



Plummer Parsons
Chartered Accountants

Charity Registration No. 1045340

Company Registration No. 03029782 (England and Wales)

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE

MONEY ADVICE PLUS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

**Chartered Accountants
& Statutory Auditor**

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr T Mase Mr R Phillips Mr D Omer Ms N Myers Mr P Heathorn Mr S Beamont Mr J Hyman Mr A Berry	(Appointed 13 July 2017) (Appointed 9 November 2017)
Secretary	Ms J Grigg	
Charity number	1045340	
Company number	03029782	
Operations addresses	Tisbury Road Offices Hove Town Hall Tisbury Road Hove East Sussex BN3 3BQ 2nd Floor 182-184 Terminus Road Eastbourne East Sussex BN21 3BB	
Registered office	Tisbury Road Offices Hove Town Hall Tisbury Road Hove East Sussex BN3 3BQ	
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
Chief executive	Margaret Carey	
Management	Andrea Finch Karen Perrier Sophy Williams Marita Murphy Jackie Grigg	Client services manager Client services manager Client services manager Finance manager Business development & operations manager

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE

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TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

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The trustees present their report and financial statements for the year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Charitable objects

To provide advice, counsel and assistance according to their needs to people in the United Kingdom who are having difficulty managing their financial affairs because of illness, poverty, or old age, and to make such representations on their behalf as are relevant to these objects.

Vision

Our vision is a future where everyone can access the advice and support they need to manage their money effectively, enabling people to have more control in their lives and greater peace of mind.

Mission statement

Our mission is to help people manage their money effectively. We provide expert benefit, debt and budgeting advice, and practical money handling support. Our non-judgemental and flexible approach is tailored to each individual's needs, allowing us to reach people who find it most difficult to access advice.

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the paragraphs contained within this report, namely Objectives & Activities and Achievements & Performance, relate in detail the benefit that the Charity provides to the public.

Achievements and performance

Introduction

Money Advice Plus operates both national and local services through its two offices – Brighton & Hove, and Eastbourne. Each office, with its distinct activities, retains many of its own characteristics, with the Brighton & Hove office delivering face to face advice and case work, community support and money handling within Sussex, and the Eastbourne office delivering telephone and video conferencing advice and case work services for clients throughout England & Wales. However, Advisers are increasingly able to work across projects run through either office.

When planning services, the Charity decides where to direct services and seeks funding accordingly, taking into account the following factors:-

- honouring our commitment to prevent or relieve poverty;
- promoting our Mission;
- working towards our Vision and targeting client groups who are most at risk of financial exclusion and affected by poverty and illness, and identifying how best to reach people who find it most difficult to access services; and
- the availability of funding partners and their willingness to work with us, and maintaining up to date intelligence about other providers and services to avoid duplication, and looking at opportunities to develop constructive partnership working.

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Activities

To meet our charitable remit and objectives the Charity carries out the following activities for the public benefit:

- Specialist welfare benefit advice, casework and representation
- Specialist debt advice, casework and representation
- Money handling – receiving and distributing income (paying bills and other transactions) and budgeting to ensure clients have sufficient funds for household expenses. Money handling can also act as a debt management plan with small or token payments being made to multiple creditors
- Appointee – appointed to act by the Department of Work and Pensions on behalf of claimants who do not have capacity to administer their benefit income
- Deputy in the Court of Protection for clients without mental capacity
- Safeguarding – ensuring staff are well-trained in recognising signs of potential abuse, financial and other, raising concerns with Adult Social Care (ASC) as appropriate, and working collaboratively with ASC to support people experiencing abuse
- Community support – working with clients, the statutory and voluntary sectors to contribute to and help ensure appropriate services are provided to clients
- Training and workshops – covering debt, welfare benefits, money management/budgeting
- Social policy – contributing to reports and campaigns which affect the wellbeing of the community and society.

Staff and volunteers

The majority of activities are carried out by paid staff. At the end of the 2017-18 financial year there were 19 full time and 24 part-time employees. The Charity follows National Joint Councils' pay scales.

The Charity encourages volunteering to supplement and enhance activities and Trustees and staff appreciate all the work they do. During the year seven volunteers gave approximately 1,016 hours of assistance in a range of roles including finance, reception, supporting Advisers and IT. This equates to a monetary value of approximately £10,815 a year.

In addition to general Trustee activities described above, Trustees provide support to the Chief Executive in a range of management, financial and business development issues and give their time voluntarily.

Review of strategic objectives 2017-18

The following summarises progress made in the first year of the 2017-20 strategy.

The three year strategy considered what was needed to ensure the Charity can:

- develop in a planned way
- consolidate our areas of expertise
- meet changes with confidence
- seek new ways to meet our charitable remit

The five overarching aims arrived at are:

1. To promote wider awareness of our Charity

The Charity put out to tender the redesign of our website resulting in a new site www.moneyadviceplus.org.uk. Staff and clients were involved throughout the design process, and tested the site before it went live in September 2017. The website has a modern look, and is much easier to navigate, allowing accessible content for the range of stakeholders. The site contains a webchat facility, and an embedded signed video for potential Deaf clients, increasing the routes of accessibility in future services.

Given the success of the website, we then asked the company to redesign our publicity materials, giving them a consistent and professional look.

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We introduced a newsletter for funders, commissioners and other people who might be interested in our work, or where we'd like to raise our profile. It includes information about services, focusing on one aspect of our service in each issue, together with topical news stories, and any pertinent changes in the Charity.

Senior managers have continued to build relations with existing funders and partners, but have also sought to create new links. In 2017-18 we have worked in partnership with Surviving Economic Abuse and refuges for survivors of domestic abuse, around the country, in addition to delivering training for the Financial Ombudsman Service, and delivering talks to local forums such as the South East Financial Capability Forum. Lastly we have established and are running the South East branch of the Institute of Money Advisers, and sit on that body's National Council. Hopefully, these links will help the Charity to grow and fulfill our charitable aims.

2. To promote greater financial resilience in the people we work with

We need to ensure our Advisers have up to date legal knowledge around debts and benefits, access to legislation and commentary, and the ability to discuss cases and learn from each other. Doing this ensures that clients receive excellent advice and are better prepared for changes in their circumstances.

