

# MONEY

## ADVICE TRUST

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BUSINESS  
DEBTLINE

NATIONAL  
DEBTLINE

WISER  
ADVISER

# REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Charity number  
Company registration number

1099506  
4741583 (England & Wales)

# MONEY ADVICE TRUST

## TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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# MONEY ADVICE TRUST

## TRUSTEES' REPORT

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### Introduction

The Trustees present their report and the audited financial statements for the year ended 31 December 2022.

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 Northern Ireland to make our training available without charge to advisers there.

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 the experience of their customers, 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 2022 are covered below.

##### 1 - National Debtline

- We delivered a quality, seamless, multi-channel debt advice service to:
  - **90,470** telephone and Digital Advice Tool clients, and
  - **20,410** webchat clients.
- We provided information to visitors to the National Debtline website measured by:
  - **1.5 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:
  - **21,250** telephone clients, and
  - **8,850** webchat clients.
- We provided information to visitors to the Business Debtline website measured by:
  - **358,420** visits to the website.

We continued our partnership with Citizens Advice, answering **96,384** 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 high quality, accredited learning to advisers in charities across the UK via:
  - **15,170** training places including **8,459** e-learning sessions taken, **4,093** virtual classroom sessions and **2,615** webinars **7,460** advisers trained in **2,780** 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 small business owners and the self-employed – e-learning
- Court forms: common forms and good practice – virtual session
- Improving supervision skills – virtual session
- Supporting clients with money management skills – virtual session.

We delivered webinars on a range of subjects including:

- Irresponsible Lending
- The impact of Covid-19 on small businesses and the self-employed
- Consumer Credit Act 1974 Notices
- Understanding the rising cost of living and supporting those in debt
- Statutory Debt Repayment Plans
- The cost of living crisis and clients with disabilities.

### 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:

#### Tackling the rising cost of living

- We joined forces with other charities to secure support for people struggling with the rising cost of living - including the uprating of benefits in line with inflation and dedicated help with energy bills.
- Through our **Collision Course** and **Impossible Choices** reports, we tracked the impact the crisis was having on household and small business finances and shared direct insight from our services to inform the response from regulators and creditors.

## Securing improvements to debt options

- As a result of our and others' campaigning, we secured strong action from the Advertising Standards Authority and Google to tackle misleading debt advice adverts.
- We continued to make the case for much-needed changes to the insolvency framework in England and Wales, including through the Insolvency Service's dedicated review. Alongside other debt advice charities, we gathered evidence from over 565 advisers across the sector on the key improvements that are needed.

## Shaping understanding of problem debt

- During the year, we responded to **23 policy consultations** from the FCA, other regulators and government departments to advocate for the interests of people in debt. Our Chief Executive, Joanna Elson, appeared in front of the Treasury Select Committee to share our insight on mortgage arrears and housing costs - and we were pleased to see the Government subsequently reforming Support for Mortgage Interest (SMI) following calls from UK Finance, the Building Societies Association, the Trust, and other organisations.
- We also helped shape new Ofwat guidance on supporting people with water debt and influenced Ofgem's approach to overseeing firms' treatment of customers struggling with their energy bills.

## Improving government debt collection

- Following on from our work in 2021, we helped secure the formal establishment of the Enforcement Conduct Board to provide independent oversight of the bailiff sector. We also provided evidence to the Levelling Up, Housing and Communities Committee's inquiry into council tax collection - continuing to make the case for reform of collection rules and greater investment in local Council Tax Support.
- As part of our role as Chair of the Vulnerability Sub-Group for the Cabinet Office Fairness Group, we secured agreement for, and led the development of, an expanded Government Debt Vulnerability Toolkit, setting out best practice for government departments and local authorities.

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. (We are pleased to have resumed in person/hybrid meetings of this group and in 2023 are reverting to holding one of the two meetings in one of the devolved administrations).

# MONEY ADVICE TRUST

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### Future plans

2023 will be a year of transition, expansion and delivery for the Trust. Following our success in the Money and Pensions Service's commissioning process in 2022, we are delivering two major new debt advice contracts, as we continue to evolve our many other partnerships to meet the challenge of the cost-of-living crisis.

