ended 31 March 2018
(continued)**

Planning for the future

The business strategy adopted by the Trustee Board is to safeguard the Core service with free generalist advice covering a full range of issues. This service has hitherto been funded totally by a Grant from Maidstone Borough Council. This is now steadily being reduced; nevertheless, we are most grateful for the Council's continuing support. The Bureau seeks additional funding from other sources in order to shore up the core service and provide other services if it is financially prudent to do so. The Bureau's management has been successful in securing such funding from a variety of sources, including the Citizens Advice/Treasury (Department of Works & Pensions), Henry Smith Charity, Hillier Trust, Kent County Council, JWB Bailiffs, RBS Skills & Opportunities Fund, Money Advice Service and Energy Best Deal (Citizens Advice). The management continues to develop new and innovative partnerships with a wide stakeholder group in response to steadily dwindling financial resources.

As the Social Exclusion Unit report identified, finance, benefit and debt issues are inextricably tied to many other key factors which exacerbate reoffending. Ensuring ex-offenders have enough lawfully-obtained money to live on is key to their rehabilitation and to reducing temptation into re-offending, but many face significant problems achieving financial security. Low incomes, debt, disrupted access to benefits advice and insufficient income on release from prison all add to the problem. The National Offender Management Services' aim is to ensure that offenders in custody and the prison community have access to financial and advice services that will address money-related issues, maximise income and reduce debt to help prevent re-offending. A key element of this work is to develop close partnership working between prison and probation services, and voluntary and community sector providers who are willing to work with offenders. We are exploring the possibilities of working with NOMS and the Probation Service in the future.

Reserves policy

The Board of Trustees regularly reviews the finances and reserves of the Bureau. Each review encompasses the nature of the income and expenditure streams and the need to match variable income with fixed commitments and the nature of reserves. The Bureau sets aside restricted funds as set out in the Statement of Financial Activities. All restricted funds are applied to the particular restricted activity (project). Restricted funds unspent in a particular financial year are allocated as restricted reserves in statutory accounts at the end of the financial year, and will be allocated to that restricted activity (project) during the course of the following financial year or when the activity ends.

Trustees have discussed levels of unrestricted reserves and are agreed that in all circumstances the Bureau's Core services must be secure. A minimum sum of unrestricted (Core) reserves will ensure that this aspiration is preserved. In the opinion of the Trustees the present level of reserves is not entirely sufficient to maintain the activities of the Bureau in the event of an unforeseen crisis or interruption of income for a period of time during which any adverse situation would be appropriately addressed. In response to financial reporting requirements the majority of unrestricted reserves have been utilised to shore up the pension recovery plan provision. This new requirement has made the organisations financial position of great concern. Trustees are committed to review the Organisation's reserves on an annual basis while the situation with the Pension deficit remains critical.

All other monies are treated as general funds and are utilised accordingly.

Going concern

Accounting standards require the Trustees to consider the appropriateness of the going concern basis when preparing the financial statements. The Trustees confirm that they consider that the 'going concern' basis remains appropriate. The Trustees have taken notice of the Financial Reporting Council guidance 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' which requires the reasons for this decision to be explained.

The Trustees regard the 'going concern' basis as remaining viable as the charity has secured adequate funding to continue in operational existence for the foreseeable future.

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

**For the year ended 31 March 2018
(continued)**

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.

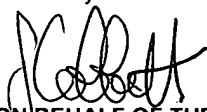
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with Companies Act 2006 and the Charities Act 2011.

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.

Disclosure of information to auditors

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.


**ON BEHALF OF THE
BOARD OF TRUSTEES**

MR J COBBETT

Registered office
2 Bower Terrace
Tonbridge Road
Maidstone
Kent ME16 8RY

Date:

3/9/18

MAIDSTONE CITIZENS ADVICE BUREAU
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018

Opinion

We have audited the financial statements of Maidstone Citizens Advice Bureau (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Charges in Reserves, the Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

MAIDSTONE CITIZENS ADVICE BUREAU
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018
(continued)

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the Financial Statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charity or to cease operations, or have no realistic alternative but to do so.

