

*The*  
**MONEY**  
*Charity*

**Annual Report 2017**

**[themoneycharity.org.uk](http://themoneycharity.org.uk)**

Charity Number: 1106941

Company Number: 05244075

## The Money Charity

### Report and financial statements

For the year ended 31 December 2017

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## Letter from the Chief Executive

### Welcome

Thank you for reading our 2017 annual report – and welcome to the very first (and maybe only ever) letter from The Money Charity's two Chief Executives! Our charity's 2017 divided into two distinct halves – January to June with Michelle as CEO and then July to December while Michelle was on maternity leave, and Steph stepped in as Acting Chief Executive.



We didn't let change at the top affect our charity in anything but a positive way though – we've forged ahead throughout, using the continuing help of our many generous supporters to continue to consolidate and develop our services throughout the year.

Our young people's Money Workshops are a highly successful element of what we do. One of our most important pieces of work this year has been our 'What Works' project. This Money Advice Service -

funded project is supporting delivery of a substantial number of young people's Money Workshops in 2017-18, and their independent evaluation through a Randomised Controlled Trial – the gold standard of impact evaluation. In 2017 we also introduced our first Teacher Resource Packs, each one a 'lesson in a box' which we can leave behind in schools we visit, or send to schools we can't reach in other ways. We've been delighted by the packs' positive reception.

We again produced an updated Student Money Manual in 2017. The 'SMM' equips young people as they look forward to becoming students, and supports them as they begin at university and become financially independent, as well as those students who are already there.



2017 was a year of transition for our Adult and Industry programmes. It took some time to find the right candidate to replace our long-serving Head of Adult and Industry, who left us in early 2017. Despite this time of change, we delivered 50% more Adult Workshops to and through not-for-profit partner organisations than in 2016, including working with Mencap and other groups to develop and deliver tailored Workshops for people with learning disabilities. We also delivered more paid-

for Adult Workshops. Reaching adults through working with their employers is something we aim to increase, both as a way to reach adults effectively, and as an earned income stream.

We were delighted to secure some new Young People's consultancy work. Adult and Industry consultancy was temporarily scaled back during 2017, but we are now well placed to build this, again combining achievement of our charitable objectives with the development of earned income.

We had fewer consultations to respond to in 2017, creating time to focus on other communications. In November we introduced our entirely new Budgetbuilder free website tool, which supports anyone in any situation to understand and plan their finances through building a personal budget.

We work hard to ensure a strong online and social media presence. In 2017 our Twitter following grew and we established our presence on LinkedIn. We also continued to produce The Money Statistics throughout the year. The power of 'The Money Stats' is not just the significant and sophisticated audience they reach, but the wide range of stories they allow us to tell about financial capability in the UK. If you don't yet receive them you're missing out – sign up now!

We continued to participate actively within the financial capability sector, working with colleagues in other organisations who share our wish to improve financial capability in the UK. This included membership of a number of groups, such as the YFCG and the FCA's Consumer Forum. This way our voice is heard in many different forums and with different audiences and we contribute to discussion of key issues which can have a lasting impact on our society.

We were delighted to receive continued support from much valued existing funders this year, and to welcome a number of new funders, including The Garfield Weston Foundation and the What Works Fund from the Money Advice Service. After a rigorous assessment process we are also proud to have been selected for the CAF Resilience programme.

In financial terms, 2017 was a year of increased project activity and income. Both our income and expenses in 2017 were significantly higher than in recent years, due largely to the significant What Works Fund project. We have been able to strengthen our reserves in 2017 to end the year in a stronger financial position, in anticipation of expected changes to our funding base in 2018.

We hope that in the report that follows you'll see how we work to use every opportunity to build financial capability across the UK, supporting people of all ages to make the most of their money and so reduce the stress of money worries and live happier, more fulfilled lives. If you can help us do this, in any way at all, please let us know - we'd love to hear from you!



Michelle Highman  
Chief Executive



Stephanie Hayter  
Acting Chief Executive  
from 1 July 2017

## Trustees' annual report

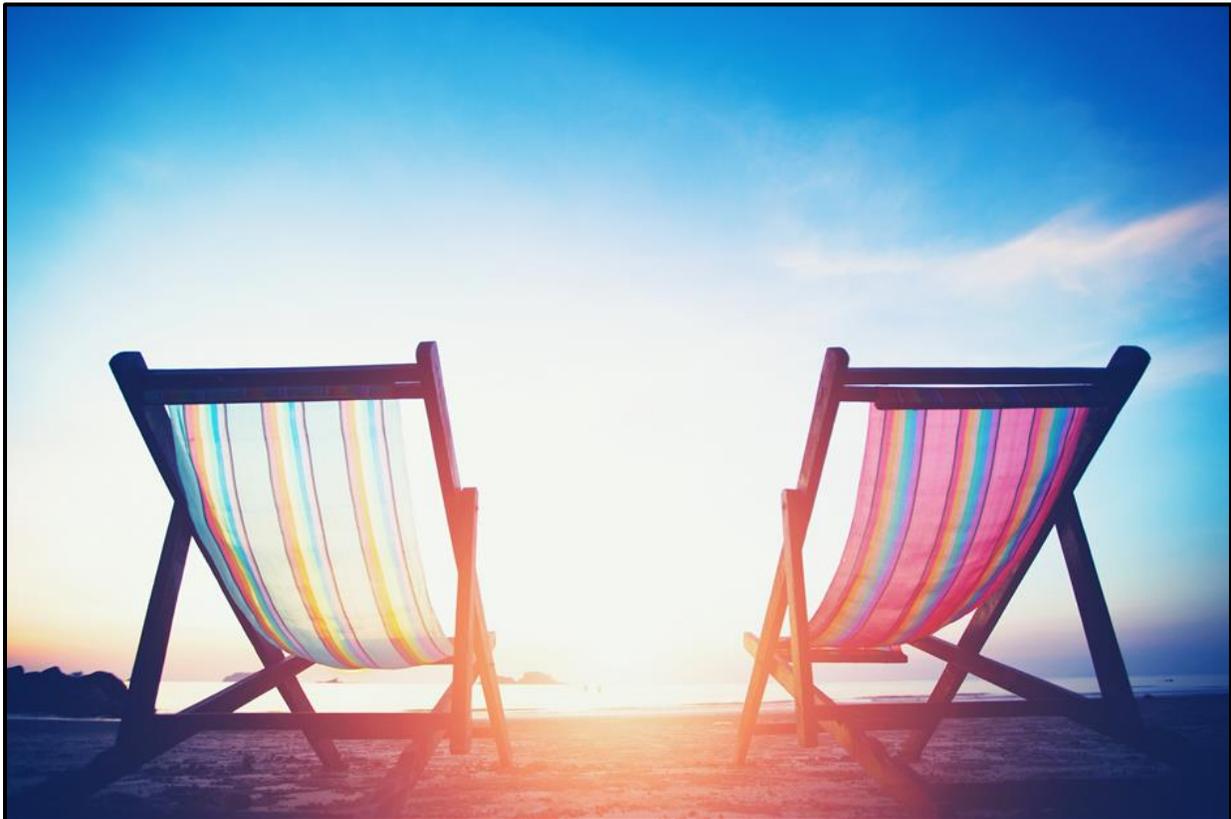
The trustees present their report and the financial statements for the year ended 31 December 2017.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Objectives and activities

### Purposes and aims

The Money Charity is the UK's financial capability charity. Our vision is for everyone to be on top of their money as a part of everyday life. So, we empower people across the UK to build skills, knowledge, attitudes and behaviours which help them to make the most of their money throughout their lives.



