

MONEY

ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

REPORT AND FINANCIAL STATEMENTS

Charity number
Company registration number

1099506
4741583 (England & Wales)

MONEY ADVICE TRUST

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MONEY ADVICE TRUST

TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Vision

The Money Advice Trust helps people across the UK to tackle their debts and manage their money with confidence.

Introduction

The Trustees present their report and the audited financial statements for the year ended 31 December 2019.

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

We provide 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 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.

Our free training for advisers 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.

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.

We also provide a chargeable consultancy and training service for the commercial sector.

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Strategic report

Achievements and performance

At the time of writing we find ourselves in unprecedented times and the situation is changing rapidly for both individuals and business, which is affecting our service provision. We have adapted our advice to incorporate the most up to date information to help clients and we have been planning on how to deal with an expected increase in the number of people needing our help.

The highlights from 2019 are covered below and of course whilst it is important we reflect on how we have performed against our objectives, we find that our main focus over the last few months has been on how we help our clients going forward in these changed times.

1 - National Debtline

- We consolidated our expansion and delivered a quality, seamless, multi-channel debt advice service to **103,420** telephone clients and **43,750** webchat clients via:
 - **95,200** triage (less complex debt advice) calls
 - **49,280** specialist calls
 - **43,750** webchats
- We provided information to visitors to the National Debtline website measured by:
 - **1,513,400** total visits to the website
 - **1,074,150** unique visits to the website
- We finalised our new method of delivering advice to visitors of the National Debtline website by introducing a Debt Advice Tool which launched in October 2019, and reshaped our advice model so that our phone and online advice are integrated for telephone users.

2 - Business Debtline

- We delivered a quality, multi-channel debt advice service to **35,260** telephone clients and **17,150** webchat clients via:
 - **35,260** specialist calls
 - **17,150** webchats

- We provided information to visitors to the Business Debtline website measured by:
 - **471,220** total visits to the website
 - **360,350** unique visits to the website
- We provided detailed budgeting and energy efficiency advice to self-employed clients having difficulty paying their energy bills via:
 - **3,070** telephone appointments

3 - Wiseradviser

- Provided quality, accredited learning to advisers in the free debt advice sector via:
 - **14,660** training places including **11,180** e-learning sessions taken and **3,480** face-to-face places taken
 - **3,080** advisers trained
- 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 use of e-learning and face-to-face courses, with new topics on:
 - Introduction to debt (e-learning)
 - DRO's in practice
 - Supervision: effective coaching and support
 - Taking control of goods – rights and remedies
- We also made greater use of webinars and these included such topics as:
 - Debt Relief Orders & Qualifying Debts
 - Universal Credit & Deductions from benefit
 - Universal Credit & Real Time System
 - Time orders for Regulated Mortgage Contracts

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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, with others, for public sector creditors to be included in the government's new Breathing Space scheme for people in debt
- Securing an endorsement from the Justice Select Committee for our joint 'Taking Control' campaign's calls for independent bailiff regulation
- Continuing to influence local authority debt collection practise, with further councils reducing bailiff use and adopting best practice
- Securing, with Money & Mental Health, an end to GP charges in England for the Debt & Mental Health Evidence Form, now hosted by the Trust
- Responding to 29 policy consultations from the FCA, other regulators and Government departments to advocate for the interests of people in debt
- Helping more than 27,260 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 over 110,300 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.

MONEY ADVICE TRUST

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Future plans and working together

We set out our plan to cover the strategic objectives of better meeting demand, whilst delivering and supporting quality advice. We also plan to continue influencing policy, services and practice. With the Coronavirus situation, we are like many others are adapting our plans to suit changing circumstances and whilst the plans below still provide the strategic outline, some of the detail will be affected.

The core objectives, which are detailed below, are helped by six supporting objectives. We are mindful of the circumstances the world now faces and we will be regularly monitoring the plan and adapting it to best suit the needs of our clients as circumstances change, whilst at the same time ensuring we protect our staff.

We plan to increase capacity by recruiting more advisers as conditions allow and this will include making best use of a more flexible working environment. We will also be redeveloping the National Debtline and Business Debtline websites to facilitate self-service. As part of this we will embed our omni-channel service with an enhanced Customer Relationship Management (CRM) system to improve the client journey. We aim to explore the benefits and use of chatbot and AI.