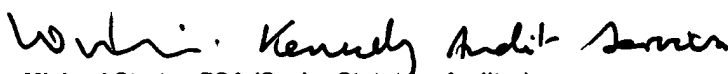
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Michael Startup FCA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

31/9/2018

Statutory Auditor

Globe House, Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

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

For the year ended 31 March 2018

	Notes	Unrestricted funds	Restricted funds	Total 31.3.2018	Total 31.3.2017
INCOME:					
Donations and legacies	3	11,661	-	11,661	5,120
Charitable activities	4	189,972	362,433	552,405	553,788
Investments		99	-	99	488
TOTAL INCOME		<u>201,732</u>	<u>362,433</u>	<u>564,165</u>	<u>559,396</u>
EXPENDITURE:					
Charitable activities	5	193,181	359,401	552,582	585,216
Other costs	6	3,278	4,033	7,311	6,754
TOTAL EXPENDITURE		<u>196,459</u>	<u>363,434</u>	<u>559,893</u>	<u>591,970</u>
NET INCOME/(EXPENDITURE)	7	5,273	(1,001)	4,272	(32,574)
Total funds at 1 April 2017		37,373	5,279	42,652	75,226
Total funds at 31 March 2018	10,11	<u>42,646</u>	<u>4,278</u>	<u>46,924</u>	<u>42,652</u>

The income and expenditure account should be read in conjunction with the reconciliation and analysis of movements of the funds in notes 10 and 11 on page 18.

The notes on page 15 to 20 form part of these accounts.


MAIDSTONE CITIZENS ADVICE BUREAU

BALANCE SHEET

As at 31 March 2018

	Notes		31.3.2017
TANGIBLE FIXED ASSETS	9	-	-
CURRENT ASSETS			
Other debtors and prepayments		17,299	1,481
Cash at bank		146,749	140,977
Cash in hand		156	403
		<u>164,204</u>	<u>142,861</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Accruals and deferred income		64,750	41,073
NET CURRENT ASSETS		99,454	101,788
Pension recovery plan provision	15	52,530	59,136
NET ASSETS		<u>£46,924</u>	<u>£42,652</u>
 UNRESTRICTED FUNDS	10	42,646	37,373
RESTRICTED FUNDS	11	4,278	5,279
		<u>£46,924</u>	<u>£42,652</u>

Approved by the Board of Trustees on 31/9/2018 and are signed on its behalf by:



CLLR R BIRD
CHAIR OF THE BOARD OF TRUSTEES



MR J COBBETT
MEMBER OF THE BOARD OF TRUSTEES

Company No. 02234220

The notes on page 15 to 20 form part of these accounts.

MAIDSTONE CITIZENS ADVICE BUREAU

STATEMENT OF CHANGES IN RESERVES

For the year ended 31 March 2018

	Unrestricted reserves	Restricted reserves	Total
Balance at 1 April 2016	22,578	52,648	75,226
Year ended 31 March 2017			
Net income/(expenditure)	<u>14,795</u>	<u>(47,369)</u>	<u>(32,574)</u>
Balance at 31 March 2017	37,373	5,279	42,652
Year ended 31 March 2018			
Net income/(expenditure)	<u>5,273</u>	<u>(1,001)</u>	<u>4,272</u>
Balance at 31 March 2018	<u><u>£42,646</u></u>	<u><u>£4,278</u></u>	<u><u>£46,924</u></u>

The notes on page 15 to 20 form part of these accounts.

MAIDSTONE CITIZENS ADVICE BUREAU

STATEMENT OF CASH FLOW

For the year ended 31 March 2018

	Notes		31.3.2017
Cash flows from operating activities			
Cash generated/(absorbed) by operations	14	<u>5,426</u>	<u>(46,031)</u>
Net cash outflow from operating activities		5,426	(46,031)
Investing activities			
Interest received		<u>99</u>	<u>488</u>
Net cash generated from investing activities		<u>99</u>	<u>488</u>
Net increase in cash and cash equivalents		5,525	(45,543)
Cash and cash equivalents at beginning of year		<u>141,380</u>	<u>186,923</u>
Cash and cash equivalents at end of year		<u><u>£146,905</u></u>	<u><u>£141,380</u></u>

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2018

1. Accounting policies

a) Basis of accounting

The Maidstone Citizens Advice Bureau is a charity registered with the Charity Commission in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed in page 2 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 effective 1 January 2015), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Reports) Regulations 2008 and adapted the format of the financial statements to reflect the special nature of the charity's activities.

b) Fund accounting

Unrestricted funds are those available for use at the discretion of the Trustees in the furtherance of the general objectives of the Bureau and which have not been designated for other purposes. Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Bureau for particular purposes.

c) Income recognition

Grants are recognised in the Statement of Financial Activities when the Bureau has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

d) Expenditure

Expenditure is recorded on an accruals basis and allocated on the following basis:-

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

e) Tangible fixed assets and depreciation

Tangible fixed assets for use by the Bureau 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.

