

MONEY

ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Charity number
Company registration number

1099506
4741583 (England & Wales)

MONEY ADVICE TRUST

TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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MONEY ADVICE TRUST

TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The Trustees present their report and the audited financial statements for the year ended 31 December 2021.

The financial statements comply with current statutory requirements, the articles of association, and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (second edition) in accordance with FRS 102.

Vision

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

Objectives and activities

We provide free 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 charities across the UK through Wiseradviser, and campaign to improve the UK's money and debt environment.

These activities support 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 each 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 also work in partnership with the advice sector in Scotland and Northern Ireland to make our training available without charge 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 paid for consultancy and training service for the commercial sector, to improve practice for consumers, and to provide an income stream for the charity.

MONEY ADVICE TRUST

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Strategic report

Achievements and performance

Throughout the last year we have concentrated on three areas: our services, our people and our voice. This has focused our work on how we can help more people in problem debt, how to support high standards and protect our staff's health and wellbeing, and how we can secure safe routes out of debt.

The highlights from 2021 are covered below.

As with the rest of the sector, at National Debtline and Business Debtline we had seen a drop in demand for our services in 2020 as the combined impact of the unprecedented government support packages and creditor forbearance measures acted to cushion many UK households from the full impact of Covid-19. During 2021 we started to see numbers rise again.

1 - National Debtline

- We delivered a quality, seamless, multi-channel debt advice service to:
 - **107,510** telephone and Digital Advice Tool clients, and
 - **27,430** webchat clients.
- We provided information to visitors to the National Debtline website measured by:
 - **1.3 million** visits to the website.
- We built on the delivery of advice to visitors to the National Debtline website through our Debt Advice online Tool, supported by our advice model that ensures our phone and online services are integrated.

2 - Business Debtline

- We delivered a quality, multi-channel debt advice service to:
 - **22,740** telephone clients, and
 - **12,740** webchat clients.
- We provided information to visitors to the Business Debtline website measured by:
 - **323,500** visits to the website.

We have continued our partnership with Citizens Advice, answering **58,900** calls from clients who phoned their AdviceLine who would not otherwise have been able to access debt advice. We also worked closely with StepChange Debt Charity who direct self-employed clients to our Business Debtline service.

3 - Wiseradviser

- We provided quality, accredited learning to advisers in charities across the UK via:
 - **26,780** training places including **16,510** e-learning sessions taken, **6,470** virtual classroom sessions and **3,800** webinars **4,300** advisers trained in **1,010** agencies.

Our training is delivered through e-learning, interactive virtual sessions and webinars to give advisers a range of methods to access.

New topics that were developed during the year were

- Advising clients on the Breathing Space scheme – e-learning
- Supporting bereaved clients – e-learning
- CCA Notices – virtual session
- Giving effective telephone advice – virtual session.

We delivered webinars on a range of subjects including:

- Irresponsible lending
- Dealing with gas and electricity arrears
- Covid-19 and the impact on small business and the self-employed (webinar series)
- Hire Purchase Debts
- Illegal Money Lending.

We partnered with MaPS to train advisers recruited to help meet the predicted demand in debt advice as a result of the COVID- 19 pandemic. As a result of this partnership, the Wiseradviser team put 130 new advisers through our specialist advice programme between November 2020 and April 2021.

4 – Improving the UK’s money and debt environment

We aim to influence policy, regulation and practice, using data gathered from our services, to improve the lives of our clients and potential clients. During the year we achieved the following:

Improving government debt collection

- We worked with other stakeholders to develop and negotiate an agreement for a new Enforcement Conduct Board – which will bring independent oversight to the bailiff industry for the first time.
- We published our [Council Tax after Covid](#) report making the case for changes to debt collection rules, and increased support for people struggling to pay.