The Charity operates a robust casework supervision system in each office. During 2017-18, one of the Casework Supervisors also worked as a Peer Reviewer for Recognising Excellence, and assessed the casework of organisations across the country delivering debt advice services funded by the Money Advice Service. Through this she has developed a thorough knowledge of best practice, and this is being disseminated across the organisation.

There are monthly Adviser team meetings in both offices, facilitating a discussion of trends and how best to deal with them, changes in legislation, and sharing of best practice.

Ensuring that all advice work provided by the Charity is of a consistent high standard, enables our clients to have the best opportunity to build financial resilience.

Once clients have received advice and have their debts under control, we can now offer them a service from our Financial Capability Worker, who works through utilities, charity applications etc. This has proved very popular with clients.

Andrew Bailey, Chief Executive of the Financial Conduct Authority, visited the charity in May 2017. He met with staff and listened in on a call to the telephone advice line, during which he gained a better understanding of current debt trends and issues for our clients. This intelligence, together with that from other debt organisations, has fed directly into the FCA's plans and actions to strengthen the regulation of providers of finance to vulnerable clients.

3. To increase and diversify our funding

Following on from the relations built in promoting wider awareness of the Charity, we have worked with partner organisations to diversify our funding sources. We were the lead partner in a bid for government funds for a new national project assisting survivors of domestic abuse concerning their individual finances, but also around training and campaigning work. Although the initial bid was unsuccessful, a smaller award is being actively discussed. We have worked with local partnerships to secure additional funding from Brighton & Hove City Council and we have looked at increasing funding from existing Housing Association clients, with partial success, and have explored working with new Housing Associations around England and Wales.

The Charity worked with a consultant helping us to focus where best to concentrate resources in seeking varied additional funding. The Business Development sub-group has considered these results and is beginning to follow some of their recommendations.

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4. To ensure our services are responsive and inventive

2017-18 has been an extremely difficult year for many clients. Welfare Reform continues to roll out, so that the whole of Brighton & Hove now has Universal Credit fully implemented for all new claimants. This has worked for some of our clients, but for the majority it has proved extremely difficult to claim and then to maintain their claims. This has resulted in increased rent arrears and lack of funds just for the basics like food, with a consequent increase in the numbers of people approaching foodbanks for help. Despite our Big Lottery for work in foodbanks ending in September, we obtained funding at a lower level which has allowed us to continue offering a drop-in service at foodbanks for immediate advice and follow-up casework as needed.

We have been considering how to adapt and streamline the service offered to clients around benefit claims, mandatory reconsiderations and appeals to Her Majesty's Courts & Tribunal Service. Increasing numbers of cases where the client can have one, two or more appeals together with increased complexity, and long waiting times from submission to outcome, has heightened the stress felt by individual Advisers and reduced the numbers of clients we have been able to see over the year. We hope that adjusting our ways of working will alleviate the impact on Advisers, and maintain the numbers of people we can advise. We feel it is vital that we maintain a high quality service, and a healthy staff team, and continue to emphasise to our Funders that this cannot be compromised in the pursuit of high volume casework.

We have promoted the services of our Financial Capability worker, as the space for Advisers to carry out this aspect of work within their roles has diminished for the reasons stated above. The practice and success of this project have been fed back to and taken on board by other organisations.

Coercive control has been topical this year. We have been in the vanguard, working closely with high profile workers in this area, speaking at an event in the House of Lords, and delivering training to The Financial Ombudsman Service and to refuges for survivors of domestic abuse. A successful Tampon Tax bid has provided funding from August 2018 allowing us to continue with advice and casework, training, talks and additionally speaking and workshops at several national conferences.

5. To promote equality and diversity

The Charity has been able to broaden its accessibility through new information technology. We recognised that we have few deaf clients accessing debt advice, and so have agreed to be part of a wider pilot project targeting this group. This includes changing our website to be more deaf-friendly and embedding a BSL signed video explaining how to arrange an appointment with an Adviser.

When commissioning the new website we requested a Webchat facility, as we feel this will allow greater access to our services generally, but especially to those who may have difficulty attending an appointment outside the home.

We have tried to recruit a more diverse Board of Trustees, and will continue this into 2018-19.

Performance in 2017-18 (previous year figures in brackets)

Our charitable purpose is 'relief of poverty' and we address this by providing the services described above. Evidence of the practical benefit of our services is demonstrated by our performance.

In 2017-18 we assisted 3,289 (3,441) people with debt and welfare benefit problems, of these:

- 1,927 (1,905) people received face to face advice and case work in the Brighton & Hove, East Sussex and West Sussex areas
- 1,362 (1,536) people received telephone advice and casework across the country

The result of this work was to: -

- Increase benefit income by £2,442,868 (£5,289,029)
- Secure one off payments of benefits of at least £659,176 (£1,059,117)
- Obtain charitable grants of and refunds and compensation of £267,269 (£156,341)
- Write off debts amounting to £1,131,780 (£1,925,394)
- Re-schedule debts to affordable payments amounting to at least £3,304,589 (£3,033,198) and rent arrears managed of £457,923.

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As many client's cases become increasingly complicated and protracted, with similar or worse (due to changes in welfare benefits) final results as when cases were generally easier, Advisers have been unable to assist in as many complex cases resulting in the overall levels of increased benefit income and debt reduced falling.

Money Handling service

- 338 (333) people received a money handling service, primarily in Brighton and East Sussex.
- £3,271,436 (£3,101,240) of clients' money was handled. This comprises clients' income received and used to fulfil their weekly and monthly budget requirements; paying bills and debts, provision of weekly cash, and savings.
- Client account balances were maintained consistently at a level in excess of £1.5 million (£1.4 million) throughout the year and were held on clients' behalf in designated client accounts held at our bankers.
- Help clients to pay priority debts and bills, such as rent, council tax and utilities, out of funds held on their behalf. £2,115,020 is paid on clients' behalf every year.

We demonstrate how we meet our public benefit responsibilities in many ways:

We are partners with a range of landlords; housing associations and local authorities to provide debt advice and casework to their residents.