We believe that being on top of your money:

- means you are more in control of your life, your finances and your debts, reducing stress and hardship.
- increases your wellbeing, helps you achieve your goals and live a happier more positive life.

# The Money Charity Annual Report

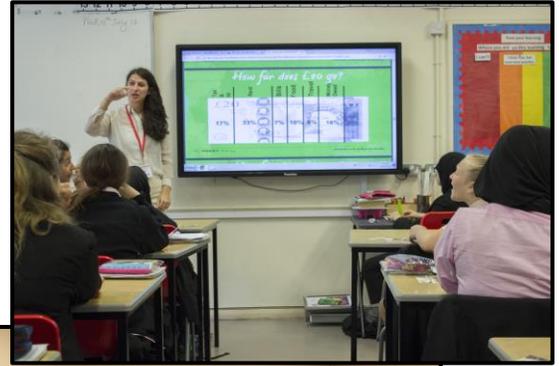
For the year ended 31 December 2017

Our charitable objectives were updated in 2012 to better reflect our focus. They are:

- the relief and prevention of financial hardship in particular by the provision of money management advice and information
- the advancement of the education of the public in money management.

We do this by:

- developing and delivering products and services which provide education, information and advice on money matters, in an appropriate way for young people and adults;
- working with all parts of the financial services industry to improve practice and outcomes for their consumers; and
- influencing and informing policymakers, the media, the industry and public attitudes to support our vision, purpose and delivery.



The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.



The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Everything the charity does focuses on improving the financial capability of those in the United Kingdom. Our long-term objectives are to increase individuals' ability to manage and make the most of their money. Day to day, our work is focused around four key areas; supporting adults, supporting young people; working with the industry and influencing others. Our main focus and the area that we spend the majority of our resources on is the direct delivery of financial capability products and services for young people and adults.



Our young people's activities continue to be among the most important and successful parts of our work. What we do for young people falls into four distinct areas: Money Workshops, mainly in schools and colleges; our Student Money Manual; our new Teacher Resource Packs and consultancy services. Through the hard work of our staff, consultants and volunteers we delivered a wonderful 730 hours of Young People's Money Workshops this year, reaching 16,525 young people. Our Money Workshops have reached over 170,000 young people since 2010!

Our Adult and Industry work includes development and marketing of adult education/training programmes for not-for-profit and commercial clients, and Adult and Industry consultancy. Through training, we aim to improve the financial capability of participants, giving them tools and empowering them to build the skills, knowledge, attitude and behaviours to make the most of their money throughout their lives.

## Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on financial capability and good money management and are undertaken to further The Money Charity's charitable purposes for the public benefit.

**"Your workshop was incredibly valuable last year, I have taken on board a lot of your budgeting advice and have managed to rack up quite a good saving which is great"**

ELIZA | ADULT WORKSHOP ATTENDEE | SELCE

We measure our success in many ways. One of the most important is the number of people we reach with our support and messages, whether this is the number of participants at our money workshops, the numbers who read our Student Money Manual and Money Statistics or those accessing our website and social media. We also look at the number and location of schools we work in, the numbers and types of not-for-profit organisations and community groups we partner with, as well as the range of commercial organisations whose staff we can reach with our training. The quality and impact of our financial education is another key benchmark for us. We therefore commission independent evaluation of our young people and adult workshops each year, to provide external benchmarks for assessment of the impact we are having. We also put weight on the quality and reach of our communications, including consultations, participation in sector groups and other policy and influencing work in the financial capability area.

**"I am so impressed with the feedback from the staff and the students [...] this has honestly been one of the best sessions we have ever had in school"**

PSHCE & CITIZENSHIP COORDINATOR, YEAR 11 TEACHER  
| CHESHIRE, 2017

Details of some of the key benchmarks and outcomes during the year are described below and in the charts and highlights which follow. Also included are findings from some of the formal independent evaluation commissioned of our 2017 workshops.

## Young People

**We need to reach people with financial capability support before they hit problems.**

- Young people's money management habits are heavily influenced by their family's financial behaviour. They are significantly less likely to save for themselves if their family struggles to save for emergencies, risking a cascade of problems to the next generation.
- Financial education has now been on the national curriculum for more than three years but no resources are allocated to support it, despite the fact that good understanding and approaches, once understood, can change prospects and lives.

**"95% of KS3\* students and 91% of KS4 students felt the workshop had been 'useful' and 94% of KS3 students thought they had learnt something new from the workshop. Likewise, 91% of KS4 students thought the same of their workshop"**

STERLING RESEARCH - EVALUATION OF THE MONEY  
CHARITY'S MONEY WORKSHOPS FOR SCHOOLS | ACADEMIC  
YEAR 2016/2017

\*KS – Key Stage

Many teachers tell us they feel ill-equipped and lack confidence in teaching young people to manage their finances in a rapidly changing world, where money is increasingly 'virtual' and young people who go on to university are likely to graduate with debts of a level unknown just a few years ago.

Yet, as the state retreats and managing money gets ever more complex it will be vital to the rest of young people's lives that they understand the importance of budgeting, financial planning and making sound financial decisions.

## **Money Workshops**

The aim of The Money Charity's Young People's Money Workshops is to provide the building blocks to sound money management, helping young people develop skills, knowledge and attitudes and behaviours that will help them make the most of their money throughout their lives. We offer schools unique and tailored workshops for Key Stage 3, Key Stage 4 and Post 16 students. Our popular 60 minute workshops fit in with designated lesson times, while we also offer 100 minute and full and half day options which allow a wider range of content and greater detail, to support deeper understanding.

Delivered to classroom-sized groups, they cover the essentials of staying on top of your money, including planning ahead, using money to achieve your goals, savings, understanding credit and financial products like banking and student finance. Each workshop includes a range of activities, the chance to debate and discuss, and relevant takeaways for the students. We typically deliver as part of designated lesson times, such as Citizenship, Maths or PSHE, and our workshops are mapped to the English, Welsh and Northern Ireland Curriculums.

**"Very valuable for the pupils in the future. It has made them think about what is important. Definitely book again"**

YEAR 9 TEACHER | WREXHAM, 2017

Our Young People's Money Workshops are delivered by expert presenters, or by trained volunteers as part of our Volunteer Programmes. The majority of our workshops are delivered by our presenters, based around the country, delivering in their local schools. A small proportion of our workshops are

**"The workshop was totally relevant and uses pupils' knowledge. Pupils can really relate to the concept because of great questioning"**

YEAR 8 TEACHER | CHESHIRE, 2017

delivered by corporate volunteers. The volunteers are trained by us, and supported by their employers to deliver a basic module in schools near where they work. This allows us to reach other parts of the country and therefore young people that we might otherwise not.

In 2017 we delivered 730 hours of Money Workshops to 16,525 students in schools and colleges across England, Wales and Northern Ireland. The number of young people's workshops this year was less than in 2016 as we needed to prioritise the vitally important What Works Fund project, the start of which was delayed until October 2017.

## **What Works Fund**

The Money Advice Service (MAS) What Works Fund was set up to increase understanding of the effectiveness of different ways to improve financial capability. Following a successful 2016 bid for inclusion of our schools work, we commissioned the National Foundation of Educational Research (NFER) to run a randomised controlled trial (RCT) to measure the impact and effectiveness of our Key Stage 4 and Post 16 young people's Money Workshops.

Our What Works participation began with baseline surveys, and delivery of 97 Money Workshops (101 hours) reaching 1,866 students during October - December 2017. The work continued in early 2018 with follow-up surveys and delivery of workshops, largely to control group schools reaching an even larger number of young people. An RCT delivers the 'gold standard' of evaluation. Robust evidence that what we do works to improve financial understanding and capability will support us to push financial education for young people up the agenda with decision makers, in schools and with funders.

