



Alexander Sloan
Accountants and Business Advisers

Company Registration No. SC219693 (Scotland)

MONEY MATTERS MONEY ADVICE CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Charity Registration No. SC017868 (Scotland)

MONEY MATTERS MONEY ADVICE CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Maureen Boyce James Nelson Maureen Gaughan Anne McClafferty Esme Clark
Secretary	Geraldine Cotter
Senior Management	Geraldine Cotter
Charity number (Scotland)	SC017868
Company number	SC219693
Registered office	Orkney Street Enterprise Centre 18-20 Orkney Street Glasgow G51 2BX
Auditor	Alexander Sloan 180 St Vincent Street Glasgow G2 5SG
Bankers	Clydesdale Bank plc 1 Causeyside Street Paisley Glasgow PA1 1UW
Solicitors	MacRoberts LLP Capella 60 York Street Glasgow G2 8JX

MONEY MATTERS MONEY ADVICE CENTRE

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MONEY MATTERS MONEY ADVICE CENTRE

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The Charities objects are to relieve poverty and advance education of the inhabitants of Govan and the surrounding areas, in all matters relating to management of personal finances, by providing a comprehensive debt counselling and money advice service and assisting other giving agencies in Govan and the surrounding areas in their attempts to relieve poverty.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Money Matters Money Advice Centre has performed well in delivering its services to the people of Glasgow. Our core funding from Glasgow City Council remained static allowing us a more stable year in which to build on from other funders. We received a variety of grants from various funders including from Greater Glasgow and Clyde NHS, British Gas Energy Trust, Glasgow Children's Charity, Jobs & Business Glasgow, The Money Advice Service, Wheatley Group and various other Registered Social Landlords.

2018-19 has proved to be a very successful year for Money Matters with our Chief Executive Officer Geraldine Cotter winning Social Leader of the Year 2018 at the Scottish Women's Awards. This was also mentioned in the House of Commons in recognition of Geraldine's outstanding achievements.

Performance

During 2018 we continued with our collaborative working with our funders and partners and achieved phenomenal successes for our clients as a result of this partnership approach. During 2018-19 we assisted 5561 new clients in addition to our existing clients. Over a quarter of these new clients had £0-£6000 per annum as an income when they initially engaged with us. However, our financial gains during this year were over £11m thus alleviating hardship for many vulnerable individuals and families. The level of debt that we assisted to negotiate an appropriate solution for was over £5.1m.

Maternity Matters

One of our exciting projects which was funded by The Money Advice Service was called Maternity Matters and had a two-fold purpose. One was to engage and receive referrals from Midwives who looked after women from The Special Needs in Pregnancy Group. The second was to engage with this very vulnerable group of women who don't normally engage with anyone.

Maternity Matters had a target of 210 referrals to the service, with 80 women completing the standard pathway and 80 the enhanced pathway. 260 referrals had been made from the clinics – 162 from the Princess Royal Hospital and 98 from Queen Elizabeth University Hospital. 160 of the referrals resulted in successful engagement with Money Matters, 62% of referrals resulted in booking an appointment. During the pilot period, 1,379 pieces of advice were given to women which covered a range of issues most commonly: energy advice, money advice, housing advice and attendance at medical appointments.

As much of the work on this project was ground-breaking as it was done as a Randomised Control Trial, Maternity Matters Project submitted an Abstract about the work of this project and was successfully selected to present at the Faculty of Public Health conference in November 2018. This project was also selected as a finalist in the category of Social and Community Benefit in Procurement Award at the Government Opportunities Awards Scotland.

MONEY MATTERS MONEY ADVICE CENTRE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Energy Matters

Our previous funding arrangement with British Gas Energy Trust ceased at 30th September 2018 when we were invited to submit a new bid for funding. Our successful proposal for funding from October 2018 onwards to British Gas Energy Trust for our Energy Matters project was for an 'access all areas' Scotland wide project offering money, welfare, energy and financial capability advice and delivered by Money Matters in Glasgow.

The rationale was driven by timing and need – timing was the Scottish Government bringing to the table in June 2018 a new Bill to tackle fuel poverty commonly known as the 'Warm Homes Bill'. It will update the definition of fuel poverty (we are still with the 10% income) and issue a new fuel poverty strategy for Scotland and timescale to reduce fuel poverty. The latest Scottish House Condition Survey 2016 available late 2017 identified 26.5% of households in Scotland are Fuel poor and 7.5% are in extreme fuel poverty. This equates to 649,000 and 183,000 households respectively.