#### In 2023 we will:

- 1. Deliver high quality services** – serving 72,250 clients at National Debtline and 30,750 clients at Business Debtline by phone and webchat, and training 2,700 Money Advisers through Wiseradviser during the year.
- 2. Invest in our client journey** – with the development and implementation of new Customer Portals for National Debtline and Business Debtline, a new CRM and API integration to improve the referral journey.
- 3. Ensure people in debt reach our services** – through raising awareness of National Debtline and Business Debtline and new referral partnerships to ensure more people from under-served groups reach both services.
- 4. Influence policy and practice** – by pursuing our influencing priorities on personal and small business debt, developing a new shared policy agenda for the future, and growing our training and consultancy for the credit industry.
- 5. Develop a new three-year strategy** – as we begin to deliver major new MaPS debt advice contracts, and work with creditors and our many partners to evolve our services and partnerships in the years ahead.
- 6. Make the Trust an even better place to work** – through continuing our work on Equity, Diversity and Inclusion, focussing on wellbeing, and creating a culture that delivers excellent services to clients as effectively as possible.

# MONEY ADVICE TRUST TRUSTEES' REPORT

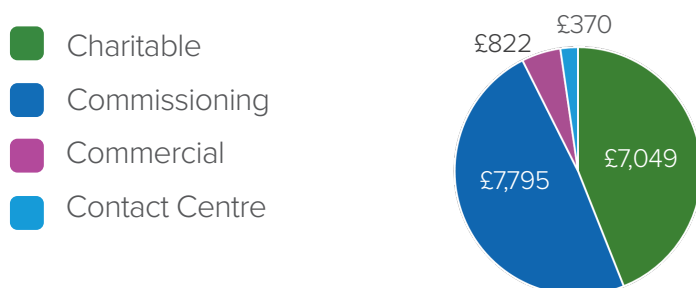
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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## Financial review

During 2022 our total income marginally reduced to £16m (2021 - £16.3m); however, this was on the back of reduced expenditure, resulting in a £2.3m surplus, and a significant increase in longer term funding awarded in Autumn 2022 as a result of securing both of the Money and Pension Service tender bids applied for. As we set out below, this surplus has helped to ensure we can meet our reserves policy.

### 2022 Income by Funding Source (£'000)



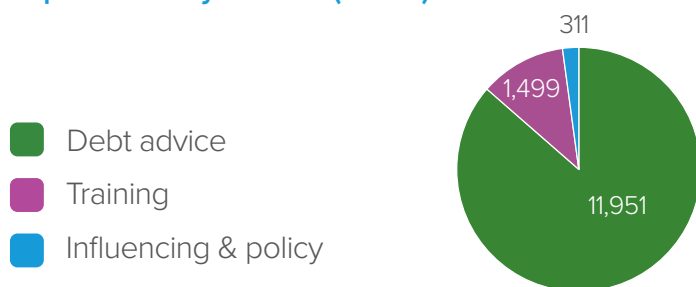
Income from Training & Consultancy and Wiseradviser increased from £519k (T&C £439k/WA £80k) in 2021 to £857k (T&C £734k/WA £88k) in 2022. We have continued to make our training offer more flexible, to meet the changing needs of organisations. The new FCA guidance, together with the increase in cost 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 2022 will continue and we have a strong pipeline going into 2023 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.

Costs overall reduced by 2% (2021 – 10% increase), primarily due to a reduction in headcount with an average of 253 staff in 2022 compared with 280 in 2021. This was because we decided not to recruit additional permanent staff before we knew whether we had been successful with our MaPS bids; in late 2022 we started a (successful) significant recruitment campaign for advisers.



## Expenditure by Service (£'000)



The year-end funds of £11.85m (2021 - £9.57m) fall into three categories: general unrestricted funds £9.9m (2021 - £8.07m), restricted funds £0.29m (2021 - £0.12m) and designated general funds £1.66m (2021 - £1.39m).

The increase in unrestricted funds conforms to – and is important to support - our reserves policy, which is described later.

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

- Accountant in Bankruptcy Scotland
- Affinity Water
- American Express Foundation
- Aviva
- Barclays UK
- British Gas
- Business Energy Solutions Ltd
- Cabot Credit Management Ltd
- Capital One Bank (Europe) plc
- CDER Group
- Citizens Advice
- E.ON Next
- Experian International
- HMRC
- HSBC UK
- JP Morgan Chase
- Lloyds Banking Group
- Money and Pensions Service
- Nationwide Building Society
- NatWest
- Northumbrian Water
- OVO Energy
- Provident Financial Group plc
- Sainsbury's Argos (previously Home Retail Group)
- Santander UK plc
- Scottish Government
- TDX
- Tesco Bank
- Tesco Mobile
- Welsh Government
- Wescot Credit Services Limited
- 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 in 2022 we were awarded two three year commercial contracts from the Money and Pension Services, one for National Debtline and one for Business Debtline. We have also continued to diversify our funding and were awarded two-year funding from Aviva and from Shell Energies to support our clients with the cost-of-living crisis.