As the needs of advisers change, we too will be looking at how we can tailor training so that we can provide both flexible and tailored solutions. We will also work closely with the Money and Pensions Service over the debt peer assessment scheme to ensure good quality advice is understood across all channels. Collaboration will also continue with Money and Pensions Service on supporting Piloting Adviser Capacity and Efficiency (PACE), which tests the collective pooling of debt adviser resource across the sector.

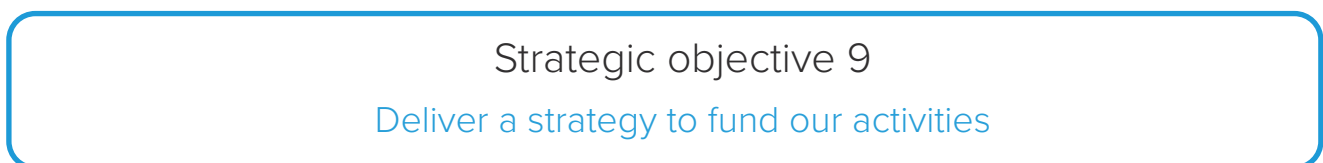
Public policy plays an important part of the debt landscape and we wish to keep debt high on the public policy agenda as we believe this will help more people who are in and at risk of debt. We will work with in partnership with government officials and other debt charities to shape policy to help. Similarly, we are keen to work with partners on the funding model for the sector and ensure that links with the devolved administrations are strong to help all UK clients in debt who seek our services.

STRATEGIC OBJECTIVES

Core objectives



Supporting objectives



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Financial review

During 2019 we increased our total income to £13.4m (2018 - £11.5m) as we continued to grow our services, increasing our front line staff by 21. Commissioning of our services continued to be our largest source of income at £5.1m (including £1.3m from a Citizens Advice agreement to deliver debt advice projects – see note 3 from the financial statement).

This increase has also allowed us to continue with our aim of improving our resilience against some expected income reductions in 2021.

We have seen steady progress with the income streams from the sale of our training and consultancy services to commercial organisations, which has also helped us with understanding sector needs as well as using our expertise on client needs, particularly around vulnerability.

As we have reported before 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.

Cost increases overall have been kept to 5% (2018 – 7%) and we continue to look for efficiencies and value for money.

The year-end funds of £5,243,433 (2018 - £3,699,581) fall into three categories: general unrestricted funds £4,600,097 (2018 - £3,160,771), restricted funds £286,917 (2018 - £249,555), and designated general funds £356,419 (2018 - £289,255).

The increase in unrestricted funds will be used to offset the predicted reduced income in 2021 and it also conforms to our reserves policy, which is described later.

MONEY ADVICE TRUST

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Reserves policy, investment policy and going concern

The Board reviews its reserves policy annually, taking into account the organisational strategy, our risk appetite and its financial management information.

The key considerations as part of this review include income risk, working capital and mitigation against unplanned adverse events and in the extreme case liabilities in the event of an orderly wind-down.

Whilst the funding environment in which the Trust operates remains challenging we have built upon the existing positive working relationships with our funders which give us confidence in our forecasts for the following year. We are mindful that the majority of the funding arrangements are for one year, however we are working to extend these to three-years and longer where we can, giving us greater certainty on income.

We do note that 38% of our income is from one source and we monitor this closely.

The Board have agreed the capital expenditure within the 2020 budget and are not planning any extraordinary amounts above this. We are also mindful of our liabilities in the extreme event of a wind down and this is taken into account as part of the policy outlined below.

We also note the unprecedented situation that the coronavirus pandemic has brought upon both the UK and the world. Its economic impact alone will probably mean that our services are going to be needed more than ever and we are looking to work with all our funders to achieve a sustainable and growing service.

Taking these factors into account the Board wishes 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.

The reserves policy remains that a minimum of three to six months running costs, currently £3,415,000 - £6,835,000, should be set aside to cover this.

The Board reports that in 2019 the year-end unrestricted reserves funds carry forward figure was £4,600,097. A combination of increased income and decreased expenditure led to the increase in overall unrestricted funding. Our commissioning bids which include Full Cost Recovery have also contributed to the income.

This falls within the current reserves policy.

The Board and the Audit, Risk and Quality 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.

Given the current coronavirus situation we reviewed the potential impact on our income streams for 2021 and produced a worst case scenario budget and cashflow model. Having carefully analysed this we are confident that with appropriate cost control and the level of reserves we currently have, we will be able to continue our services through 2021.