Securing improvements to debt options

- We helped secure changes to Debt Relief Orders (DROs). As a result of our and others’ campaigning, the Insolvency Service committed to a wider review of the current insolvency framework and the Government set out plans for a single, independent regulator of Insolvency Practitioner firms.
- Through our work on the Financial Services Act, we secured a firm timetable for the introduction of Statutory Debt Repayment Plans by 2024.

Improving government debt collection

- We responded to [25 policy consultations](#) from the FCA, other regulators and government departments to advocate for the interests of people in debt.

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 our partners are members of our Partnership Board, which last year met twice virtually (in ‘normal’ times it meets once in London and once in one of the devolved administrations).

MONEY ADVICE TRUST TRUSTEES' REPORT

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Future plans and working together

We enter 2022 following the continued impact of the Covid pandemic. In addition to this we are now seeing significant increases in the cost of living, putting pressure on clients and meaning that demand for debt advice is expected to grow significantly in volume and complexity over the course of 2022 and beyond.

Our plan for this year has been written in the context of the Money and Pensions Service commissioning process for debt advice. This means we have needed to balance our priorities between what clients need now and the longer-term security of services and have focused on the following key objectives set out below.

Outline plan for 2022



National Debtline / Business Debtline

We will focus on serving our National Debtline and Business Debtline clients whilst preparing for a future commissioning environment and obtain Matrix accreditation for National Debtline following the Business Debtline accreditation already in place.

We will deliver a new Business Debtline Adviser Hub helping other debt advice organisations to help self-employed clients with more simple situations and prepare them for a Business Debtline referral.

Wiseradviser

We will deliver on the programme of training for the sector funded by Money and Pensions Service, including for rolled-over regional grants. We will also secure and prepare for training commitments with direct partners and we will offer City & Guilds assurance of our specialist training courses

Training & Consultancy

We will secure and deliver £500,000 of training and consultancy contracts, supporting organisations to help their customers in vulnerable circumstances. We will launch a training course on evaluating and monitoring outcomes for customers in vulnerable circumstances and offer City & Guilds assurance as part of our training offer.



Our influence

We will help to launch the Enforcement Conduct Board to offer better protection for clients and enable better practice from the industry. We will follow up on our 'Building Back Business' report and contribute to public debate on the cost of living.

We will engage our charitable funders on 2023 and beyond in the context of the cost of living, demand for debt advice and continued need for support.



Our people

We will focus on the wellbeing of our people, considering how we continue to support them and improve ways of working and that our internal communication is optimal in a new hybrid working environment.

We will continue our work on Equity, Diversity and Inclusion working with our network to ensure that the voices of all groups are represented and heard.

MONEY ADVICE TRUST TRUSTEES' REPORT

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Financial review

During 2021 our total income increased to £16.3m (2020 - £14.8m) as we continued to grow our services, increasing our frontline staff by 26.

Following the outbreak of Covid-19 in 2020 and the impact to customer organisations of our training and consultancy services, the dip in this income stream has recovered in 2021. We have continued to make our offer more flexible, to meet the changing needs of organisations and the new FCA guidance, together with the increase in cost of living means there is a real need for support for customers in vulnerable circumstances. We are therefore confident that the increase in our income stream from the sale of our training and consultancy services to commercial and public sector organisations during 2021 will continue and we have a strong pipeline going into 2022 from which to build.

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 10% (2020 – 8%) and we continue to look for efficiencies and value for money.

Expenditure by charitable activity (£'m)

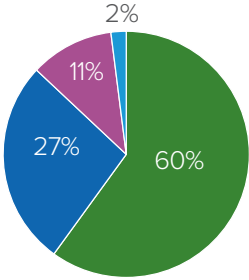


The year-end funds of £9.57m (2020 - £7.32m) fall into three categories: general unrestricted funds £8.07 (2020 - £6.97), restricted funds £0.12m (2020 - £0.21m) and designated general funds £1.39m (2020 - £0.14m).

The increase in unrestricted funds conforms to our reserves policy, which is described later.

