

MONEY

ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

Charity Number

1099506

Company Registration Number

4741583 (England & Wales)

MONEY ADVICE TRUST

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MONEY ADVICE TRUST TRUSTEES' REPORT

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The Trustees present their annual report and the audited accounts for the year ended 31 December 2017.

Objectives and activities

Helping people across the UK to tackle their debts and manage their money with confidence is what the Trust has been about since it began over 25 years ago. In 2017 we saw record demand for our services

For 2018 we have developed strategic themes and associated objectives that aim to help our clients and potential clients more effectively, respond to growing demand and further develop sustainable funding streams.

2018 also sees the culmination of the investment in technology we made in previous years, with the delivery of a portal to further improve the effectiveness of our service for clients and our efficiency. We will continue to improve the quality of our services, and those across the advice sector, and we stand ready to work constructively with the new commissioning body currently being created, the 'Single Financial Guidance Body'.

We have continued to work closely with other charities providing debt advice to ensure that we are collectively delivering the best services and value for money we can, and to improve the journey we offer to people in debt, and this work will continue through 2018 and beyond.

Our overall direction remains on a similar course to previous years and so our vision, mission and values are still very much valid. We set these out along with our strategic themes and objectives in a summary of our 2018 plan below.

The Trust's charitable objectives are the relief of poverty including, but not limited to, that arising from indebtedness and the advancement of public education in all matters relating to the management of personal finances. These objectives fall under the purposes of public benefit as defined by the Charities Act 2011. The Board has developed strategic plans to ensure that the Trust provides public benefit and achieves its objectives as set out in its governing document.

The Board confirms that it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

The Trust exists to serve people in all four administrations of the UK. The services we offer to meet our clients' needs are multi-channel and include telephone and online debt advice. These are all available to individuals via National Debtline and to micro-businesses via Business Debtline.

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National Debtline and Business Debtline help people in debt in England, Wales and Scotland. During 2017, National Debtline advisers provided a triage service in Northern Ireland in conjunction with Citizens Advice Northern Ireland. The Business Debtline service in Northern Ireland is run by Advice NI.

Anyone in debt can contact National Debtline and we aim to help anyone who contacts us. Any micro-business which is trading or has ceased trading but has outstanding business debts can contact Business Debtline.

The free training and adviser support we offer for free-to-client debt advisers is delivered across the UK by the Money Advice Trust in England and Wales and by funding our partners Money Advice Scotland and Citizens Advice Scotland, and Advice NI in Northern Ireland. No fees are charged for our advice services; we charge only for delivering training or consultancy to commercial organisations and any surplus monies after costs are used to further the Trust's charitable aims.

The Trust's plan remains ambitious and will be supported by a sound financial strategy that, if successful, will put the Trust on a stronger footing for the future and allow for longer term planning.

Draft Business Plan 2018

Purpose

Vision

People across the UK tackle their debts and manage their money with confidence

Mission

Supporting people and small businesses to deal with their debt, training the free advice sector to help them, and improving the UK's money and debt environment

Values

Be Balanced
Be Supportive
Be Innovative

Strategic themes

Consolidate on our development by ensuring our new and existing staff are giving quality advice and by embedding the new client portal and Standard Financial Statement (SFS).

Lessen the risk on finances by setting a realistic budget whilst aiming for higher income targets from charitable donations, commissioning and commercial activity.

Influence the strategy of the SFGB in preparation for commissioning, and influence policy and practice to improve the environment for people in debt, including those in vulnerable circumstances.

Engage with other charities and funders to improve the way in which clients are served across the sector.

Nudge clients in to advice and through their journey using innovative ways to reach and engage them.

Train and support advisers in the sector via learning solutions and seek to broaden our offering to provide information and specialist support.

Serve our clients in ways convenient and accessible to them, empowering them to act and improving their financial capability. Ensure the needs of clients in all four administrations are considered.

Deliverables

National Debtline

Consolidate the 2017 expansion and deliver a quality, seamless, multi-channel debt advice service to 108,000 clients via 62,500 triage calls and 68,500 specialist calls. Provide advice via 47,500 webchats and 1,700 forum posts. Provide information to visitors to the NDL website via 1.3m visits to the site. Pilot new methods of delivering advice to visitors of the National Debtline portal.

Business Debtline

Consolidate the 2017 expansion and deliver a quality, multi-channel debt advice service to 30,000 telephone clients via 40,000 calls and provide advice via 10,000 web chats. Provide information to visitors to the Business Debtline website via 154,000 visits to the site. Provide detailed budgeting and energy efficiency advice to self-employed clients having difficulty paying their energy bills via 3,700 appointments.

Wiseradviser

Provide quality, accredited learning to advisers in the free debt advice sector via 7,000 training places utilised, 1,500 advisers trained, 6,000 e-learning sessions and 1,400 face-to-face places. Deliver a curriculum of training that gives advisers the competence to offer quality debt advice. Provide training via a range of methods, platforms and devices to ensure that training is accessible to all.

Improving the UK's money and debt environment

Secure £10.2m in funding to support the Trust's 2018 plan. Use our influence to improve the UK's money and debt environment. Shape understanding of problem debt; making the case for changes to policy and practice to benefit people in financial difficulty, including people in vulnerable circumstances. Improve the client journey by collaborating with others. Improve creditor practice directly by providing high quality training and consultancy. Provide better insight to creditors to reduce inappropriate collections activity and improve customer outcomes. Explore how underserved groups could be provided for.