The increases in the cost of living, council tax and energy bills had and continue to 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 three to six months running costs, currently £4.75m to £9.5m, should be set aside to cover this in addition to £1m to cover future commitments beyond December 2023 such as office rent until the break clause date.

The Board reports that in 2022 the year-end unrestricted reserves funds carry forward figure was £9.9m. 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 reviews the investment of reserves in cash deposits and before investing, we use a risk assessment review to check suitability. 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 our secured funding for 2023 and future years and our commitments and liabilities. 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 2023 and beyond.

Taking the financial performance, reserve position and cost of living crisis, 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.

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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 10 Dec 2020. 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. Importantly, Trustees see first-hand how we help our clients through our telephony and online services, which helps gain clarity on our charitable aims. Trustee development is regularly reviewed and is also 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 2022. Laurence Burgess is the Chair, other members are Lucy Malenczuk, Anna Bennett (stepped down from her role as a Trustee in December 2022), Sarah Desai (joined ARQC from February 2023) and Lawrence Slade (stepping down July 2023). 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 four times in 2022. Paul Smee is the Chair and its other members are Ade Keasey (stepped down from his role as Trustee in January 2023), Vineeta Manchanda, Rebecca Wilkie and Adam Sharples (stepping down July 2023, Christine Farnish will replace); 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 2022. Rebecca Wilkie is Chair and its other members are Christine Farnish (replacing Adam Sharples in July 2023), Paul Smee and Sarah Desai (joined January 2023 NRC meeting). It is responsible for identifying and nominating for the approval of the Board, candidates for the office of Trustee (including Chair), 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 generally meets twice a year, and as and when necessary, and also assists in senior and trustee recruitment when necessary. The NRC also reviews data on the skill set of the Board when considering any development needs, opportunities, and Trustee vacancies.

### **Modern Slavery Statement**

The Money Advice Trust wishes to ensure that we do not knowingly participate with any activity or organisation that involves any form of modern slavery. We are committing to ensuring our working practices and those of our partners minimise the impact our business activities to help combat modern slavery in the UK. We have set out in our modern slavery statement details of our policies and process to combat modern slavery as far as we can and to highlight areas we are now working on in this area.

### **Environmental Policy**

In 2022 we published our Environmental Policy, detailing the current measures and process we have in place to reduce our environmental impact. Late in 2022, we engaged with Positive Planet to produce a carbon footprint report. 2023 will see the report published, and working alongside Positive Planet, we will have a carbon reduction plan. Our immediate strategy is to engage with our staff and form an environmental committee to help achieve our carbon reduction goals.

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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. We run briefing sessions for our Ambassadors once a year and as and when required, and always have an annual meeting.

During 2022 our Trustees devoted time outside of the normal four Board meetings to attend a strategy setting session with the senior leadership team, which focussed on laying the ground for planning for the next three 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 a Money and Pensions Service approved framework accreditation of the Matrix Standard in March 2022 for its National 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. This follows on from the accreditation of our Business Debtline service in 2021.

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.

Our key strategic risks as identified in 2022, with the mitigations we undertook were:

Category	Risk Description	Mitigations
<b>Finance</b>	Decrease of funding to deliver our services	Engagement with funders to gain their buy-in and continued support. Finance strategy to diversify income and attract more longer-term funding. Resources focused on producing successful commissioning bids to provide long-term funding.
<b>Clients</b>	The challenges in scaling up resource to meet client demand	Increase in HR staff resource to aid with recruitment. Upskilling Triage and internal and external campaign to recruit more advisers to meet the demand and fulfil donors' requirements.
<b>People</b>	The wellbeing of our staff with the circumstances of remote working and increased pressures while ensuring that wellbeing measures are in place balanced with a need to drive delivery against objectives	'Protecting our People' focus. Wellbeing audit conducted with recommendations being taken forward with Wellbeing consultants. Hybrid working continuing to meet staff needs and circumstances.
<b>Operational</b>	The continuation of 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.
<b>Innovation and Technology</b>	Need to meet commissioning and future proof delivery of services	Appointed new CRM supplier, along with 'critical friend' tech partner to assist with the development of a new CRM which will give a basis for future innovations. Tech road map in place that will develop CRM, data warehouse, test open banking and chatbots. Surplus will allow us flexibility in tech and innovation investment as we work on our strategic plan for 24-26.