How our funding was used in 2021

- National Debtline
- Business Debtline
- Supporting the sector
- Influencing policy and practice



We are very grateful to longstanding and more recent funders without whose support our work would not be impossible. The list of our funders can be found below:

- Affinity Water
- American Express Foundation
- Barclays Bank UK
- Business Energy Solutions
- Cabot Financial
- Capital One
- CDER Group
- Experian
- Haven Power
- Home Retail Group (Argos Financial Services)
- HMRC
- HSBC Bank UK plc
- Indigo Michael (Account Technologies)
- JP Morgan Chase
- Lloyds Banking Group (including MBNA)
- Nationwide Building Society
- NatWest
- Northumbrian Water
- Paragon Bank
- Provident Financial (including Vanquis Bank)
- Santander UK
- TDX Group
- Tesco Bank
- Tesco Mobile
- Wescot Credit Services
- Wessex Water
- Yorkshire Building Society

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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 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 our 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 note that 52% of our income is from one source and we monitor this closely.

We also note the unprecedented situation that the Covid-19 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.

As we write this report the situation in Ukraine is unfolding and in addition to the direct impact on the lives of the Ukrainian people, it is having an impact on the prices of fuel and food in the UK. In addition, the increases in the cost of living and council tax and energy bills will have an impact on our running costs as well as impacting our clients and the most vulnerable.

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 £3.4 to £6.8m should be set aside to cover this in addition to £1.4m to cover future commitments beyond December 2022 like office rent until the break clause date.

The Board reports that in 2021 the year-end unrestricted reserves funds carry forward figure was £8.1m. This falls within the current reserves policy. (Covering in addition to the 3-6 months costs, the costs of offices rent until the break clause is due and other associated legal costs).

The Board and the Audit, Risk and Quality Committee review the investment of reserves in cash deposits and before investing in an organisation we use 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.

We reviewed again the impact of the coronavirus situation and the potential impact on our income streams for 2022 and produced a realistic 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 2022.

Taking the financial performance, reserve position and coronavirus impact analysis, together with the reasonable expectation that we will have adequate resources to continue in operational existence in the future, we confirm that the accounts have been prepared on the basis that the Money Advice Trust is a going concern.

MONEY ADVICE TRUST

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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 company law. Trustees are appointed by the Board and our recruitment process follows the Charity Governance Code and is based around open advertising and interviewing. 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.

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.

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

The **Audit, Risk and Quality Committee** met four times in 2021. Anna Bennett stepped down as chair on 15 September 2021 and its other members are Laurence Burgess (who became chair from 15 Sept 2021), Lucy Malenczuk and Lawrence Slade. 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.

The **Finance and Strategy Committee** met three times in 2021. Paul Smee is the Chair and its other members are Ade Keasey, Vineeta Manchanda, Rebecca Wilkie and Adam Sharples. 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** (NRC) met twice in 2021. Rebecca Wilkie 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. The NRC (see below) also reviews data on the skill set of the Board when considering any development needs, opportunities, and Trustee vacancies.

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We continue to be ably supported by our **Ambassadors** who help promote the Trust's activities and support our influencing work.

During 2021 our Trustees (and Ambassadors) devoted time outside of the normal four Board meetings to attend a strategy setting session with the senior leadership team.

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

Quality standards

The Trust achieved a Money and Pensions Service approved framework accreditation of the Matrix Standard in November 2021 for its Business Debtline service – a Quality Framework with a focus on both the governance of the organisation and on the quality of debt advice provided by our advisers. The Matrix Standard has a focus on continuous improvement, is valid for three years and we will be subject to annual reviews to update on how we have developed our governance and service to clients. We are planning similar accreditation for our NDL in 2022.

The Board reviews the quarterly KPIs, and complaints reports.