Support

To be an enabler of the business deliverables through secure IT solutions and support, data protection, good governance, HR strategies, financial controls and administrative support services. Promote our services to ensure they are reaching their beneficiaries and manage the Trust responsibly, maintaining compliance with the law and our regulators.

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Strategic Report

Achievements and performance

The Trust's annual business plan sets out its vision, values and current aspirations and provides key targets against which its performance is evaluated. Achievement of these targets is monitored by the Board. The main activities, which focus on helping people in debt, are described below and are undertaken to further the Trust's charitable purposes for the public.

In 2017 we achieved the following deliverables from our business plan aims:

Aim 1: To secure National Debtline as a provider of quality debt advice as part of a sector model that works for clients and has sustainable funding.

National Debtline helped 140,500 people on the phone. We helped a further 43,500 people through our webchat service. In addition there were 1,362,500 visits to the National Debtline website

92% of callers were clear on the next steps they needed to take after receiving advice and 86% said they were better at budgeting after speaking to us. 78% of callers went on to contact their creditors themselves and 87% felt less likely to be in a similar situation in the future.

77% felt that our advice had a positive impact on their emotional or mental health and 4 in 5 would recommend our website to a friend.

Aim 2: To be recognised as the place to go for debt advice for self-employed people and small businesses by clients, partners and funders and to deliver a quality, multi-channel debt advice service to 29,000 telephone clients and 7,000 web chat clients.

Business Debtline advisers helped 29,200 people on the phone and 7,100 people through our webchat service. In addition, there were 167,300 visits to the Business Debtline website.

92% of callers were clear on the next steps they needed to take after receiving advice and 86% said they were better at budgeting after speaking to us. 79% of callers went on to contact their creditors themselves and 86% felt less likely to be in a similar situation in the future.

76% felt that our advice had a positive impact on their emotional or mental health and 96% of people who used our webchat service were satisfied with the service they received

Aim 3: To continue to be the go to place for UK charities for debt advice training, promoting consistent, quality advice and provide quality accredited learning to advisers in the free debt advice sector.

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Wiseradviser provided 11,400 training places to debt advisers in organisations across the UK and advisers in 980 free-to-client organisations completed Wiseradviser training. 68% of our training places were provided through online courses.

97% of advisers said that Wiseradviser has helped them to do their job and 95% of advisers agree Wiseradviser has helped them improve client outcomes.

We provided vulnerability training and consultancy services across a range of themes, giving staff the practical support and tools they need to help their customers and clients, whilst meeting their business objectives. In 2017 we delivered training to 6,708 staff across 44 organisations.

Aim 4: To improve the UK's money and debt environment by influencing policy, regulation and practice and use our evidence, tools, networks and influence to shape policy and regulation, and improve services:

This work included:

- Improvements to the Financial Guidance & Claims Bill, including recognition of the importance of free-to-client advice and vulnerable circumstances
- More progress in our work to improve local government debt collection practices, including through our Stop The Knock campaign
- A greater focus on vulnerability in the energy industry through our new joint guide published with Energy UK
- Engaging 38 Parliamentarians, responding to 21 consultations and influencing key decision makers in government, regulators and industry
- Commissioning and publishing research from the University of Bristol Personal Finance Research Centre on the experiences of small businesses with energy debts, and self-negotiation in money advice
- Helping more than 19,200 people who were given advice and information by debt advisers across the UK using our self-help packs

Future plans and working together

Our longer term plans for each work area are set out on page 3, together with the targets on activity we are aiming for in 2018.

National Debtline

1. Consolidate the 2017 expansion and deliver a quality, seamless, multi-channel debt advice service to 108,000 telephone clients and 47,500 web chat clients via:

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- 62,500 triage calls
 - 68,500 specialist calls
 - 47,500 webchats
 - 1,700 forum posts
2. Pilot new methods of delivering advice to visitors of the National Debtline portal measuring the number of clients:
- Completing the process and receiving advice online
 - Completing the process and successfully engaging with telephone advice
 - Accessing the portal following telephone advice and
 - How we can affect the number of clients accessing the portal or advice following engagement activities
3. Provide information to visitors to the National Debtline website measured by:
- 309,000 total visits to the website
 - 962,500 unique visits to the website

Business Debtline

1. Consolidate the 2017 expansion and deliver a quality, multi-channel debt advice service to 30,000 telephone clients and 10,000 web chat clients via:
- 40,000 specialist calls answered
 - 10,000 webchats
2. Provide information to visitors to the Business Debtline website measured by:
- 154,000 total visits to the website
 - 121,000 unique visits to the website
3. Provide detailed budgeting and energy efficiency advice to self-employed clients having difficulty paying their energy bills via:
- 3,700 telephone appointments

Wiseradviser

Provide quality, accredited learning to advisers in the free debt advice sector via:

- 7,400 training places utilised
- 1,500 advisers trained
- 6,000 e-learning sessions taken

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- 1,400 face-to-face places taken
- Delivering a curriculum of training that gives advisers the competence to provide quality debt advice
- Provide training via a range of methods, platforms and devices to ensure that training is accessible to all

Our plans envisage working with a range of partners in order to help more people more effectively. Many of these partners are members of our Partnership Board, and we are grateful to Sir Brian Pomeroy CBE for chairing this and the Trust's Funders' Forum so effectively.