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 taking into account our coronavirus impact analysis we confirm that the accounts have been prepared on the basis that the Money Advice Trust is a going concern.

MONEY ADVICE TRUST

TRUSTEES' REPORT

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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 2019, 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 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, which are detailed below.

Our recruitment process follows the Charity Governance Code and is based around open advertising and interviewing. During 2019 we ran such a recruitment process and appointed Laurence Burgess and Lucy Malenczuk from September 2019. Both bring experience in areas that will help the Trust develop its work in line with our strategy.

We carried out an independent external assessment in 2019 to help review Board effectiveness and the results were pleasing. As a result we are working on some minor changes to our governing document.

The Nominations and Remuneration Committee also review data on the skill set of the Board when considering any development needs and opportunities. These are also taken into account as we consider any trustee vacancies.

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

The **Audit, Risk and Quality Committee** met three times in 2019. Anna Bennett is chair and its other members are Laurence Burgess, 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.

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The **Finance and Strategy Committee** met three times in 2019. Paul Smee is the chair and its other members are Ade Keasey, Lucy Malenczuk, 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 2019. Gail Scott-Spicer is chair and its other members are Adam Sharples, Paul Smee 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.

We are grateful to Simon Crine for his contribution to this committee and indeed the Board over the years.

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.

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. Work has been ongoing to ensure we are in a good position for the next accreditation review.

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.

As part of our planning we identified that our key risks are loss of funding; inability to serve our client demand for services; workload pressures on staff and our inability to plan long-term. For each of these we have reviewed the impact and a plan on mitigation for each, including working closely with our funders on our plans and gaining their buy-in. We have been rolling out a well-being strategy for our staff and the recent Covid-19 issue has shown that this has been robust and has helped.

MONEY ADVICE TRUST

TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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. This includes our working relationships with both Citizens Advice and StepChange Debt Charity, details of which are covered under the achievements section improving the UK's money and debt environment.

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.

Remuneration policy

The Money Advice Trust (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 will 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 its principles that underpin the 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.

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.

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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 2019

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	
Laurence Burgess	appointed September 2019
Simon Crine	retired July 2019
Ade Keasey	
Lucy Malenczuk	appointed September 2019
Vineeta Manchanda	
Lawrence Slade	
Paul Smee	
Rebecca Wilkie	

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.nationaldebtline.org www.wiseradviser.org

MONEY ADVICE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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 2019

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 11 June 2020 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 2019

Opinion

We have audited the financial statements of Money Advice Trust (the 'charitable company') for the year ended 31 December 2019 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 2019 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

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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

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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 2019

- 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 2019

	Note	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Income from:							
Donations	2	4,978,832	-	4,978,832	4,502,345	-	4,502,345
Charitable activities							
- Debt Advice	3i	511,129	6,770,141	7,281,270	609,004	5,340,680	5,949,684
- Training	3ii	666,554	414,051	1,080,605	595,281	408,572	1,003,853
- Influencing and Policy	3iii	-	25,300	25,300	-	44,000	44,000
Investments		20,840	-	20,840	12,360	-	12,360
Total income		6,177,355	7,209,492	13,386,847	5,718,990	5,793,252	11,512,242
Expenditure on:							
Raising funds		407,165	-	407,165	410,997	-	410,997
Charitable activities							
- Debt Advice		2,969,235	6,725,393	9,694,628	3,515,358	5,561,235	9,076,593
- Training		1,137,299	421,437	1,558,736	1,196,961	366,215	1,563,176
- Influencing and Policy		157,166	25,300	182,466	168,607	60,509	229,116
Total expenditure	4	4,670,865	7,172,130	11,842,995	5,291,923	5,987,959	11,279,882
Net income/(expenditure) for the year and net movement in funds	6	1,506,490	37,362	1,543,852	427,067	(194,707)	232,360
Reconciliation of funds:							
Total funds brought forward		3,450,026	249,555	3,699,581	3,022,959	444,262	3,467,221
Total funds carried forward		4,956,516	286,917	5,243,433	3,450,026	249,555	3,699,581