Risk management

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 works to embed risk reporting, awareness and management throughout the organisation. The Board considers all types of risks, and these are reported via a risk register, heat map and risk commentary and reviewed quarterly. In addition, we produce an annual audit plan which sets out a programme of audits to be conducted using internal resource and also independent internal auditors. This audit plan focuses on key governance areas in order to ensure best practice and robustness and appropriateness of approach. The Audit, Risk and Quality Committee and the Board approve this audit plan and review all internal audit reports and monitor progress against recommendations. Audits conducted in this period were conducted by Mazars and included Wellbeing of our staff and a follow-up audit to ensure completion of previous audit recommendations. The Audit Risk and Quality Committee reviews an Annual Risk Management Report which sets out key risks over the next 12 months, details planned audits and reports on any failure in established controls.

Our key strategic risks as identified in 2021, with the mitigations we undertook were

Category	Risk Description	Mitigations
Finance	Decrease of funding to deliver our services	Engagement with funders to gain their buy-in and continued support. Development of new approaches on NDL and BDL utilising technology. Use of Funders' Forum to demonstrate value of supporting the Trust.
Clients	The challenges in scaling up resource to meet client demand	Increase in HR staff resource to aid with recruitment. Recruitment of 'remote workers' supported by Virtual Contact Centre model to ensure appropriate support and development.
People	The wellbeing of our staff with the circumstances of remote working and increased pressures	'Protecting our People' focus. Wellbeing audit conducted with recommendations being taken forward with Wellbeing consultants. Hybrid working offered to meet staff needs and circumstances. Mental health First Aid training delivered to managers.
Operational	The move to hybrid working and increased reliance on technology to deliver effective and reliable working	Ways of Working approach to drive how we use technology better. Disaster Recovery approach revised and implemented with an emphasis on moving away from 3rd party reliance.

MONEY ADVICE TRUST

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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 are reviewed every 3 years and govern what we will and will not do in relation to donations made to the Trust and what funders can and cannot do. These are available on our [website](#).

Remuneration principals

The Money Advice Trust (Trust) Board has overall accountability for the remuneration of staff who work for it.

The Trust's purpose, values and achievements – as well as its income, activities and market conditions – influence how its remuneration principles are developed and put into practice.

Equity, Diversity and Inclusion (EDI) are important to the Trust. We aim to be an inclusive and equitable employer, and we published our gender pay gap data in April 2022.

We appointed a consultant in July 2021 to help us with our EDI strategy. They have completed the first phase of the project to review all our policies and staff surveys and had focused group conversations with staff; the second phase is to widen our BAME network into a more inclusive forum and to develop our EDI strategy.

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.

MONEY ADVICE TRUST TRUSTEES' REPORT

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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.

The Trust is committed to ensuring the principles are open and transparent and in accordance with Statement of Recommended Practice (SORP). The Trust's principles that underpin its remuneration policy are:

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.

MONEY ADVICE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

President Baroness Tyler of Enfield

Trustees

Adam Sharples CB	Chair
Anna Bennett	
Laurence Burgess	
Ade Keasey	
Lucy Malenczuk	
Vineeta Manchanda	
Gail Scott-Spicer	Left June 2021
Lawrence Slade	
Paul Smee	
Rebecca Wilkie	Vice-Chair

Chief Executive Joanna Elson CBE CDir

Ambassadors

Bim Afolami (appointed 18 July 2022), Baroness Coussins of Whitehall Park, Sir Ian Cheshire (appointed 18 July 2022), Sir Sherard Cowper-Coles KCMG LVO, Christine Farnish CBE (appointed 18 July 2022), Otto Thoresen, Simon Walker CBE, Rt Hon Sir Ian McCartney (resigned 18 July 2022), Sir Brian Pomeroy CBE (resigned 18 July 2022), Carol Sergeant CBE (resigned 18 July 2022)

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, 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 2021

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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as 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 on 31 December 2021 was nine (2019: 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.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Auditor