Our work has been significantly assisted by our other ambassadors, including Liz Barclay, who also chairs our Business Debtline Funders' Forum.

Our partnership with Citizens Advice, where we work together to assist clients with debt problems who call their Advice Line, continues and strengthens, with just short of 130,000 calls handled from their clients who would not otherwise have been able to access debt advice. StepChange Debt Charity has directed clients to our Business Debtline service from September 2017.

Achieving our objectives would not be possible without the generous financial support of our funders, both those who have supported us over the years and the new sectors we have started working with. They have provided us with encouragement and valuable dialogue. The list of our funders can be found at notes two and three.

We are grateful to our staff for helping achieve the successes we've set out here during 2017.

Financial review

We have diversified our income sources to help deliver the best possible value for money and this has progressed to generate a more sustainable and diverse income.

Income from charitable activities includes donations based on our funding model (see below), training and consultancy income, commissioning of our services and contact centre income.

We have received a positive response to our requests for donations based on our funding model which is derived from calculating the benefit to organisations which our services provide to their customers.

During 2017 we continued to develop an income stream through selling our training and consultancy on debt topics, particularly around the areas of client vulnerability and mental health. This improves organisations' knowledge on helping vulnerable clients with debt and generates an income stream.

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Income from commissioned services increased during 2017 to £3,383,196 (£1,738,111 - 2016) with the majority of this coming from Money Advice Service and including £1,316,323 as part of the agreement we have with Citizens Advice to deliver debt advice projects (see note 3 from the financial statement). We have seen a reduction on income from contact centre referrals for debt options, such as Individual Voluntary Arrangement (IVA) or Debt Management Plans (DMP) and we have factored in further reductions into future financial forecasts.

In summary, our funding for 2017 saw a change in sector contributions and the income streams consisted of approximately 87% from the private sector (including commissioning), 12.75% from other sources (self-generated) and 0.25% from government.

The total income for the year increased by 17% from the 2016 total to £10,534,474 and total costs increased by 9% from 2016 to £10,543,824. The Board has discussed in detail the use of reserves and concluded that for 2018, we would not wish to use reserves to counter any budget variances. We have set in place a detailed sensitivity analysis which will allow us to amend our expenditure accordingly should there be any negative income variation.

The year-end funds of £3,467,221 fall into three categories: general unrestricted funds £2,577,613, restricted funds £444,262 and designated general funds £445,346. We aim to spend the designated funds in 2018.

Reserves policy, investment policy and going concern

The Board is committed to ensuring funds are put to use as soon as possible. It considered its reserves policy in conjunction with the development of the business plan and took into account fundraising activity and the investment required in achieving the targets set within the plan.

The funding environment in which the Trust operates remains challenging and the Board has reviewed the financial risks associated with the income and expenditure streams and balance sheet items. The Board used this information to ensure that an adequate level of readily realisable unrestricted reserves is held to safeguard the continuing work and commitments of the Money Advice Trust in the event of a significant change in circumstances.

The reserves policy remains that a minimum of three to six months running costs, currently £2,500,000 - £5,000,000, should be set aside to cover this. The Board reports that after the agreed investment spends, the year-end unrestricted reserves funds carried forward figure is £2,577,613. This falls within the current reserves policy. The Board has agreed that for 2018, any surplus achieved up to £200,000 will be used to increase the unrestricted fund balance.

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The Board and the Audit and Risk Committee review the investment of reserves in cash deposits and before investing in an organisation we utilise a risk assessment review to check suitability for investment. The risk assessment utilises ratings from credit reference agencies and aims to achieve a spread of investments to minimise the exposure to any one counterparty.

The financial performance and reserve position, together with the reasonable expectation that we will have adequate resources to continue in operational existence in the future and that there are no material uncertainties that cast any doubt over this assessment, give assurance that the accounts have been prepared on the basis that the Money Advice Trust is a going concern.

Structure, governance and management

The Money Advice Trust is a company limited by guarantee, governed by its articles of association dated 27 May 2010. It is a charity registered with the Charity Commission.

The governing body is the Board of Trustees (Board), who are also the directors of the charity for the purposes of the Companies Act. Trustees are appointed by the Board and new Trustees undergo an induction briefing, which covers their legal obligations, Money Advice Trust's governing documentation, strategy and business plans, financial analysis, risk framework and structure as well as meeting staff. Trustee development is considered as part of the annual review on Board effectiveness and at each of its sub-committees.

During 2017, the Trustees took time outside its five formal Board meetings to attend a strategy day, focused on progressing our rolling three year plan. Trustees, who are all unpaid, are appointed for a three-year term, with a potential further three-year term.

The Board reviewed the new Charity Governance Code and carried out an assessment of areas where we could enhance the Trust's governing practices. We are progressing these and note one example below on use for board reviews.

Our recruitment processes follows the Charity Governance Code and includes open advertising and interviewing. During 2017 we ran a recruitment process with open advertising and appointed from September 2017 Lawrence Slade and Paul Smee. Both bring experience in areas that will help the Trust develop its work in line with our strategy.

We are keen to promote diversity on the Board and as we recruit we are considering ways to maximise this. The Chair carries out a regular evaluation of the Board's effectiveness and this information is used when considering any development needs and helped us assess the skills needed for the recruitment that took place. The Board agreed to have an independent external assessment in 2019 to help review Board effectiveness.

