

MONEY

ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

Charity number

1099506

Company registration number

4741583 (England & Wales)

MONEY ADVICE TRUST

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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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MONEY ADVICE TRUST TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees present their report and the audited financial statements for the year ended 31 December 2018.

The financial statements comply with current statutory requirements, the articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The Trust works to help people across the UK to tackle their debts and manage their money with confidence. We do this by providing telephone and web based debt advice through National Debtline and Business Debtline to support people and small businesses to deal with their debt. We also train debt advisers in the free advice sector through Wiseradviser, and campaign to improve the UK's money and debt environment.

This activity supports our charitable objectives which 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. The Board has developed strategic plans to ensure that the Trust provides public benefit and achieves its aims 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 its activities.

The debt advice we provide through our National Debtline and Business Debtline services needs to be right for the client and the quality of that advice is very important to us, so we have continued with quality initiatives as a central theme to ensure standards are high.

We also provide training to help advisers in free-to-client organisations across the UK give high quality and accurate advice and in 2018 there was an increase in this activity.

In meeting our objectives, we also work in collaboration with other debt advice charities, both to ensure that we can deliver value for money and to ensure the client journey is optimal.

Our free training for advisers, branded Wiseradviser, is available to advisers in England and Wales and we work in partnership with the advice sector in Scotland and Northern Ireland to make our training available to advisers in those countries.

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TRUSTEES' REPORT

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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 2018 we achieved the following deliverables from our business plan aims across four key areas. The wider outcomes from this activity are reported annually in our annual [Impact Report](#), published each June.

1 - National Debtline

- Consolidated our expansion and delivered a quality, seamless, multi-channel debt advice service to **98,890** telephone clients and **54,050** webchat clients via:
 - **87,010** triage calls
 - **47,970** specialist calls
 - **54,050** webchats
 - **1,190** forum posts
- Finalised our new method of delivering advice to visitors of the National Debtline website by introducing a portal which launched in March 2019. We will now be measuring:
 - The number of clients completing the process and receiving advice online
 - The number of clients completing the process and successfully engaging with telephone advice
 - The number of clients accessing the portal following telephone advice, and
 - How we can affect the number of clients accessing the portal or advice following engagement activities
- Provided information to visitors to the National Debtline website measured by:
 - **1,371,590** total visits to the website
 - **940,090** unique visits to the website

2 - Business Debtline

- Consolidated our expansion to deliver a quality, multi-channel debt advice service to **34,490** telephone clients and **16,880** webchat clients via:

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- **41,120** specialist calls answered
- **16,880** webchats
- Provided information to visitors to the Business Debtline website measured by:
 - **338,540** total visits to the website
 - **219,230** unique visits to the website
- Provided detailed budgeting and energy efficiency advice to self-employed clients having difficulty paying their energy bills via:
 - **2,620** telephone appointments

3 - Wiseradviser

- Provided quality, accredited learning to advisers in the free debt advice sector via:
 - **10,730** training places
 - **2,580** advisers trained
 - **7,530** e-learning sessions taken
 - **3,200** face-to-face places taken
- Delivered a curriculum of training that gives advisers the competence to provide quality debt advice via a range of methods, platforms and devices to ensure that training is accessible to all.
- The topics we launched during the year included increased use of e-learning with three new topics on:
 - **Debt and pensions**
 - **Mental capacity limitations**
 - **Good practice in case recording**
- We also made greater use of webinars and these included such topics as:
 - **Clients at risk of homelessness**
 - **Dealing with death and debts**
 - **Private parking tickets**
- We also introduced a new face-to-face course on behavioural theory and its application in debt advice.

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4 – Improving the UK's money and debt environment

Where we have been able to influence policy, regulation and practice, especially using our evidence of data, we do so in a way that improves the lives of our clients as beneficiaries. During the year we completed the following pieces of work:

- Making a successful case for the inclusion of sole traders in the government's new Breathing Space scheme for people in debt
- Securing, together with our Taking Control partner charities, a formal Ministry of Justice review of the case for bailiff reform
- Continued improvements in local authority debt collection practices, with further councils reducing or ending the use of bailiffs
- Successfully lobbying the Financial Conduct Authority to retain its current definition of vulnerability
- Responding to 30 policy consultations to advocate for the interests of the people who use our service and those in financial difficulty more widely
- Working with government and Money Advice Service to pave the way for the new Single Financial Guidance Body
- Helping more than 17,150 people who were given advice and information by debt advisers across the UK using our self-help packs

We continue to work in collaboration with a range of partners to help more people more effectively through service delivery, influencing and shaping the funding landscape. Many of these partners are members of our Partnership Board, which continues to meet twice a year, once in London and once in one of the devolved administrations.