## **Teacher Resource Packs**

2017 saw the introduction of our first set of Teacher Resource Packs – each a 'lesson in a box' that we can leave behind in schools we visit, or send to schools we cannot reach with Money Workshops. The first four packs, tailored for Key Stages 3 and 4, cover Planning for your Goals and Budgeting. The packs enable teachers to build on the content of our Money Workshops to deliver continuing financial education to their students. They also empower schools we can't reach with workshops to provide financial education. Often, teachers might not otherwise have felt prepared or confident enough to deliver financial education. Just over 300 packs were provided for schools across the country in 2017; work is underway on new Teacher Resource Packs, for introduction in 2018.

## **Student Money Manual**

Many young people who may have received little or no financial education in school face managing their own money for the first time as students, against a backdrop of very significant student debt.



# The Money Charity Annual Report

For the year ended 31 December 2017

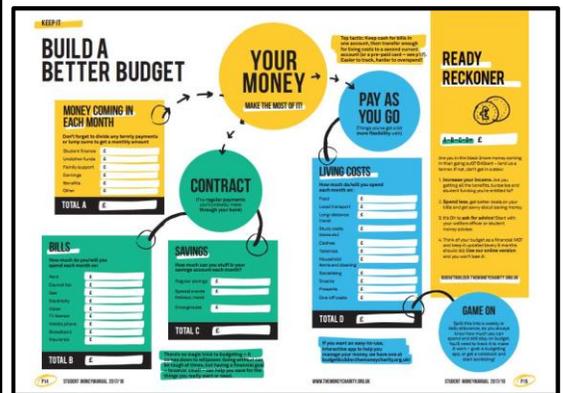
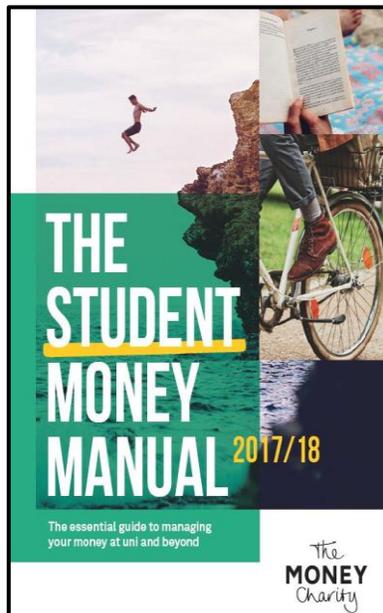
Our annual Student Money Manual (SMM) is a detailed guide to student finance and managing money at university. It's the only dedicated hard copy resource that's produced, updated and printed annually, providing relevant and accurate information on how students can manage their money at university.

The SMM provides information for young people who are already at university and also those who are at the stage when they can consider whether they could - and could afford - to go to university; equips young people as they look forward to becoming students; and supports students at the point they begin at university and become financially independent. These are stages in life when many young people are particularly aware of how much they are uncertain of when it comes to managing their own finances, and so are very receptive to our messages.

2017 was the third year we sold our SMM to schools and universities - we distributed over 23,000 copies during the year. Our new 2017/18 SMM was ready for the new academic year. Selling at low cost to schools, universities, colleges, student organisations and individuals, by the end of 2017 we had shipped over 12,000 copies of the new edition.

## Young People Consultancy

In 2017 we secured some new Young People communications consultancy, with The Girl Guides Association and St. James's Place. We look forward to continuing our partnership with St James' Place and aim to secure more consultancy in the Young People's space in 2018.



## Adults and Industry work

### We build financial capability regardless of age and stage in life.

- Although now part of the curriculum, most adults never received any financial education during school, university, or as part of an apprenticeship scheme. Only 16% of UK adults rated themselves as having high knowledge when it comes to finances (FCA Financial Lives Survey, 2017).
- Following the financial crisis as well as changes to welfare and government policy, many families are feeling squeezed. Improving financial capability provides them with the knowledge and tools to stay on top of their money and live happier lives.

### Adult Money Workshops - Not for Profit partners

We have three standard Adult education programmes suitable for clients of not-for-profit partners:

Our **2-hour Adult Money Workshop** focuses on planning your finances, facing debt, saving to achieve your goals, choosing financial products and managing your everyday money. Throughout the workshop, participants develop a personalised Action Plan to help them transfer their learning into real life.

Our **Independent Living Workshop** is for young people aged 16-19 who are not in education and are thinking about moving out of their family home. Its aim is to help participants prepare for living independently. It covers planning your money, budgeting and the expected costs of living alone.

"Thanks very much for a great workshop [...] I thought it was brilliant and, as far as I can tell, so did the clients."

MARK | EMPLOYMENT SUPPORT WORKER | THE CONNECTION

Our **Full Day Adult Workshop** is an in-depth look at all money management topics. It is targeted at those who support other adults, such as front line advice workers, or anyone who wants a deeper understanding of financial capability.

Using relevant examples, delivery and materials, all our Adult Money Workshops cover: attitudes to money; aspirations; budgeting & planning your finances; managing everyday money; borrowing and

"I have a budget [...] AND I ENJOY IT! I never thought I'd say that! [...] I'm managing my money and feeling so much better."

LAURA | ADULT WORKSHOP ATTENDEE

saving to achieve your goals. The workshops are engaging and relevant, focusing on developing financial capability. During their workshop, participants develop a personal Action Plan, applying their learning to their own situation.

In 2017 we delivered 54 Adult Workshops to and through not-for-profit partner organisations and reached 563 people. These were increases of 50% in the number of adult workshops and 35% in adults reached compared to 2016. Groups reached in 2017 included clients of Mums in Need; the Asian Women's Resource Centre Soho/Victoria; CIC Bridges Project (people with learning disabilities); Caretrade (people with autism) Clean Break (women offenders); Girl Guides; Hammersmith & Fulham adult carers' support.

In 2017 we continued our bespoke training development, responding to the needs and financial concerns of specific audiences or voluntary sector partners. Working with Mencap groups, we developed and delivered tailored Adult Money Workshops for people with learning disabilities. Research has also been completed into the possibility and potential for tailored workshops for other groups of people with complex needs. Cost and sustainability challenges and feedback and learning from prior workshops led to a decision to focus on developing a Train-the-Trainer programme for skilled complex need support workers, as well as tailoring resources for some specific groups of end-users. We hope to take this forward in the coming year.

### **Adult Training – Commercial**

Compared to just one in 2016, we delivered nine paid commercial Adult Training sessions in 2017, including four for staff of Pennington Manches, a law firm and three as part of the Sporting Champions Scheme, sponsored by Colin Jackson and Everyone Active. This is an area of work which we aim to increase considerably in the coming year, both as a way to reach more adults with financial capability education and as a potentially significant income stream for The Money Charity.



## Consultancy

Our Adult consultancy with commercial and charity organisations was temporarily scaled back in 2017, during the transition to a new Head of Adult and Industry. The position was filled late in the year and this is an area we are now well placed to build upon, again combining achievement of our charitable objectives with the development of our earned income. By the end of 2017 consultancy for three organisations, Punter Southall, BrightHouse and YMCA Humber, had been secured for 2018. Significantly more, including a high-profile piece of consultancy for The Post Office, is already underway in 2018.