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The Board sets values and strategic direction for the Trust, establishes policy and ensures plans are implemented to deliver them, and monitors performance against agreed objectives. It receives reports from the formally delegated Committees. Going forward from 2018, the Board agreed a new Finance and Strategy Committee, to focus both on our strategy and on finance topics previously covered by the Audit and Risk Committee. In addition, the need for the Grants Committee ceased and so this committee was disbanded. All committees have specific terms of reference, reviewed at least annually.

The **Audit and Risk Committee** met four times in 2017. We are indebted to Tracey Bleakley who chaired this group until August 2017 and contributed invaluable as a trustee and who left us on 1 September 2017. Anna Bennett was appointed as Chair of the Committee from August 2017. The other members are Lawrence Slade, Claire Whyley, Sian Williams and Merrick Willis. The Audit and Risk Committee oversees the effectiveness of the Trust's risk framework, including internal and external controls, risk management, the independent audit process and compliance systems. It reviews the standard of services delivered by the Trust and oversees the financial reporting process.

The **Finance and Strategy Committee**, which held its first meeting in March 2018, comprises Paul Smee (Chair of the Committee), Ade Keasey, Adam Sharples and Gail Scott-Spicer. It helps develop and review the effectiveness of the Trust's overall strategy, including financial and business level strategies that contribute to its charitable objectives.

The **Nominations and Remuneration Committee** met twice in 2017. It comprises Gail Scott-Spicer (Chair of Committee), Adam Sharples, Simon Crine and Anna Bennett. We are indebted to Jenny Watson who chaired this group until July 2017. It is responsible for identifying and nominating for the approval of the Board, candidates for the office of Trustee, Ambassador and President and when appropriate for organising recruitment for the post of the Chief Executive. It also carries out reviews on matters relating to the remuneration policy and considers development planning for trustees. It meets at least once a year, and as and when necessary.

The Chief Executive, who is appointed by the Board, and the Senior Leadership Team manage the day-to-day operation of the Trust's activities under delegated authority.

The Board is supported by an advisory Partnership Board comprising partner members who meet twice a year. Partner members do not have voting rights and are appointed by the Board.

Quality Standards

The Trust achieved reaccreditation in April 2018 in the Advice Quality Standard which is a Quality Framework with a focus on both the governance of the organisation and also on the individual adviser providing debt advice

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Principal risks

The Board acknowledges its responsibility in relation to risk management and the need to assess the major strategic, business and operational risks.

The Board monitors risk through its risk framework, which establishes a clear understanding of roles and responsibilities and embeds risk awareness throughout the organisation. The Board considers all types of risk and these are reported via a risk register and heat map. These are reviewed quarterly which helps inform plans to mitigate these risks. The use of departmental risk logs and clarity on assurances has improved oversight on risk. In addition we implemented a programme of audits using an independent auditor. The Audit and Risk Committee and the Board review internal audit reports and risks using our heat map of risk topics. During 2017, the key risks were being unable to meet client demand for telephone services and uncertainty of planned income.

We are mitigating the client demand issue by recruiting more advisers, as well as working in collaboration with other free to client debt charities and for the income risk, we carry out regular financial reviews and can make expenditure adjustments as appropriate.

Related parties and relationships with other organisations

There were no related party and relationship matters for reporting that would give rise to any conflicts of interest.

Fundraising policy

The Trust does not engage in public fundraising and does not use professional fundraisers. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. The Trust is a member of the Fundraising Regulator and supports the principle of high standards in fundraising. During the year there was no non-compliance of these regulations and codes and the Trust received no complaints relating to its fundraising practice.

The board has also agreed a set of fundraising principles which govern what we will and won't do in relation to donations made to the Trust and what funders can and cannot do.

Remuneration policy

The Money Advice Trust Board has overall accountability for the remuneration of our staff. Board members are unremunerated and are volunteers.

The Money Advice Trust's purpose, values and achievements, as well as its income, activities and market conditions influence how its remuneration policy is developed and put into practice.

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We are committed to ensuring the policy is open and transparent and in accordance with Statement of Recommended Practice (SORP). To reflect this, we publish the principles that underpin the remuneration policy as well as publishing the salary and pension contribution totals for key management staff and a summary of staff who are paid over £60,000 per annum.

Each year all staff participate in an appraisal of their performance. In the case of the Chief Executive, the Chair of the Board undertakes this. We do not apply any performance-related pay or bonuses.

The following are the principles we have adopted as good practice when setting our remuneration policy:

1. That we offer fair pay, to attract and retain appropriately qualified staff to lead, manage, support and deliver the Trust's aims.
2. That we are a Living Wage Employer.
3. That individuals are not discriminated against because of gender, marital or civil partnership status, race, religion or belief, sexual orientation, age, disability, gender reassignment, pregnancy and maternity, or because they work part-time or on a fixed-term contract

MONEY ADVICE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

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President Baroness Coussins

Directors and Trustees

The Directors of the charitable company are its Trustees for the purpose of charity law.