Of particular note is our partnership with Citizens Advice, where we work together to assist clients with debt problems who phone their Advice Line. We took just short of 116,000 calls handled from their clients who would not otherwise have been able to access debt advice. We also work closely with StepChange Debt Charity who now direct self-employed clients to our Business Debtline service.

We are grateful for the work of our Ambassadors who help in many ways and to our staff who have helped us achieve the objectives we set.

We are very grateful to longstanding and more recent funders without whose support our work would be impossible. The list of our funders can be found at notes two and three.

Future plans and working together

We are looking to help more people, more effectively in 2019 and the summary of our business plan below sets out our key 2019 aims and objectives.

Business plan 2019

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

Focus on client and adviser experience, improve engagement and deliver smarter services using technology so that more expensive services can be used by those who need them most

Be competitive including by preparing and successfully bidding for commissioning contracts, while demonstrating quality and value for money and managing our cost base

Collaborate to create the best possible environment for people in debt, emphasise what the SFGB should do centrally and what we can do— and be agile so we change tack where we need to

Deliver and demonstrate our work in the devolved nations, tailoring services for clients and advisers there where cost-effective

Support our staff, and invest in infrastructure to ensure the best service(s) we can afford and to support innovation

Deliverables

Support people in financial difficulty - National Debtline and Business Debtline

109,930 phone clients served, 50,200 webchats and 1.4m website visits via National Debtline.

46,340 phone clients served, 15,500 webchats and 303,600 website visits via Business Debtline.

Integrate the Business Debtline website with the CRM. Revisit triage /specialist mix. Use IVR to prioritise and route to digital. Improve advice by focus on quality, upgrade webchat, better MI and embed the portal. Engage clients post-advice by follow up nudges and action-based advice.

Support the free-to-client advice sector - Wiseradviser

Tailor the new LMS to client need, develop a learning pathway, and launch course topics highlighted by vulnerability research. Secure funding from the devolved administrations. Consider how to reduce reliance on unrestricted funding, including alternative funding mechanisms. Secure support for 'How to deal with debt' resource.

Improve the UK's money and debt environment by training and consultancy

Deliver the Vulnerability Academy with UK Finance. Develop and launch digital vulnerability research.

Improve the UK's money and debt environment by shaping policy, practice and delivery

Pursue influencing objectives a) building support for our services (including influencing commissioning and across devolved administrations), b) improving public sector debt collection, c) shape an effective breathing space scheme and d) improve vulnerability policy and practice.

Support

Enable deliverables, provide secure and efficient ICT solutions with robust data protection; good governance; HR strategies which empower staff to live our values and contribute to achieving our goals; financial controls and business support services, manage the Trust responsibly and maintain compliance with the law and regulators.

Funding

Focus CHARITABLE fundraising on sustaining donations, refocusing our asks to align more closely with donors' agendas

Seek a higher proportion of our income from COMMISSIONING in line with Wyman, to recruit further advice staff, and work collaboratively through the TOM

Secure the best arrangements we can for clients and the Trust with solution providers to stabilise our CONTACT CENTRE income

Grow our sales income and improve our margin from COMMERCIAL

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Financial review

This year has been a continuation of our transition to diversify our funding streams and we are pleased to report an increase in our income to £11.5m, which is an increase of over 9% from last year (2017 - £10.5m). This has allowed us to increase the number of advisers we have to help clients.

We are pleased to report we have been able to create greater financial resilience for the future to ensure we continue to provide the service that is needed by our clients. We have improved the reserve position which was and is an objective set by the Board.

Our income sources are from donations based on our funding model; training and consultancy income; commissioning of our services, and contact centre income.

The income from donations is based on our funding model which is derived from calculating the benefit to organisations which our services provide to their customers, and we continue to engage in debates about the future of funding in the advice sector.

Building on the success of selling our training and consultancy on debt topics, particularly around the areas of client vulnerability and mental health, 2018 has seen continued growth with this income stream. This improves organisations' knowledge when helping vulnerable clients with debt and generates an income stream.

Income for charitable activities increased during 2018 to £6,997,537 (2017 - £5,908,313) with £4,266,218 of this coming via commissioning from the Single Financial Guidance Body (was Money Advice Service – now Money and Pensions Service) and including £1,321,204 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 continued trend in reduced income from contact centre referrals for debt options, such as individual voluntary arrangements (IVAs) or debt management plans (DMPs) and we have factored in further reductions into future financial forecasts.