## Policy, research and communications

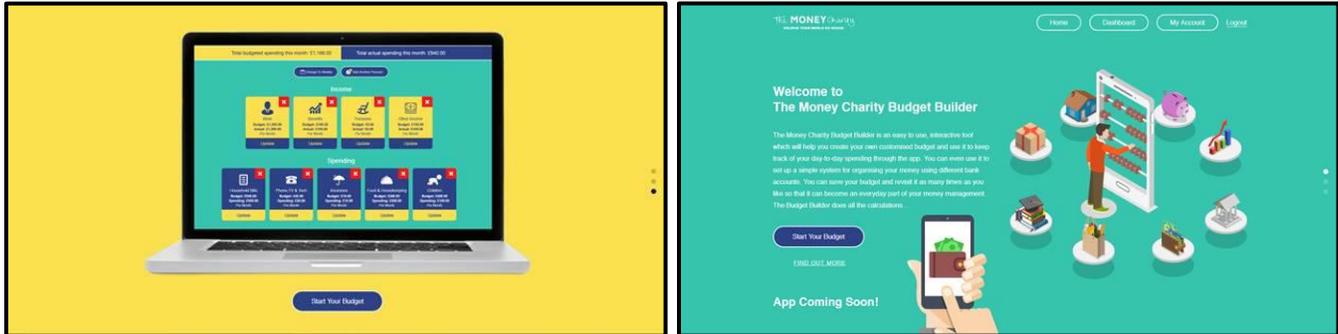
Campaigning, contributing to policy consultations and working with financial service providers to encourage developments that make money easier to understand and manage are vital elements of our work. As a small charity with a big vision, these are ways we can influence decision makers, encourage others to provide financial capability support and improve the financial lives of people across the UK. The rate of relevant consultations has reduced since the Brexit vote, but in 2017 we submitted formal written responses to eight, including: HM Treasury on 'Amending the definition of advice' and 'Proposals for a Single Financial Guidance Body'; the Financial Conduct Authority's 'Mission' Consultation and its consultations on 'Persistent credit card debt and earlier intervention remedies' and 'Assessing creditworthiness in consumer credit'; and the Money Advice Service 'Business Plan 2017-18'.



In 2017 we continued to participate actively within the financial capability sector, working with colleagues in other organisations who share our wish to improve financial capability in the UK. This included membership of a number of groups, such as the Youth Financial Capability Group and the FCA's Consumer Forum. This way our voice is heard in many different forums and with different audiences and we contribute to discussion of key issues which can have a lasting impact on our society.

## Our website and social media

The Money Charity's objective is that financial capability support should be available to everyone who needs it. As we can't provide direct face to face support for everyone, we publicise the issues of financial capability and financial education through our press releases, website, social media and blogs.



We offer straightforward information and tools through our website, which received 76,513 visits from 64,105 unique visitors in 2017. In November 2017 we introduced our entirely new Budgetbuilder website free tool, and it had been used to start almost 2,500 budgets by the end of 2017.

We work hard to ensure a growing social media following, and Twitter is particularly important to us in this. From January to December we grew our Twitter following by over 13%, to 5,310. In late 2017 we established our presence on LinkedIn for the first time.

## The Money Statistics

**HUFFPOST**

### Mark Carney Warned: Raising Interest Rates Will Hurt Struggling Homeowners The Most

Even a small rise could have a dramatic impact on those barely managing.

© 11/02/2017 07:01 GMT | Updated 31/10/2017 12:22 GMT

The Money Charity is concerned that even a slight rise in interest rates from their historic low of 0.25% could have severe implications for those struggling to balance mortgage repayments and personal debt.

While a modest rise of 0.25% could see mortgages increase by around £30 a month for some homeowners, those living in tight financial constraints may be forced to cut back on credit card or loan repayments to keep up payments to the bank.

That could lead to personal debt – which has a far greater interest rate than mortgages – soaring.

Another debt charity, Step Change, urged against overstating the impact of a small rate rise, but admitted that for those “living on the edge” it could have a serious impact.

Interest rates have not risen since July 2007, and were slashed to the then-historic low of 0.5% in March 2009 as a way of coping with the financial crash which had occurred just six months earlier.

But with inflation hitting 3% - and likely to increase – Bank of England Governor Mark Carney warned MPs last week a [rate hike was likely in the “coming months.”](#)

The group of nine economists who decide the base rate - the Bank of England's Monetary Policy Committee - will announce on Thursday November 2 if rates will increase.



**BBC NEWS**

Home UK World Business Politics Tech Science Health Family & Education E

Wales Wales Politics North West North East Mid South West South East Cymru

### Household incomes lag in Wales in latest UK figures

By Sarah Dikins  
BBC Wales economics correspondent

© 24 May 2017

Household income in Wales is the lowest of the UK nations, apart from Northern Ireland, according to new figures.

Looking at what people have left to spend after tax, benefits or pensions are accounted for gives us a more accurate picture than just looking at earnings.

But some researchers say we should also look at other indicators which suggest people are struggling.

Judy Stockford, a lecturer in finance at the Cardiff School of Management, said: “There are lots of different pieces of research showing us that ordinary working people are struggling just to get by and are borrowing - sometimes expensively - just to pay for essential living costs.

“We’ve had weak growth in earnings but we’ve seen higher rises in prices and we’re living in a culture of consumerism.

“We are used to ‘having now pay later’ and are seriously over-indebted as a nation. This dates back to the 1970s and 80s when the markets were de-regulated. Personal borrowing has grown and grown.”

According to [the Money Charity](#), the average credit card debt per household in March was £2,504.

We trawl dozens of statistical sources and crunch the data each month to produce the unique perspectives and fascinating facts of 'The Money Stats' – our round-up of important statistics in money, debt, credit, tax and benefits, housing and the economy.

The power of The Money Stats isn't just the audience they reach, but the stories they allow us to tell about financial capability in the UK. They are a platform for widely-read press releases and blogs highlighting a variety of vital issues to a significant and sophisticated audience. From the message of record low savings rates to that of falling youth unemployment, they are our way of raising issues and generating discussion.

We receive regular contact from the media, with requests to use or quote from The Money Stats. Issues were read approximately 50,000 times on our website in 2017 and news from the Money Stats is regularly picked up and publicised by a wide range of media, including BBC News, The Telegraph, Huffington Post, The Mirror and The Spectator as well as specialist financial media.

The Money Statistics continue to be our most common website 'landing page'. It is more popular than the home page, suggesting media and social media coverage, and our own Money Statistics e-publications, are driving a high proportion of traffic.



## Funding

We have continued to benefit from support from many of our much valued existing funders, some of whom have supported our work for many years, such as Provident Financial, Vanquis and Dollar Financial. In 2017 we very much welcomed the Garfield Weston Foundation, The Money Advice Service What Works Fund, Ascent Performance Group, the Newcomen Collett Foundation and NextGen Planners group as new supporters of our young people's Money Workshops.

After a rigorous selection process we are also very proud to have been selected as one of ten from over 400 applications for support through the CAF Resilience programme. This will bring us funding of up to £100,000 over two years and a range of other support once it begins, hopefully in 2018.

2017 has also included a number of new funding and income generation partnerships, including the consultancy partnerships with St James's Place and The Post Office; our first work with the student accommodation company Campus Living Villages which distributed copies of the Student Money Manual to residents; and acceptance onto the Google Grants programme, which we hope will support building awareness of our commercial Adult Training and distribution of the Student Money Manual.

