

West Kent Debt Advice

Registered Charity No 1125756
Company Number 06669672

Directors' and Trustees' report and accounts

12 months to
31 December 2022



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CHARITY INFORMATION

Charity number

1125756

Company number

6669672

Registered office and principal address

Tonbridge Baptist Church, Darenth Avenue, Tonbridge, TN10 3HZ

Directors and Trustees

Paul Crouch (Chair)
Michael O'Driscoll
Helen Adam
Michael Harris
Ben Spring

Bankers

Cooperative Bank plc, PO Box 101,
1 Balloon Street, Manchester, M60
4EP

Independent examiner

Dan Vickery ACMA

1. INTRODUCTION

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 2022.

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.

Partnership

Our model is one of collaboration and partnership, recognising that we cannot achieve lasting change without the support and participation of the communities we serve. It is important for us to give our clients a holistic support and we are aware that we can only do that in partnership with other organisations.

Alongside our strategic partnership with Crosslight Advice, we are also involved in many local partnerships including the homeless prevention PATH and HERO projects, alongside Citizens Advice and Sevenoaks District Council.

We also work closely and exchange knowledge and training with the other Crosslight branch staff and volunteers that serve the communities in London and the South

2. MISSION & PURPOSE

West Kent Debt Advice (WKDA) is an independent, person-centred charity working to alleviate poverty amongst some of the most vulnerable in our communities.

WKDA works in partnership with the charity Crosslight Advice (charity number 1163306) and fulfils its mission through the joint operation of the Crosslight branches in West Kent, primarily in Tonbridge, Tunbridge Wells and Sevenoaks.

Our joint vision is to **retore dignity** and **renew hope** to those in need by reducing debt poverty and improving financial capability.

The whole-person approach of Crosslight West Kent focuses on individuals and families who are often characterised by unemployment or low incomes, long-term physical or mental health problems, and complex social and family issues.

Our ethos is to work with our clients on an individual basis, to ensure they can embrace the advice given, understand the benefits of simple money management and budgeting techniques, and be supported to start working through some of the causes of their difficulties. It is a partnership, and we seek always to equip and empower, rather than prescribe or dictate. Most of our clients come to us at a point of crisis, often facing the threat of eviction, court orders, visits from bailiffs, and mounting priority debts. Simply being given the time to be heard can have a huge impact. With engagement, opportunities abound for positive life changes, building resilience and ultimately, encouraging financial independence.

Our Christian ethos and our five core values lie at the heart of all that we do:

1. To help anyone, regardless of background, faith or circumstance, striving always to ensure Crosslight is open and welcoming to anyone who needs our support
2. To model unconditional love and compassion to all those we support, treating all with dignity and respect
3. To act without judgement in the best interests of our clients to the best of our ability, putting aside pre-conditions and treating each person as a precious, unique individual
4. To be open, honest and fair in all our dealings with clients and colleagues alike, supporting each other in the work that Crosslight undertakes
5. To empower our clients to make their own informed decisions, recognising their own agency, and seeking to ensure their flourishing as valuable members of our communities

WKDA's mission is:

- the relief of financial hardship
- to advance the education of the public in all matters relating to the management of their personal finances

We refer to the Charity Commission's general guidance on public benefit when reviewing the objectives and aims of West Kent Debt Advice and in planning future activities.

3. ACTIVITIES, ACHIEVEMENTS & PERFORMANCE IN 2022

This section reflects the work of Crosslight West Kent, in partnership with Crosslight Advice

Advise

We provide comprehensive debt and benefit advice, focusing on the unique circumstances of each individual. Our end-to-end support includes in-depth casework for the most vulnerable. We act as advocates for our clients to ensure their voices are heard, intermediating on their behalf if required. Our approach is to journey with our clients and support them each step of the way, working at their pace and adapting to their individual needs and abilities. Our open-ended support is available for as long as is needed.

Equip

A key part of our mission is to create lasting change so that our clients can face the future with more confidence, better equipped to meet their full potential. We do this through one-to-one budget coaching and our Money Course workshops – both face-to-face and online. We help clients look beyond the immediate crisis and work with them to build resilience over the long-term. Our programmes are designed to help clients understand their own finances and teach them simple budgeting skills they can apply day to day.