This provides benefit to our partners in the following ways:-

- Residents who are no longer struggling to pay off other debts are more likely to start reducing rent arrears and Council Tax arrears as a result
- Advice from an independent organisation reinforces the key message that housing costs are a priority payment
- Residents are better equipped to engage with their landlords, and in other financial affairs as a result of increased confidence
- The advice process involves a thorough budgeting element, which helps residents to be better prepared for the impact of Welfare Reform Act and Universal Credit on their own personal circumstances
- Apart from the ethical reasons and the impact on the resident, there are a good deal of costs attached to evicting a tenant which make this a last resort option for landlords

We provide money handling support through the Supporting People contract on both long and short term basis

We provide a money handling service to people who, for various reasons, need help to manage their money in order to remain as independent as possible in their own homes. The service is tailored to each client's needs and can range from receiving the client's full income, paying bills, setting aside amounts for housekeeping and personal spending and allocating amounts for savings, to a light touch service ensuring priority bills are paid and to help budget or ensure access to cash.

Clients can either collect their housekeeping/personal money from the Brighton and Hove office, have a home delivery or an amount paid into their own bank account. This service is mostly by voluntary agreement and based on an agreed budget which is periodically reviewed.

In many circumstances we take on the role of Corporate Appointee with the Department of Work and Pensions so that we can act on behalf of people who are in receipt of benefits. For some clients who are assessed not to have capacity to make decisions around their finances and no trusted person willing to act for them, we act as their Deputy (authorised by the Court of Protection) and make decisions on their behalf.

Financial Capability, Wellbeing and Money Management

In line with current initiatives we incorporate financial capability into our advice and casework to ensure, that as far as is feasible for the individual, clients leave our service with a better understanding of how to budget, how to prioritise bills and debts, and where to find help and support. Over years of practice we have found that learning as you go, and using your own personal circumstances to practice is the most effective way to increase financial skills and knowledge. We now also have a dedicated Financial Capability worker, who begins to work with clients once their debt issues have been resolved.

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In common with the Money Advice community throughout the country our long term aim is that, as far as is feasible, clients will be able to manage their own money affairs without the need for ongoing support. Our main focus of work remains on helping people to resolve their immediate problems, but we continue to develop processes to give people the knowledge, skills and confidence to deal with their finances more effectively themselves in the future.

An improved sense of being in control of your finances removes a significant cause of stress thereby improving wellbeing and increasing resilience to financial challenges.

Details of the Charity's projects

Money Advice – to clients in Sussex

<u>Name</u>	<u>Funder</u>	<u>Details</u>
Money Advice Service for Council Tenants and Leaseholders	Brighton & Hove City Council	The aims of the service are to increase financial well-being and decrease the risk of financial exclusion, to improve tenancy / leasehold sustainment for residents of the Council by helping them prioritise rent and service charge payments. The service is delivered at desks throughout the city.
Money Advice (Big Lottery)	Big Lottery	This 4 year project which ended in September 2017 was aimed at people who live in areas of high deprivation with few services. The funding allowed us to establish a strong foothold in Foodbanks in Brighton and Hove, and this work has continued via other funding sources, at a slightly lower level, on a continuing basis. There was a strong element of client participation in this project and an independent evaluation reports the positive impact on many of those client's lives. The summary report can be read here www.moneyadviceplus.org.uk/independent-evaluation-of-our-work
Moneyworks	Brighton & Hove City Council	This important initiative by Brighton and Hove City Council operates in line with the Community Banking model involving a number of advice agencies in Brighton & Hove. Our role is to operate the phone advice line and provide casework services.
Money Advice (MASDAP)	Money Advice Service	This project provides short-term debt advice and casework.
Money Advice for Wellbeing (CCG)	Brighton and Hove Clinical Commissioning Group	Provision of debt and welfare benefits advice and casework to people engaged with mental health services and a consultancy service to professionals. This includes people who are patients in Millview Hospital, and those receiving services in the community.
Advice Matters Advice for BME Communities Foodbanks	Brighton & Hove City Council	Debt and welfare benefit advice is provided to Black and Ethnic Minority Clients including refugees and asylum seekers. It is delivered at the Refugee One Stop Shop at the Black and Minority Ethnic Communities Partnership centre Providing advice to Foodbank clients across Brighton and Hove (from end of Big Lottery funding detailed above).
Macmillan	Macmillan Cancer Support	This service is jointly delivered with Brighton Housing Trust. It provides welfare benefits advice and casework to people affected by cancer.

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Money Advice – to clients throughout England, primarily outside Sussex

<u>Name</u>	<u>Funder</u>	<u>Details</u>
DAME (Domestic Abuse and Money Education)	Henry Smith Charity & The Garfield Foundation	This project provides debt and benefits and money management advice to survivors of domestic abuse. Referrals come from a wide range of organisations including refuges, hospitals, the police and victim support. Advisers work closely with Women's Aid.
We are Digital	Orbit Housing Association	Provides financial capability coaching to Orbit residents and others
Housing Association Advice	Housing Associations: - L & Q - Moat, - PA - Hexagon - Sovereign - Victory	This project provides debt, welfare benefit and budgeting advice and casework to Housing Association residents. It is delivered by phone. Residents are normally referred by Housing Support Workers when a particular need for support is identified. The overall aim is to support the residents, to support the Housing Associations to deliver their social responsibility to residents, to enable residents to meet their obligation to pay their rents and other priority bills, and to sustain tenancies where residents are at risk of losing their homes.

Money Management

<u>Name</u>	<u>Funder</u>	<u>Details</u>
Brighton Supporting People	Brighton & Hove City Council	The Charity provides a range of money handling and financial administration services to clients referred by Social Services who meet the Supporting People criteria and who, on account of various health and/or social difficulties, are having problems managing their personal finances and need support to remain independent in their homes. The number of clients who can be supported under this project at any one time is capped.
Brighton Individual Contracts	Brighton & Hove City Council	This project is broadly very similar to the above project but the services are agreed with Social Services on a time-limited basis for each client. Contracts are created for clients who need support but cannot wait for a space to become free under the Supporting People contract detailed above.
Money Guardians	Clients themselves	The Charity contracts with individual fee-paying clients to provide money handling services. The benefits are that people who can afford to pay (and don't qualify for free services) can get help to manage their money and are charged lower rates than alternative providers (such as solicitors).
East & West Sussex Individual Contracts	East & West Sussex County Councils	The services provided are essentially the same as for the Brighton Supporting People project, with contracts being drawn up to work with each individual client.
Clients with No Recourse to Public Funds	Brighton & Hove City Council	This service assists destitute asylum seekers and others who are not entitled to public funds but are entitled to limited assistance under the National Assistance Act under Human Rights legislation.