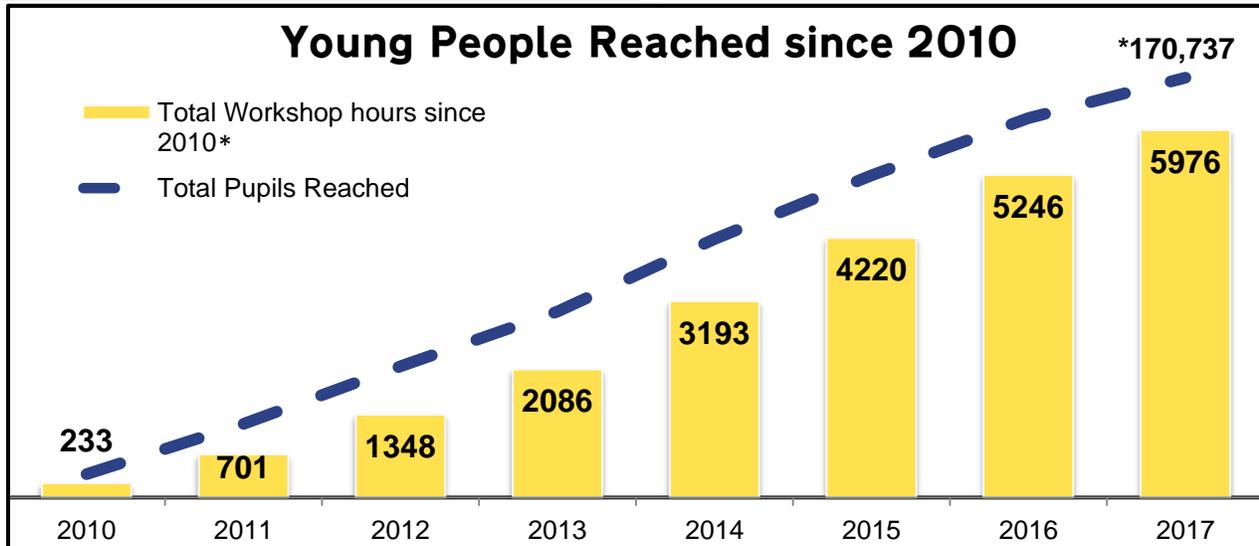
Finally, in 2017 The Money Charity gained its first ever London Marathon place. Tim Perkins, co-founder of the financial information company Nudge Global, will not only be running for us in the 2018 race ... he hopes to be running as a Money Tree, aiming for a place in the Guinness Book of Records for 'The fastest marathon run dressed as a tree (male)!'!



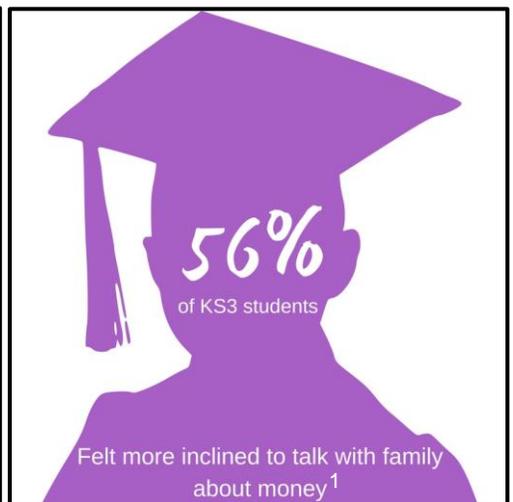
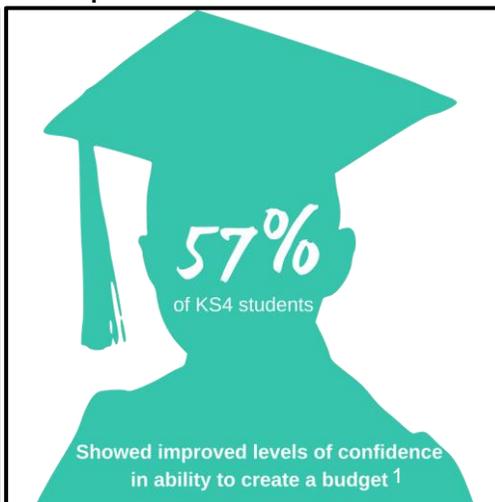
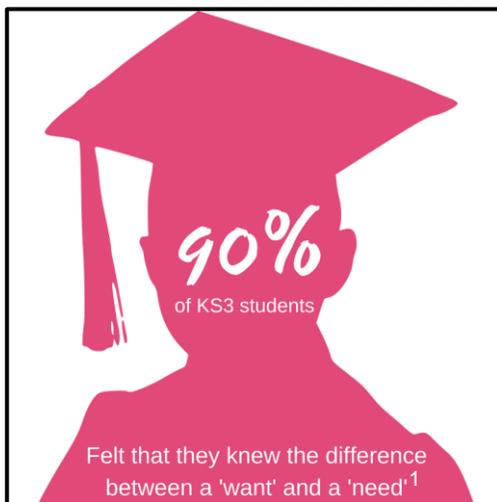
## Highlights of our achievements in 2017

In 2017, we reached **16,525** young people across **730** hours of workshops around the UK

We've delivered around **6,000** hours of Money Workshops reaching over **170,000** young people across the UK since 2010.



\*Prior to 2016 we calculated total workshops rather than hours



1. Sterling Research Evaluation of The Money Charity's 2016/17 Academic Year Workshops for Schools

We launched our first Teacher Resource Packs

We distributed over **23,000** of our Student Money Manuals

We developed a new Adult and Industry Strategy, improving our offer for businesses and non-profits



## 2. Sterling Research Evaluation of The Money Charity's 2017 Adult Money Workshops

We responded to **8** consultations

We grew our social media presence, ending 2017 with **5,310** Twitter followers, up over **13%** in 12 months

The Money Charity website received **148,207** page views during the year, almost **50,000** of which were from our Money Statistics

We launched our new BudgetBuilder in November. It had been used to create **2,433** budgets by the end of the year

## Beneficiaries of our services



The beneficiaries of our services are people of all ages and backgrounds across the UK. Our face to face delivery in schools, colleges, workplaces, and adult community groups is in England, Wales, and Northern Ireland only. Our digital and printed information and resources are available across the UK.

## Financial review

Overall income for the year amounted to £672,263 (2016 £452,045) with an expenditure for the period of £609,368 (2016 £447,843). Net income was £62,895 compared with £4,202 in 2016. Our income and expenses in 2017 were considerably higher than in recent years, due largely to the significant What Works Fund project from the Money Advice Service. This important project started in early 2017 and will be completed during 2018. It represented around one-third of our total income and expenses in 2017.

Net assets of the charity amounted to £364,525 (2016 £301,630) at 31 December 2017, comprising £216,838 (2016 £174,212) of unrestricted reserves and £147,687 (2016 £127,418) of restricted reserves. At year-end, there were no material commitments of unrestricted reserves not provided for as a liability in the accounts.

We have benefitted from a three-year partnership with an individual donor, which came to an end in 2017. In anticipation of this, we have been working hard to diversify our funding sources and build our earned income. This, together with the increased level of project activity and income in 2017, meant that we have been able to strengthen our reserves during the year, leaving us in a stronger financial position to withstand an anticipated drop in unrestricted and restricted income in 2018.

As a result, we have had significant bank balances from time to time during 2017. The majority has been placed in a number of at-hand bank accounts and deposits, to provide an appropriate mix of security, investment income and short-term access. At year-end bank and cash balances were £376,073 (2016 £335,735), in addition to a short-term deposit of £51,235 (2016-nil).

It has been the historical policy of the organisation to ensure expenditure is closely linked to income, although this can vary with the timing of significant projects, and this principle will continue in the future.

Our financial position in future will depend on a number of factors, primarily our ability to continue to raise funds, build our earned income and manage our cost base, as well as to retain our staff and continue to achieve desirable outcomes for those we support, and evidence this for our funders and the wider community.

## **Principal risks and uncertainties**

It continues to be difficult to raise funds in the financial capability sector. Although what we do is valued by our beneficiaries and beyond, the debate as to who should pay for it continues. In addition the Money Advice Service (MAS), the body with statutory responsibility for financial capability is to be replaced in 2018 by the Single Financial Guidance Body. MAS was one of our significant funders in 2017 and therefore the future funding plans of the SFGB will be important for us and the wider sector.