Adam Sharples CB	Chair
Gail Scott-Spicer	Vice-Chair
Anna Bennett	
Simon Crine	
Ade Keasey	
Lawrence Slade	(appointed September 2017)
Paul Smee	(appointed September 2017)
Claire Whyley	
Sian Williams	
Merrick Willis OBE	
Tracey Bleakley	(retired July 2017)
Jenny Watson CBE	(retired July 2017)

Chief Executive Joanna Elson OBE CDir

Ambassadors Liz Barclay, Martin Hall MVO MBE, Rt Hon Sir Ian McCartney, Sir Brian Pomeroy CBE, Carol Sergeant CBE, Sir Sherard Cowper-Coles KCMG LVO and Simon Walker CBE.

Constitution

The Money Advice Trust is a company limited by guarantee (number 4741583) with no share capital and a registered charity (number 1099506) governed by its articles of association. National Debtline, Business Debtline, Wiseradviser, My Money Steps, Common Financial Statement, CASHflow are part of the Money Advice Trust.

Registered office	21 Garlick Hill London EC4V 2AU
Company Secretary	Ian Witcombe
Country of registration	England and Wales
Country of incorporation	United Kingdom
Auditor	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL
Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
Bankers	National Westminster Bank plc PO Box 399 CR9 3QB
Websites	www.moneyadvicetrust.org www.businessdebtline.org www.cfs.moneyadvicetrust.org www.mymoneysteps.moneyadvicetrust.org www.nationaldebtline.org www.wiseradviser.org

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees (who are also directors of the Money Advice Trust for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Statement of Recommended Practice (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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that 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.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees' report, which includes the strategic report, has been approved by the Board of Trustees on 17 July 2018 and signed on their behalf by:

Adam Sharples
Trustee

Anna Bennett
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MONEY ADVICE TRUST

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Opinion

We have audited the financial statements of Money Advice Trust (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MONEY ADVICE TRUST

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Other information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit;

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MONEY ADVICE TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MONEY ADVICE TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Joanna Pittman (Senior statutory auditor)

Date

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Money Advice Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2017

	Note	Unrestricted £	Restricted £	2017 Total £	Unrestricted £	Restricted £	2016 Total £
Income from:							
Donations	2	4,618,972	-	4,618,972	4,233,838	-	4,233,838
Charitable activities							
- Debt Advice	3a	733,720	4,432,796	5,166,516	920,452	3,150,220	4,070,672
- Training	3b	360,687	242,621	603,308	372,042	234,420	606,462
- Influencing and Policy	3c	-	138,489	138,489	-	82,848	82,848
Investments		7,189	-	7,189	21,209	-	21,209
Total income		5,720,568	4,813,906	10,534,474	5,547,541	3,467,488	9,015,029
Expenditure on:							
Raising funds		297,316	-	297,316	203,210	-	203,210
Charitable activities							
- Debt Advice		4,200,446	4,022,728	8,223,174	4,481,580	3,105,220	7,586,800
- Training		1,285,134	242,621	1,527,755	1,241,737	234,420	1,476,157
- Influencing and Policy		329,388	166,191	495,579	293,107	85,438	378,545
Total expenditure	4	6,112,284	4,431,540	10,543,824	6,219,634	3,425,078	9,644,712
Net (expenditure)/income for the year and net movement in funds	6	(391,716)	382,366	(9,350)	(672,093)	42,410	(629,683)
Reconciliation of funds:							
Total funds brought forward		3,414,675	61,896	3,476,571	4,086,768	19,486	4,106,254
Total funds carried forward		3,022,959	444,262	3,467,221	3,414,675	61,896	3,476,571

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Money Advice Trust**Balance sheet**

Company no. 4741583

As at 31 December 2017

	Note	2017	2016
		£	£
Fixed assets:			
Tangible assets	11	232,564	18,043
		232,564	18,043
Current assets:			
Debtors	12	1,858,684	1,350,996
Cash at bank and in hand		4,169,799	3,958,504
		6,028,483	5,309,500
Liabilities:			
Creditors: amounts falling due within one year	13	2,124,375	1,744,938
Net current assets		3,904,108	3,564,562
Total assets less current liabilities		4,136,672	3,582,605
Creditors: amounts falling due after one year	15	669,451	106,034
Total net assets		3,467,221	3,476,571
The funds of the charity:	17		
Restricted income funds		444,262	61,896
Unrestricted income funds:			
Designated funds		445,346	571,984
General funds		2,577,613	2,842,691
Total unrestricted funds		3,022,959	3,414,675
Total charity funds		3,467,221	3,476,571

Approved by the trustees on 17 July 2018 and signed on their behalf by

Adam Sharples
Chair of Trustees

Money Advice Trust

Statement of cash flows

For the year ended 31 December 2017

	Note	2017	2016
		£	£
Cash flows from operating activities	18		
Net cash provided by operating activities		493,386	(933,128)
Cash flows from investing activities:			
Dividends, interest and rents from investments		7,189	21,209
Purchase of fixed assets		(289,280)	(16,433)
Net cash provided by investing activities		(282,091)	4,776
Change in cash and cash equivalents in the year		211,295	(928,352)
Cash and cash equivalents at the beginning of the year		3,958,504	4,886,856
Cash and cash equivalents at the end of the year	19	4,169,799	3,958,504

1 Accounting policies

a) Statutory information

Money Advice Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 21 Garlick Hill, London, EC4V 2AU.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

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.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of running our debt advice services, providing debt advice training and research and policy work undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

i) Allocation of support costs

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

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

IT & Telephony Equipment	3 years
Furniture	5 years
Fixtures & Fittings	6 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2017

