

MAIDSTONE CITIZENS ADVICE BUREAU  
(A company limited by guarantee)

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

Registered Charity No 299055

Company No 02234220



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)

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

Mrs P Garrett	<i>(Resigned Septtber 2011)</i>
Sir Michael Buckley	
Mr J Cobbett	
Mrs G Higgins	
Mr P Stokes	
Mr I Dawson	<i>(Elected September 2011)</i>

REPRESENTATIVE TRUSTEES

PS J Bradley	<i>(Resigned June 2011)</i>
Cllr Mrs J Gibson	
Cllr M Ring	
M I Owen	
Mr P Green	
Mr R Sawtell	
Mr P Coles	
Mrs W Tull Kneller	
Mrs G C Walker	<i>(Resigned September 2011)</i>
Ms E Tredget	<i>(Appointed September 2011)</i>

CO-OPTED MEMBERS

Ms S Hawkins

STAFF TRUSTEES

Mr S Malhotra  
Mrs J S Woods  
Mr M Ford  
Mr R Rixon

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 2012

The Board of Trustees presents its report and the audited financial statements for the year ended 31st March 2012. 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 Charities (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 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 £3,959. There was a surplus of £21,174 in relation to core business. As at 31 March 2012 general unrestricted reserves amount to £93,649.

## MAIDSTONE CITIZENS ADVICE BUREAU

### REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2012

(continued)

#### ACHIEVEMENTS AND PERFORMANCE

Maidstone Citizens Advice Bureau provides a modern advice service that makes a difference to the lives of individuals, their families and their communities. The Citizens Advice service provides free, independent, impartial and confidential advice to help people resolve their problems and take control of their lives. Our advisers are equipped to deal with a wide range of issues, from anyone, debt, benefits, housing, employment, consumer issues, relationships, family matters, health, education, discrimination, immigration and the law. The Bureau's advisers are trained and empowered to work with those in greatest need. The Organisation provides opportunities for volunteering and helps people back into work through training and work experience. It works to prevent problems happening in the first place, by providing money management training and support, supports the local economy by training people and helping them back into employment, tackles social exclusion by helping clients obtain the right benefits and promotes community cohesion through its Social Policy and anti-discrimination work.

The Bureau advisers are not just here for times of crisis they also campaign for changes to policy and practice that benefit millions of people each year. The improved health and confidence that clients often report after receiving advice reduce strain on local health services and increase community cohesion. The Bureau also makes a positive contribution to the local economy through such means as increased benefit take up and the training of volunteers who go on into paid jobs.

For some individuals, their problems can feel overwhelming and they appreciate being able to access outside help. The opportunity to have a face-to-face conversation with an adviser is priceless. A recent survey carried out ascertained that those who get advice are more likely to solve their problem, especially compared to those who try but fail to get advice. They are also more likely to obtain their objectives than those who try but fail. Further, those who get advice are more likely to solve their problems in court or at tribunal. It also found that those who receive legal aid are more likely to secure some or all objectives. Another finding was that 23% of respondents, who did not seek advice, and 35% of those who tried but failed, regretted not having done so, mainly because they believed that advice would have improved the outcome.

Volunteers are the mainstay of the service and perform all sorts of roles from giving advice, to fundraising, IT, administration, publicity, campaigning and trusteeship. Without their passion and generosity, the Bureau would grind to a halt and the cost to the economy of unresolved problems – estimated by the Government at £3.5 billion – would soar. At Maidstone our Generalist advisers gave 387 hours of free advice each week, Gateway Assessors worked another 88 hours each week, further supporting functions including administration and trustees gave 238 hours per week. Annualised and costed out at minimum rates this works out at a colossal sum of £539,517 worth of free voluntary work for the community of Maidstone. These rates are taken from Table 2.5a of the Office of National Statistics 2011 Annual Survey of Hours and Earnings.

The Bureau debt advisers help clients to prioritise debts, negotiate with creditors, fill in forms and budget for the future. As a direct result of the advice they receive, 80 per cent of clients feel more confident about handling their own finances. There will always be people in crisis, and it remains a central objective of the service to offer accessible high quality advice. However, we also recognise the significance of preventative work in terms of the number of lives we can improve. We may not make a visible or immediate difference by providing free financial education, but it gives people the tools and the confidence for greater financial stability throughout their lives. In 2011/12 our debt advisers saw 953 clients, who had an overall indebtedness of £11.24 Million.