# 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 principles**

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.

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

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

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

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.

## **Equity, Diversity and Inclusion**

Equity, Diversity and Inclusion (EDI) are important to the Trust. We aim to be an inclusive and supportive organisation, where all our colleagues feel safe, welcome, and able to achieve their full potential. We want to ensure we reflect the people who need our National Debtline and Business Debtline services by being closer to their life and cultural experiences and ensure there are no barriers to them accessing our services. Similarly, we want to support the wider advice sector through Wiseradviser, and the creditor community through our Training and Consultancy activity, to ensure all people in financial difficulty are well supported, regardless of their background.

We published our gender pay gap data in April 2022 and we published internally our Ethnicity Pay Gap Report. We built on the success of the BAME Network, and we formed a staff-led EDI Forum and finalised our EDI strategy to be launched in 2023. We have rolled out training on EDI for our Trustees, managers and staff. Our commitments to EDI include leading by example, promoting an inclusive workplace culture, helping all colleagues to keep learning about EDI, and engaging with people in debt, and amplifying their voices.

### **Support for Employees with Disabilities**

We recognise the importance of having a diverse workforce so that everyone can bring their true self to work and having supportive working practices and policies is key to enable this. We always make reasonable adjustments in all aspects of employment from recruitment, training, absence management and time off to attend appointments. We formed an Equality, Diversity and Inclusion forum who contribute to key policies to ensure equity.

We review our demographics on a half yearly basis and are pleased to report that in our contact centre, 20% of our employees report as disabled and 25% of our managers declared a disability.

From an external perspective, we have developed a partnership with the Shaw Trust to support those trying to access work.

### **Employee Engagement**

During 2022 we came out of the pandemic and made flexible working the norm following staff sessions and surveys to find the balance for office/home based working.

All employees completed a questionnaire on resilience and received toolkits for identification and tips personalised to them on which area of resilience they need to focus on to improve their wellbeing. Our managers received a 1:1 coaching session on how to motivate and engage their teams.

We held all staff sessions explaining the Trusts progress against the business plan to date and an end of year summary of the Trusts achievements and financial stability

We recognise employee engagement goes further than just internal work matters. We pride ourselves on being an inclusive and friendly work environment where people make friends. As such have a social committee who arrange various types of staff events to encourage this culture.



# MONEY ADVICE TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**President** Baroness Tyler of Enfield

### Trustees

Adam Sharples CB	Chair – Stepped down 17 July 2023
Christine Farnish CBE	Chair from 17 July 2023
Anna Bennett	Stepped down in December 2022
Laurence Burgess	
Sarah Desai	Appointed December 2022
Ade Keasey	Stepped down July 2023
Lucy Malenczuk	
Vineeta Manchanda	
Lawrence Slade	Stepped down July 2023
Paul Smee	
Rebecca Wilkie	Vice-Chair

**Chief Executive** Joanna Elson CBE CDir

**Ambassadors** Bim Afolami, Baroness Coussins of Whitehall Park, Sir Ian Cheshire, Sir Sherard Cowper-Coles KCMG LVO, Otto Thoresen, 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 and CASHflow are part of the Money Advice Trust.

**Registered office** 21 Garlick Hill, London, EC4V 2AU

**Company Secretary** Company Secretary Ian Witcombe until 30 June 2022;  
Mel Brown from 17 July 2023

**Country of registration** England and Wales

**Country of incorporation** United Kingdom

**Auditor** Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

**Solicitors** Russell-Cooke LLP, 2 Putney Hill, London, SW15 6AB

**Bankers** National Westminster Bank plc, PO Box 399, CR9 3QB

**Websites** [www.moneyadvicetrust.org](http://www.moneyadvicetrust.org)  
[www.businessdebtline.org](http://www.businessdebtline.org)  
[www.nationaldebtline.org](http://www.nationaldebtline.org)  
[www.wiseradviser.org](http://www.wiseradviser.org)

# MONEY ADVICE TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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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 2022 was nine (2021: nine). 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 2022

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### **Auditor**

Peters Elworthy & Moore acted as the Charity's auditor during the year after Sayer Vincent's term ended. Peter Elworthy & Moore have indicated their willingness to continue in office.