2 Income from donations

	2017 Total £	2016 Total £
Lloyds Banking Group	1,100,249	1,131,411
Royal Bank of Scotland	800,000	685,731
HSBC	645,819	669,997
Barclays	398,802	411,705
Barclaycard	395,386	401,694
Santander	325,974	334,353
Eon	165,745	-
MBNA	144,038	143,679
Scottish Power	82,762	-
Capital One	75,000	75,000
Nationwide	58,290	53,161
TSB	51,494	47,119
Clydesdale and Yorkshire Banking Group	50,000	50,000
Vanquis	50,000	20,000
Provident Financial	40,000	-
QuickQuid	40,000	40,625
American Express Foundation	37,739	37,488
Wescot Credit Services	25,000	-
Brighthouse	20,000	15,000
Wonga	20,000	20,000
Northumbrian Water	17,902	-
Other	17,625	26,821
Experian	15,500	15,500
Wessex Water	15,000	10,000
Yorkshire Building Society	11,647	11,790
Home Retail Group/Argos	10,000	7,500
Phoenix Commercial Collections	5,000	-
UKAR	-	25,264
	4,618,972	4,233,838

All donations listed were unrestricted funds.

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2017

3 Income from charitable activities

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£	£	£
a) Debt Advice				
Money Advice Service	-	1,705,371	1,705,371	8,732
Citizens Advice	-	1,316,323	1,316,323	1,342,120
Step Change Debt Charity (DMP)	468,507	-	468,507	540,121
Ofgem Redress Payment	-	440,934	440,934	208,839
Payplan (DMP)	254,363	-	254,363	360,781
Lloyds Banking Group	-	222,604	222,604	215,493
Barclays	-	155,742	155,742	152,654
Barclaycard	-	120,099	120,099	116,225
Scottish & Southern Electric	-	112,637	112,637	107,430
HSBC	-	91,825	91,825	86,189
Comic Relief	-	56,707	56,707	32,064
Santander	-	51,517	51,517	49,871
Building Societies Trust	-	31,000	31,000	30,000
Scottish Government	-	27,500	27,500	110,000
Citizens Advice Northern Ireland	-	14,558	14,558	69,991
TSB	-	12,934	12,934	12,517
UKAR	-	12,077	12,077	7,152
Nationwide	-	11,087	11,087	10,728
EDF Energy	-	10,951	10,951	10,728
Non Standard Finance	-	10,000	10,000	-
Scottish Power	-	9,238	9,238	92,000
Npower	-	9,238	9,238	8,940
Insolvency Service (DRO)	7,850	-	7,850	7,050
British Gas	-	5,454	5,454	-
Business Energy Solutions	-	5,000	5,000	5,000
Step Change Debt Charity (IVA)	3,000	-	3,000	2,600
Royal Bank of Scotland	-	-	-	174,397
Esmée Fairbairn Foundation	-	-	-	100,000
Provident Financial	-	-	-	70,000
Wescot Credit Services	-	-	-	20,000
Northumbrian (North East) Water	-	-	-	17,500
Grant Thornton (IVA)	-	-	-	7,600
Yorkshire Building Society	-	-	-	1,650
Debt Lifeboat (IVA)	-	-	-	1,600
Other Donations	-	-	-	700
Sub-total for Debt Advice	733,720	4,432,796	5,166,516	3,980,672
b) Training				
Money Advice Service	-	212,621	212,621	234,420
Training Course Income (51 funders (2016: 55))	360,687	-	360,687	371,937
Provident Financial	-	30,000	30,000	-
Other	-	-	-	105
Sub-total for Training	360,687	242,621	603,308	606,462
c) Influencing and Policy				
Money Advice Service	-	134,323	134,323	82,848
Step Change	-	4,166	4,166	-
Sub-total for Influencing and Policy	-	138,489	138,489	82,848
Total income from charitable activities	1,094,407	4,813,906	5,908,313	4,669,982

4 Analysis of expenditure

	Cost of raising funds £	Charitable activities				Governance costs £	Support costs £	2017 Total £	2016 Total £
		Debt Advice £	Training £	Influencing and Policy £					
Staff costs (Note 7)	192,624	5,123,817	488,075	249,224	118,702	1,345,433	7,517,875	6,506,375	
IT & Telephony	6,110	589,856	19,520	9,291	2,170	51,157	678,104	694,257	
Occupancy	18,627	544,018	65,804	21,923	7,595	122,363	780,330	743,802	
Adviser Training	-	-	333,949	-	-	-	333,949	334,818	
Grants (Note 5)	-	33,125	245,505	-	-	-	278,630	399,011	
Other Staff Costs	3,419	187,257	24,553	5,674	1,716	24,561	247,180	272,001	
Commercial Training	-	-	193,478	-	-	-	193,478	146,545	
Travel	15,570	9,046	10,219	9,894	1,115	26,749	72,593	83,964	
Depreciation	316	70,383	980	388	114	2,578	74,759	121,564	
Communications	4,412	22,061	16,417	11,031	-	-	53,921	79,025	
Research	-	-	-	54,128	-	-	54,128	-	
Self Help Packs	-	24,388	-	20,260	-	-	44,648	45,643	
Other Costs	15,228	81,194	1,557	63,516	13,762	38,972	214,229	217,707	
	256,306	6,685,145	1,400,057	445,329	145,174	1,611,813	10,543,824	9,644,712	
Support costs	37,621	1,410,946	117,147	46,098	-	(1,611,812)	-	-	
Governance costs	3,389	127,083	10,551	4,152	(145,175)	-	-	-	
Total expenditure 2017	297,316	8,223,174	1,527,755	495,579	-	-	10,543,824		
Total expenditure 2016	203,210	7,586,800	1,476,157	378,545	-	-		9,644,712	