Our funding for 2018 can be summarised as approximately 90% from the private sector (including commissioning), 10% from other sources (self-generated) and as of this year nothing from government.

We aim to keep costs under control and improve efficiencies and for 2018 we managed to contain the increase in total costs compared with last year to just under 7% (9% in 2017).

The Board has discussed in detail the use of reserves and wishes to continue choosing not to use reserves to counter any budget variances and to increase unrestricted reserves to provide greater resilience against any future income shocks.

The year-end funds of £3,699,581 (2017 - £3,467,221) fall into three categories: general unrestricted funds £3,160,771 (2017 - £2,577,613), restricted funds £249,555 (2017 - £444,262), and designated general funds £289,255 (2017 - £445,346).

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Reserves policy, investment policy and going concern

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

The funding environment in which the Trust operates remains challenging, with the transition of the Money Advice Service/Single Finance Guidance Body to the Money and Pensions Service and its focus on commissioning, devolution to Scotland, Wales and Northern Ireland and the knock on effect for our charitable donations from creditors who will be reviewing their contributions to us in conjunction with the Levy they will be expected to pay.

The Board has reviewed the financial risks associated with the income and expenditure streams and balance sheet items. The Board uses this information to ensure that an adequate level of readily realisable unrestricted reserves is held to safeguard the continuing work and commitments of the 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 £2,820,000 - £5,640,000, should be set aside to cover this. The Board reports that after the agreed investment spends, the year-end unrestricted reserves funds carry forward figure was £3,160,771. This falls within the current reserves policy. As agreed by the Board in 2017, we wish to increase the reserves to ensure the running costs can be covered at a range closer to six months' running costs and therefore to achieve this it was agreed that our aim for the next five years from 2018, would be that any surplus achieved up to £200,000 will be used to increase the unrestricted fund balance.

The Board and the Audit Risk and Quality Committee review the investment of reserves in cash deposits and before investing 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 in bank deposits to minimise the exposure to any one counter-party.

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 Trust is a going concern.

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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 (the 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, the 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 2018, 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.

Our recruitment process follows the Charity Governance Code and is based around open advertising and interviewing. During 2018 we ran such a recruitment process and appointed Vineeta Manchanda and Rebecca Wilkie from September 2018. 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 to our Board again this year, 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.

The Board sets the values and strategic direction for the Trust, oversees policy and ensures plans are implemented by monitoring performance against agreed objectives. It receives reports from the formally delegated Committees.

There are three Committees and each Trustee serves on a Committee.

The **Audit, Risk and Quality Committee** met three times in 2018. Anna Bennett is chair and its other members are Vineeta Manchanda, Lawrence Slade and Rebecca Wilkie. The Audit, Risk and Quality 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 quality of services delivered by the Trust and oversees the financial reporting process.

We are grateful to Claire Whyley, Sian Williams and Merrick Willis for their time and valuable contributions to this Committee and who retired in 2018.

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The **Finance and Strategy Committee** met three times in 2018. Paul Smee is the chair and its other members are 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 2018. Gail Scott-Spicer is chair and its other members are Adam Sharples, Simon Crine and Anna Bennett. 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. We are grateful to all of our partner members for their invaluable support from across the UK.

Quality standards

The Trust achieved its two year 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.

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. In addition we implemented a programme of audits using an independent auditor. The Audit, Risk and Quality Committee and the Board review internal audit reports and risks using our heat map of risk topics. During 2018 the key risks were being unable to meet client demand for telephone services our ageing IT/telephony infrastructure and the impact of commissioning on our funding streams. In addition, as we write this there is the uncertainty of Brexit and the potential impact on the demand for our services in the event of a negative impact on the economy, including self-employed people.

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We are mitigating the client demand issue by recruiting more advisers, as well as building better collaborative tools that can help the client journey. Our online advice tool being an example where we hope to reduce the time needed to go through details on the phone as they will have been pre-populated, making the advice experience more tailored and time effective. Along with this investment we have been improving and updating our IT/telephony infrastructure with more taking place in 2019.

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 fundraising from members of the public and does not use external professional fundraisers. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes, 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. This is being reviewed by the Board during 2019.

Remuneration policy

The Trust Board has overall accountability for the remuneration of staff who work for the Trust. Board members are unremunerated and are volunteers.