The Trustees' annual report, which includes the strategic report, has been approved by the Trustees on 17 July 2023 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 2022

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## Opinion

We have audited the financial statements of Money Advice Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

### In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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 the charitable company'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 Annual Report other than the financial statements and our Auditors' 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of our 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' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

## **Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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.

## **Auditors' 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 Auditors' 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 is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge of charity and company law and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management reviewing the minutes of Trustees' meetings and inspecting legal Correspondence.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- we designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with relevant regulators such as the Charity Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Kathryn Hebden (Senior Statutory Auditor)**

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors  
Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date:



**Money Advice Trust**

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

**For the year ended 31 December 2022**

	Note	Unrestricted £('000)	Restricted £('000)	<b>2022 Total £('000)</b>	Unrestricted £('000)	Restricted £('000)	2021 Total £('000)
<b>Income from:</b>							
Donations	2	5,133	-	<b>5,133</b>	5,748	-	5,748
Charitable activities							
- Debt Advice	3i	370	9,293	<b>9,663</b>	440	9,062	9,502
- Training	3ii	822	369	<b>1,191</b>	519	506	1,025
Investments		49	-	<b>49</b>	5	-	5
<b>Total income</b>		<b>6,374</b>	<b>9,662</b>	<b>16,036</b>	<b>6,712</b>	<b>9,568</b>	<b>16,280</b>
<b>Expenditure on:</b>							
Raising funds		257	-	<b>257</b>	250	-	250
Charitable activities							
- Debt Advice		2,615	9,118	<b>11,733</b>	2,888	9,050	11,938
- Training		1,105	369	<b>1,474</b>	953	609	1,562
- Influencing and Policy		298	-	<b>298</b>	271	-	271
<b>Total expenditure</b>	4	<b>4,275</b>	<b>9,487</b>	<b>13,762</b>	<b>4,362</b>	<b>9,659</b>	<b>14,021</b>
<b>Net income/(expenditure) for the year and net movement in funds</b>	6	<b>2,099</b>	<b>175</b>	<b>2,274</b>	<b>2,350</b>	<b>(91)</b>	<b>2,259</b>
Transfers between funds		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>2,099</b>	<b>175</b>	<b>2,274</b>	<b>2,350</b>	<b>(91)</b>	<b>2,259</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		9,458	116	<b>9,574</b>	7,108	207	7,315
<b>Total funds carried forward</b>		<b>11,557</b>	<b>291</b>	<b>11,848</b>	<b>9,458</b>	<b>116</b>	<b>9,574</b>

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 2022

	Note	£('000)	2022 £('000)	£('000)	2021 £('000)
<b>Fixed assets:</b>					
Tangible assets	11		<b>596</b>		816
			<b>596</b>		816
<b>Current assets:</b>					
Debtors	12	<b>1,848</b>		1,475	
Cash at bank and in hand		<b>12,342</b>		8,887	
		<b>14,190</b>		10,362	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	<b>2,938</b>		1,604	
<b>Net current assets</b>			<b>11,252</b>		8,758
<b>Total assets less current liabilities</b>			<b>11,848</b>		9,574
<b>Total net assets</b>			<b>11,848</b>		9,574
<b>The funds of the charity:</b>	16				
Restricted income funds			<b>291</b>		116
Unrestricted income funds:					
Designated funds		<b>1,658</b>		1,388	
General funds		<b>9,899</b>		8,070	
Total unrestricted funds			<b>11,557</b>		9,458
<b>Total charity funds</b>			<b>11,848</b>		9,574

Approved by the trustees on 17 July 2023 and signed on their behalf by Adam Sharples

Adam Sharples  
Chair of Trustees

Money Advice Trust

Statement of cash flows

For the year ended 31 December 2022

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

	2022 £('000)	2021 £('000)
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>2,274</b>	2,259
Depreciation charges	229	336
Dividends, interest and rent from investments	(49)	(5)
Loss on disposal of fixed assets	-	-
(Increase)/Decrease in debtors	(373)	40
Increase in creditors	1,334	230
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>3,415</b>	2,860
	<hr/> <hr/>	<hr/> <hr/>

	Note	2022 £('000)	£('000)	2021 £('000)	£('000)
<b>Cash flows from operating activities</b>					
<b>Net cash provided by operating activities</b>			<b>3,415</b>		2,860
<b>Cash flows from investing activities:</b>					
Dividends, interest and rents from investments		49		5	
Purchase of fixed assets		(9)		(1,005)	
		<hr/>		<hr/>	
<b>Net cash used by investing activities</b>			<b>40</b>		(1,000)
			<hr/>		<hr/>
<b>Change in cash and cash equivalents in the year</b>			<b>3,455</b>		1,860
Cash and cash equivalents at the beginning of the year			<b>8,887</b>		7,027
			<hr/>		<hr/>
<b>Cash and cash equivalents at the end of the year</b>	17		<b>12,342</b>		8,887
			<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 2023 and 2024 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 2023.