Encourage

We know that debt and financial difficulty are often symptoms of a deeper problem. We work hard to support clients through their difficulties and empower them to turn their lives around. We achieve this by taking a 'whole-person' approach which includes mentoring, befriending, social engagement and encouragement. Our advisers and coaches initiate this support on a case-by-case basis, and past examples have included helping with job applications, housing issues, and support with family life.

Resourcing Others

As well as providing services directly to our clients, we also build community, and support those in need beyond our catchment areas. We do this by offering our Money Course and money education programmes to other organisations and community groups to use for their own service users. Our Money Course Leader's Hub provides online training and support, as well as full access to all our resources and videos so that our workshops can be run wherever there is a need. Likewise our free, online Budget Builder (web and app) complements the Money Course and enables anyone to build their own household budget and use it to manage their money more effectively day-to-day.

2022 has been another very challenging year for Crosslight. Emerging from the pandemic we were plunged straight into a cost-of-living crisis, with profound consequences for our clients. With the unwavering support of our incredible team of staff and volunteers, we were able to help more people, and in more locations, than ever before.

Advice

We saw record numbers of individuals wanting to access our service. Our Advice Services team handled 390 new enquiries from individuals in West Kent seeking advice, a 13% increase on 2021. This represents over 600 families and children who are impacted by our help and advice. As we navigated out of the pandemic, we increased the proportion of face-to-face appointments from 35% in 2021, to 57% in 2022. Looking forward, we expect to hold more appointments in 2023, and we will continue to encourage clients to attend more appointments by video or in person, so they can feel better supported and case progress will be more efficient.



Paul Crouch
Chair of Trustees

West Kent Debt Advice has provided another year of significant support to the communities it operates in, with the statistics overleaf speaking for themselves.

I'm enormously proud of the team for their relentless drive to deliver a quality service and I've been particularly pleased to see the number of locations we operate from increase.

As a charity we provide this service to the community for free, however we only manage to do that because of the generous donations from individual and organisational donations as well as grants. A heartfelt thank you to all who supported us in 2022.



Andrew Hull
Manager

Demand has continued to be strong throughout 2022, with many of our clients presenting with multiple and complex issues. Although our focus is on helping clients with their problem debt and financial capability, our holistic approach means we need to take account of issues relating to health, relationships, and other factors that could be affecting their lives. Ensuring our clients' needs are being met is enhanced by strong partnership working with other organisations such as local councils, foodbanks and homelessness and domestic violence charities.

Our vision is to be able to offer our services in the most appropriate way to clients throughout the boroughs of Sevenoaks, Tonbridge and Malling, and Tunbridge Wells. In addition to our telephone-based services, we have further developed our face-to-face offerings in Edenbridge and at foodbanks in Sevenoaks and Tunbridge Wells.

We have a small staff team, supplemented by around 30 volunteers. They have benefited from the expanded Learning and Development programme that has been rolled out through the organisation. This has enhanced our ability to offer practical and relevant help for our clients, underpinned by the necessary regulatory knowledge.

2022 in numbers

Energy Crisis

2 in 3 (63%) of our advice clients in 2022 had fallen into fuel arrears as prices rocketed

2 in 5 (40%) had to go for periods without heating altogether

Our clients

Our clients told us that in the months leading up to their first appointment...

Half (51%) have had to cut down or go without food

Two thirds (66%) have missed payments on essential bills

Over **Half** (54%) of our debt clients are struggling to pay their rent and are facing possible eviction

Over **half** (55%) of our debt clients have long-term physical or mental health problems

Almost **8 in 10** (79%) say their situation is affecting their mental health

Half say their family relationships are in jeopardy

Over **393** clients supported (over **600** family members) of which 195 were new clients.