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Financial review

Results for the year

The year ended 31st March 2018 was the second year in the charity's history that its total income exceeded £1 million. Total income at £1,054,346 declined by 5.2% compared with the previous year's figure of £1,112,923. Income to fund Money Management services at £495,260 was maintained at virtually the same level as the previous year while income to fund Money Advice services declined by £60,550 to £546,696.

Income from donations and legacies increased from £1,737 to £10,237 largely on account of the charity being nominated as one of the Brighton and Hove Mayor's charities for 2017. We are grateful to all the charity's supporters who contributed to the events promoted by the charity, including the annual sponsored walk and tickets at the Mayor's Ball. In addition a small legacy was received. The funds are being utilised during 2018 to fund additional training and accreditation for the charity's advisers.

Total expenditure amounted to £1,048,987. This represented a 0.1% reduction on the previous year's figure of £1,050,395. Staff remuneration and associated expenses accounted for the bulk of the charity's expenditure and amounted to £879,999 representing a 2.2% reduction on the previous year's figure of £900,459. Other costs at £168,988 increased by a 12.7% on the previous year's figure of £149,936.

The charity continues rigorously to control all costs seeking to ensure that all projects are funded on a full cost recovery basis.

In 2016-17 the Board took the decision to establish a new designated reserve of £50,000. This Development reserve was established to fund the costs of implementing the 2017-20 Strategic Plan which includes investment in updated accounting systems, replacement of obsolete ICT equipment and the development of the charity's money advice and handing services. During the year, £20,458 of this reserve was spent, primarily on new computers and office equipment.

During the year total reserves increased by £7,964. Total reserves as at 31st March 2018 totaled £414,158.

Reserves policy

The bulk of charity's income derives from contractual and grant funding with a maximum term of three years. Approximately 60% of its total income is subject to review annually. The charity requires protection against significant funding cutbacks and needs to have sufficient funds to meet its contractual obligations towards its staff and to manage any necessary restructure or termination of its services to its clients, including those on whose behalf the charity holds funds in designated client accounts.

The Reserves Policy sets out in detail the principles which the Board is required to operate in managing the reserves taking into account the long term viability and development of the charity and its services to its clients including the establishment of designated reserve for development purposes.

The Board have set reserves (excluding restricted and other designated reserves) at a minimum level of the equivalent to at least three months operating costs, taking into account potential costs such as redundancy costs, lease commitments and maternity leave. These closure reserves are allocated to a specific designated reserves fund.

The required reserves figure is re-calculated every six months, reviewed by the Finance Committee and reported to the Board. As at 31st March 2018 this designated reserve stood at £295,000. This compared with the previous year's figure of £250,000.

The designated Development fund reserve totalled £29,458 at 31 March 2018.

Free reserves as at 31st March 2018, after deducting the designated reserves referred to above, totalled £74,449 compared with £83,234 the previous year.

A full review of the charity's reserves policy will be undertaken by December 2019, The Board will take into account; first, the diversification of charity's income sources, second, the long term financial commitments, particularly premises related, and third the need to ensure that there would be adequate resources available to rebuild the charity's funding and sources in the event that any major funding terminates and is not renewed.

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The Board have a responsibility for the investment of client funds in addition to the organisation's own funds. Trustees have reviewed the Investment Policy and have taken into account the authorities' compensation regulations and the regulations of the charity's financial regulator, the Financial Conduct Authority. Accordingly, funds in excess of £75,000 are to be placed with a specific named list of Banking Groups and Building Societies.

Risk management

The Charity reviews all aspects of the organisation including an assessment of the potential risks to the organisation. The Risk Policy, Plan and Register considers all risks and prioritises them appropriately. They encompass funding, financial, compliance and strategic risks as well as operational risks such as loss of data, harm to staff, security and disaster. The principal current financial risk concerns the termination of the Charity's largest funding, Brighton and Hove Supporting People. Since 2017 the council has been advising us that the contract is to be subject to competitive tender. There have been delays in initiating the tender, but it is expected shortly. In the meantime, the funding has been agreed until September 2019.

The Charity follows an annual strategic timetable which includes reviewing the organisational risk assessment to assess and prioritise all the potential risks to the organisation. The resulting Risk Register informs the annual review of the strategy. Risks encompass funding, financial, compliance and strategic risks as well as operational risks such as loss of data, staff safety, security and disaster. There are a range of procedures in place to reduce risk as far as is possible.

The charity is aware that many of our clients are vulnerable adults and they are often referred to our service because they are victims of financial abuse. Risk assessments are carried out on every vulnerable adult client referred to us by Adult Social Care. We ensure we minimise risk to members of staff by having a set of safe ways of working rules within our Health and Safety Policy, Safeguarding and other policies and procedures. Staff receive training in Safeguarding with a specific focus on the protection of vulnerable adults and the responsibilities we assume throughout our work, so they can identify problems, know how to manage them including alerting management as appropriate.

Trustees receive regular financial reports at Board meetings from the Finance Committee ensuring that any adverse trends and divergence from budget and remedial action is put in place in good time. Detailed financial procedures are in place to manage the charity's monies and clients' monies. A detailed financial report concerning all clients' monies is prepared by management at least every three months and is reviewed by the Finance Committee. Auditors undertake an annual audit of all clients' funds, providing reports to the Financial Conduct Authority and to the Trustees.

The Reserves Policy and Closure Costs are reviewed every 6 months by the Finance Committee and reported to the Board so that if the closure of the organisation or a major reorganisation was necessary, services to clients can be completed in an orderly, professional manner. Closure costs are set aside as a designated reserve.

Health and Safety is proactively addressed, with regular checks and comprehensive procedures which are overseen by the Health and Safety Sub Group.

The Charity reduces risks to members of staff by having safe ways of working rules within our Health and Safety Policy and procedures. Staff receive regular training in lone working and the protection of vulnerable adults so they can identify problems and know how to manage them. Because the majority of the Charity's clients are considered to be vulnerable people, all staff (paid and volunteer) and Trustees are required to have an Enhanced Disclosure and Barring Service check.