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 2019

	Note	2019	2018
		£	£
Fixed assets:			
Tangible assets	11	226,286	209,465
		226,286	209,465
Current assets:			
Debtors	12	2,364,273	2,152,566
Cash at bank and in hand		4,549,891	6,373,396
		6,914,164	8,525,962
Liabilities:			
Creditors: amounts falling due within one year	13	1,897,017	4,735,496
Net current assets		5,017,147	3,790,466
Total assets less current liabilities		5,243,433	3,999,931
Creditors: amounts falling due after one year	15	-	300,350
Total net assets		5,243,433	3,699,581
The funds of the charity:	17		
Restricted income funds		253,780	249,555
Unrestricted income funds:			
Designated funds		356,419	289,255
General funds		4,633,234	3,160,771
Total unrestricted funds		4,989,653	3,450,026
Total charity funds		5,243,433	3,699,581

Approved by the trustees on 11th June 2020 and signed on their behalf by

Adam Sharples
Chair of Trustees

Money Advice Trust

Statement of cash flows

For the year ended 31 December 2019

	Note	2019	2018
		£	£
Cash flows from operating activities	18		
Net cash provided by operating activities		(1,692,400)	2,258,088
Cash flows from investing activities:			
Dividends, interest and rents from investments		20,840	12,360
Purchase of fixed assets		(151,945)	(66,852)
Net cash provided by investing activities		(131,105)	(54,492)
Change in cash and cash equivalents in the year		(1,823,505)	2,203,596
Cash and cash equivalents at the beginning of the year		6,373,396	4,169,800
Cash and cash equivalents at the end of the year	19	4,549,891	6,373,396

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 (SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 organisational finances have been reassessed following the outbreak of Covid-19 and reviewed both 2020 and 2021 income and 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.

2 Income from donations

	2019 Total £	2018 Total £
Lloyds Banking Group	1,167,545	1,133,257
HSBC	685,149	665,193
Royal Bank of Scotland	680,000	740,000
Barclays	423,088	410,765
Barclaycard	419,465	407,248
Santander	345,826	335,753
Brighthouse	316,226	20,000
MBNA	137,000	140,059
Tesco	103,600	-
Capital One	100,000	95,000
American Express Foundation	75,410	-
Nationwide	74,800	58,817
Npower	71,800	71,793
Eon	59,400	57,608
TSB	-	55,119
Clydesdale and Yorkshire Banking Group	48,500	48,500
QuickQuid/Cash EuroNet UK	30,616	36,345
Wescot Credit Services	30,000	27,500
Northumbrian Water	25,000	25,000
Amigo Loans	25,000	-
Indigo Loans Ltd	23,300	-
Donations	21,725	15,925
Provident Financial	21,700	-
Experian	16,000	16,000
Wessex Water	15,000	15,000
Home Retail Group/Argos	13,000	12,000
Tesco Mobile	12,915	-
Yorkshire Building Society	10,600	11,228
Affinity Water Ltd	10,267	-
UKAR	8,400	7,090
Phoenix Commercial Collections	7,500	5,000
Scottish Power	-	86,817
Engie	-	5,000
Other	-	328
	4,978,832	4,502,345

All donations listed were unrestricted funds.

3a Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
i) Debt Advice				
Money and Pension Service	-	3,440,550	3,440,550	2,536,442
Citizens Advice	-	1,321,204	1,321,204	1,321,204
Ofgem Redress Payment	-	737,451	737,451	571,621
Lloyds Banking Group	-	236,160	236,160	229,282
Step Change Debt Charity (DMP)	359,855	-	359,855	394,744
Scottish Government	-	174,711	174,711	-
Barclays	-	165,226	165,226	160,414
Brighthouse	-	130,187	130,187	-
Barclaycard	-	127,413	127,413	123,702
HSBC	-	97,417	97,417	94,580
Welsh Government	-	81,492	81,492	-
HMRC	-	73,887	73,887	-
Santander	-	54,655	54,655	53,063
Payplan (DMP)	85,544	-	85,544	158,190
Payplan (IVA)	54,000	-	54,000	43,600
Building Societies Trust	-	30,000	30,000	32,000
Nationwide	-	21,700	21,700	21,677
Clydesdale & Yorkshire Bank/Virgin	-	16,500	16,500	16,500
Accountant in Bankruptcy	-	15,368	15,368	-
Haven Power	-	12,000	12,000	-
Scottish & Southern Electric	-	9,450	9,450	12,041
EDF Energy	-	9,050	9,050	10,781
Npower	-	8,500	8,500	10,311
Business Energy Solutions	-	5,200	5,200	5,000
Insolvency Service (DRO)	6,330	-	6,330	8,070
Step Change Debt Charity (IVA)	5,400	-	5,400	4,400
Yorkshire Building Society	-	1,000	1,000	1,000
UKAR	-	1,000	1,000	1,000
Other Donations	-	20	20	53
Eon	-	-	-	58,821
Provident Financial	-	-	-	30,000
Comic Relief	-	-	-	24,643
Non Standard Finance	-	-	-	10,000
TSB	-	-	-	8,862
Scottish Power	-	-	-	7,683
Sub-total for Debt Advice	511,129	6,770,141	7,281,270	5,949,684
ii) Training				
Training Course Income (82 funders (2018: 65))	666,554	-	666,554	595,071
Money and Pension Service	-	389,980	389,980	408,572
Welsh Government	-	12,071	12,071	-
Provident Financial	-	12,000	12,000	-
Other	-	-	-	210
Sub-total for Training	666,554	414,051	1,080,605	1,003,853
iii) Influencing and Policy				
Provident Financial	-	25,300	25,300	40,000
University of Bristol	-	-	-	4,000
Sub-total for Influencing and Policy	-	25,300	25,300	44,000
Total income from charitable activities	1,177,683	7,209,492	8,387,175	6,997,537