700 appointments held

Over **£130k** of annualised income gains for clients including grants and benefits

Over **£800k** of unpayable debt write-offs secured for clients

Over **100** sign-ups for the Money Course online, face-to-face, and self-led

66 new external organisations signed up to the Money Course Leaders Hub to run courses in their own communities

Welcomed the **5,000th** user our online Budget Builder (now 5,200+)

New **Cost of Living Toolkit** workshop launched

The Impact of our work

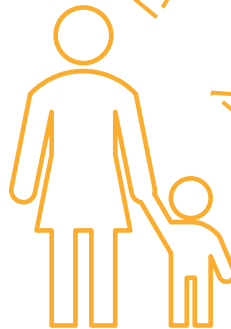
After receiving support from Crosslight:

81% of clients
felt more in
control of their
financial
situation

94% of clients
would recommend
Crosslight to a
friend

70% of clients'
priority debts
resolved /
stabilised

76% of clients
reported
improved
wellbeing



76% of clients felt
their financial
outlook had
improved

Our Unique Approach

Personal not prescriptive – much advice delivery is becoming more generic, with a focus on information rather than individual advice. In contrast, our service is tailored to the individual, meeting them at their point of need and working at their pace. Our service is flexible and adapts to the needs of each individual.

Outcomes not volumes – many agencies are more focused on meeting volume targets. In contrast, although we seek to help as many as possible, we are not driven by numbers. We want to ensure all our clients get the support they need to move beyond a current crisis. We are therefore more interested in the progress of each individual, rather than showing off our client volumes.

Time to give not timed-out – many advice providers are time-limited in the support they give. In contrast, we support some of the most vulnerable in our communities, many of whom struggle with very complex circumstances. We therefore support our clients for as long as they need to remain engaged with us.

Big picture not just the big problem – most of our clients come to us at a point of crisis, often with a number of issues where they need support. Our first task is to help them with these urgent problems. But where we can, we will go further, to look at the big picture beyond the immediate crisis and support our clients as they deal with the underlying causes of their difficulties.

4. GOVERNANCE & 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 management of the WKDA charity is delegated to a branch manager, supported by a team of staff and volunteers.

WKDA has a formal relationship with the registered Charitable Incorporated Organisation Crosslight Advice (1163306) and jointly operates the Crosslight branches in West Kent, part of several Crosslight branches serving the needs of local communities in London and the South of England.



WKDA and Crosslight each assume different responsibilities regarding the overall operations of Crosslight West Kent to ensure an efficient and cost-effective structure that avoids duplication, reduces overall costs through shared resources and economies of scale, and provides the biggest impact to those being served. The responsibilities of each organisation are codified in a memorandum of understanding between Crosslight Advice and WKDA. Crosslight Advice is the entity authorised by the Financial Conduct Authority, and the staff of WKDA provide debt advice as agents of Crosslight Advice under the day-to-day management of the Crosslight CEO.

Pay & Remuneration

Pay and remuneration for all staff including key management personnel is determined by the trustees based on individual performance and appropriate benchmarking. The trustees are guided in their decisions by the People Committee of partner charity Crosslight Advice, which has an independent chair and includes a mix of trustees and outside members with specialist skills.

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:

- Paul Crouch (Non-Executive Director & Chairman of Trustees)
- Helen Adam
- Janene Hosier (Resigned 21.11.2022)
- Michael O'Driscoll
- Michael Harris
- Ben Spring

The trustees and directors are voluntary positions and non-remunerated.

5. FUNDING & SUPPORT

We are very grateful to the many individuals, companies, partners, churches and trusts that have given so generously. WKDA relies on this voluntary income and it is only through the generosity of our supporters that our transformational work can continue.

In particular we would like to thank the following for their financial support, either directly through Crosslight, or in support of our partners:



Provision of support

In addition to the financial support already recognised above, the trustees would like to sincerely thank the partner churches in which the Crosslight branches are based:

- Tonbridge Baptist Church
- United Evangelical Church, Tunbridge Wells
- Vine Evangelical Church, Sevenoaks

6. FINANCIAL REVIEW, RISK MANAGEMENT, & RESERVES POLICY

Total incoming resources for the year amounted to £102,306 (2021 £103,404) and resources expended on charitable activities were £112,243 (2021 £110,408). All other costs are kept to a minimum.

Unrestricted funds amounted to £92,638 (2021 £102,575) at the year end.

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.

7. 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

Date: 15 - Sept - 2023

8. INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2022

I report on the accounts for the period ended 31.12.22 which are set out in the following pages.

Respective responsibilities of trustees and independent examiner

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

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

Basis of independent examiner's report

My examination was carried out in accordance with 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 and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the requirements of Charities (Accounts and Reports) regulations 2008.