There are robust case supervision systems to check and monitor the quality of advice. The Charity is audited by the Advice Quality Standard. The most recent audit was in July 2018 and a certificate, valid to July 2020 was issued.

Policies and Procedures are reviewed regularly, according to a schedule. Additionally, good practice is continually developed by client and staff input and by sharing through regular team meetings.

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Future plans

The Charity has recognised that recruiting trained and experienced Advisers in fields of both debt and benefit, is becoming increasingly difficult. This could prove a major block to fulfilling our charitable aims and so, whilst we will continue to recruit externally as needed, we also intend to develop a "grow your own" policy. At any one time, a limited number of non-advising staff will be asked if they would like to train as Advisers, and we will also look to recruit external trainees. Depending on their existing knowledge and skills this may take between six months to one year. Their training will continue onto accreditation with the Institute of Money Advisers and to their becoming Debt Relief Order intermediaries. One person has already made a successful start on the scheme.

Social Policy is increasingly important, with the continuing roll-out of welfare reform. Its impact on clients is profound, and we have been capitalising on our links with some organisations and groups with a Social Policy remit including CPAG, and other key individuals and departments (including BHCC) to highlight clients' difficulties and suggest change.

The Charity's impact is increased by our involvement with various local and national bodies. Locally, we chair the Advice Partnership, and consequently we are part of Brighton & Hove City Connected (overseeing the City's strategy), and will sit on the Whole Family Partnership Board. We are also part of the City Wide Welfare Reform Group and the DWP Complex Needs Forum and attend the Advice Services Network. Nationally, we are part of Advice UK and one of our Advisers sits on the Council of the Institute of Money Advice.

We will be organising events for clients on topical issues, where we hope to gather their experiences in their own words which can then feed into the above, but also where we can try to increase their knowledge and skills.

Structure, governance and management

Money Advice and Community Support Service (MACS), trading as Money Advice Plus, is a charitable company limited by guarantee (number 3029782), incorporated on 7 March 1995 and registered as a Charity (number 1045340) on 29 March 1995 and regulated by the Financial Conduct Authority. The Charity was established under a Memorandum of Association and Articles of Association in 1995 which established its objects and powers. In 2015 these documents were combined into one Articles of Association document.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P Hilditch (Resigned 12 January 2018)

Mr T Mase

Mr R Phillips

Mr D Omer

Ms N Myers

Mr P Heathorn

Mr S Beamont

Mr J Hyman

(Appointed 13 July 2017)

Mr A Berry

(Appointed 9 November 2017)

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

Peter Hilditch, our long standing former Chair of Trustees resigned at the AGM. Having been a trustee since 2006 and Chair since 2010, he has overseen major changes in the charity, not least its merger of in 2013, with the charity based in Eastbourne which specialised in the provision of money and debt advice throughout the country by phone. We're extremely grateful to Peter for his amazing work and dedication to the organisation, its clients, its staff and volunteers.

Nikky Myers is the first female Chair of Trustees, bringing a new diversity to our structure.

Jonathan Hyman has substantial experience working in financial management, including Housing Associations.

Andrew Berry brings extensive experience of campaigning and of the local authority in Eastbourne.

Patrons

David Lepper a former MP for Brighton, has been our patron for a number of years. As a part of the charity's strategy to raise its public profile, and take a more prominent role in social policy issues the current MPs for Brighton and Hove and Eastbourne were invited to become Patrons. We are most grateful that they accepted. We have met with them and have established good relationships with their staff especially in connection with their constituents who attend MP's surgeries on account of money and debt issues.

The Charity is run by the Board of Trustees, comprising Trustees who give their time and expertise voluntarily, receiving no benefits from the Charity. The minimum number of Trustees is three and there is no maximum number.

The Board of Trustees is independent from the staff team and focusses on strategic financial and governance issues. The Board delegates operational issues to the Chief Executive, in accordance with a Delegation of Responsibilities Policy.

Trustees regularly reassess the Board's skills and knowledge to identify gaps and weaknesses and recruitment is informed by this. Recruitment and induction procedures are in line with recruitment of staff, with a specific focus upon governance and the specific responsibilities of Trustees. Relevant training is provided.

Trustees are recruited in a variety of ways: national recruitment websites, advertising on the website, and via local networks, word of mouth, and direct approach. Potential Trustees are interviewed by two Trustees and the Chief Executive, following receipt of an expression of interest. A recommendation is made to the Board, which makes the final decision.

Trustees can be co-opted to the Board until they are elected at the next Annual General Meeting to serve a period of three years.

There is no maximum period a trustee can serve, but they must be re-elected at the Annual General Meeting after each 3 year period. Trustees must also be Members and Directors of the charitable company. The Members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

The Board meets every two months. Between meetings, if necessary, agenda items are discussed via email and decisions ratified at the following Board meeting.

Commencing June 2017 additional two monthly meetings were established with a specific focus on Governance. The initial aim was to identify those aspects of governance that Trustees believed required improvement and to establish action plans. Since January 2018, these meetings focused primarily upon the recently published Charity Governance Code. The Board took the decision to adopt the Code and to establish a programme, taking approximately 12 months, during which all the principles of the Code would be reviewed and compared with the Charity's policies and practice. This work is on schedule and actions, where appropriate, to adopt best practice as set out in the Code, are in progress.

Outside of Board meetings sub-groups meet to report and make recommendations to the Board. Each sub-group has a 'Terms of Reference' and is comprised of at least one Trustee representative, the Chief Executive and other members of staff, as appropriate.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

1. Finance: is a formally constituted committee of the Board. It meets at least every 2 months. It is chaired by the Treasurer. The Chair is a member of the committee together with one other Trustee. The Finance Manager and Chief Executive attend all meetings and other members of staff attend as appropriate. The committee reviews all financial performance against budget, and all other financial matters, including client accounts.

2. Business Development: deals with all matters related to fundraising. The sub-group has restarted, meeting several times during the year.

3. Policy: makes recommendations to the Board for new and updated policies. The sub-group has virtual meetings as frequently as needed.

4. Health and Safety: ensures that Health and Safety is proactively monitored, with regular checks and comprehensive procedures. It reviews in detail procedures, risk assessments and ensures H&S compliance. It meet at least quarterly.