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2019

3b Income from charitable activities prior year

	Unrestricted £	Restricted £	2018 Total £
i) Debt Advice			
Money Advice Service	-	2,536,442	2,536,442
Citizens Advice	-	1,321,204	1,321,204
Ofgem Redress Payment	-	571,621	571,621
Step Change Debt Charity (DMP)	394,744	-	394,744
Lloyds Banking Group	-	229,282	229,282
Barclays	-	160,414	160,414
Payplan (DMP)	158,190	-	158,190
Barclaycard	-	123,702	123,702
HSBC	-	94,580	94,580
Eon	-	58,821	58,821
Santander	-	53,063	53,063
Payplan (IVA)	43,600	-	43,600
Building Societies Trust	-	32,000	32,000
Provident Financial	-	30,000	30,000
Comic Relief	-	24,643	24,643
Nationwide	-	21,677	21,677
Yorkshire & Clydesdale Bank	-	16,500	16,500
Scottish & Southern Electric	-	12,041	12,041
EDF Energy	-	10,781	10,781
Npower	-	10,311	10,311
Non Standard Finance	-	10,000	10,000
TSB	-	8,862	8,862
Insolvency Service (DRO)	8,070	-	8,070
Scottish Power	-	7,683	7,683
Step Change Debt Charity (IVA)	4,400	-	4,400
UKAR	-	1,000	1,000
Yorkshire Building Society	-	1,000	1,000
Other Donations	-	53	53
Scottish Government	-	-	-
Citizens Advice Northern Ireland	-	-	-
British Gas	-	-	-
Business Energy Solutions	-	5,000	5,000
Sub-total for Debt Advice	609,004	5,340,680	5,949,684
ii) Training			
Money Advice Service	-	408,572	408,572
Training Course Income (65 funders (2017: 51))	595,071	-	595,071
Provident Financial	-	-	-
Other	210	-	210
Sub-total for Training	595,281	408,572	1,003,853
iii) Influencing and Policy			
Money Advice Service	-	-	-
Provident Financial	-	40,000	40,000
University of Bristol	-	4,000	4,000
Step Change	-	-	-
Sub-total for Influencing and Policy	-	44,000	44,000
Total income from charitable activities	1,204,285	5,793,252	6,997,537

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2019

4a Analysis of expenditure

	Cost of raising funds £	Charitable activities				Governance costs £	Support costs £	2019 Total £	2018 Total £
		Debt Advice £	Training £	Influencing and Policy £					
Staff costs (Note 7)	287,487	6,318,409	495,945	116,589	126,974	1,246,759	8,592,163	8,074,368	
IT & Telephony	14,040	881,945	49,001	6,395	4,362	91,514	1,047,257	1,010,988	
Occupancy	22,090	553,441	43,434	9,112	7,645	101,429	737,151	729,500	
Adviser Training			225,561				225,561	252,420	
Grants (Note 5)			267,928				267,928	276,225	
Other Staff Costs	3,250	157,036	19,707	7,969	2,736	35,218	225,916	239,495	
Commercial Training			295,544				295,544	226,868	
Other Costs	21,174	48,851	2,356	2,704	21,665	44,031	140,781	141,328	
Self Help Packs		70,361					70,361	140,117	
Travel	9,065	7,506	8,921	3,225	1,626	15,875	46,218	48,791	
Depreciation	2,160	90,834	27,378	954	572	13,226	135,124	89,950	
Publicity & Promotion		11,499	32,345	15,147			58,991	39,095	
Research							-	10,737	
	359,266	8,139,882	1,468,120	162,095	165,580	1,548,052	11,842,995	11,279,882	
Support costs	43,271	1,404,518	81,860	18,403	-	(1,548,052)	-	-	
Governance costs	4,628	150,228	8,756	1,968	(165,580)		-	-	
Total expenditure 2019	407,165	9,694,628	1,558,736	182,466	-	-	11,842,995		
Total expenditure 2018	410,997	9,076,593	1,563,176	229,116	-	-		11,279,882	