Sayer Vincent LLP acted as the Charity's auditor during the year. Sayer Vincent's term has now ended and the Charity is re-tendering for audit services for the 2022 financial year.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 18 July 2022 and signed on their behalf by

Adam Sharples

Trustee

Laurence Burgess

Trustee

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

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Money Advice Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Money Advice Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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; and
- 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit, risk and quality committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 0T

Money Advice Trust

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

For the year ended 31 December 2021

	Note	Unrestricted £('000)	Restricted £('000)	2021 Total £('000)	Unrestricted £('000)	Restricted £('000)	2020 Total £('000)
Income from:							
Donations	2	5,748	-	5,748	5,390	-	5,390
Charitable activities							
- Debt Advice	3i	440	9,062	9,502	451	7,828	8,279
- Training	3ii	519	506	1,025	456	687	1,143
- Influencing and Policy	3iii	-	-	-	-	-	-
Investments		5	-	5	14	-	14
Total income		6,712	9,568	16,280	6,311	8,515	14,826
Expenditure on:							
Raising funds		250	-	250	301	-	301
Charitable activities							
- Debt Advice		2,888	9,050	11,938	2,752	7,960	10,712
- Training		953	609	1,562	843	630	1,473
- Influencing and Policy		271	-	271	268	-	268
Total expenditure	4	4,362	9,659	14,021	4,164	8,590	12,754
Net income/(expenditure) for the year and net movement in funds	6	2,350	(91)	2,259	2,147	(75)	2,072
Transfers between funds		-	-	-	5	(5)	-
Net movement in funds		2,350	(91)	2,259	2,152	(80)	2,072
Reconciliation of funds:							
Total funds brought forward		7,108	207	7,315	4,956	287	5,243
Total funds carried forward		9,458	116	9,574	7,108	207	7,315

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 16 to the financial statements.

Money Advice Trust**Balance sheet**

Company no. 4741583

As at 31 December 2021

	Note	£('000)	2021 £('000)	£('000)	2020 £('000)
Fixed assets:					
Tangible assets	11		816		147
			816		147
Current assets:					
Debtors	12	1,475		1,515	
Cash at bank and in hand		8,887		7,027	
		10,362		8,542	
Liabilities:					
Creditors: amounts falling due within one year	13	1,604		1,374	
Net current assets			8,758		7,168
Total assets less current liabilities			9,574		7,315
Total net assets			9,574		7,315
The funds of the charity:	16				
Restricted income funds			116		207
Unrestricted income funds:					
Designated funds		1,388		143	
General funds		8,070		6,965	
Total unrestricted funds			9,458		7,108
Total charity funds			9,574		7,315

Approved by the Trustees on 18 July 2022 signed on their behalf by

Adam Sharples
Chair of Trustees

Money Advice Trust

Statement of cash flows

For the year ended 31 December 2021

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

	2021 £('000)	2020 £('000)
Net income for the reporting period (as per the statement of financial activities)	2,259	2,072
Depreciation charges	336	133
Dividends, interest and rent from investments	(5)	(14)
Loss on disposal of fixed assets	-	-
Decrease in debtors	40	849
Increase in creditors	230	(523)
	<hr/>	<hr/>
Net cash provided by operating activities	2,860	2,517
	<hr/> <hr/>	<hr/> <hr/>

	Note	2021 £('000)	£('000)	2020 £('000)	£('000)
Cash flows from operating activities					
Net cash provided by operating activities			2,860		2,517
Cash flows from investing activities:					
Dividends, interest and rents from investments		5		14	
Purchase of fixed assets		(1,005)		(54)	
		<hr/>		<hr/>	
Net cash used by investing activities			(1,000)		(40)
			<hr/>		<hr/>
Change in cash and cash equivalents in the year			1,860		2,477
Cash and cash equivalents at the beginning of the year			7,027		4,550
			<hr/>		<hr/>
Cash and cash equivalents at the end of the year	17		8,887		7,027
			<hr/> <hr/>		<hr/> <hr/>

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) - (Charities SORP FRS 102), 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

We reviewed again the impact of the coronavirus situation and the potential impact on our income streams for 2022 and the first part of 2023 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 2022.