At each reporting period end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2018
(continued)

1. Accounting policies (continued)

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.

The company recognises a liability for the obligation under the pension plan's recovery plan. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The present value is calculated using the discount rate disclosed in note 15.

h) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities under expenditure arising on charitable activities.

i) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

2. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. There are no judgements or key sources of estimation uncertainty.

3. Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 31.3.2018	Total 31.3.2017
Fundraising	4,169	-	4,169	3,836
Donations	7,492	-	7,492	1,284
	<u>11,661</u>	<u>-</u>	<u>11,661</u>	<u>5,120</u>

The income from other donations and legacies was £11,661 (2017: £5,120) all of which in both years is unrestricted.

4. Income from charitable activities

	Unrestricted funds	Restricted funds	Total 31.3.2018	Total 31.3.2017
Financial capabilities projects	-	-	-	25,000
Maidstone Borough Council grants	167,855	-	167,855	166,280
CITA Grants	-	-	-	200
Golding Homes	5,000	-	5,000	5,000
Pension Wise	-	246,291	246,291	239,184
Henry Smith (MDS Prison)	-	45,358	45,358	-
Energy Best Deal	-	53,284	53,284	88,411
RBS Skills and Opportunities	-	17,500	17,500	-
Other projects	17,117	-	17,117	29,713
	<u>189,972</u>	<u>362,433</u>	<u>552,405</u>	<u>553,788</u>

The income from charitable activities was £552,405 (2017: £553,788) of which £189,972 (2017: £226,193) is unrestricted and £362,433 (2017: £327,595) is restricted.

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

**31 March 2018
(continued)**

5. Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total 31.3.2018	Total 31.3.2017
Costs directly allocated to activities:				
Staff costs	125,750	254,498	380,248	420,305
Travel	2,775	15,268	18,043	17,501
Training costs	104	1,341	1,445	-
Support costs allocated to activities:				
Staff costs	23,811	32,805	56,616	57,315
Premises costs	19,594	22,681	42,275	31,481
General office costs	21,095	32,735	53,830	54,754
Bank charges	52	73	125	217
Depreciation	-	-	-	3,643
	<u>193,181</u>	<u>359,401</u>	<u>552,582</u>	<u>585,216</u>

The expenditure on charitable activities was £552,582 (2017: £585,216) of which £193,181 (2017: £214,636) is unrestricted and £359,401 (2017: £370,580) is restricted.

6. Other costs

	Unrestricted funds	Restricted funds	Total 31.3.2018	Total 31.3.2017
Auditors' remuneration	2,259	2,761	5,020	4,410
Meeting costs	1,019	1,272	2,291	2,344
	<u>3,278</u>	<u>4,033</u>	<u>7,311</u>	<u>6,754</u>

The expenditure on other costs was £7,311 (2017: £6,754) of which £3,278 (2017: £2,370) is unrestricted and £4,033 (2017: £4,384) is restricted.

7. Net expenditure

This is stated after charging:-

	31.3.2018	31.3.2017
Auditors' remuneration	5,020	4,410
Rent payable on property under operating leases	22,999	22,000
Depreciation of computer and office equipment	-	3,643
	<u>28,019</u>	<u>29,053</u>

8. Staff costs

	31.3.2018	31.3.2017
Wages and salaries	392,472	429,650
Social security costs	26,161	29,810
Employers Pension costs	18,265	15,098
Pension recovery plan costs (note 15)	(34)	3,062
	<u>£436,864</u>	<u>£477,620</u>

The key management personnel of the bureau comprise the trustees and the bureau managers. The trustees received no remuneration for the year ended 31 March 2018 (2017: £Nil). The total remuneration including pension contributions received by key management personnel for their service to the bureau was £104,208 (2017: £101,402). The average number of salaried employees during the year was 27 (2017: 29). No employee earned more than £60,000 per annum (2017: none).

