

Registered Charity No.
1125756
Company No. 6669672

WEST KENT DEBT ADVICE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

WEST KENT DEBT ADVICE

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WEST KENT DEBT ADVICE

GENERAL INFORMATION

TRUSTEES

Paul Crouch Non-Executive Director &
Chairman of Trustees
Helen Adam
Janene Hosier
Michael O'Driscoll
Michael Harris
Ben Spring

CHARITY NUMBER

1125756

COMPANY NUMBER

6669672

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Tonbridge Baptist Church
Darenth Avenue
Tonbridge
TN10 3HZ

BRANCH OPERATIONAL ADDRESSES

Vine Evangelical Church
Hitchen Hatch Lane
Sevenoaks
TN13 3AT

United Evangelical Church
1 Mount Ephraim
Tunbridge Wells
TN4 8AE

BANKERS

NatWest Bank plc
130 High Street
Tonbridge
TN9 1DE

Hodge Bank
One Central Square
Cardiff
CF10 1FS

INDEPENDENT EXAMINER

Dan Vickery ACMA

WEST KENT DEBT ADVICE

TRUSTEES' REPORT YEAR ENDED 31 DECEMBER 2021

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their report together with the unaudited financial statements of West Kent Debt Advice for the year ended 31 December 2021. The trustees confirm that the annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document, and 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) as amended in February 2016.

History

Tonbridge Debt Advice Centre (TDAC) was established in 2004 by a group of individuals in Tonbridge Baptist Church to provide a "safe place" where local people could come to receive free advice to help them escape the debt trap. TDAC was incorporated as a guarantee company and received charitable status in 2008. It changed its name to West Kent Debt Advice (WKDA) on 24 January 2012.

Under an agreement dated 2 October 2017 WKDA entered into a partnership with the charity Crosslight Advice (CL) to co-deliver advice services to clients in West Kent and thereby ensure that they achieve the highest quality technical, professional, and ethical standards.

Structure, Governance and Management

WKDA is a charitable company governed by its Memorandum and Articles of Association. The members of WKDA are trustees for the purposes of the Charities Act 2011 and are directors under the Companies Act 2006. Membership is open to individuals or organisations who apply to WKDA in the form required by the directors and are approved by the directors. Directors are appointed by the members at a general meeting. There must be a minimum of three directors, but there is no maximum number.

The day-to-day operations of WKDA are delegated to staff and volunteers.

Objectives and activities

WKDA's purposes as set out in the objects contained in its memorandum of association are:

- the relief of financial hardship among people living or working in the United

Kingdom and elsewhere by the provision of free advice, counselling, and support;

- to advance the education of the public in all matters relating to the management of their personal finances; and
- to advance the Christian faith for the benefit of the public in accordance with our statements of belief.

The aims of WKDA are to ensure the provision of help and advice on all aspects of personal finance to any person who requires it in the West Kent area, but primarily to such persons with debt-related problems. The charity realises these objectives through its partnership with CL and the joint operation of the Crosslight branches in West Kent.

The guidance contained in the Charity Commission's general guidance on public benefit is referred to when reviewing the objectives and aims of WKDA and in planning future activities. The Trustees consider that the charity's current activities provide public benefit in accordance with that guidance.

WEST KENT DEBT ADVICE

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2021 (continued)

Achievement and Performance

WKDA provides its services in partnership with CL and jointly operates Crosslight's West Kent branches in Tonbridge, Sevenoaks, and Tunbridge Wells. During the year we also started providing services in Edenbridge.

In total Crosslight West Kent (CLWK) helped 402 clients in 2021, holding 709 appointments. 216 of these were new cases. The average debt for clients' cases opened in the 18 months to December 2021 was £19,812.

At the end of the year CLWK had 244 open cases. Cases are becoming increasingly complex, with many clients having issues other than debt, including mental health, unemployment, domestic and financial abuse. In 2021 CLWK assisted in writing off £564,052 of debt. This included 29 Debt Relief Orders totalling £427,650.