The 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.

The Trust is committed to ensuring the policy is open and transparent and in accordance with Statement of Recommended Practice (SORP). To reflect this, the Trust publishes the principles that underpin its remuneration policy.

1. That we offer fair pay, to attract and keep 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 TRUSTEES' REPORT

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The Board delegates to its Nominations and Remuneration Committee (NRC) specific duties in relation to nomination, remuneration, succession planning and recruitment. The NRC's terms of reference are agreed by the Board.

Trustees are responsible for setting remuneration levels for the Trust's Chief Executive and the NRC for approving them for other members of the senior team. Each year all staff participate in an appraisal of their performance. In the case of the Chief Executive, this is undertaken by the Chair of the Board. We do not apply any performance related pay or bonuses.

We publish the number of staff who are paid over £60,000 within our annual report and accounts. We also publish the Chief Executive's salary and total amount of staff benefits for the Key Management Personnel.

MONEY ADVICE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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	
Vineeta Manchanda	(appointed September 2018)
Lawrence Slade	
Paul Smee	
Claire Whyley	(retired July 2018)
Rebecca Wilkie	(appointed September 2018)
Sian Williams	(retired July 2018)
Merrick Willis OBE	(retired July 2018)

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, and 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

MONEY ADVICE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees (who are also directors of Money Advice Trust for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic 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 SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping proper 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 the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2018 was nine (2017: ten). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

MONEY ADVICE TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 18 July 2019 and signed on their behalf by

Adam Sharples
Trustee

Anna Bennett
Trustee

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

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Opinion

We have audited the financial statements of Money Advice Trust (the 'charitable company') for the year ended 31 December 2018 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:

1. Give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
2. Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
3. 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 12 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

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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 THE MONEY ADVICE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

- 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)

30 July 2019

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 2018

	Note	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Income from:							
Donations	2	4,502,345	-	4,502,345	4,618,972	-	4,618,972
Charitable activities							
- Debt Advice	3i	609,004	5,340,680	5,949,684	733,720	4,550,452	5,284,172
- Training	3ii	595,281	408,572	1,003,853	360,687	242,621	603,308
- Influencing and Policy	3iii	-	44,000	44,000	-	20,833	20,833
Investments		12,360	-	12,360	7,189	-	7,189
Total income		5,718,990	5,793,252	11,512,242	5,720,568	4,813,906	10,534,474
Expenditure on:							
Raising funds		410,997	-	410,997	297,316	-	297,316
Charitable activities							
- Debt Advice		3,515,358	5,561,235	9,076,593	4,196,685	4,139,595	8,336,280
- Training		1,196,961	366,215	1,563,176	1,285,134	242,621	1,527,755
- Influencing and Policy		168,607	60,509	229,116	333,149	49,324	382,473
Total expenditure	4	5,291,923	5,987,959	11,279,882	6,112,284	4,431,540	10,543,824
Net income/(expenditure) for the year and net movement in funds	6	427,067	(194,707)	232,360	(391,716)	382,366	(9,350)
Reconciliation of funds:							
Total funds brought forward		3,022,959	444,262	3,467,221	3,414,675	61,896	3,476,571
Total funds carried forward		3,450,026	249,555	3,699,581	3,022,959	444,262	3,467,221

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 2018

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	11		209,465		232,563
			209,465		232,563
Current assets:					
Debtors	12	2,152,566		1,858,684	
Cash at bank and in hand		6,373,396		4,169,800	
			8,525,962	6,028,484	
Liabilities:					
Creditors: amounts falling due within one year	13	4,735,496		2,124,375	
Net current assets			3,790,466		3,904,109
Total assets less current liabilities			3,999,931		4,136,672
Creditors: amounts falling due after one year	15		300,350		669,451
Total net assets			3,699,581		3,467,221
The funds of the charity:					
Restricted income funds	17		249,555		444,262
Unrestricted income funds:					
Designated funds		289,255		445,346	
General funds		3,160,771		2,577,613	
Total unrestricted funds			3,450,026		3,022,959
Total charity funds			3,699,581		3,467,221

Approved by the trustees on 18 July 2019 and signed on their behalf by

Adam Sharples
Chair of Trustees

Money Advice Trust**Statement of cash flows****For the year ended 31 December 2018**