5 Grant making

	Grants to institutions £	2017 £	2016 £
Cost			
Training			
Citizens Advice Bureau	22,500	22,500	30,000
Citizens Advice Scotland	15,000	15,000	18,750
Money Advice Scotland	85,000	85,000	85,000
Advice Northern Ireland	100,000	100,000	100,000
Institute of Money Advisers	23,005	23,005	43,343
Innovation Grants	-	-	75,543
Business Debtline Northern Ireland			
Advice Northern Ireland	33,125	33,125	46,375
At the end of the year	<u>278,630</u>	<u>278,630</u>	<u>399,011</u>

Training - Grants given to partner agencies for the provision of Wiseradviser training.

Innovation Grants - funding of external innovative debt advice and training projects

Business Debtline Northern Ireland - grant provided to Advice Northern Ireland to provide this service.

6 Net expenditure for the year

This is stated after charging / crediting:

	2017 £	2016 £
Depreciation	74,759	121,564
Loss on disposal of fixed assets	-	-
Operating lease rentals:		
Property	285,281	300,615
Other	22,880	12,754
Auditor's remuneration (excluding VAT):		
Audit	10,350	10,050
Other services	750	2,850
	<u>74,759</u>	<u>121,564</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	6,425,088	5,537,976
Termination costs	-	7,296
Social security costs	638,656	537,492
Employer's contribution to defined contribution pension schemes	454,131	423,611
	<u>7,517,875</u>	<u>6,506,375</u>

Employees receiving employee benefits in excess of £60,000, excluding NI and Pension:

Salary Band	Total 2017 No.	Total 2016 No.
£70,000 to £79,999	-	1
£80,000 to £89,999	2	1
£110,000 to £119,999	1	1
	<u>3</u>	<u>3</u>

The Chief Executive's salary for 2017, excluding NI and Pension, was £112,531. The total employee benefits (including employer pension contributions and employer national insurance) of the key management personnel were £341,562 (2016: £335,910).

The charity contributes between 4% and 9% of annual salary to employees group personal pension scheme.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,093 (2016: £3,684) incurred by 9 (2016: 9) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (average head count based on number of staff employed) during the year was as follows:

	2017 No.	2016 No.
Debt Advice	150	139
Training	12	9
Influencing and Policy	9	8
Support	36	29
Business Development	5	5
	<u>212</u>	<u>190</u>

9 Related party transactions

There are no related party transactions to disclose for 2017 (2016: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Fixtures & Fittings £	Furniture £	Computer equipment £	Total £
Cost				
At the start of the year	70,990	93,372	686,676	851,038
Additions in year	109,670	119,698	59,912	289,280
Disposals in year	-	(93,372)	(69,101)	(162,473)
At the end of the year	180,660	119,698	677,487	977,845
Depreciation				
At the start of the year	70,990	93,372	668,633	832,995
Charge for the year	18,278	23,940	32,541	74,759
Eliminated on disposal	-	(93,372)	(69,101)	(162,473)
At the end of the year	89,268	23,940	632,073	745,281
Net book value				
At the end of the year	91,392	95,758	45,414	232,564
At the start of the year	-	-	18,043	18,043

All of the above assets are used for charitable purposes.

12 Debtors

The increase in Trade Debtors is primarily due to receipt of 2017 funding from Barclays (£555k) and HSBC (£369k) in January 2018.

	2017 £	2016 £
Trade debtors	1,381,891	534,356
Other debtors	1,789	2,513
Prepayments	351,303	400,803
Accrued income	123,701	413,324
	1,858,684	1,350,996

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	197,451	184,684
Taxation and social security	221,898	199,363
Other creditors	38,813	88,635
Accruals	131,062	140,409
Deferred income (note 14)	1,535,151	1,131,847
	2,124,375	1,744,938

For the year ended 31 December 2017

14 Deferred income

Deferred income comprises primarily of donation funding from Royal Bank of Scotland (£740k), Ofgem redress payments (£572k) and Barclaycard (£200k).

	2017 £	2016 £
Balance at the beginning of the year	1,237,881	1,805,133
Amount released to income in the year	(1,131,847)	(1,429,974)
Amount deferred in the year	2,098,568	862,722
Balance at the end of the year (Total)	2,204,602	1,237,881
Balance at the end of the year (falling due within one year)	1,535,151	1,131,847
Balance at the end of the year (falling due after one year)	669,451	106,034
Balance at the end of the year (Total)	2,204,602	1,237,881

15 Creditors: amounts falling due after one year

	2017 £	2016 £
Deferred Income (due 2-5 years) (note 14)	669,451	106,034
	669,451	106,034

16a Analysis of net assets between funds (2017)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	13,898	218,666	232,564
Net current assets	2,577,613	431,448	895,047	3,904,108
Long term liabilities	-	-	(669,451)	(669,451)
Net assets at the end of the year	2,577,613	445,346	444,262	3,467,221