Of the individuals that CLWK worked with in 2021, CLWK stabilised rent arrears for 56 families (which is 63% of clients with rent arrears) and stabilised a total of 1,274 debts. CLWK completed financial statements for 89% of clients and supported 50% of clients with general support in order for them to address the underlying causes of their financial situation.

During the year CLWK adopted a flexible approach, seeing clients in person and holding appointments by telephone. This has enabled CLWK to extend the reach of its services and to serve its clients in whatever way is most appropriate. CLWK offers a range of services, from a 'drop-in' service at a foodbank, through to a full casework model for those who need it.

Financial review

Total incoming resources for the year amounted to £103,404 (2020 £133,386) and resources expended on charitable activities were £110,408 (2020 £111,411). All other

costs are kept to a minimum.

Unrestricted funds amounted to £102,575 (2020 £109,579) at the year end. Whilst this level of reserves appears significant in comparison to annual levels of income and expenditure, the trustees are acutely aware of the economic climate being faced by organisations of all sizes at present and coupled with the potential uncertainty of future donations and grant income alongside the increasing costs due to cost of living increases the level of reserves held is felt to be reasonable.

The aim of the trustees is that the charity should have sufficient unrestricted reserves to enable it to support its existing clients. Such is the continuing nature of the support offered that the servicing of some clients can take at least twelve months. Furthermore the charity is significantly dependent on successful applications to grant making trusts, the response to which can typically take six months or more. Consequently the level of reserves is reviewed regularly to ensure that they are sufficient to sustain the charity's ongoing activities and its ability to meet its financial commitments.

Trustees

The members of the charitable company are trustees for the purposes of the Charities Act 2011 and directors for the purposes of company law. The trustees who served during the year were:

Barry Lock (Non-Executive Director & Chairman of Trustees to 03.02.21) (Resigned 03.02.2021)

Paul Crouch (Non-Executive Director & Chairman of Trustees from 04.02.2021)

Helen Adam

Janene Hosier

Michael O'Driscoll

Graham Roper (Resigned 19.09.2021)

Michael Harris

Ben Spring (Appointed 09.12.2021)

WEST KENT DEBT ADVICE

TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2021 (continued)

Trustees' responsibilities

The trustees (who are also directors of WKDA for the purposes of company law) are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject

to any material departures disclosed and explained in the financial statements;
and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Paul Crouch
Non-Executive Director & Chairman of Trustees

20 September 2022

WEST KENT DEBT ADVICE

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 DECEMBER 2021

		2021 Unrestric ted £	2021 Restrict ed £	2021 Total £	2020 Total £
Incoming resources					
Donations from individuals	Standing orders	11,530	-	11,530	10,668
	Stewardship	-	-	-	200
	Others	38,945	-	38,945	-
	Gift Aid tax recovery	9,848	-	9,848	2,357
		60,323	-	60,323	13,225

Donations from Churches		14,598	-	14,598	13,459
Grants	Clarion Community Foundation	-	-	-	14,697
	Big Lottery Fund - PATH	-	1,875	1,875	9,375
	High Hilden	-	10,000	10,000	-
	Kent Community Foundation	-	-	-	27,500
	Colyer-Fergusson Trust	-	-	-	30,000
	Others		-	15,572	24,691
		15,572			
		15,572	11,875	27,447	106,263
Bank interest		351	-	351	439
Other receipts		685	-	-	-
Total incoming resources		91,529	11,875	103,404	133,386
Resources expended					
Direct charitable expenditure	Staff costs	69,281	11,875	81,156	79,714
	Other direct costs	29,122	-	29,122	31,697
Governance		130	-	130	120
Total resources expended		98,533	11,875	110,408	111,531
Net incoming (outgoing) resources for the year		(7,004)	-	(7,004)	21,855
Funds brought forward at 1 January 2021		109,579	-	109,579	87,724
Funds carried forward at 31 December 2021		102,575	-	102,575	109,579