These figures were actually a slight drop on the previous 2 years figures but they are expected to rise immediately with the squeeze in welfare reforms. The associated problems are clear, people are choosing not to heat whole houses with ensuing problems to fabric of buildings but also a correlation in increased health problems.

The need is there as already vulnerable people are the ones usually affected by fuel poverty – need is also greater in Scotland due to increased fuel costs for those off grid for gas and geographically challenged. As incomes drop from welfare reform and delays ensue with payment of Universal Credit and its' various elements replacing tax credits and housing benefit we envisage many more self-disconnections.

Royal Hospital for Children

We have continued to successfully deliver our bespoke service at the Royal Hospital for Children funded by the Glasgow Children's Hospital Charity. Families using the Royal Hospital for Children often experience major life changes when their child is born or treated at Accident and Emergency, admitted to intensive care or receiving intensive outpatient treatment or diagnosed with a Long Term Condition. They often require to travel to and from the hospital during their child's illness or lifespan.

These changes can impact directly on employment and caring responsibilities for parents resulting not just in terms of emotional stress but significant financial distress also. Ongoing changes to Social Security in relation to the welfare reform bill 2012 are likely to continue to adversely impact on these vulnerable families. 1 in 4 children in Scotland live in poverty and this rises to 1 in 3 where there is a child with a disability in the family, evidence suggests that this will get worse. Child poverty is expected to rise dramatically as a result of Welfare reform and rising living costs by 2020. A recent report on destitution by the Joseph Rowantree foundation, 2018 estimates that 1,550,000 people, including 365,000 children, were destitute in the UK at some point during 2017. This means they could not afford to buy the bare essentials we all need to eat, stay warm and dry, and keep clean.

The Child Poverty Act Scotland (2017) sets targets for the eradication of child poverty. In the Act, point 3 (d) "the provision and accessibility of information, advice and assistance to parents in relation to — (i) social security matters, (ii) income maximisation, (iii) financial support" specifically chimes with the objectives of the Money and Debt advice service in the Children's Hospital with families having direct access to the service at a time when their need is greater. The Act also signifies and describes in detail why a service in the children's hospital is vital, however the service goes beyond the requirements of the Act e.g. by providing assistance with housing and eviction issues for example, which are relevant to the families during their stay, or when attending the hospital.

This Service is the only co-located Service in a Children's Hospital in Scotland and most likely across the UK. The model has been recognised as good practice and was visited by the Minister for Social Security Jeanne Freeman who is now the Minister for Health. The visit focussed on what could be learnt as part of the devolvement of new social security powers to Scotland by 2020.

MONEY MATTERS MONEY ADVICE CENTRE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Innovation

With Child Poverty focusing high as a priority for Money Matters with a new project specifically targeting vulnerable families due to commence in the new financial year, we wanted to take our service into the heart of the communities. In addition, we want to raise our profile across Scotland with our newly extended Energy Project and launch a unique fund that we have been entrusted with to help clients' access funds not available elsewhere. In order to address these key projects, Money Matters invested in a Mobile Office which was launched at the end of 2018 and was well attended including political dignitaries.

Social media has become an increasingly important channel for us in recent years, helping us to share our content more widely and reach out to a broader range of people. We want to continue to build upon this work and engage digitally to enable us to reach more people. Our focus on digital communications has seen our website visits increase every year and we want to place a particular focus on this in the next financial year.

Our Goal

We are delighted with our successes during this financial year and are now looking ahead at new opportunities for Money Matters. Our Trustee members and staff are very committed to the work that we do at Money Matters and this can only be positive for moving forward to future success and security and to tackling poverty. Money Matters strive to become a high-performing agency and by working efficiently and effectively, we will continue to build on and improve the way we work as an organisation.

Financial review

The charity has net incoming resources of £136,080 for the year (2018: £75,250) and has accumulated unrestricted reserves of £574,943 (2018: £463,863) at the balance sheet date.

Reserves Policy

It is the aim of the charity to hold unrestricted funds, equivalent to between three and six months of expenditure, which are designated as contingency funds to allow the charity to continue to operate for this period of time should future funding be reduced. At this time the balance on this fund does not meet the aim noted above, and the charity are working to increase this fund in the future, but the Trustees are confident that the current balance would allow the charity to operate until additional funding was obtained. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Governing document

Money Matters Money Advice Centre is a company limited by guarantee governed by its Memorandum and Articles of Association. The charity is a registered Scottish Charity.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Maureen Boyce
James Nelson
Maureen Gaughan
Anne McClafferty
Esme Clark

MONEY MATTERS MONEY ADVICE CENTRE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Appointment of Trustees

This is done by following the Articles of Association, where a maximum of 5 trustees can be appointed directors (representatives nominated from the local community councils). In addition a maximum of 6 trustees can be member directors who are elected at the AGM, as long as they are 16 years old and resident in the G51 area. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Trustees administers the charity. The Board meets regularly. A Manager is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Manager has delegated authority for operational matters including service provision, finance and administration.