5. Service Performance: leads on and oversees quality throughout the organisation including casework. values. It meets as and when required.

It is the Charity's practice to engage external consultants as expert resource when needed, particularly in the areas of IT, legal, personnel and finance. The selection process for external experts requires a detailed response to an explicit brief.

Every three years the Board holds an extended meeting to set the strategic direction. Strategic planning takes into account the views of as many stakeholders as possible: clients, staff, funders, and partners. The three year plan is developed and updated annually through a thorough consultation process with Trustees, management and other staff. Clients' views are fed into the process by consulting with the Participation Group and taking into account the results of annual surveys and exit questionnaires. Major internal or external developments which impact on our ability to deliver the strategic plan and/or impact the Risk Register are highlighted by the Chief Executive and are considered by the Board.

Funds held as custodian trustee

The Charity manages funds arising from money management services provided for the Charity's clients primarily under the terms of the Supporting People contract of Brighton and Hove Council.

These funds amounted to £1,540,511 as at 31 March 2018. This compares with £1,433,136 in the previous year. The funds of each client are managed in separate accounts maintained in the Charity's accounting system. As part of our Business Continuity Plan client account data is backed up daily to a separate system.

Funds held on behalf of clients specifically to service Debt Management Plan payments are held in segregated client accounts in the charity's financial accounting system in conformity with the regulations of the Financial Conduct Authority Handbook (CASS 11 rules). The charity is registered by the FCA as a "small debt management firm".

Client monies are primarily deposited at Barclays Bank with term deposits also placed with a limited number of other banks and building societies approved by the Finance Committee.

Financial controls logs regarding client monies are maintained and a report prepared by management for review by the Finance Committee at least every three months.

Auditor

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditor of the company will be put at a General Meeting.

**MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.

✓  13.11.18 ✓

Ms N Myers

Trustees

Dated: 13 November 2018

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors of Money Advice and Community Support Service for the purpose of company law, are responsible for preparing the Trustees 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF MONEY ADVICE AND COMMUNITY SUPPORT SERVICE

Opinion

We have audited the financial statements of Money Advice and Community Support Service (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 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 charitable company'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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity'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 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.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF MONEY ADVICE AND COMMUNITY SUPPORT SERVICE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the regulations made under section 154 of that Act.

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 trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Plummer Parsons
Chartered Accountants
Statutory Auditor

.....
18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>						
Donations and legacies	3	10,237	-	-	10,237	1,737
<u>Charitable activities</u>						
Money Management	4	495,260	-	-	495,260	496,376
Money Advice	4	362,708	-	182,988	545,696	606,246
Other trading activities	5	151	-	-	151	2,684
Investments	6	3,002	-	-	3,002	5,880
Total income		871,358	-	182,988	1,054,346	1,112,923
<u>Expenditure on:</u>						
<u>Charitable activities</u>						
Money Management	7	487,344	20,542	-	507,886	476,422
Money Advice	7	355,600	-	185,501	541,101	573,973
Total charitable expenditure		842,944	20,542	185,501	1,048,987	1,050,395
Net gains/(losses) on investments	12	2,605	-	-	2,605	6,115
Net incoming/(outgoing) resources before transfers		31,019	(20,542)	(2,513)	7,964	68,643
Gross transfers between funds		(47,513)	45,000	2,513	-	-
Net movement in funds		(16,494)	24,458	-	7,964	68,643
Fund balances at 1 April 2017		101,142	300,000	5,052	406,194	337,551
Fund balances at 31 March 2018		84,648	324,458	5,052	414,158	406,194

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	13		10,199		17,908
Investments	14		45,001		42,396
			<u>55,200</u>		<u>60,304</u>
Current assets					
Debtors	16	128,805		137,004	
Cash at bank and in hand		301,237		287,452	
		<u>430,042</u>		<u>424,456</u>	
Creditors: amounts falling due within one year	17	(60,084)		(66,566)	
Net current assets			<u>369,958</u>		<u>357,890</u>
Total assets less current liabilities			425,158		418,194
Provisions for liabilities	19		(11,000)		(12,000)
Net assets			<u>414,158</u>		<u>406,194</u>
Income funds					
Restricted funds	21		5,052		5,052
<u>Unrestricted funds</u>					
Designated funds	22	324,458		300,000	
General unrestricted funds		<u>84,648</u>		<u>101,142</u>	
			<u>409,106</u>		<u>401,142</u>
			<u>414,158</u>		<u>406,194</u>

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 13 November 2018

X  . 13.11.18

Ms N Myers
Trustee

Company Registration No. 03029782

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		10,783		(4,249)
Investing activities					
Purchase of tangible fixed assets		-		(21,080)	
Interest received		3,002		5,880	
Net cash generated from/(used in) investing activities			3,002		(15,200)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			13,785		(19,449)
Cash and cash equivalents at beginning of year			287,452		306,901
Cash and cash equivalents at end of year			301,237		287,452

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity Information

Money Advice and Community Support Service is a private company limited by guarantee incorporated in England and Wales. The registered office is Tisbury Road Offices, Hove Town Hall, Tisbury Road, Hove, East Sussex, BN3 3BQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

Cash donations are recognised on receipt. Other donations and legacies are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from grants and contracts is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Income received in advance of the provision of a specified service is deferred and included in creditors until the criteria for income recognition are met and, where entitlement arises before income is received, the income is accrued.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Resources expended are allocated to a particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function, is apportioned on a basis which is an estimate, based on staff time, of the amount attributable to each activity.

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and are initially measured at cost, including any incidental expenses of acquisition, thereafter being subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment	33.3% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Bank deposits are made to ensure adequate liquidity and are placed for a maximum term of 12 months.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.11 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

A provision has been established with regards to services provided to residents of Housing Associations. The provision would be utilized in the event that the relationship with a Housing Association ceases and the charity believes it is in the interests of individual residents that casework, such as negotiation with all the creditors of individual residents is completed.

This provision was established in the 2014 accounts at a level of £15,000 and reduced in 2015 to £12,000. This figure has been further reduced to £11,000 in the year 31 March 2018. This is based on a reduced number of engaged cases but also an increase in the unit cost. The charity earned £116,632 from Housing Associations in the year to 31 March 2018 (2017: £117,072).