As noted above, we have been anticipating and mitigating the risk of a drop of unrestricted income in 2018 by diversifying our sources of funding and increasing earned income.

## **Reserves policy and going concern**

It is the policy of the charity that the unrestricted funds not committed or invested in tangible fixed assets (the free reserves) held, should equate to a minimum of three months of our unrestricted expenditure. In December 2017 reserves had increased following the significant increase in project activity and earned income during the year and amounted to seven months of expenditure. This is comfortably over our target of three months' unrestricted expenditure. As mentioned above, a three year relationship with an individual donor came to an end in 2017; we therefore expect our unrestricted reserves to drop in 2018. We have therefore deliberately built up our unrestricted reserves in anticipation of this.

## Plans for the future

In the future, we expect broadly to continue with our current strategies, as agreed in our strategic reviews of 2012 and 2015, and set out in our objectives and aims above. However we will be conducting a further strategic review in 2018, which will allow us time to reflect and confirm or change our strategic direction and underlying plans.



## Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 28th September 2004 and registered as a charity on 23rd November 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its articles of association. Having changed its formal name in 2012, the charity rebranded and launched as The Money Charity in 2013 and updated its Articles of Association in 2014. All trustees give their time voluntarily and receive no benefits from the charity. The governing body is the board of trustees.

Four board meetings were held during the year, three at The Money Charity's office and one by telephone conference call. The charity's trustees and senior management attended these meetings.

The Chief Executive (Michelle Highman) who is appointed by the trustees, manages the day-to-day operation of The Money Charity's activities under delegated authority. Steph Hayter covered as Acting Chief Executive from July 2017 until the end of January 2018, during the period of Michelle's maternity leave. The Chief Executive is responsible for maintaining the direction of the organisation thus ensuring the charity's objectives are achieved.

At year-end, the Chief Executive was supported by eight staff (including the Acting Chief Executive), of whom five were part-time. The charity's staff are all based at our head office in Clapham, London.



## Appointment of trustees

The directors of the company are charity trustees for the purpose of charity law and under the company's Articles are known as members of the board. The board ensures that when admitting trustees it takes into account the need for trustees to contribute to the skills and balance of the board as a whole. Recruitment is normally conducted on an open basis, unless a particular skill or need is identified which is best fulfilled by a known individual. Trustees are formally elected to post by the current trustees.

New trustees are inducted through a combination of face to face meetings, and the provision of an induction pack.

## Remuneration for key personnel

Since appointment, the Chief Executive has voluntarily excluded herself from any pay review process. The trustees approved the maternity leave arrangements and the acting up payments covering 2017 and 2018.

All other remuneration decisions are delegated to the Chief Executive within the pay review budget approved each year by the trustees.

## Statement of responsibilities of the trustees

The trustees (who are also directors of The Money Charity for the purposes of company law) are responsible for preparing the trustees' annual 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.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2017 was 6 (2016: 5). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 25 April 2018 and signed on their behalf by

Chris Pond

Chair

Date: 25 April 2018

# The Money Charity Annual Report

For the year ended 31 December 2017

Thank you to all our friends and supporters, including:

**Ascent Performance Group**

**BrightHouse**

**Charities Aid Foundation**

**Clearscore**

**John Coates Charitable Trust**

**Computershare**

**Dollar Financial**

**Garfield Weston Foundation**

**Link Financial**

**Money Advice Service/What Works Fund**

**The Mulberry Trust**

**Newcomen Collett Foundation**

**NextGen Planners**

**Phoenix Group**

**The Post Office**

**Provident**

**Punter Southall Aspire**

**SJP Wealth Management**

**Vanquis**

**And our many individual supporters and users of our services.**

## Independent Examiner's report

### To the trustees of

### The Money Charity

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2017.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

## Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

## Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1 Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 The accounts do not accord with those records; or
- 3 The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- 4 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their

# The Money Charity Annual Report

For the year ended 31 December 2017

accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Name: Joanna Pittman

Relevant professional qualification or membership of professional bodies (if any):

The Institute of Chartered Accountants in England and Wales

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 25 April 2018

**The Money Charity**

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

**For the year ended 31 December 2017**

|  | Note | Unrestricted<br>£ | Restricted<br>£ | 2017<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£ | 2016<br>Total<br>£ |
|--|------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| <b>Income from:</b>                            |      |                   |                 |                    |                   |                 |                    |
| Donations and legacies                         |      | 209,461           |                 | <b>209,461</b>     | 219,599           | -               | 219,599            |
| Charitable activities                          |      |                   |                 |                    |                   |                 |                    |
| Core activities                                | 2    | 31,091            | 429,614         | <b>460,705</b>     | 16,992            | 214,094         | 231,086            |
| Investments                                    |      | 2,097             | -               | <b>2,097</b>       | 1,360             | -               | 1,360              |
| <b>Total income</b>                            |      | <b>242,649</b>    | <b>429,614</b>  | <b>672,263</b>     | <b>237,951</b>    | <b>214,094</b>  | <b>452,045</b>     |
| <b>Expenditure on:</b>                         |      |                   |                 |                    |                   |                 |                    |
| Raising funds                                  | 3    | 67,408            | -               | <b>67,408</b>      | 8,383             | -               | 8,383              |
| Charitable activities                          |      |                   |                 |                    |                   |                 |                    |
| Core activities                                | 3    | 132,615           | 409,345         | <b>541,960</b>     | 256,439           | 183,021         | 439,460            |
| <b>Total expenditure</b>                       |      | <b>200,023</b>    | <b>409,345</b>  | <b>609,368</b>     | <b>264,822</b>    | <b>183,021</b>  | <b>447,843</b>     |
| <b>Net income / (expenditure) for the year</b> | 4    | 42,626            | 20,269          | <b>62,895</b>      | (26,871)          | 31,073          | 4,202              |
| <b>Reconciliation of funds:</b>                |      |                   |                 |                    |                   |                 |                    |
| Total funds brought forward                    |      | 174,212           | 127,418         | <b>301,630</b>     | 201,083           | 96,345          | 297,428            |
| <b>Total funds carried forward</b>             |      | <b>216,838</b>    | <b>147,687</b>  | <b>364,525</b>     | <b>174,212</b>    | <b>127,418</b>  | <b>301,630</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 13 to the financial statements.

## The Money Charity

### Balance sheet

Company no. 05244075

As at 31 December 2017

|  | Note | £              | 2017<br>£                    | £              | 2016<br>£             |
|--|------|----------------|------------------------------|----------------|-----------------------|
| <b>Fixed assets:</b>                           |      |                |                              |                |                       |
| Tangible assets                                | 8    |                | <u>157</u>                   |                | <u>209</u>            |
|  |      |                | <b>157</b>                   |                | <b>209</b>            |
| <b>Current assets:</b>                         |      |                |                              |                |                       |
| Debtors  | 9    | 3,297          |                              | 2,278          |                       |
| Short term deposits                            |      | 51,235         |                              | -              |                       |
| Cash at bank and in hand                       |      | <u>376,073</u> |                              | <u>335,735</u> |                       |
|  |      | <b>430,605</b> |                              | <b>338,013</b> |                       |
| <b>Liabilities:</b>                            |      |                |                              |                |                       |
| Creditors: amounts falling due within one year | 10   | <u>66,237</u>  |                              | <u>36,592</u>  |                       |
| <b>Net current assets / (liabilities)</b>      |      |                | <u><b>364,368</b></u>        |                | <u>301,421</u>        |
| <b>Total assets less current liabilities</b>   |      |                | <u><b>364,525</b></u>        |                | <u>301,630</u>        |
| <b>Total net assets / (liabilities)</b>        |      |                | <u><u><b>364,525</b></u></u> |                | <u><u>301,630</u></u> |
| <b>The funds of the charity:</b>               | 13   |                |                              |                |                       |
| Restricted income funds                        |      |                | <b>147,687</b>               |                | 127,418               |
| Unrestricted income funds:                     |      |                |                              |                |                       |
| General funds                                  |      | <u>216,838</u> |                              | <u>174,212</u> |                       |
| Total unrestricted funds                       |      |                | <u><b>216,838</b></u>        |                | <u>174,212</u>        |
| <b>Total charity funds</b>                     |      |                | <u><u><b>364,525</b></u></u> |                | <u><u>301,630</u></u> |