	Note	2018		2017	
		£	£	£	£
Cash flows from operating activities	18				
Net cash provided by operating activities			2,258,088		493,386
Cash flows from investing activities:					
Dividends, interest and rents from investments		12,360		7,189	
Purchase of fixed assets		(66,852)		(289,279)	
Net cash provided by investing activities			(54,492)		(282,090)
Change in cash and cash equivalents in the year			2,203,596		211,296
Cash and cash equivalents at the beginning of the year			4,169,800		3,958,504
Cash and cash equivalents at the end of the year	19		6,373,396		4,169,800

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) Allocation to Fundraising

The methodology for allocation of staff time to Fundraising was revised during 2018 and this has primarily affected Fundraising and Influencing & Policy expenditure. This explains the variance between the current accounts and the 2017 comparators.

k) Operating leases

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

l) 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

m) 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.

n) 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.

o) 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.

p) 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.

q) 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.

2 Income from donations

	2018	2017
	Total	Total
	£	£
Lloyds Banking Group	1,133,257	1,100,249
Royal Bank of Scotland	740,000	800,000
HSBC	665,193	645,819
Barclays	410,765	398,802
Barclaycard	407,248	395,386
Santander	335,753	325,974
MBNA	140,059	144,038
Capital One	95,000	75,000
Scottish Power	86,817	82,762
Npower	71,793	-
Nationwide	58,817	58,290
Eon	57,608	165,745
TSB	55,119	51,494
Clydesdale and Yorkshire Banking Group	48,500	50,000
QuickQuid	36,345	40,000
Wescot Credit Services	27,500	25,000
Northumbrian Water	25,000	17,902
Brighthouse	20,000	20,000
Experian	16,000	15,500
Donations	15,925	17,625
Wessex Water	15,000	15,000
Home Retail Group/Argos	12,000	10,000
Yorkshire Building Society	11,228	11,647
UKAR	7,090	-
Phoenix Commercial Collections	5,000	5,000
Engie	5,000	-
Other	328	-
Vanquis	-	50,000
Provident Financial	-	40,000
American Express Foundation	-	37,739
Wonga	-	20,000
	4,502,345	4,618,972

All donations listed were unrestricted funds.

3a Income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
i) Debt Advice				
Money Advice Service	-	2,536,442	2,536,442	1,823,027
Citizens Advice	-	1,321,204	1,321,204	1,316,323
Ofgem Redress Payment	-	571,621	571,621	440,934
Step Change Debt Charity (DMP)	394,744	-	394,744	468,507
Lloyds Banking Group	-	229,282	229,282	222,604
Barclays	-	160,414	160,414	155,742
Payplan (DMP)	158,190	-	158,190	254,363
Barclaycard	-	123,702	123,702	120,099
HSBC	-	94,580	94,580	91,825
Eon	-	58,821	58,821	-
Santander	-	53,063	53,063	51,517
Payplan (IVA)	43,600	-	43,600	-
Building Societies Trust	-	32,000	32,000	31,000
Provident Financial	-	30,000	30,000	-
Comic Relief	-	24,643	24,643	56,707
Nationwide	-	21,677	21,677	11,087
Yorkshire & Clydesdale Bank	-	16,500	16,500	-
Scottish & Southern Electric	-	12,041	12,041	112,637
EDF Energy	-	10,781	10,781	10,951
Npower	-	10,311	10,311	9,238
Non Standard Finance	-	10,000	10,000	10,000
TSB	-	8,862	8,862	12,934
Insolvency Service (DRO)	8,070	-	8,070	7,850
Scottish Power	-	7,683	7,683	9,238
Step Change Debt Charity (IVA)	4,400	-	4,400	3,000
UKAR	-	1,000	1,000	12,077
Yorkshire Building Society	-	1,000	1,000	-
Other Donations	-	53	53	-
Scottish Government	-	-	-	27,500
Citizens Advice Northern Ireland	-	-	-	14,558
British Gas	-	-	-	5,454
Business Energy Solutions	-	5,000	5,000	5,000
Sub-total for Debt Advice	609,004	5,340,680	5,949,684	5,284,172
ii) Training				
Money Advice Service	-	408,572	408,572	212,621
Training Course Income (65 funders (2017: 51))	595,071	-	595,071	360,687
Provident Financial	-	-	-	30,000
Other	210	-	210	-
Sub-total for Training	595,281	408,572	1,003,853	603,308
iii) Influencing and Policy				
Money Advice Service	-	-	-	16,667
Provident Financial	-	40,000	40,000	-
University of Bristol	-	4,000	4,000	-
Step Change	-	-	-	4,166
Sub-total for Influencing and Policy	-	44,000	44,000	20,833
Total income from charitable activities	1,204,285	5,793,252	6,997,537	5,908,313