Induction and training of trustees

Money Matters Money Advice Centre recognises that an effective Board of Trustees is essential if the charity is to be effective in achieving its objectives. The Board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the Charity's activities, to enable them to carry out their role and to represent the Charity at meetings and other events.

This policy sets out how Money Matters Money Advice Centre intends to provide new trustees with the information they need to become effective.

The Company Secretary will be responsible for ensuring that the induction process is arranged and completed. A training programme will be developed to ensure that any newly appointed trustee will receive training on all matters necessary to enable them to perform their duties effectively. This will be tailored to their specific needs but, unless the appointee is already sufficiently experienced, should cover as a minimum:-

- governance and management
- equal opportunities
- a thorough introduction to the history and current activities of the organisation
- sufficient explanation of the charities financial accounts and reporting procedures to enable them to exercise effective fiscal oversight
- explanation of all charity policies including those relating to trustee expenses and how they can be claimed
- if the new trustee is to take on any specific duties, training needs in relation to these should also be assessed
- it is acknowledged that trustees have a wide range of other commitments and every effort will be made to make this training accessible to the individual by arranging it to be conducted at times convenient to them.

We offer an 'Induction Pack' to individuals ameliorate their transition to being a Trustee of Money Matters Money Advice Centre.

MONEY MATTERS MONEY ADVICE CENTRE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Setting pay and remuneration of key management

On setting the pay for Money Matters Chief Executive Officer, Geraldine Cotter, multiple factors have been considered. The trustees recognise that the stability and success of Money Matters Money Advice Centre has been as a direct result of the work of the CEO. Trustees view the level of work and complexity of the matters that the CEO deals with for the charity as being invaluable. Trustees have also considered comparative pay and appreciate that the CEO has the skills to secure employment elsewhere at a higher level of pay. Trustees consider that it would be extremely detrimental to the charity to lose this CEO and pay is offered to retain her as a committed and motivated employee.

The CEO has continued to show successful performance and possesses the types of skills, experience and competencies that our charity needs from their CEO. The trustees do consider the Charity's ability to pay this level of salary and the CEO, through her successful work for the charity, has secured funding and has developed Money Matters Money Advice Centre to a very successful and thriving charity. The charity recognises that, in order to retain the current CEO, whom they consider to be an appropriately qualified staff leader who manages, supports and delivers the charities aims, then a fair pay must be offered.

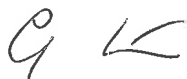
Risk Management

The principal risk to which the charity is exposed is that of short-term core funding commitment from Glasgow City Council. The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

Auditor

In accordance with the company's articles, a resolution proposing that Alexander Sloan be reappointed as auditor of the company will be put at a General Meeting.

The Directors' report was approved by the Board of Trustees.



Geraldine Cotter

Dated: 24 September 2019

MONEY MATTERS MONEY ADVICE CENTRE

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2019

The Trustees, who are also the directors of Money Matters Money Advice Centre for the purpose of company law, are responsible for preparing the Directors' 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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity 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 &D.9106's auditors are unaware, and
- the Trustees taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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.

MONEY MATTERS MONEY ADVICE CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MONEY MATTERS MONEY ADVICE CENTRE

Opinion

We have audited the financial statements of Money Matters Money Advice Centre (the 'Charity') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MONEY MATTERS MONEY ADVICE CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MONEY MATTERS MONEY ADVICE CENTRE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Directors' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Directors' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

MONEY MATTERS MONEY ADVICE CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MONEY MATTERS MONEY ADVICE CENTRE

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Mulholland ACCA (Senior Statutory Auditor)
for and on behalf of Alexander Sloan