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

Approved by the trustees on 25 April 2018 and signed on their behalf by

CR Pond  
Trustee

## The Money Charity

### Statement of cash flows

For the year ended 31 December 2017

|  | Note | 2017            |                 | 2016  |                |
|--|------|-----------------|-----------------|-------|----------------|
|  |      | £               | £               | £     | £              |
| <b>Cash flows from operating activities</b>                  | 15   |                 |                 |       |                |
| <b>Net cash provided by / (used in) operating activities</b> |      |                 | <b>89,476</b>   |       | <b>35,054</b>  |
| <b>Cash flows from investing activities:</b>                 |      |                 |                 |       |                |
| Dividends, interest and rents from investments               |      | <b>2,097</b>    |                 | 1,360 |                |
| Transfer of cash to deposit account                          |      | <b>(51,235)</b> |                 |       |                |
| <b>Net cash provided by / (used in) investing activities</b> |      |                 | <b>(49,138)</b> |       | <b>1,360</b>   |
| <b>Change in cash and cash equivalents in the year</b>       |      |                 | <b>40,338</b>   |       | <b>36,414</b>  |
| Cash and cash equivalents at the beginning of the year       |      |                 | <b>335,735</b>  |       | <b>299,321</b> |
| <b>Cash and cash equivalents at the end of the year</b>      |      |                 | <b>376,073</b>  |       | <b>335,735</b> |

**1 Accounting policies**

**a) Statutory information**

The Money Charity is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 15 Prescott Place, London SW4 6BS.

**b) Basis of preparation**

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

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

**c) Public benefit entity**

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

**d) Going concern**

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

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

**e) Income**

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

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

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

**f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

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

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

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

**1 Accounting policies (continued)**

**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 delivering services and other educational activities 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.

**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, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

|                              |       |
|------------------------------|-------|
| ~ Charitable core activities | 60.0% |
| ~ Raising funds              | 14.4% |
| ~ Support costs              | 25.6% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**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 £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 and software  | 25% Straight line    |
| ~ Furniture, fixtures and fittings | 25% Reducing balance |

**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) Short term deposits**

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

**1 Accounting policies (continued)**

**o) Creditors and provisions**

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

**p) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**q) Pensions**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2 Income from charitable activities**

|              | Unrestricted<br>£ | Restricted<br>£ | <b>2017<br/>Total<br/>£</b> | 2016<br>Total<br>£ |
|--------------|-------------------|-----------------|-----------------------------|--------------------|
| Grants       | 10,000            | 429,614         | <b>439,614</b>              | 214,094            |
| Consultancy  | 10,200            | -               | <b>10,200</b>               | 10,325             |
| Money manual | 6,571             | -               | <b>6,571</b>                | 5,702              |
| Training     | 4,320             | -               | <b>4,320</b>                | 965                |
|              | <u>31,091</u>     | <u>429,614</u>  | <u><b>460,705</b></u>       | <u>231,086</u>     |

The Money Charity

Notes to the financial statements

For the year ended 31 December 2017

3 Analysis of expenditure

|   | Raising funds<br>£ | Charitable<br>core activities<br>£ | Governance<br>costs<br>£ | Support costs<br>£ | 2017 Total<br>£ | 2016<br>£      | Total<br>£ |
|---|--------------------|------------------------------------|--------------------------|--------------------|-----------------|----------------|------------|
| Staff costs (Note 5)                      | 42,059             | 175,247                            | -                        | 74,772             | <b>292,078</b>  | 244,827        |            |
| Other staff costs                         | -                  | -                                  | -                        | 13,844             | <b>13,844</b>   | 7,729          |            |
| Restricted direct costs                   | -                  | 233,602                            | -                        | -                  | <b>233,602</b>  | 98,907         |            |
| Unrestricted direct costs                 | -                  | 12,126                             | -                        | -                  | <b>12,126</b>   | 24,799         |            |
| Other charitable activities               | -                  | 12,019                             | -                        | -                  | <b>12,019</b>   | 3,059          |            |
| Insurance                                 | -                  | -                                  | -                        | 1,688              | <b>1,688</b>    | 1,684          |            |
| Telephone and internet                    | -                  | -                                  | -                        | 6,472              | <b>6,472</b>    | 4,117          |            |
| Office costs                              | -                  | -                                  | -                        | 2,789              | <b>2,789</b>    | 1,806          |            |
| Computer maintenance and<br>printing cost | -                  | -                                  | -                        | 10,033             | <b>10,033</b>   | 9,015          |            |
| Rent                                      | -                  | -                                  | -                        | 20,004             | <b>20,004</b>   | 20,004         |            |
| HR support fees                           | -                  | -                                  | -                        | 975                | <b>975</b>      | 976            |            |
| Consultancy                               | -                  | -                                  | -                        | -                  | -               | 8,383          |            |
| Audit and IE fees                         | -                  | -                                  | 3,637                    | -                  | <b>3,637</b>    | 8,355          |            |
| Accountancy fees                          | -                  | -                                  | -                        | -                  | -               | 1,911          |            |
| Depreciation                              | -                  | -                                  | -                        | 52                 | <b>52</b>       | 68             |            |
| Miscellaneous                             | -                  | -                                  | 13                       | 36                 | <b>49</b>       | 12,203         |            |
|   | <b>42,059</b>      | <b>432,994</b>                     | <b>3,650</b>             | <b>130,665</b>     | <b>609,368</b>  | <b>447,843</b> |            |
| Support costs                             | 25,349             | 105,316                            | -                        | (130,665)          | -               | -              |            |
| Governance costs                          | -                  | 3,650                              | (3,650)                  | -                  | -               | -              |            |
| <b>Total expenditure 2017</b>             | <b>67,408</b>      | <b>541,960</b>                     | <b>-</b>                 | <b>-</b>           | <b>609,368</b>  | <b>447,843</b> |            |
| Total expenditure 2016                    | 8,383              | 439,460                            | -                        | -                  | 447,843         |                |            |

Of the total expenditure, £200,023 was unrestricted (2016: £264,822) and £409,345 was restricted (2016: £183,021).