At the heart of any first-rate advice service is the ability to offer clients accurate information that is appropriate to their circumstances. Since 2002, the Quality of Advice Assessment (QAA) has been included within the quality assurance standards of the Citizens Advice Membership Scheme. The QAA is based on the principle of peer review – assessors with a background in the advice sector examine 30 case files to evaluate the quality of advice that a bureau is giving. After our last assessment the Bureau's Quality of Advice rose from 73% in 2008 to 77% - a great achievement by all our hard working volunteer generalist advisers.

Scoring is based on whether the adviser has sought the most beneficial outcome for their client. In practice this means asking 'Were the client's circumstances explored fully', 'was the correct research undertaken', 'were all possible options, and their consequences, considered', 'was the client given sufficient information to progress their case, and did the adviser intervene on their behalf if necessary', 'was the client signposted to additional sources of information if appropriate', 'were case management systems, in place and relevant to each client's case?'. The QAA gives bureau an accurate benchmark that they can take pride in improving on, as well as expert recommendations for development.

## MAIDSTONE CITIZENS ADVICE BUREAU

### REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2012

(continued)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

It is an important step towards being able to guarantee that a Citizens Advice Bureau is a client-centred environment Somewhere you feel you are listened to Somewhere you can be confident you will receive sound advice Somewhere that offers you the right balance between being helped and being empowered

The Citizens Advice Service is Maidstone's largest advice-giving charity While comparative size is of little consequence, the number of people we help and the number of problems we solve are very important to us During the course of 2011/12 our advisers advised more than 13,550 clients There were more than 30,380 contacts and our advisers dealt with 55,255 issues 33% of our work is related to Welfare Benefits, 23% related to Debt issues followed by 10% Employment matters and 9% Housing matters Each week our specialist advisers gave more than 270 hours of advice to their clients

Measuring satisfaction is key to being able to improve the client experience We need to know what sort of experience people are having, what makes it a positive one and what, if anything detracts from it Based on that information, we can determine where and how we need to develop To this effect the Bureau carries out a Client Satisfaction Survey every year and for the past 2 years these surveys have been carried out immediately after each face-to-face and telephone interview 99% were very/fairly happy with the service they received from the Bureau, 98% would recommend our service to others, 96% of our clients found the information given to them easy or good enough to understand, 98% found the information given to them to be very or quite useful and 96% were very/fairly happy with the time we were open

All advisers joining the Bureau are provided with full initial training and a continued personal development programme by our Guidance Tutor The Bureau has established a comprehensive training programme that ensures quality by actively supporting the quality of advice and gateway assessment, through guiding staff to information sources, checking that all aspects of a client's situation have been considered, checking that follow up work is progressed and social policy issues are identified The training programme provides support by actively enabling each worker to develop their skills and competences, by explaining, guiding, demonstrating, encouraging, suggesting, giving constructive feedback and challenging appropriately - adapting the level of support to the competence and need of the worker, and taking account of the team as a whole Our Advice Session Supervisors manage the practicalities of the advice session by overseeing and managing all practical issues relating to the session - allocating workers to face to face work or the telephone, checking waiting times or interview lengths, if necessary dealing with client or bureau emergencies

The Bureau Trustees support the Management Team in ensuring that the Bureau works within the requirements of the Citizens Advice Membership Scheme and delivers a bespoke and excellent service to the community of Maidstone Borough and its surroundings The Board has been successful in managing the organisation's resources so that the Bureau delivers all aspects of its Service Level Agreement with Maidstone Borough Council and all the different projects and their objectives The Finance Committee holds devolved powers from the Board to oversee the Bureau's financial resources and has continued to maintain a strict control over the income and outgoings As a result a small surplus of £3,959 was added to the reserves and further funds were added to the Pension Deficit Fund The unrestricted reserves stand at £93,649 which is 9% short of the aspirational target of 25% reserves for the Bureau

#### 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

MAIDSTONE CITIZENS ADVICE BUREAU

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 March 2012

(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

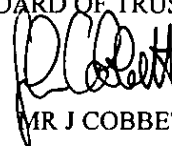
In accordance with company law, as the company's directors, we confirm that

- 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

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



MR J COBBETT

REGISTERED OFFICE

2 Bower Terrace  
Tonbridge Road  
Maidstone  
Kent ME16 8RY

28.8.2012

MAIDSTONE CITIZENS ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2012

We have audited the financial statements of Maidstone Citizens Advice Bureau on pages 8 to 16 of Maidstone Citizens Advice Bureau. 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). The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees' (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Report of the Board of Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MAIDSTONE CITIZENS ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2012

(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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us,
- the financial statements are not in agreement with the accounting records and returns,
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