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2019

4b Analysis of expenditure for prior year

	Charitable activities						2018 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
IT & Telephony	10,280	866,464	64,112	4,821	2,780	62,531	1,010,988
Occupancy	23,756	509,805	59,495	11,369	7,352	117,723	729,500
Adviser Training	-	-	252,420	-	-	-	252,420
Grants (Note 5)	-	6,625	269,600	-	-	-	276,225
Other Staff Costs	3,386	184,583	13,591	2,607	2,512	32,816	239,495
Commercial Training	-	-	226,868	-	-	-	226,868
Travel	14,654	52,588	8,699	9,036	16,315	40,036	141,328
Depreciation	-	140,117	-	-	-	-	140,117
Communications	9,732	7,574	9,029	6,126	641	15,689	48,791
Research	237	68,070	20,011	111	63	1,458	89,950
Self Help Packs	549	19,206	15,619	3,721	-	-	39,095
Other Costs	-	-	-	10,737	-	-	10,737
	354,218	7,447,165	1,439,586	202,489	148,082	1,688,342	11,279,882
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

5 Grant making

	2019	2018
	£	£
Grants to institutions		
Training		
Citizens Advice Bureau	24,625	20,800
Citizens Advice Scotland	6,250	11,250
Money Advice Scotland	62,250	70,000
Advice Northern Ireland	31,250	62,500
Institute of Money Advisers	143,553	105,050
Business Debtline Northern Ireland		
Advice Northern Ireland	-	6,625
	267,928	276,225

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:

	2019	2018
	£	£
Depreciation	135,124	89,950
Operating lease rentals:		
Property	176,618	300,615
Other	17,837	22,880
Auditor's remuneration (excluding VAT):		
Audit	10,900	10,650
Other services	-	1,260

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

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	7,346,930	6,907,673
Social security costs	729,837	687,006
Employer's contribution to defined contribution pension schemes	515,396	479,689
	8,592,163	8,074,368

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

Salary Band	Total 2019 No.	Total 2018 No.
£60,000 to £69,999	1	-
£70,000 to £79,999	2	1
£80,000 to £89,999	1	2
£110,000 to £119,999	1	1

The Chief Executive's salary for 2019, excluding NI and Pension, was £113,355 (2018 - £112,976). The total employee benefits (including employer pension contributions and employer national insurance) of the key management personnel were £428,579 (2018: £418,299).

The charity contributes between 5% 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 (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £970 (2018: £329) incurred by 3 (2018: 1) 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:

	2019 No.	2018 No.
Debt Advice	183	162
Training	11	10
Influencing and Policy	3	4
Support	31	41
Business Development	6	5
	234	222

9 Related party transactions

There are no related party transactions to disclose for 2019 (2018: 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	717,380	1,017,737
Additions in year	-	-	151,945	151,945
Disposals in year	-	-	-	-
At the end of the year	180,659	119,698	869,325	1,169,682
Depreciation				
At the start of the year	107,546	47,880	652,846	808,272
Charge for the year	18,278	23,940	92,906	135,124
Eliminated on disposal	-	-	-	-
At the end of the year	125,824	71,820	745,752	943,396
Net book value				
At the end of the year	54,835	47,878	123,573	226,286
At the start of the year	73,113	71,818	64,534	209,465

All of the above assets are used for charitable purposes.