## The Money Charity

### Notes to the financial statements

#### For the year ended 31 December 2017

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#### 4 Net income for the year

This is stated after charging / (crediting):

|   | 2017<br>£    | 2016<br>£ |
|---|--------------|-----------|
| Depreciation                            | 52           | 68        |
| Operating lease rentals:                |              |           |
| Property                                | 20,004       | 20,004    |
| Equipment                               | 3,687        | 3,687     |
| Auditor's remuneration (excluding VAT): |              |           |
| Audit                                   | -            | 6,000     |
| Accountancy                             | -            | 750       |
| Independent Examination                 | 3,075        | -         |
|   | <u>3,075</u> | <u>-</u>  |

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

Staff costs were as follows:

|   | 2017<br>£      | 2016<br>£      |
|---|----------------|----------------|
| Salaries and wages  | 247,880        | 209,378        |
| Social security costs   | 22,894         | 18,590         |
| Employer's contribution to defined contribution pension schemes | 21,304         | 16,859         |
|   | <u>292,078</u> | <u>244,827</u> |

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

|                   | 2017<br>No. | 2016<br>No. |
|-------------------|-------------|-------------|
| £70,000 - £79,999 | <u>1</u>    | <u>1</u>    |

The key management of the personnel of the charity in 2017 comprised of the Chief Executive and, during her maternity leave during 2017, two members of the Senior Management team. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel (reflecting the maternity leave arrangements referred to above) were £116,581 (2016: £85,540).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

# The Money Charity

## Notes to the financial statements

### For the year ended 31 December 2017

#### 6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 9 (2016: 7).

| Staff are split across the activities of the charitable company as follows: | <b>2017</b> | 2016 |
|---|-------------|------|
|   | <b>No.</b>  | No.  |
| Raising funds   | <b>1.3</b>  | 0.2  |
| Core activities   | <b>5.4</b>  | 5.6  |
| Support and governance  | <b>2.3</b>  | 1.2  |
|   | <b>9.0</b>  | 7.0  |

#### 7 Related party transactions

Aggregate donations from related parties were £200,000 (2016: £200,000).

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

#### 8 Tangible fixed assets

|                               | Furniture,<br>fixtures and<br>fittings<br>£ | Computer<br>equipment<br>and<br>software<br>£ | <b>Total</b><br>£ |
|-------------------------------|---|---|-------------------|
| <b>Cost or valuation</b>      |   |   |                   |
| At the start of the year      | 4,967                                       | 12,371  | <b>17,338</b>     |
| <b>Depreciation</b>           |   |   |                   |
| At the start of the year      | 4,758                                       | 12,371  | <b>17,129</b>     |
| Charge for the year           | 52  | -   | <b>52</b>         |
| At the end of the year        | 4,810                                       | 12,371  | <b>17,181</b>     |
| <b>Net book value</b>         |   |   |                   |
| <b>At the end of the year</b> | <b>157</b>                                  | <b>-</b>                                      | <b>157</b>        |
| At the start of the year      | 209   | -   | 209               |

All of the above assets are used for charitable purposes.

#### 9 Debtors

|               | <b>2017</b>  | 2016  |
|---------------|--------------|-------|
|               | <b>£</b>     | £     |
| Trade debtors | <b>1,746</b> | 1,228 |
| Other debtors | <b>1,551</b> | 1,050 |
|               | <b>3,297</b> | 2,278 |

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost.

10 Creditors: amounts falling due within one year

|                 | 2017<br>£     | 2016<br>£     |
|-----------------|---------------|---------------|
| Trade creditors | 24,519        | 24,669        |
| Accruals        | 41,718        | 11,923        |
|                 | <b>66,237</b> | <b>36,592</b> |

11 Analysis of net assets between funds (current year)

|                                       | General<br>unrestricted<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|------------------|
| Tangible fixed assets                 | 157                          | -               | 157              |
| Net current assets                    | 216,681                      | 147,687         | 364,368          |
| <b>Net assets at 31 December 2017</b> | <b>216,838</b>               | <b>147,687</b>  | <b>364,525</b>   |

12 Analysis of net assets between funds (prior year)

|                                       | General<br>unrestricted<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|------------------|
| Tangible fixed assets                 | 209                          | -               | 209              |
| Net current assets                    | 174,003                      | 127,418         | 301,421          |
| <b>Net assets at 31 December 2016</b> | <b>174,212</b>               | <b>127,418</b>  | <b>301,630</b>   |

13 Movements in funds (current year)

|                                 | At 1 January<br>2017<br>£ | Income &<br>gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>£ | At 31<br>December<br>2017<br>£ |
|---------------------------------|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| <b>Restricted funds:</b>        |                           |                        |                              |                |                                |
| Financial Education in Schools  | 82,952                    | 403,764                | (368,629)                    | -              | 118,087                        |
| Adult training                  | 44,466                    | 25,850                 | (40,716)                     | -              | 29,600                         |
| <b>Total restricted funds</b>   | <b>127,418</b>            | <b>429,614</b>         | <b>(409,345)</b>             | <b>-</b>       | <b>147,687</b>                 |
| <b>General funds</b>            | <b>174,212</b>            | <b>242,649</b>         | <b>(200,023)</b>             | <b>-</b>       | <b>216,838</b>                 |
| <b>Total unrestricted funds</b> | <b>174,212</b>            | <b>242,649</b>         | <b>(200,023)</b>             | <b>-</b>       | <b>216,838</b>                 |
| <b>Total funds</b>              | <b>301,630</b>            | <b>672,263</b>         | <b>(609,368)</b>             | <b>-</b>       | <b>364,525</b>                 |

The narrative to explain the purpose of each fund is given at the foot of the note below.

14 Movements in funds (prior year)

|                                 | At 1 January<br>2016<br>£ | Income &<br>gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>£ | At 31<br>December<br>2016<br>£ |
|---------------------------------|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| <b>Restricted funds:</b>        |                           |                        |                              |                |                                |
| Financial Education in Schools  | 71,308                    | 166,519                | (154,875)                    | -              | <b>82,952</b>                  |
| Adult training                  | 25,037                    | 47,575                 | (28,146)                     | -              | <b>44,466</b>                  |
| <b>Total restricted funds</b>   | <b>96,345</b>             | <b>214,094</b>         | <b>(183,021)</b>             | <b>-</b>       | <b>127,418</b>                 |
| <b>General funds</b>            | <b>201,083</b>            | <b>237,951</b>         | <b>(264,822)</b>             | <b>-</b>       | <b>174,212</b>                 |
| <b>Total unrestricted funds</b> | <b>201,083</b>            | <b>237,951</b>         | <b>(264,822)</b>             | <b>-</b>       | <b>174,212</b>                 |
| <b>Total funds</b>              | <b>297,428</b>            | <b>452,045</b>         | <b>(447,843)</b>             | <b>-</b>       | <b>301,630</b>                 |

**Purposes of restricted funds**

Adult training

This includes funding specifically for the provision of training to adults aimed both directly at individuals who want to learn to manage money well, and the intermediaries, such as housing associations and community groups who help them.

Financial Education in Schools

To provide free direct delivery training and teacher resource packs for young people, primarily in schools and colleges in England, Wales and Northern Ireland through our Money Workshops.

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

|   | 2017<br>£      | 2016<br>£ |
|---|----------------|-----------|
| <b>Net income / (expenditure) for the reporting period<br/>(as per the statement of financial activities)</b> | <b>62,895</b>  | 4,202     |
| Depreciation charges  | <b>52</b>      | 68        |
| Dividends, interest and rent from investments   | <b>(2,097)</b> | (1,360)   |
| (Increase)/decrease in debtors  | <b>(1,019)</b> | 8,794     |
| Increase/(decrease) in creditors  | <b>29,645</b>  | 23,350    |
| <b>Net cash provided by / (used in) operating activities</b>  | <b>89,476</b>  | 35,054    |

## The Money Charity

### Notes to the financial statements

For the year ended 31 December 2017

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#### 16 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

|                    | Equipment    |              |
|--------------------|--------------|--------------|
|                    | 2017         | 2016         |
|                    | £            | £            |
| Less than one year | 3,073        | 3,687        |
| One to five years  | -            | 3,073        |
|                    | <u>3,073</u> | <u>6,760</u> |

#### 17 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.

# The Money Charity Annual Report

For the year ended 31 December 2017



The  
**MONEY**  
Charity