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2018
(continued)

9. Tangible fixed assets

	Office and computer equipment
Cost	
At 1 April 2018 and at 31 March 2018	<u>£96,327</u>
Depreciation	
At 1 April 2018	96,327
Charge for the year	-
At 31 March 2018	<u>£96,327</u>
Net book value	
At 31 March 2018	<u>£-</u>
At 31 March 2017	<u>£-</u>

10. Unrestricted funds

Part of the unrestricted funds had been designated as being allocated to the Pension Fund to provide resources for future pension fund liabilities but the trustees have since resolved to transfers these funds back to general undesignated funds. 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:-

	31.3.2018	31.3.2017
General Funds		
Balance brought forward 1 April 2017	9,221	(40,574)
Net incoming resources	5,273	14,795
Transfer from Pension Fund	-	35,000
Transfer from Premises and Development Fund	<u>3,670</u>	-
	18,164	9,221
Pension Fund		
Balance brought forward 1 April 2017	-	35,000
Transfer to General funds	<u>-</u>	<u>(35,000)</u>
	-	-
Premises and Development Fund		
Balance brought forward 1 April 2017	28,152	28,152
To General Fund	<u>(3,670)</u>	-
	<u>24,482</u>	<u>28,152</u>
As at 31 March 2018	<u>£42,646</u>	<u>£37,373</u>

11. Restricted funds

	Balance at 1 April 2017	Incoming resources	Resources expended	Balance at 31 March 2018
Henry Smith (MDS Prison)	-	45,358	42,169	3,189
Energy Best Deal	9,118	53,284	60,832	1,570
Pension Wise	(3,839)	246,291	243,174	(722)
RBS Skills and Opportunities Fund	-	17,500	17,259	241
	<u>£5,279</u>	<u>£362,433</u>	<u>£363,434</u>	<u>£4,278</u>

The objective of the Henry Smith Fund (Maidstone Prison Advice Project) is to provide advice and support to prisoners, staff and their families.

The objective of Energy Best Deal is to inform consumers how to reduce energy bills by efficiency savings or switching suppliers and to provide information about the help available from energy suppliers and government for consumers struggling to pay energy bills.

The objective of Pension Wise is to provide impartial pension advice and guidance.

The objective of the RBS Skills and Opportunities Fund is to provide financial capability outreach training sessions to residents living in rural communities in the Boroughs of Maidstone and Tunbridge Wells.

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

**31 March 2018
(continued)**

12. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
Current assets	103,526	54,712	158,238
Amounts falling due within one year	(8,350)	(56,400)	(64,750)
Provisions	(52,530)	-	(52,530)
	<u>£42,646</u>	<u>£(1,688)</u>	<u>40,958</u>

13. Financial commitments

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

	Land and Buildings	
	31.3.2018	31.3.2017
Expiry within one year	23,000	5,500
Expiry in 2 to 5 years	92,000	-
Expiry over 5 years	212,750	-
	<u>£327,750</u>	<u>£5,500</u>

14. Cash generated from operations

	31.3.2018	31.3.2017
Net outgoing resources	4,272	(32,574)
Adjustments for:		
Investment income	(99)	(488)
Depreciation and impairment of tangible fixed assets	-	3,643
Movements in working capital:		
Increase/decrease in debtors	(15,818)	234
Increase/(decrease) in creditors	23,677	(13,527)
(Decrease) in pension provision	(6,606)	(3,319)
Cash generated/(absorbed) by operations	<u>£5,426</u>	<u>£(46,031)</u>

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2018
(continued)

15. Pension commitments

TPT Retirement Solutions – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the pension plan trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2017 to 30 September 2025: £12,945,440 pa (payable monthly and increasing by 3% on each 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a pension cost.

Present values of provision

	31 March 2018	31 March 2017	31 March 2016
Present value of provision	<u>£52,530</u>	<u>£59,136</u>	<u>£62,455</u>
Reconciliation of opening and closing provision			
	31.3.2018		31.3.2017
Provision at start of period	59,136		62,455
Unwinding of the discount factor (interest expense)	734		1,223
Deficit contribution paid	(6,572)		(6,381)
Re-measurements – impact of any change in assumptions	<u>(768)</u>		<u>1,839</u>
Provision at end of period	<u>£52,530</u>		<u>£59,136</u>
Income and expenditure impact			
	31.3.2018		31.3.2017
Interest expense	734		1,223
Re-measurements – impact of any change in assumptions	<u>(768)</u>		<u>1,839</u>
	<u>£(34)</u>		<u>£3,062</u>
Assumptions			
	31 March 2018	31 March 2017	31 March 2016
Rate of discount	<u>1.71%</u>	<u>1.32%</u>	<u>2.07%</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.