**Michael 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

28.8.2012



MAIDSTONE CITIZENS ADVICE BUREAU

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2012

	<u>Notes</u>	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total 31 3 2012</u>	<u>Total 31 3 2011</u>
<b>INCOMING RESOURCES</b>					
Incoming resources from activities for generating funds					
Fundraising		3,482	-	3,482	4,001
Donations		3,830	-	3,830	3,644
Investment income		1,700	-	1,700	808
Incoming resources from charitable activities					
Maidstone Borough Council grants		185,000	-	185,000	195,160
Legal Services Commission		219,704	-	219,704	266,534
IDVA Grant (Community)		-	62,000	62,000	44,000
CITA Grants		17,975	-	17,975	15,830
Golding Homes		3,000	-	3,000	3,000
Barclays Money Skills		-	38,067	38,067	56,809
Additional Hours of Advice Project		-	-	-	23,925
EDF Energy Trust Project		-	36,869	36,869	18,435
Britannia Foundation		-	5,500	5,500	-
Future Jobs Fund		10,625	-	10,625	12,625
Greenfields Children's Centre		12,000	-	12,000	4,000
Other projects		3,000	-	3,000	-
<b>Total incoming resources</b>		<u>460,316</u>	<u>142,436</u>	<u>602,752</u>	<u>648,771</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	2	434,836	158,377	593,213	621,371
Governance costs	3	4,306	1,274	5,580	5,402
<b>Total resources expended</b>		<u>439,142</u>	<u>159,651</u>	<u>598,793</u>	<u>626,773</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
	4	21,174	(17,215)	3,959	21,998
Total funds at 1 April 2011		<u>72,475</u>	<u>51,064</u>	<u>123,539</u>	<u>101,541</u>
Total funds at 31 March 2012	6,7	<u>£93,649</u>	<u>£33,849</u>	<u>£127,498</u>	<u>£123,539</u>

The income and expenditure account should be read in conjunction with the reconciliation and analysis of movements of the funds in notes 6 and 7

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

MAIDSTONE CITIZENS ADVICE BUREAU

BALANCE SHEET

As at 31 March 2012

	<u>Notes</u>		<u>31 3 2011</u>
TANGIBLE FIXED ASSETS	5	5,235	8,582
CURRENT ASSETS			
Debtors and prepayments		32,425	42,519
Cash at bank		214,635	172,294
Cash in hand		171	120
		<u>247,231</u>	<u>214,933</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR			
Accruals and deferred income		115,409	89,862
Other taxes and social security		9,559	10,114
		<u>124,968</u>	<u>99,976</u>
NET CURRENT ASSETS		122,263	114,957
TOTAL ASSETS		<u>£127,498</u>	<u>£123,539</u>
UNRESTRICTED FUNDS	6	93,649	72,475
RESTRICTED FUNDS	7	33,849	51,064
		<u>127,498</u>	<u>£123,539</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 *28.8.2012*

*M J Buckley*  
SIR MICHAEL BUCKLEY  
CHAIR OF THE BOARD OF TRUSTEES

*J Cobbett*  
MR J COBBETT  
MEMBER OF THE BOARD OF TRUSTEES

Company No 02234220

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

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2012

I 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 Bureau 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 Bureau's activities

b) Charitable status

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

In the event of the Charity being wound up the liability in respect of the guarantee is limited to £1 per member of the Charity

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

c) Fund accounting

Unrestricted funds are 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 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

d) Incoming resources

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

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

e) Resources expended

Expenditure is recorded on an accounts basis and allocating on the following basis -

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

f) 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

g) Operating leases

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

h) Pensions

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

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2012

(continued)

2 CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total 31 3 2012	Total 31 3 2011
Costs directly allocated to activities				
Staff costs	307,748	106,989	414,737	424,099
Travel	10,084	2,235	12,319	14,958
Traning costs	1,462	211	1,673	3,599
Support costs allocated to activities				
Staff costs	54,309	18,880	73,189	73,102
Premises costs	24,264	13,645	37,909	49,836
General office costs	30,522	15,502	46,024	49,123
Bank charges	230	57	287	287
Depreciation	6,217	858	7,075	6,367
	<u>£434,836</u>	<u>£158,377</u>	<u>£593,213</u>	<u>£621,371</u>

3 GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	Total 31 3 2012	Total 31 3 2011
Auditors' remuneration	2,266	1,274	3,540	3,420
Meeting costs	2,040	-	2,040	1,982
	<u>£4,306</u>	<u>£1,274</u>	<u>£5,580</u>	<u>£5,402</u>