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2018

3b Income from charitable activities prior year

	Unrestricted £	Restricted £	2017 Total £
i) Debt Advice			
Money Advice Service	-	1,823,027	1,823,027
Citizens Advice	-	1,316,323	1,316,323
Step Change Debt Charity (DMP)	468,507	-	468,507
Ofgem Redress Payment	-	440,934	440,934
Payplan (DMP)	254,363	-	254,363
Lloyds Banking Group	-	222,604	222,604
Barclays	-	155,742	155,742
Barclaycard	-	120,099	120,099
Scottish & Southern Electric	-	112,637	112,637
HSBC	-	91,825	91,825
Comic Relief	-	56,707	56,707
Santander	-	51,517	51,517
Building Societies Trust	-	31,000	31,000
Scottish Government	-	27,500	27,500
Citizens Advice Northern Ireland	-	14,558	14,558
TSB	-	12,934	12,934
UKAR	-	12,077	12,077
Nationwide	-	11,087	11,087
EDF Energy	-	10,951	10,951
Non Standard Finance	-	10,000	10,000
Scottish Power	-	9,238	9,238
Npower	-	9,238	9,238
Insolvency Service (DRO)	7,850	-	7,850
British Gas	-	5,454	5,454
Business Energy Solutions	-	5,000	5,000
Step Change Debt Charity (IVA)	3,000	-	3,000
Royal Bank of Scotland	-	-	-
Esmée Fairbairn Foundation	-	-	-
Provident Financial	-	-	-
Wescot Credit Services	-	-	-
Northumbrian (North East) Water	-	-	-
Grant Thornton (IVA)	-	-	-
Yorkshire Building Society	-	-	-
Debt Lifeboat (IVA)	-	-	-
Other Donations	-	-	-
Sub-total for Debt Advice	733,720	4,550,452	5,284,172
ii) Training			
Money Advice Service	-	212,621	212,621
Training Course Income (51 funders (2016: 55))	360,687	-	360,687
Provident Financial	-	30,000	30,000
Other	-	-	-
Sub-total for Training	360,687	242,621	603,308
iii) Influencing and Policy			
Money Advice Service	-	16,667	16,667
Step Change	-	4,166	4,166
Sub-total for Influencing and Policy	-	20,833	20,833
Total income from charitable activities	1,094,407	4,813,906	5,908,313

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2018

4a Analysis of expenditure

	Charitable activities						2018 Total £	2017 Total £
	Cost of raising funds £	Debt Advice £	Training £	Influencing and Policy £	Governance costs £	Support costs £		
Staff costs (Note 7)	291,624	5,592,133	500,142	153,961	118,419	1,418,089	8,074,368	7,517,875
IT & Telephony	10,280	866,464	22,596	4,821	2,780	62,531	969,472	678,104
Occupancy	23,756	509,805	59,495	11,369	7,352	117,723	729,500	780,330
Adviser Training	-	-	293,936	-	-	-	293,936	333,949
Grants (Note 5)	-	6,625	269,600	-	-	-	276,225	278,630
Other Staff Costs	3,386	184,583	13,591	2,607	2,512	32,816	239,495	247,180
Commercial Training	-	-	226,868	-	-	-	226,868	193,478
Other Costs	14,654	52,588	8,699	9,036	16,315	40,036	141,328	214,229
Self Help Packs	-	140,117	-	-	-	-	140,117	44,648
Travel	9,732	7,574	9,029	6,126	641	15,689	48,791	72,593
Depreciation	237	68,070	20,011	111	63	1,458	89,950	74,759
Communications	549	19,206	15,619	3,721	-	-	39,095	53,921
Research	-	-	-	10,737	-	-	10,737	54,128
	354,218	7,447,165	1,439,586	202,489	148,082	1,688,342	11,279,882	10,543,824
Support costs	52,201	1,498,037	113,624	24,480	-	(1,688,342)	-	-
Governance costs	4,578	131,391	9,966	2,147	(148,082)	-	-	-
Total expenditure 2018	410,997	9,076,593	1,563,176	229,116	-	-	11,279,882	
Total expenditure 2017	297,316	8,336,280	1,527,755	382,473	-	-		10,543,824