Taking 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, 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
- 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 four 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**

<b>2022 Total £('000)</b>	2021 Total £('000)
<b>5,133</b>	5,748

All donations listed were unrestricted funds.

**3a Income from charitable activities**

	Unrestricted £('000)	Restricted £('000)	<b>2022 Total £('000)</b>	2021 Total £('000)
<b>i) Debt Advice</b>				
Sub-total for Debt Advice	370	9,293	<b>9,663</b>	9,502
<b>ii) Training</b>				
Sub-total for Training	822	369	<b>1,191</b>	1,025
Total income from charitable activities	<b>1,192</b>	<b>9,662</b>	<b>10,854</b>	<b>10,527</b>

**3b Income from charitable activities prior year**

	Unrestricted £('000)	Restricted £('000)	<b>2021 Total £('000)</b>
<b>i) Debt Advice</b>			
Sub-total for Debt Advice	440	9,062	<b>9,502</b>
<b>ii) Training</b>			
Sub-total for Training	519	506	<b>1,025</b>
Total income from charitable activities	<b>959</b>	<b>9,568</b>	<b>10,527</b>

## Money Advice Trust

### Notes to the financial statements

For the year ended 31 December 2022

#### 4a Analysis of expenditure

	Cost of raising funds £('000)	Charitable activities				Governance costs £('000)	Support costs £('000)	<b>2022 Total £('000)</b>	2021 Total £('000)
		Debt Advice £('000)	Training £('000)	Influencing and Policy £('000)					
Staff costs (Note 7)	185	7,164	555	205	185	1,707	<b>10,001</b>	10,453	
IT & Telephony	7	1,049	29	9	7	160	<b>1,261</b>	1,068	
Occupancy	13	556	60	16	15	122	<b>782</b>	816	
Adviser Training	-	1	115	-	-	-	<b>116</b>	176	
Grants (Note 5)	-	-	147	-	-	-	<b>147</b>	230	
Other Staff Costs	10	407	26	5	10	55	<b>513</b>	315	
Commercial Training	-	-	368	-	-	-	<b>368</b>	290	
Other Costs	1	50	1	-	46	65	<b>163</b>	164	
Self Help Packs	-	65	-	-	-	-	<b>65</b>	102	
Travel	2	2	2	2	0	8	<b>16</b>	10	
Depreciation	3	174	13	4	3	32	<b>229</b>	336	
Publicity & Promotion	-	69	16	16	-	-	<b>101</b>	61	
	<b>221</b>	<b>9,537</b>	<b>1,332</b>	<b>257</b>	<b>266</b>	<b>2,149</b>	<b>13,762</b>	<b>14,021</b>	
Support costs	32	1,954	126	37	-	(2,149)	-	-	
Governance costs	4	242	16	4	(266)	-	-	-	
<b>Total expenditure 2022</b>	<b>257</b>	<b>11,733</b>	<b>1,474</b>	<b>298</b>	<b>-</b>	<b>-</b>	<b>13,762</b>	<b>-</b>	
Total expenditure 2021	250	11,938	1,562	271	-	-	-	14,021	

## Money Advice Trust

### Notes to the financial statements

For the year ended 31 December 2022

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



**5 Grant making**

	<b>2022</b>	2021
	<b>£('000)</b>	£('000)
<b>Grants to institutions</b>		
Training		
Institute of Money Advisers	136	198
Citizens Advice Bureau	11	16
Citizens Advice Scotland	-	1
Money Advice Scotland	-	15
	<b>147</b>	<b>230</b>

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

**6 Net income for the year**

This is stated after charging:

	<b>2022</b>	2021
	<b>£('000)</b>	£('000)
Depreciation	<b>229</b>	336
Operating lease rentals:		
Property	<b>367</b>	368
Other	<b>10</b>	12
Auditor's remuneration (excluding VAT):		
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>14</b>	12
Fees payable to the Charity's auditor in respect of:		
- All non-audit services not included above	<b>-</b>	<b>2</b>

The audit and non-audit services fees in the prior year were payable to the Charity's previous auditors. During 2022, the Charity incurred non-audit fees from the previous auditor of £11,370.