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The charity acts as agent in collecting and paying over employee pension contributions and both employer and employee make contributions under the scheme.

1.14 Leases

Rentals applicable to operating lease contracts, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease term.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.15 Funds held on behalf of clients

The Charity's objects are to provide advice, counsel and assistance according to their needs to people in the United Kingdom who are having difficulty managing their financial affairs because of illness, poverty, or old age, and to make such representations on their behalf as are relevant to these objects. In meeting these objectives an important activity the charity undertakes for clients in Brighton and Hove and in East and West Sussex is assisting with the management of the income and expenditure and safekeeping of the funds. Clients funds are held by the charity in an accounting system separate from the accounting system for the charity's own funds.

The funds are placed with banks and building societies as designated client accounts supported by documents in conformity with the requirements of the Financial Conduct Authority.

Further details regarding the management of these funds are contained in the Funds Held as Custodian Trustees on behalf of clients and Investment Policy sections of the Trustees Report.

In the year to 31 March 2018 income received and paid into the client accounts totalled £3,271,436 (2017: £3,122,562) and payments out of the accounts totalled £3,164,061 (2017: £3,041,420).

2 Critical accounting estimates and judgements

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. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	5,237	1,737
Legacies receivable	5,000	-
	<u>10,237</u>	<u>1,737</u>

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
MONEY ADVICE PLUS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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4 Charitable activities

	Money Management £	Money Advice £	Total 2018 £	Total 2017 £
Money Management income	495,260	-	495,260	496,376
Money Advice income	-	545,696	545,696	606,246
	<u>495,260</u>	<u>545,696</u>	<u>1,040,956</u>	<u>1,102,622</u>
Analysis by fund				
Unrestricted funds - general	495,260	362,708	857,968	
Restricted funds	-	182,988	182,988	
	<u>495,260</u>	<u>545,696</u>	<u>1,040,956</u>	
For the year ended 31 March 2017				
Unrestricted funds - general	496,376	386,519		882,895
Restricted funds	-	219,727		219,727
	<u>496,376</u>	<u>606,246</u>		<u>1,102,622</u>
Grant income				
Brighton Supporting People (BHCC)	353,000	-	353,000	365,772
Individual contracts (BHCC & E & WSCC)	130,559	-	130,559	116,284
Money Guardians (BHCC)	11,701	-	11,701	14,320
Advice to Council Tenants (BHCC)	-	80,000	80,000	80,000
Moneyworks (BHCC)	-	64,788	64,788	49,929
MASDAP (MAS)	-	51,818	51,818	51,257
Money Advice for Wellbeing (CCG)	-	63,325	63,325	50,000
Money Advice (Big Lottery)	-	57,860	57,860	84,260
Housing Associations	-	110,632	110,632	117,072
DAME	-	36,000	36,000	46,900
Warmth for Well Being	-	859	859	55,460
MacMillan	-	23,985	23,985	23,985
Advice Matters (BHCC)	-	40,381	40,381	-
Advice for BME communities	-	-	-	15,000
Mill View (CCG)	-	-	-	13,325
Other	-	16,048	16,048	19,058
	<u>495,260</u>	<u>545,696</u>	<u>1,040,956</u>	<u>1,102,622</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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4 Charitable activities

(Continued)

Grant income in the year includes deferred income of £28,090 (2017: £46,509) brought forward from previous years.

There was grant income of £10,000 (2017: £28,090) received in the current year which has been deferred until 2018/19 as the income was subject to performance conditions which had not been met at the year end.

5 Other trading activities

	2018	2017
	£	£
Membership & training	151	2,684
	<u> </u>	<u> </u>

6 Investments

	2018	2017
	£	£
Income from listed investments	302	249
Interest receivable	2,700	5,631
	<u> </u>	<u> </u>
	<u>3,002</u>	<u>5,880</u>

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

7 Charitable activities

	Money Managment £	Money Advice £	Total 2018 £	Total 2017 £
Staff costs	432,310	447,689	879,999	900,459
Depreciation and impairment	3,404	4,305	7,709	5,478
Property Costs	42,551	31,592	74,143	69,572
Office Overheads	14,471	39,036	53,507	50,386
	<u>492,736</u>	<u>522,622</u>	<u>1,015,358</u>	<u>1,025,895</u>
Share of support costs (see note 8)	7,683	5,311	12,994	14,178
Share of governance costs (see note 8)	7,467	13,168	20,635	10,322
	<u>507,886</u>	<u>541,101</u>	<u>1,048,987</u>	<u>1,050,395</u>
Analysis by fund				
Unrestricted funds - general	487,344	355,600	842,944	
Unrestricted funds - designated	20,542	-	20,542	
Restricted funds	-	185,501	185,501	
	<u>507,886</u>	<u>541,101</u>	<u>1,048,987</u>	
For the year ended 31 March 2017				
Unrestricted funds - general	456,422	353,391		809,813
Unrestricted funds - designated	20,000	-		20,000
Restricted funds	-	220,582		220,582
	<u>476,422</u>	<u>573,973</u>		<u>1,050,395</u>

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

8 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Other finance costs	1,067	-	1,067	1,486	Time basis
Client interest & costs	5,812	-	5,812	4,937	Time basis
Marketing	135	-	135	207	Time basis
Security	3,340	-	3,340	3,943	Time basis
Other insurance	2,640	-	2,640	3,605	Time basis
Audit fees	-	7,620	7,620	4,800	Governance
Accountancy	-	4,052	4,052	1,200	Governance
Legal and professional	-	6,303	6,303	2,454	Governance
Trustees training & expenses	-	1,156	1,156	739	Governance
Trustees indemnity insurance	-	909	909	534	Governance
Annual report	-	595	595	595	Governance
	<u>12,994</u>	<u>20,635</u>	<u>33,629</u>	<u>24,500</u>	
Analysed between					
Charitable activities	<u>12,994</u>	<u>20,635</u>	<u>33,629</u>	<u>24,500</u>	

Governance costs includes payments to the auditors of £7,620 (2017- £4,800) for audit fees and £4,052 (2017- £1,200) for non-audit services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 3 of them was reimbursed a total of £715 travel and subsistence expenses (2017- 2 were reimbursed £426).