Taking the financial performance, reserve position and coronavirus impact analysis, together with the reasonable expectation that we will have adequate resources to continue in operational existence in the future, we confirm that the accounts have been prepared on the basis that the Money Advice Trust is 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

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2021

- 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:

Computer 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

2021 Total £('000)	2020 Total £('000)
5,748	5,390

All donations listed were unrestricted funds.

3a Income from charitable activities

	Unrestricted £('000)	Restricted £('000)	2021 Total £('000)	2020 Total £('000)
i) Debt Advice				
Sub-total for Debt Advice	440	9,062	9,502	8,279
ii) Training				
Sub-total for Training	519	506	1,025	1,143
Total income from charitable activities	959	9,568	10,527	9,422

3b Income from charitable activities prior year

	Unrestricted £('000)	Restricted £('000)	2020 Total £('000)
i) Debt Advice			
Sub-total for Debt Advice	451	7,828	8,279
ii) Training			
Sub-total for Training	457	686	1,143
iii) Influencing and Policy			
Sub-total for Influencing and Policy	-	-	-
Total income from charitable activities	908	8,514	9,422

4a Analysis of expenditure

	Cost of raising funds £('000)	Charitable activities				Governance costs £('000)	Support costs £('000)	2021 Total £('000)	2020 Total £('000)
		Debt Advice £('000)	Training £('000)	Influencing and Policy £('000)					
Staff costs (Note 7)	179	7,828	570	188	157	1,531	10,453	9,281	
IT & Telephony	7	935	26	8	4	88	1,068	1,356	
Occupancy	14	588	72	18	13	111	816	732	
Adviser Training	-	-	176	-	-	-	176	154	
Grants (Note 5)	-	-	230	-	-	-	230	232	
Other Staff Costs	4	191	41	3	3	73	315	407	
Commercial Training	-	-	290	-	-	-	290	252	
Other Costs	14	65	5	3	15	62	164	132	
Self Help Packs	-	102	-	-	-	-	102	30	
Travel	-	-	-	-	-	10	10	14	
Depreciation	3	273	19	5	2	34	336	133	
Publicity & Promotion	-	31	15	15	-	-	61	31	
	221	10,013	1,444	240	194	1,909	14,021	12,754	
Support costs	26	1,748	107	28	-	(1,909)	-	-	
Governance costs	3	177	11	3	(194)	-	-	-	
Total expenditure 2021	250	11,938	1,562	271	-	-	14,021	-	
Total expenditure 2020	301	10,712	1,473	268	-	-		12,754	

4b Analysis of expenditure

	Cost of raising funds £('000)	Charitable activities				Governance costs £('000)	Support costs £('000)	2020 Total £('000)
		Debt Advice £('000)	Training £('000)	Influencing and Policy £('000)				
Staff costs (Note 7)	217	6,876	533	176	131	1,348	9,281	
IT & Telephony	12	1,187	48	18	5	86	1,356	
Occupancy	18	524	67	16	9	98	732	
Adviser Training	-	-	154	-	-	-	154	
Grants (Note 5)	-	-	232	-	-	-	232	
Other Staff Costs	4	312	43	8	2	37	406	
Commercial Training	-	-	252	-	-	-	252	
Other Costs	14	42	3	12	16	46	133	
Self Help Packs	-	30	-	-	-	-	30	
Travel	1	2	3	1	-	7	14	
Depreciation	1	91	27	2	-	12	133	
Publicity & Promotion	1	19	4	7	-	-	31	
	268	9,083	1,366	240	163	1,634	12,754	
Support costs	31	1,481	97	25	-	(1,634)	-	
Governance costs	2	148	10	3	(163)		-	
Total expenditure 2020	301	10,712	1,473	268	-	-	12,754	