4b Analysis of expenditure for prior year

	Cost of raising funds £	Charitable activities				Support costs £	2017 Total £
		Debt Advice £	Training £	Influencing and Policy £	Governance costs £		
Staff costs (Note 7)	192,624	5,165,684	488,075	207,357	118,702	1,345,433	7,517,875
IT & Telephony	6,110	589,856	19,520	9,291	2,170	51,157	678,104
Occupancy	18,627	544,018	65,804	21,923	7,595	122,363	780,330
Adviser Training	-	-	333,949	-	-	-	333,949
Grants (Note 5)	-	33,125	245,505	-	-	-	278,630
Other Staff Costs	3,419	187,257	24,553	5,674	1,716	24,561	247,180
Commercial Training	-	-	193,478	-	-	-	193,478
Travel	15,570	9,046	10,219	9,894	1,115	26,749	72,593
Depreciation	316	70,383	980	388	114	2,578	74,759
Communications	4,412	22,061	16,417	11,031	-	-	53,921
Research	-	-	-	54,128	-	-	54,128
Self Help Packs	-	44,648	-	-	-	-	44,648
Other Costs	15,228	132,173	1,557	12,537	13,762	38,972	214,229
	256,306	6,798,251	1,400,057	332,223	145,174	1,611,813	10,543,824
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	8,336,280	1,527,755	382,473	-	-	10,543,824
Total expenditure 2016	203,210	7,586,800	1,476,157	378,545	-	-	

5 Grant making

	2018	2017
	£	£
Grants to institutions		
Training		
Citizens Advice Bureau	20,800	22,500
Citizens Advice Scotland	11,250	15,000
Money Advice Scotland	70,000	85,000
Advice Northern Ireland	62,500	100,000
Institute of Money Advisers	105,050	23,005
Business Debtline Northern Ireland		
Advice Northern Ireland	6,625	33,125
	<u>276,225</u>	<u>278,630</u>

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

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

6 Net income for the year

This is stated after charging / crediting:

	2018	2017
	£	£
Depreciation	89,950	74,759
Operating lease rentals:		
Property	300,615	285,281
Other	22,880	22,880
Auditor's remuneration (excluding VAT):		
Audit	10,650	10,350
Other services	1,260	750
	<u>326,395</u>	<u>397,819</u>

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

Staff costs were as follows:

	2018	2017
	£	£
Salaries and wages	6,907,673	6,425,088
Social security costs	687,006	638,656
Employer's contribution to defined contribution pension schemes	479,689	454,131
	8,074,368	7,517,875

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

Salary Band	Total	Total
	2018	2017
	No.	No.
£70,000 to £79,999	1	-
£80,000 to £89,999	2	2
£110,000 to £119,999	1	1

The Chief Executive's salary for 2018, excluding NI and Pension, was £112,976 (2017 - £112,531). The total employee benefits (including employer pension contributions and employer national insurance) of the key management personnel were £418,299 (2017: £412,948).

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 (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £329 (2017: £1,093) incurred by 1 (2017: 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:

	2018	2017
	No.	No.
Debt Advice	162	154
Training	10	12
Influencing and Policy	4	4
Support	41	37
Business Development	5	5
	222	212

9 Related party transactions

There are no related party transactions to disclose for 2018 (2017: 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	180,659	119,698	677,487	977,844
Additions in year	-	-	66,852	66,852
Disposals in year	-	-	(26,959)	(26,959)
At the end of the year	<u>180,659</u>	<u>119,698</u>	<u>717,380</u>	<u>1,017,737</u>
Depreciation				
At the start of the year	89,268	23,940	632,073	745,281
Charge for the year	18,278	23,940	47,732	89,950
Eliminated on disposal	-	-	(26,959)	(26,959)
At the end of the year	<u>107,546</u>	<u>47,880</u>	<u>652,846</u>	<u>808,272</u>
Net book value				
At the end of the year	<u>73,113</u>	<u>71,818</u>	<u>64,534</u>	<u>209,465</u>
At the start of the year	<u>91,391</u>	<u>95,758</u>	<u>45,414</u>	<u>232,563</u>

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 Barclaycard (£547k) in January 2019.

	2018 £	2017 £
Trade debtors	1,775,075	1,381,891
Other debtors	9,856	1,789
Prepayments	312,852	351,303
Accrued income	54,783	123,701
	<u>2,152,566</u>	<u>1,858,684</u>

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	270,988	197,451
Taxation and social security	209,891	221,898
Other creditors	21,632	38,813
Accruals	75,116	131,062
Deferred income (note 14)	4,157,869	1,535,151
	<u>4,735,496</u>	<u>2,124,375</u>

For the year ended 31 December 2018

14 Deferred income

Deferred income comprises primarily of donation funding from Ofgem redress payments (£1.04m), Money Advice Service (982k), Royal Bank of Scotland (£680k), Barclays and Barclaycard donations (£588k and £547k).