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FOR THE YEAR ENDED 31 MARCH 2018

10 Employees

Number of employees

The average monthly number of FTE employees during the year was:

2018 Number	2017 Number
26	31

Employment costs

	2018 £	2017 £
Wages and salaries	792,519	805,416
Social security costs	58,743	62,771
Other pension costs	28,737	32,272
	879,999	900,459

The key management personnel comprise the trustees, the Chief Executive Officer and other senior members of staff whom have authority and responsibility for planning, directing and controlling the activities of the charity. The total employee benefits of the key management personnel were £37,373 (2017: £34,889).

There are no employees whose annual remuneration was £60,000 or more.

The average monthly number of employees during the year was 43 (2017: 42).

11 Corporation Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	2,605	6,115

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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13 Tangible fixed assets

	Equipment £
Cost	
At 1 April 2017	81,890
At 31 March 2018	81,890
Depreciation and impairment	
At 1 April 2017	63,982
Depreciation charged in the year	7,709
At 31 March 2018	71,691
Carrying amount	
At 31 March 2018	10,199
At 31 March 2017	17,908

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2017	42,396
Valuation changes	2,605
At 31 March 2018	45,001
Carrying amount	
At 31 March 2018	45,001
At 31 March 2017	42,396

15 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	111,135	115,526
Equity instruments measured at cost less impairment	45,001	42,396
Carrying amount of financial liabilities		
Measured at amortised cost	45,061	48,747

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

16 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	111,135	114,243
Other debtors	-	1,283
Prepayments and accrued income	17,670	21,478
	<u>128,805</u>	<u>137,004</u>

17 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	15,023	17,819
Trade creditors	15,755	5,364
Other creditors	3,802	4,952
Accruals and deferred income	25,504	38,431
	<u>60,084</u>	<u>66,566</u>

18 Client accounts

	2018	2017
	£	£
Barclays Bank	1,364,557	1,229,333
Scottish Widows Bank	75,000	75,000
Shawbrook Bank	75,000	75,000
Cash in hand	1,000	1,000
Other (including cash in transit)	24,954	52,803
	<u>1,540,511</u>	<u>1,433,136</u>

19 Provisions for liabilities

	2018	2017
	£	£
Open cases	<u>11,000</u>	<u>12,000</u>

Movements on provisions:

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
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19 Provisions for liabilities	2018	(Continued) 2017
		Open cases £
At 1 April 2017		12,000
Reversal of provision		(1,000)
At 31 March 2018		<u>11,000</u>

The provision relates to the amount that may be payable for completion of open cases in the event of the termination of the contracts with Housing Associations. The timescale for reversal of the provision cannot be accurately determined.

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £28,737 (2017: £32,272). This has been wholly allocated against unrestricted funds as part of the allocation of staff costs.

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FOR THE YEAR ENDED 31 MARCH 2018

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers	Balance at 31 March 2018
	£	£	£	£	£
Macmillan	-	23,985	(24,135)	150	-
DAME	779	36,000	(36,000)	-	779
Big Lottery	-	57,860	(58,649)	789	-
Debt Advice (MAS)	4,273	51,817	(53,391)	1,574	4,273
B&H CCG	-	13,325	(13,325)	-	-
	<u>5,052</u>	<u>182,987</u>	<u>(185,500)</u>	<u>2,513</u>	<u>5,052</u>

The nature and purpose of each restricted fund is as follows:

Macmillan: Provides welfare benefits advice and casework to people in Sussex affected by cancer.

DAME: Telephone based national service which provides money advice to victims of domestic abuse.

Big Lottery: Provides money advice to people living in areas of high deprivation.

Debt Advice (MASDAP): Provides short term advice and casework on money matters to tenants of Housing Associations and other registered landlords.

B&H CCG: Provides money advice to patients of a hospital in Brighton and for a short period following their discharge.

The transfer into restricted funds relates to funds being released from unrestricted funds to cover any projects overspent during the financial year.

MONEY ADVICE AND COMMUNITY SUPPORT SERVICE
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers	Balance at 31 March 2018
	£	£	£	£	£
Closure costs	250,000	-	-	45,000	295,000
Development fund	50,000	-	(20,542)	-	29,458
	<u>300,000</u>	<u>-</u>	<u>(20,542)</u>	<u>45,000</u>	<u>324,458</u>

The nature and purpose of each designated fund is as follows:

Closure Costs

This fund is for the costs, not financed by grants and contracts, which the charity would incur in the event of the loss of funding that would result in the Trustees either having to close the charity or undertake a radical restructure.

Development fund. This fund is set aside for investment in updated accounting systems, replacement of obsolete ICT equipment and the development of the charity's money advice and handing services.

The Trustees have decided to increase the reserves relating to Closure Costs as a result of an increase in rent due on the building currently being leased. The Closure Costs fund now represents 17 months rent for the building leased in Hove, and 6 months rent for the building leased in Eastbourne. The remainder of the transfer relates to an increase in staff cost provisions and the inclusion of audit fees.

23 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2018 are represented by:				
Tangible assets	10,199	-	-	10,199
Investments	45,001	-	-	45,001
Current assets/(liabilities)	40,448	324,458	5,052	369,958
Provisions	(11,000)	-	-	(11,000)
	<u>84,648</u>	<u>324,458</u>	<u>5,052</u>	<u>414,158</u>

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24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	40,500	40,500
Between two and five years	14,167	48,167
	<u>54,667</u>	<u>88,667</u>

The operating lease commitments relate to the rent of offices in Eastbourne and Hove. The leases run for 5 and 10 years respectively.

Rent paid for the two offices during the year was £38,852 (2017: £34,444).

25 Related party transactions

There were no disclosable related party transactions during the year (2017- none).

26 Cash generated from operations

	2018 £	2017 £
Surplus for the year	7,964	68,643
Adjustments for:		
Investment income recognised in statement of financial activities	(3,002)	(5,880)
Fair value gains and losses on investments	(2,605)	(6,115)
Depreciation and impairment of tangible fixed assets	7,709	5,478
Movements in working capital:		
Decrease/(increase) in debtors	8,199	(51,014)
(Decrease) in creditors	(6,482)	(15,361)
(Decrease) in provisions	(1,000)	-
Cash generated from/(absorbed by) operations	<u>10,783</u>	<u>(4,249)</u>