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

BALANCE SHEET - 31 DECEMBER 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	5	-	-
Current assets			
Debtors	6	9,945	2,703
Bank and cash balances		<u>92,883</u>	<u>109,581</u>
		102,828	112,284
Creditors - amounts falling due within one year	7	<u>253</u>	<u>2,705</u>
Net current assets		102,575	109,579
Total assets less current liabilities	8	102,575	109,579
Funds			
Unrestricted funds		102,575	109,579
Restricted funds	9	-	-
		102,575	109,579

The trustees are satisfied that the company was entitled to exemption from the requirement to have an audit under section 477 of the Companies Act 2006 and confirm that no notice has been deposited requesting an audit under section 476 of the Companies Act 2006 in relation to the accounts for the financial period.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to the accounting records and the preparation of accounts.

The accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the board on 20 September 2022 and signed on its behalf.

Paul Crouch
Non-Executive Director & Chairman of Trustees

**WEST KENT DEBT ADVICE
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies

a) Accounting Basis

The accounts have been prepared under the historical cost convention and in accordance with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document, and 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) as amended in February 2016.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subject to conditions imposed by the donors.

c) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

d) Resources Expended

Expenditure includes irrecoverable VAT and is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and costs linked to the strategic management of the charity.

e) Pension Costs

Pension contributions to money purchase schemes for the charity's members of staff are charged to the statement of financial activities as they are incurred.

f) Tangible Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at 33% per annum to write off the cost, less estimated residual value, of each asset over its expected useful life. Assets costing more than £1,000 are capitalised.

g) Taxation

The company is not liable to taxation on its income.

2. Net incoming (outgoing) resources for the year are stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	-	-
Independent Examiner's fee	130	120

WEST KENT DEBT ADVICE NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2021

3. Staff costs

	2021	2020
	£	£
Salaries	75,654	74,609
National insurance contributions	1,770	1,469
Pension premiums	3,516	3,636

The average number of staff employed during the year was 4 (2020- 4). No employee received emoluments of more than £60,000.

4. Trustees' remuneration and related party transactions

No remuneration or expenses were paid to any trustee during the year.

Barry Lock and Paul Crouch were Trustees of Crosslight Advice during the year. The charity made contributions to Crosslight Advice totalling £23,500 (2020 - £23,500) in respect of various shared costs.

5. Tangible fixed assets - office equipment and computers

	£
Cost	
At 1 January 2021 and 31 December 2021	<u>11,293</u>
Accumulated depreciation	
At 1 January 2021 and 31 December 2021	<u>11,293</u>
Net book value	
At 31 December 2021 and 31 December 2020	<u>-</u>

6. Debtors

	2021	2020
	£	£
Prepayments	97	346
Gift Aid tax recoverable	9,848	2,357
	<u>9,945</u>	<u>2,703</u>

7. Creditors - amounts falling due within one year

	2021	2020
	£	£
PAYE and national insurance contributions	-	2,399
Accrued expenses	253	306
	253	2,705

**WEST KENT DEBT ADVICE
NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2021**

8. Analysis of net assets between funds

	Unrestrict ed	Restrict ed	Total
	£	£	£
Tangible fixed assets	-	-	-
Net current assets	102,575	-	102,575
	102,575	-	102,575

9. Restricted funds

	Balance brought forward	Income	Expendit ure	Balan ce carrie d forwa rd
	£	£	£	£
Big Lottery Fund for PATH Project	-	1,875	(1,875)	-
High Hilden	-	10,000	(10,000)	-
	-	11,875	(11,875)	-

10. Company status

The company is a private company limited by guarantee and does not have share capital.

WEST KENT DEBT ADVICE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES YEAR ENDED 31 DECEMBER 2021

I report on the accounts for the year ended 31 December 2021 which are set out on pages 6 to 10.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a true and fair view. The report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which give me reasonable cause to believe that, in any material respect,:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dan Vickery ACMA

20 September 2022