12 Debtors

	2019 £	2018 £
Trade debtors	1,589,462	1,775,075
Other debtors	22,271	9,856
Prepayments	244,052	312,852
Accrued income	508,488	54,783
	2,364,273	2,152,566

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	178,888	270,988
Taxation and social security	200,172	209,891
Other creditors	103,830	21,632
Accruals	103,196	75,116
Deferred income (note 14)	1,310,931	4,157,869
	1,897,017	4,735,496

Notes to the financial statements

For the year ended 31 December 2019

14 Deferred income

Deferred income comprises primarily of donation funding from Barclays (£760k), Ofgem redress payments (£300k), Npower (£81k) and Training income (£80k).

	2019 £	2018 £
Balance at the beginning of the year	4,458,219	2,204,602
Amount released to income in the year	(4,097,869)	(1,535,151)
Amount deferred in the year	950,581	3,788,768
Balance at the end of the year (Total)	<u>1,310,931</u>	<u>4,458,219</u>
Balance at the end of the year (falling due within one year)	1,310,931	4,157,869
Balance at the end of the year (falling due after one year)		300,350
Balance at the end of the year (Total)	<u>1,310,931</u>	<u>4,458,219</u>

15 Creditors: amounts falling due after one year

	2019 £	2018 £
Deferred Income (due 2-5 years) (note 14)	-	300,350
	<u>-</u>	<u>300,350</u>

16a Analysis of net assets between funds (2019)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	118,616	107,670	226,286
Net current assets	4,600,097	237,803	179,247	5,017,147
Long term liabilities	-	-	-	-
Net assets at the end of the year	<u>4,600,097</u>	<u>356,419</u>	<u>286,917</u>	<u>5,243,433</u>

16b Analysis of net assets between funds (2018)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	37,689	171,777	209,466
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>283,340</u>	<u>255,471</u>	<u>3,699,582</u>

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2019

17a Movements in funds current year

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2019 £
Restricted funds:					
Debt Advice	24,437	5,448,937	(5,343,038)	-	130,336
Debt Advice - Capital Costs	165,865		(61,151)	-	104,714
Debt Advice - Citizens Advice	-	1,321,204	(1,321,204)	-	-
Training	48,365	414,051	(418,481)	-	43,935
Training - Capital Costs	5,912		(2,956)	-	2,956
Influencing and Policy	4,976	25,300	(25,300)	-	4,976
Total restricted funds	249,555	7,209,492	(7,172,130)	-	286,917
Unrestricted funds:					
Designated funds:					
3 Year Implementation Plan	175,303	-	-	-	175,303
Commercial Training	13,763	-	(13,763)	-	-
Dilapidation Fund	62,500	-	-	-	62,500
Fixed Assets	37,689	-	(71,015)	151,942	118,616
Total designated funds	289,255	-	(84,778)	151,942	356,419
General funds	3,160,771	6,177,355	(4,586,087)	(151,942)	4,600,097
Total unrestricted funds	3,450,026	6,177,355	(4,670,865)	-	4,956,516
Total funds	3,699,581	13,386,847	(11,842,995)	-	5,243,433

17b Movements in funds prior 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	-	(25,846)	49,636	37,688
Total designated funds	445,346	-	(205,728)	49,636	289,254
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	(6,112,284)	-	3,450,025
Total funds	3,467,221	11,512,242	(12,100,243)	-	3,699,580

Movements in funds (continued)

Purposes of restricted funds

Debt Advice includes the National Debtline, Business Debtline and Triage services. 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 and Pension Service Debt Advice Project and grants to other organisations 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 the CRM project and Marketing and overall implementation of these projects. Given the time lapsed since initial designation, the use of these funds is currently under review.
- 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;
- Additional staff for the drive commercial revenue

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

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,543,852	232,360
Depreciation charges	135,124	89,950
Dividends, interest and rent from investments	(20,840)	(12,360)
(Increase) in debtors	(211,707)	(293,882)
Increase in creditors	(3,138,829)	2,242,020
Net cash provided by operating activities	(1,692,400)	2,258,088

19 Analysis of cash and cash equivalents

	At 1 January 2019 £	Cash flows £	Other changes £	At 31 December 2019 £
Cash in hand	4,873,396	(1,823,505)	-	3,049,891
Notice deposits (less than three months)	1,500,000	-	-	1,500,000
Total cash and cash equivalents	6,373,396	(1,823,505)	-	4,549,891

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	
	2019	2018	2019	2018
	£	£	£	£
Less than one year	175,092	207,280	15,897	20,368
Two to five years	1,470,950	1,021,900	16,771	9,597
Five and more	1,570,324	794,800	-	-
	3,216,366	2,023,980	32,668	29,965

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.