Alexander Sloan Accountants and Business Advisers
Statutory Auditor

180 St Vincent Street
Glasgow
G2 5SG

Alexander Sloan is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

MONEY MATTERS MONEY ADVICE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

Current financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
	Notes					
<u>Income and endowments from:</u>						
Income from charitable activities	4	1,485,188	-	25,000	1,510,188	1,276,893
Investments	5	138	-	-	138	54
Other income	6	18,079	-	-	18,079	12,504
Total income		1,503,405	-	25,000	1,528,405	1,289,451
<u>Expenditure on:</u>						
Cost of charitable activities	7	1,392,945	-	-	1,392,945	1,214,201
Net income before transfers		110,460	-	25,000	135,460	75,250
Gross transfers between funds		(148,617)	148,617	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(38,157)	148,617	25,000	135,460	75,250
Fund balances at 1 April 2018		77,293	386,570	-	463,863	388,613
Fund balances at 31 March 2019		39,136	535,187	25,000	599,323	463,863

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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MONEY MATTERS MONEY ADVICE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

Prior financial year

		Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Total 2018 £
	Notes			
<u>Income and endowments from:</u>				
Income from charitable activities	4	1,276,893	-	1,276,893
Investments	5	54	-	54
Other income	6	12,504	-	12,504
Total income		1,289,451	-	1,289,451
<u>Expenditure on:</u>				
Cost of charitable activities	7	1,214,201	-	1,214,201
Net income before transfers		75,250	-	75,250
Gross transfers between funds		(2,713)	2,713	-
Net (expenditure)/income for the year/ Net movement in funds		72,537	2,713	75,250
Fund balances at 1 April 2017		4,756	383,857	388,613
Fund balances at 31 March 2018		77,293	386,570	463,863

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MONEY MATTERS MONEY ADVICE CENTRE

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12		60,187		36,570
Current assets					
Debtors	14	79,271		141,941	
Cash at bank and in hand		482,673		365,409	
		561,944		507,350	
Creditors: amounts falling due within one year	15	(22,808)		(80,057)	
Net current assets			539,136		427,293
Total assets less current liabilities			599,323		463,863
Income funds					
Restricted funds			25,000		-
<u>Unrestricted funds</u>					
Designated funds	16	535,187		386,570	
General unrestricted funds		39,136		77,293	
			574,323		463,863
			599,323		463,863

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

The financial statements were approved by the Trustees on 24 September 2019

Maureen Gaughan

Maureen Gaughan

Trustee

Company Registration No. SC219693

MONEY MATTERS MONEY ADVICE CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	21		166,933		76,900
Investing activities					
Purchase of tangible fixed assets		(49,807)		(11,193)	
Interest received		138		54	
Net cash used in investing activities			(49,669)		(11,139)
Net increase in cash and cash equivalents			117,264		65,761
Cash and cash equivalents at beginning of year			365,409		299,648
Cash and cash equivalents at end of year			482,673		365,409

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Money Matters Money Advice Centre is a private company limited by guarantee incorporated in Scotland. The registered office is Orkney Street Enterprise Centre, 18-20 Orkney Street, Glasgow, G51 2BX.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. If parts of the unrestricted funds are earmarked at the discretion of the Trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not restrict the Trustees' discretion to apply the fund.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants Receivable

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity.

Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Income from Charitable Activities

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned as the related goods or services are provided.

Investment Income

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.

Other Income

Other income represents income that cannot be reported under the other analysis headings provided within the Statement of Financial Activities and is recognised when the charity is entitled to the income, it is probable that it will be received and the amount can be measured reliably by the charity.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost.

All expenditure is accounted for on an accruals basis. All expenses are allocated or apportioned to the applicable expenditure headings.

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the payment of grant awards.

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	5% straight line
Leasehold improvements	10% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Office equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Change in accounting policy

At 1 April 2018 the Charity changed its accounting policy for Office equipment. Office equipment continues to be recorded at cost. Prior to 1 April 2018, the Charity provided for depreciation of Office equipment using straight line depreciation rate of 10%. Effective 1 April 2018, the Charity changed to straight line depreciation rate of 25%. Management deemed the change preferable because the new rate more accurately reflects the effective useful life of Office equipment.