	2018 £	2017 £
Balance at the beginning of the year	2,204,602	1,237,881
Amount released to income in the year	(1,535,151)	(1,131,847)
Amount deferred in the year	3,788,768	2,098,568
Balance at the end of the year (Total)	<u>4,458,219</u>	<u>2,204,602</u>
Balance at the end of the year (falling due within one year)	4,157,869	1,535,151
Balance at the end of the year (falling due after one year)	300,350	669,451
Balance at the end of the year (Total)	<u>4,458,219</u>	<u>2,204,602</u>

15 Creditors: amounts falling due after one year

	2018 £	2017 £
Deferred Income (due 2-5 years) (note 14)	300,350	669,451
	<u>300,350</u>	<u>669,451</u>

16a Analysis of net assets between funds (2018)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	43,604	165,861	209,465
Net current assets	3,160,771	245,651	384,044	3,790,466
Long term liabilities	-	-	(300,350)	(300,350)
Net assets at the end of the year	<u>3,160,771</u>	<u>289,255</u>	<u>249,555</u>	<u>3,699,581</u>

16b 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	<u>2,577,613</u>	<u>445,346</u>	<u>444,262</u>	<u>3,467,221</u>

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2018

17a Movements in funds current year

	At 1 January 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2018 £
Restricted funds:					
Debt Advice	192,191	4,016,009	(4,183,763)	-	24,437
Debt Advice - Capital Costs	218,666	8,348	(61,149)	-	165,865
Debt Advice - Citizens Advice	-	1,316,323	(1,316,323)	-	-
Training	11,920	399,704	(363,259)	-	48,365
Training - Capital Costs	-	8,868	(2,956)	-	5,912
Influencing and Policy	21,485	44,000	(60,509)	-	4,976
Total restricted funds	444,262	5,793,252	(5,987,959)	-	249,555
Unrestricted funds:					
Designated funds:					
3 Year Implementation Plan	285,185	-	(109,882)	-	175,303
Commercial Training	83,763	-	(70,000)	-	13,763
Dilapidation Fund	62,500	-	-	-	62,500
Fixed Assets	13,898	-	(25,845)	49,636	37,689
Total designated funds	445,346	-	(205,727)	49,636	289,255
General funds	2,577,613	5,718,990	(5,086,196)	(49,636)	3,160,771
Total unrestricted funds	3,022,959	5,718,990	(5,291,923)	-	3,450,026
Total funds	3,467,221	11,512,242	(11,279,882)	-	3,699,581

17b Movements in funds prior year

	At 1 January 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2017 £
Restricted funds:					
Debt Advice	45,000	2,957,097	(2,764,906)	(45,000)	192,191
Debt Advice - Capital Costs	-	277,032	(58,366)	-	218,666
Debt Advice - Citizens Advice	-	1,316,323	(1,316,323)	-	-
Training	11,920	242,621	(242,621)	-	11,920
Influencing and Policy	4,976	20,833	(49,324)	45,000	21,485
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	(5,937,399)	(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

Movements in funds (continued)

Purposes of restricted funds

Debt Advice includes National Debtline, Business Debtline, Citizens Advice funded Triage service 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.

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 staff for the drive commercial revenue

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

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	232,360	(9,350)
Depreciation charges	89,950	74,759
Dividends, interest and rent from investments	(12,360)	(7,189)
(Increase) in debtors	(293,882)	(507,688)
Increase in creditors	2,242,020	942,854
Net cash provided by operating activities	2,258,088	493,386

19 Analysis of cash and cash equivalents

	At 1 January 2018 £	Cash flows £	Other changes £	At 31 December 2018 £
Cash in hand	2,669,799	2,203,597	-	4,873,396
Notice deposits (less than three months)	1,500,000	-	-	1,500,000
Total cash and cash equivalents	4,169,799	2,203,597	-	6,373,396

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	
	2018	2017	2018	2017
	£	£	£	£
Less than one year	207,280	289,952	20,358	22,880
Two to five years	1,021,900	161,193	9,597	29,955
Five and more	794,800	-	-	-
	2,023,980	451,145	29,955	52,835

A new lease was signed for the London Office during the post balance sheet period. This extended the lease for 10 years and has total rents payable of £812,600 over that timeframe

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.