16b Analysis of net assets between funds (2016)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	18,043	-	18,043
Net current assets	2,842,691	553,941	167,930	3,564,562
Long term liabilities	-	-	(106,034)	(106,034)
Net assets at the end of the year	2,842,691	571,984	61,896	3,476,571

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2017

17a Movements in funds current year

	At 1 January 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2017 £
Restricted funds:					
Debt Advice	45,000	2,839,441	(2,648,039)	(45,000)	191,402
Debt Advice - Capital Costs	-	277,032	(58,366)	-	218,666
Debt Advice - Citizens Advice Training	-	1,316,323	(1,316,323)	-	-
	11,920	242,621	(242,621)	-	11,920
Influencing and Policy	4,976	138,489	(166,191)	45,000	22,274
Total restricted funds	61,896	4,813,906	(4,431,540)	-	444,262
Unrestricted funds:					
Designated funds:					
3 Year Implementation Plan	312,354	-	(27,169)	-	285,185
Commercial Training	179,087	-	(95,324)	-	83,763
Dilapidation Fund	62,500	-	-	-	62,500
Fixed Assets	18,043	-	(16,392)	12,247	13,898
Total designated funds	571,984	-	(138,885)	12,247	445,346
General funds	2,842,691	5,720,568	(5,973,399)	(12,247)	2,577,613
Total unrestricted funds	3,414,675	5,720,568	(6,112,284)	-	3,022,959
Total funds	3,476,571	10,534,474	(10,543,824)	-	3,467,221

17b Movements in funds prior year

	At 1 January 2016 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2016 £
Restricted funds:					
Debt Advice	-	3,150,220	(3,105,220)	-	45,000
Debt Advice - Citizens Advice Training	-	1,342,120	(1,342,120)	-	-
	11,920	234,420	(234,420)	-	11,920
Influencing and Policy	7,566	82,848	(85,438)	-	4,976
Total restricted funds	19,486	4,809,608	(4,767,198)	-	61,896
Unrestricted funds:					
Designated funds:					
3 Year Implementation Plan	407,588	-	(95,234)	-	312,354
Commercial Training	-	-	(20,913)	200,000	179,087
Dilapidation Fund	62,500	-	-	-	62,500
Fixed Assets	123,174	-	(121,564)	16,433	18,043
Website Project	50,270	-	-	(50,270)	-
Innovation Grants	5,597	-	(5,597)	-	-
Total designated funds	649,129	-	(243,308)	166,163	571,984
General funds	3,437,639	5,547,541	(5,976,326)	(166,163)	2,842,691
Total unrestricted funds	4,086,768	5,547,541	(6,219,634)	-	3,414,675
Total funds	4,106,254	10,357,149	(10,986,832)	-	3,476,571

Movements in funds (continued)

Purposes of restricted funds

Debt Advice includes National Debtline, Business Debtline, Citizens Advice funded Triage service, My Money Steps and Grants to other organisations providing Debt Advice. These services offer free, expert and professional debt advice via telephone, Internet and email.

Capital Costs cover funding received for the purchase of capital items. The carry forward funding for this covers future year depreciation.

The Training programme provides free face-to-face and online money advice training. It includes training provided through the Money Advice Service Debt Advice Project and grants to other organisation providing debt advice training.

Influencing and Policy covers the development of Trust policy in relation to specific issues and consultations affecting its activities and the debt advice sector. It also includes debt advice tools such as the Common Financial Statement, CASHflow and the Trust's self-help packs.

Part of the funding received during 2016 (£45k) was for campaign and research linked to the Business Debtline service and the funding allocated as such. As the nature of this work falls within our Influencing & Policy remit, the carried forward funding has been transferred to this department, although the focus remains Business Debtline.

Purposes of designated funds

The Trustees have agreed to designate funds for the following:

- Investment for the Trust's 3 year funding strategy including a telephony upgrade, CRM project, marketing and overall implementation of these projects
- Funds for Fixed Assets have been designated. This fund only covers assets purchased using unrestricted funds.
- Dilapidation expenditure for 21 Garlick Hill, London and 8th Floor, Tricorn House, Birmingham;
- Costs associated with the re-design and upgrade of the Trust's websites;
- Additional funds for the Innovation Grants project;
- Additional staff for the drive commercial revenue

18 Reconciliation of net (expenditure) to net cash flow from operating activities

	2017 £	2016 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(9,350)	(593,223)
Depreciation charges	74,759	118,108
Dividends, interest and rent from investments	(7,189)	-
Loss on disposal of fixed assets	-	1,856
(Increase)/decrease in debtors	(507,688)	128,832
Increase in creditors	942,854	602,881
Net cash provided by / (used in) operating activities	493,386	258,454

19 Analysis of cash and cash equivalents

	At 1 January 2017 £	Cash flows £	Other changes £	At 31 December 2017 £
Cash in hand	2,458,504	211,295	-	2,669,799
Notice deposits (less than three months)	1,500,000	-	-	1,500,000
Total cash and cash equivalents	3,958,504	211,295	-	4,169,799

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2017	2016	2017	2016
	£	£	£	£
Less than one year	289,952	285,870	22,880	22,880
Two to five years	161,193	450,556	29,955	52,834
	451,145	736,426	52,835	75,714

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.