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2021

5 Grant making

	2021 £('000)	2020 £('000)
Grants to institutions		
Training		
Citizens Advice Bureau	16	18
Citizens Advice Scotland	1	5
Money Advice Scotland	15	59
Institute of Money Advisers	198	150
	230	232

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

6 Net income for the year

This is stated after charging:

	2021 £('000)	2020 £('000)
Depreciation	336	133
Operating lease rentals:		
Property	368	175
Other	12	22
Auditor's remuneration (excluding VAT):		
Audit	12	11
Other services	2	1

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

Staff costs were as follows:

	2021 £('000)	2020 £('000)
Salaries and wages	9,006	7,980
Social security costs	842	752
Employer's contribution to defined contribution pension schemes	605	549
	<u>10,453</u>	<u>9,281</u>

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

Salary Band	Total 2021 No.	Total 2020 No.
£60,000 to £69,999	8	8
£70,000 to £79,999	-	-
£80,000 to £89,999	1	1
£90,000 to £99,999	1	1
£100,000 to £109,999	-	-
£110,000 to £119,999	1	1
	<u>11</u>	<u>11</u>

The Chief Executive's salary for 2021, excluding NI and Pension, was £118,420 (2020 - £116,350). The total employee benefits (including employer pension contributions and employer national insurance) of the key management personnel were £475,870 (2020: £433,493).

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 (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £51 (2020: £nil) incurred by 1 (2020: 0) 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:

	2021 No.	2020 No.
Debt Advice	224	200
Training	14	13
Influencing and Policy	4	3
Support	35	31
Business Development	3	4
	<u>280</u>	<u>251</u>

9 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

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

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2021

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 £('000)	Furniture £('000)	Computer equipment £('000)	Total £('000)
Cost				
At the start of the year	181	120	922	1,223
Additions in year	542	278	185	1,005
Disposals in year	(179)	(120)	(264)	(563)
At the end of the year	<u>544</u>	<u>278</u>	<u>843</u>	<u>1,665</u>
Depreciation				
At the start of the year	144	96	836	1,076
Charge for the year	127	79	130	336
Eliminated on disposal	(179)	(120)	(264)	(563)
At the end of the year	<u>92</u>	<u>55</u>	<u>702</u>	<u>849</u>
Net book value				
At the end of the year	<u>452</u>	<u>223</u>	<u>141</u>	<u>816</u>
At the start of the year	<u>37</u>	<u>24</u>	<u>86</u>	<u>147</u>

All of the above assets are used for charitable purposes.

12 Debtors

	2021 £('000)	2020 £('000)
Trade debtors	664	428
Other debtors	32	29
Prepayments	417	412
Accrued income	362	646
	<u>1,475</u>	<u>1,515</u>

13 Creditors: amounts falling due within one year

	2021 £('000)	2020 £('000)
Trade creditors	233	262
Taxation and social security	223	211
Other creditors	193	216
Accruals	96	99
Deferred income (note 14)	859	586
	<u>1,604</u>	<u>1,374</u>

Notes to the financial statements

For the year ended 31 December 2021

14 Deferred income

Deferred income comprises primarily of donation funding from NatWest for MAT's charitable activities (£560k) and JP Morgan grant funding for debt advice (£157k)

	2021 £('000)	2020 £('000)
Balance at the beginning of the year	586	1,311
Amount released to income in the year	(521)	(1,239)
Amount deferred in the year	794	514
Balance at the end of the year (Total)	<u>859</u>	<u>586</u>
Balance at the end of the year (falling due within one year)	859	586
Balance at the end of the year (falling due after one year)	-	-
Balance at the end of the year (Total)	<u>859</u>	<u>586</u>

15a Analysis of net assets between funds (2021)