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

Staff costs were as follows:

	<b>2022</b>	2021
	<b>£('000)</b>	£('000)
Salaries and wages	<b>8,582</b>	9,006
Social security costs	<b>838</b>	842
Employer's pension contributions	<b>581</b>	605
	<b>10,001</b>	10,453

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

Salary Band	<b>Total</b>	Total
	<b>2022</b>	2021
	<b>No.</b>	No.
£60,000 to £69,999	<b>8</b>	8
£70,000 to £79,999	-	-
£80,000 to £89,999	<b>1</b>	1
£90,000 to £99,999	<b>2</b>	1
£100,000 to £109,999	-	-
£110,000 to £119,999	-	1
£120,000 to £129,999	<b>1</b>	-
	<b>12</b>	11

The Chief Executive's salary for 2022, excluding NI and Pension, was £121,692 (2021 - £118,420).

Key management personnel comprise the Chief Executive, Chief Operating Officer, Director of Corporate Services, Director of External Affairs, and Company Secretary. The Total employee benefits (including employer pension contributions and employer national insurance) of the key management personnel were £510,834 (2021: £475,870).

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 (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £113 (2021: £51) incurred by 2 (2021: 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:

	<b>2022</b>	2021
	<b>No.</b>	No.
Debt Advice	<b>195</b>	224
Training	<b>13</b>	14
Influencing and Policy	<b>4</b>	4
Support	<b>38</b>	35
Business Development	<b>3</b>	3
	<b>253</b>	280

**9 Related party transactions**

There are no related party transactions to disclose for 2022 (2021: 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 £('000)	Furniture £('000)	Computer equipment £('000)	Total £('000)
<b>Cost</b>				
At the start of the year	544	278	843	<b>1,665</b>
Additions in year	-	-	9	<b>9</b>
Disposals in year	-	-	-	-
At the end of the year	<b>544</b>	<b>278</b>	<b>852</b>	<b>1,674</b>
<b>Depreciation</b>				
At the start of the year	92	55	702	<b>849</b>
Charge for the year	90	56	83	<b>229</b>
Eliminated on disposal	-	-	-	-
At the end of the year	<b>182</b>	<b>111</b>	<b>785</b>	<b>1,078</b>
<b>Net book value</b>				
<b>At the end of the year</b>	<b>362</b>	<b>167</b>	<b>67</b>	<b>596</b>
At the start of the year	452	223	141	816

All of the above assets are used for charitable purposes.

**12 Debtors**

	2022 £('000)	2021 £('000)
Trade debtors	<b>1,345</b>	664
Other debtors	<b>10</b>	32
Prepayments	<b>418</b>	417
Accrued income	<b>75</b>	362
	<b>1,848</b>	1,475

**13 Creditors: amounts falling due within one year**

	2022 £('000)	2021 £('000)
Trade creditors	<b>398</b>	233
Taxation and social security	<b>223</b>	223
Other creditors	<b>159</b>	193
Accruals	<b>38</b>	96
Deferred income (note 14)	<b>2,120</b>	859
	<b>2,938</b>	1,604

14 Deferred income

Deferred income comprises primarily of £1.2m in funding for 2023 and 2024 from Aviva and £685k from JP Morgan for 2023.

	2022 £('000)	2021 £('000)
Balance at the beginning of the year	859	586
Amount released to income in the year	(859)	(521)
Amount deferred in the year	2,120	794
Balance at the end of the year (Total)	<u>2,120</u>	<u>859</u>
Balance at the end of the year (falling due within one year)	2,120	859
Balance at the end of the year (falling due after one year)	-	-
Balance at the end of the year (Total)	<u>2,120</u>	<u>859</u>

15a Analysis of net assets between funds (2022)

	General unrestricted £('000)	Designated £('000)	Restricted £('000)	Total funds £('000)
Tangible fixed assets	-	552	44	596
Net current assets	9,899	1,106	247	11,252
Long term liabilities	-	-	-	-
<b>Net assets at the end of the year</b>	<u>9,899</u>	<u>1,658</u>	<u>291</u>	<u>11,848</u>

15b 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	-	-	-	-
<b>Net assets at the end of the year</b>	<u>8,070</u>	<u>1,388</u>	<u>116</u>	<u>9,574</u>