4 NET INCOMING/(OUTGOING) RESOURCES

This is stated after charging -

	<u>31 3 2012</u>	<u>31 3 2011</u>
Board of Trustees' remuneration	£52,036	£52,321
Auditors' remuneration	£3,540	£3,420
Rent payable on property under operating leases	£22,422	£22,000
Depreciation of computer and office equipment	£7,075	£6,367

The Board of Trustees' remuneration relates wholly to two paid senior members of staff who are also trustees and who are also accruing retirement benefits under a defined benefit pension scheme

The average number of salaried employees during the year was 26 (2011 27) No employee earned more than £60,000 per annum (2011 none)

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2012

(continued)

5 TANGIBLE FIXED ASSETS

	<u>Office and computer equipment</u>
<u>Cost</u>	
At 1 April 2011	76,304
Additions	3,728
At 31 March 2012	<u>£80,032</u>
 <u>Depreciation</u>	
At 1 April 2011	67,722
Charge for the year	7,075
At 31 March 2012	<u>£74,797</u>
 <u>Net book value</u>	
At 31 March 2012	<u>£5,235</u>
At 31 March 2011	<u>£8,582</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 2012</u>		<u>31 3 2011</u>
<b>General Funds</b>			
Balance brought forward 1 April 2011	29,323	29,104	
Net incoming resources	21,174	13,219	
Transfer to Pension Fund	(5,000)	(5,000)	
Transfer to Premises and Development Fund	<u>-</u>	<u>(8,000)</u>	
	45,497		29,323
<b>Pension Fund</b>			
Balance brought forward 1 April 2011	15,000	10,000	
Transfer from General Fund	<u>5,000</u>	<u>5,000</u>	
	20,000		15,000
<b>Premises and Development Fund</b>			
Balance brought forward 1 April 2011	28,152	20,152	
Transfer from General Fund	<u>-</u>	<u>8,000</u>	
	28,152		28,152
As at 31 March 2012	<u>£93,649</u>		<u>£72,475</u>

MAIDSTONE CITIZENS ADVICE BUREAU

NOTES TO THE ACCOUNTS

31 March 2012

(continued)

7 RESTRICTED FUNDS

	<u>Balance at 1 April 2011</u>	<u>Incoming resources</u>	<u>Resources expended</u>	<u>Balance at 31 March 2012</u>
Independent Domestic Violence Adviser Project	21,970	62,000	54,660	29,310
Barclays Money Skills	25,316	38,067	63,383	-
Kent and Medway Citizens Advice (KAMCA)	2,231	-	2,231	-
EDF Energy Trust	1,547	36,869	33,061	5,355
Britannia Foundation	-	5,500	6,316	(816)
	<u>£51,064</u>	<u>£142,436</u>	<u>£159,651</u>	<u>£33,849</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 Bureau

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

The objective of the EDF Energy Trust is to provide money advice in respect of fuel bills

The objective of the Britannia Foundation is to provide financial education and training to young people within Kent

8 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total</u>
Tangible fixed assets	5,235	-	5,235
Current assets	111,882	135,349	247,231
Creditors Amounts falling due within one year	(23,468)	(101,500)	(124,968)
	<u>£93,649</u>	<u>£33,849</u>	<u>£127,498</u>

9 FINANCIAL COMMITMENTS

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

	<u>31 3 2012</u>	<u>31 3 2011</u>
		<u>Land and Buildings</u>
Expiry in less than 1 year	£22,000	-
Expiry in 2 to 5 years	£-	£22,000
	<u>£22,000</u>	<u>£22,000</u>

The lease is subject to 5 yearly rent reviews and at the last review in 2007 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 2012

(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 Plan or by the purchase of an annuity

The rules of the 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 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 £19,348 (2011 £18,881) 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 were completed in 2009 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 2012

(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 preliminary triennial valuation results as at 30 September 2011 were received in March 2012 but as the valuation will not be finalised until later this year this disclosure note must still refer to the 2008 valuation results as the last completed valuation.

The Scheme Actuary has prepared a funding position update as at 30 September 2011. The market value of the Plan's assets at that date was £780 million and the Plan's Technical Provisions (ie past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £45 million equivalent to a funding level of 84%.

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.

The Pensions 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, as is required by legislation.

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 and the Pensions Act 2011 has more recently altered the definition of Series 3 Growth Plan so that a liability arises to employees from membership of any Series except Series 4 (our recent correspondence to all employers refers). 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 2012

(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 liability attributable to employment with the leaving employer compared to the total amount of the Plan's 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 31 March 2012. As of this date the estimated employer debt for Maidstone Citizens Advice Bureau was £88,330.