	General unrestricted £('000)	Designated £('000)	Restricted £('000)	Total funds £('000)
Tangible fixed assets	-	725	91	816
Net current assets	8,070	663	25	8,758
Long term liabilities	-	-	-	-
Net assets at the end of the year	<u>8,070</u>	<u>1,388</u>	<u>116</u>	<u>9,574</u>

15b Analysis of net assets between funds (2020)

	General unrestricted £('000)	Designated £('000)	Restricted £('000)	Total funds £('000)
Tangible fixed assets	-	81	66	147
Net current assets	6,965	62	141	7,168
Long term liabilities	-	-	-	-
Net assets at the end of the year	<u>6,965</u>	<u>143</u>	<u>207</u>	<u>7,315</u>

Money Advice Trust

Notes to the financial statements

For the year ended 31 December 2021

16a Movements in funds current year

	At 1 January 2021 £('000)	Income & gains £('000)	Expenditure & losses £('000)	Transfers £('000)	At 31 December 2021 £('000)
Restricted funds:					
Debt Advice	38	7,607	(7,620)	-	25
Debt Advice - Capital Costs	66	132	(107)	-	91
Debt Advice - Citizens Advice	-	1,323	(1,323)	-	-
Training	103	506	(609)	-	-
Influencing and Policy	-	-	-	-	-
Total restricted funds	207	9,568	(9,659)	-	116
Unrestricted funds:					
Designated funds:					
CRM and Data Warehouse	-	-	-	600	600
Dilapidation Fund	62	-	-	-	62
Fixed Assets	81	-	(229)	874	726
Total designated funds	143	-	(229)	1,474	1,388
General funds	6,965	6,712	(4,133)	(1,474)	8,070
Total unrestricted funds	7,108	6,712	(4,362)	-	9,458
Total funds	7,315	16,280	(14,021)	-	9,574

16b Movements in funds prior year

	At 1 January 2020 £('000)	Income & gains £('000)	Expenditure & losses £('000)	Transfers £('000)	At 31 December 2020 £('000)
Restricted funds:					
Debt Advice	131	6,478	(6,571)	-	38
Debt Advice - Capital Costs	105	9	(48)	-	66
Debt Advice - Citizens Advice	-	1,341	(1,341)	-	-
Training	44	686	(627)	-	103
Training - Capital Costs	3	-	(3)	-	-
Influencing and Policy	5	-	-	(5)	-
Total restricted funds	288	8,514	(8,590)	(5)	207
Unrestricted funds:					
Designated funds:					
3 Year Implementation Plan	175	-	-	(175)	-
Commercial Training	-	-	(73)	73	-
Dilapidation Fund	62	-	-	-	62
Fixed Assets	119	-	(82)	44	81
Total designated funds	356	-	(155)	(58)	143
General funds	4,600	6,311	(4,009)	63	6,965
Total unrestricted funds	4,956	6,311	(4,164)	5	7,108
Total funds	5,244	14,825	(12,754)	-	7,315

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 and online channels. It also includes debt advice tools such as the Common Financial Statement and the Trust's self-help packs.

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.

Purposes of designated funds

The Trustees have agreed to designate funds for the following:

- Allow for additional resource to speed up the development of the new CRM plus additional spend on a new data warehouse to improve our insight, MI and reporting capability.
- 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.

17 Analysis of cash and cash equivalents

	At 1 January 2020 £('000)	Cash flows £('000)	Other changes £('000)	At 31 December 2021 £('000)
Cash in hand	5,527	1,860	-	7,387
Notice deposits (less than three months)	1,500	-	-	1,500
Total cash and cash equivalents	7,027	1,860	-	8,887

18 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	
	2021 £('000)	2020 £('000)	2021 £('000)	2020 £('000)
Less than one year	368	368	10	13
Two to five years	1,356	1,451	11	21
Five and more	949	1,222	-	-
	2,673	3,041	21	34

19 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.