I have no concerns and have come across no matters to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dan Vickery ACMA
Date: 17 August 2023

9. ANNUAL ACCOUNTS

9a. Statement of Financial Activities for the 12 months ended 31 December 2022

		2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
Incoming resources					
Donations from individuals	Standing orders	12,835	-	12,835	11,530
	Others	13,761	-	13,761	38,945
	Gift Aid tax recovery	2,510	-	2,510	9,848
		29,106	-	29,106	60,323
Donations from Churches		12,245	-	12,245	14,598
Grants					
	Big Lottery Fund – PATH Project	-	-	-	1,875
	High Hilden	10,000	-	10,000	10,000
	Kent Community Foundation	20,000	-	20,000	-
	Colyer-Fergusson Trust	15,000	-	15,000	-
	Edenbridge Food Bank	-	5,721	5,721	-
	Others	8,900	-	8,900	15,572
		53,900	5,721	59,621	27,447
Bank interest		385	-	385	351
Other receipts		949	-	949	-
Total incoming resources		96,585	5,721	102,306	103,404
Resources expended					
Fund-raising and publicity				-	-
Direct charitable expenditure	Staff costs	82,090	5,721	87,811	81,156
	Other direct costs	24,302	-	24,302	29,122
Governance		130	-	130	130
Total resources expended		106,522	5,721	112,243	110,408
Net incoming (outgoing) resources for the year		(9,937)	-	(9,937)	(7,004)
Funds brought forward at 1 January 2022		102,575	-	102,575	109,579
Funds carried forward at 31 December 2022		92,638	-	92,638	102,575

9b. Balance Sheet

as at 31 December 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	5		-		-
Current assets					
Debtors	6	2,608		9,945	
Bank and cash balances		<u>93,621</u>		<u>92,883</u>	
		96,229		102,828	
Creditors – amounts falling due within one year	7	<u>3,591</u>		<u>253</u>	
Net current assets			92,638		102,575
Total assets less current liabilities	8		92,638		102,575
Funds					
Unrestricted funds			92,638		102,575
Restricted funds	9		-		-
			92,638		102,575

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 and signed on its behalf.

Paul Crouch
Non-Executive Director & Chairman of Trustees

Date:

9c. Notes to the Accounts

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:

	2022	2021
	£	£
Depreciation of tangible fixed assets	-	-
Independent Examiner's fee	130	130

3. Staff costs

	2022	2021
	£	£
Salaries	84,213	75,654
National insurance contributions	1,813	1,770
Pension premiums	2,920	3,516

The average number of staff employed during the year was 4 (2021 – 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.

Tonbridge Baptist Church made donations of £5,750 (2021 - £5,750) to the charity during the year, and provided premises from which the charity operates free of charge. Michael Harris and Ben Spring (Trustees) are members of Tonbridge Baptist Church.

Michael O'Driscoll, a trustee of the charity, is a member of Tunbridge Wells Baptist Church who made a donation of £250 (2021 - £250) to the charity during the year.

Paul Crouch was a Trustee of Crosslight Advice during the year. The charity made contributions to Crosslight Advice totalling £21,500 (2021 - £23,500) in respect of training, appointment scheduling, governance and policy and software licences. This drives efficiency for the charity through economies of scale.

5. Tangible fixed assets – office equipment and computers

	£
Cost	
At 1 January 2022 and 31 December 2022	<u>11,293</u>
Accumulated depreciation	
At 1 January 2022 and 31 December 2022	<u>11,293</u>
Net book value	
At 31 December 2022 and 31 December 2022	<u>-</u>

6. Debtors

	2022	2021
	£	£
Prepayments	98	97
Gift Aid tax recoverable	2,510	9,848
	2,608	9,945

7. Creditors – amounts falling due within one year

	2022	2021
	£	£
PAYE and national insurance contributions	3,461	-
Accrued expenses	130	253
	3,591	253

8. Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Tangible fixed assets	-	-	-
Net current assets	92,638	-	92,638
	92,638	-	92,638

9. Restricted funds

	Balance brought forward	Income	Expenditure	Balance carried forward
	£	£	£	£
Edenbridge Food Bank	-	8,900	8,900	-
	-	8,900	8,900	-

10. Company status

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