16a Movements in funds current year

	At 1 January 2022 £('000)	Income & gains £('000)	Expenditure & losses £('000)	Transfers £('000)	At 31 December 2022 £('000)
<b>Restricted funds:</b>					
Debt Advice	25	8,498	(8,276)	-	247
Debt Advice - Capital Costs	91	-	(47)	-	44
Debt Advice - Citizens Advice	-	795	(795)	-	-
Training	-	369	(369)	-	-
Influencing and Policy	-	-	-	-	-
<b>Total restricted funds</b>	<b>116</b>	<b>9,662</b>	<b>(9,487)</b>	<b>0</b>	<b>291</b>
<b>Unrestricted funds:</b>					
Designated funds:					
CRM and Data Warehouse	600	-	(57)	-	543
Innovation and Technology	-	-	-	500	500
Dilapidation Fund	62	-	-	-	62
Fixed Assets	726	-	(182)	9	553
Total designated funds	1,388	-	(239)	509	1,658
<b>General funds</b>	<b>8,070</b>	<b>6,374</b>	<b>(4,036)</b>	<b>(509)</b>	<b>9,899</b>
<b>Total unrestricted funds</b>	<b>9,458</b>	<b>6,374</b>	<b>(4,275)</b>	<b>-</b>	<b>11,557</b>
<b>Total funds</b>	<b>9,574</b>	<b>16,036</b>	<b>(13,762)</b>	<b>-</b>	<b>11,848</b>

16b Movements in funds prior year

	At 1 January 2021 £('000)	Income & gains £('000)	Expenditure & losses £('000)	Transfers £('000)	At 31 December 2021 £('000)
<b>Restricted funds:</b>					
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)	-	-
<b>Total restricted funds</b>	<b>207</b>	<b>9,568</b>	<b>(9,659)</b>	<b>-</b>	<b>116</b>
<b>Unrestricted funds:</b>					
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
<b>General funds</b>	<b>6,965</b>	<b>6,712</b>	<b>(4,133)</b>	<b>(1,474)</b>	<b>8,070</b>
<b>Total unrestricted funds</b>	<b>7,108</b>	<b>6,712</b>	<b>(4,362)</b>	<b>-</b>	<b>9,458</b>
<b>Total funds</b>	<b>7,315</b>	<b>16,280</b>	<b>(14,021)</b>	<b>-</b>	<b>9,574</b>

**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 the development of the new CRM plus additional spend on a new data warehouse to improve our insight, MI and reporting capability.
  - To allow for further investment in CRM following the launch of the first phase and to explore the use of disruptive technologies including AI.
  - Funds for Fixed Assets have been designated. This fund only covers assets purchased using unrestricted funds.
- A Dilapidation fund was set aside upon the signing of the leases for the Birmingham and London offices. In 2019 significant works were undertaken at both offices, particularly the Birmingham office. Whilst this has improved the standard of office space, the Trustees have re-evaluated the re-instatement cost should this become payable. The Trustees' believe the budget necessary would be significantly higher than the original £63k designated for the purpose. Given the state of repair of the offices is good and no schedule of dilapidations has been served, the liability is not deemed to be probable, therefore this has been recognised as a Contingent Liability in note 20 below.

**17 Analysis of cash and cash equivalents**

	At 1 January 2022 £('000)	Cash flows £('000)	Other changes £('000)	At 31 December 2022 £('000)
Cash in hand	7,387	3,455	-	<b>10,842</b>
Notice deposits	1,500	-	-	<b>1,500</b>
<b>Total cash and cash equivalents</b>	<b>8,887</b>	<b>3,455</b>	<b>-</b>	<b>12,342</b>

**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	
	2022 £('000)	2021 £('000)	2022 £('000)	2021 £('000)
Less than one year	368	368	4	10
Two to five years	1,404	1,356	7	11
Five and more	534	949	-	-
	<b>2,306</b>	<b>2,673</b>	<b>11</b>	<b>21</b>

**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.

**20 Contingent liabilities**

Money Advice Trust occupy two leased premises in London and Birmingham.

The leases for both premises contains a re-instatement clause which, should the landlord choose to enforce it, requires Money Advice Trust to re-instate those premises back to their original condition following the end of the current lease on 18 October 2029 for the London premises and 9 June 2029 for the Birmingham premises. The properties have been occupied since 19 October 2006 and 10 June 2005 respectively.

There are significant uncertainties in respect of the amount and timing of future outflows arising from this matter due to;

- whether the landlord will enforce the re-instatement due to significant refurbishment Money Advice Trust undertook in 2019 to improve the office space; and
- the landlord's intention for the future of the property as if it is retained as office space, many of the fixtures and fittings installed by Money Advice Trust would remain in place.

Due to the above uncertainties in existence it is considered possible, rather than probable, that future outflows will arise in respect of this item.

In addition, it is not possible to obtain a reliable estimate of the cost to restore the offices to their original condition as it is not specific to a schedule of dilapidations which would only become available on cessation of the lease.

As such, this item is considered to be a contingent liability and is not included in the statement of financial position contained elsewhere in this report.