3 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4 Income from charitable activities

	2019	2019	Total 2019	2018
	£	£	£	£
Services provided under grant	368,215	-	368,215	333,976
Performance related grants	1,116,973	-	1,116,973	942,917
Other income - British Gas Energy Trust	-	25,000	25,000	-
	<u>1,485,188</u>	<u>25,000</u>	<u>1,510,188</u>	<u>1,276,893</u>
Analysis by fund				
Unrestricted funds - general	1,485,188	-	1,485,188	1,276,893
Restricted funds	-	25,000	25,000	-
	<u>1,485,188</u>	<u>25,000</u>	<u>1,510,188</u>	<u>1,276,893</u>
Performance related grants				
Glasgow City Council	573,023	-	573,023	503,121
The Money Advice Services Ltd	134,517	-	134,517	91,493
Glasgow Hospital Children's Charity	95,619	-	95,619	150,203
British Gas Energy Trust	266,915	-	266,915	198,100
Scottish Government	46,899	-	46,899	-
Other	-	-	-	-
	<u>1,116,973</u>	<u>-</u>	<u>1,116,973</u>	<u>942,917</u>

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

5 Investments

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Interest receivable	138	54

6 Other income

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Rental Income	5,004	5,004
Other Donations	13,075	7,500
	18,079	12,504

7 Cost of charitable activities

	2019 £	2018 £
Staff costs	1,065,893	970,458
Depreciation and impairment	26,190	8,480
Premises costs	65,165	43,847
Running costs	198,719	169,661
Motor and travel costs	27,205	13,171
Interest and finance charges	275	60
Governance costs	9,498	8,524
	1,392,945	1,214,201

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

8 Operating

	2019	2018
	£	£
Operating for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	5,220	4,980
Depreciation of owned tangible fixed assets	26,190	8,480

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditors:	2019	2018
	£	£
Audit of the annual accounts	5,220	4,980

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Charitable activities	37	32

Employment costs

	2019 £	2018 £
Wages and salaries	940,491	856,755
Social security costs	78,492	69,319
Other pension costs	46,910	44,384
	1,065,893	970,458

The remuneration of key management personnel during the year, including wages and salaries and employer's contributions to national insurance and pensions, was £82,467 (2018 - £73,062).

The number of employees whose annual remuneration was £60,000 or more were:

	2019 Number	2018 Number
£60,001 to £70,000	1	-

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost						
At 1 April 2018	18,000	30,496	93,505	-	63,658	205,659
Additions	-	-	572	27,100	22,135	49,807
At 31 March 2019	18,000	30,496	94,077	27,100	85,793	255,466
Depreciation and impairment						
At 1 April 2018	10,800	30,496	89,298	-	38,495	169,089
Depreciation charged in the year	900	-	3,809	6,775	14,706	26,190
At 31 March 2019	11,700	30,496	93,107	6,775	53,201	195,279
Carrying amount						
At 31 March 2019	6,300	-	970	20,325	32,592	60,187
At 31 March 2018	7,200	-	4,207	-	25,163	36,570

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13 Financial instruments	2019	2018
	£	£
Carrying amount of financial assets		
Measured at amortised cost	60,187	36,570
Measured at fair value	562,564	507,350
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at cost	22,808	80,057
	<u> </u>	<u> </u>
14 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	53,694	54,644
Other debtors	1,500	2,604
Prepayments and accrued income	24,077	84,693
	<u> </u>	<u> </u>
	79,271	141,941
	<u> </u>	<u> </u>
15 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	16,938	25,552
Accruals and deferred income	5,870	54,505
	<u> </u>	<u> </u>
	22,808	80,057
	<u> </u>	<u> </u>

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2017	Transfers	Balance at 1 April 2018	Transfers	Balance at 31 March 2019
	£	£	£	£	£
IT and Relocation	25,000	-	25,000	25,000	50,000
Contingency	250,000	-	250,000	100,000	350,000
Redundancy	75,000	-	75,000	-	75,000
Capital Fund	33,857	2,713	36,570	23,617	60,187
	<u>383,857</u>	<u>2,713</u>	<u>386,570</u>	<u>148,617</u>	<u>535,187</u>

Purpose of Designated Funds

IT and Relocation

This fund represents money set aside for renovations carried out to install a new air conditioning system, the upgrade of IT systems and equipment and for new staff uniforms.

Contingency

This represents funds set aside to cover ongoing operating costs in the event that future funding is significantly reduced.

Redundancy

This fund represents money set aside for redundancies.

Capital Fund

This fund represents the net book value of the charity's fixed assets.

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

17 Analysis of net assets between funds

Fund balances at 31 March 2019 are represented by:
Tangible assets
Current assets/(liabilities)

	General 2019 £	Designated 2019 £	Restricted 2019 £	Total 2019 £	General 2018 £	Designated 2018 £	Total 2018 £
-	-	60,187	-	60,187	36,570	-	36,570
164,136	164,136	350,000	25,000	539,136	427,293	-	427,293
164,136	164,136	410,187	25,000	599,323	463,863	-	463,863

MONEY MATTERS MONEY ADVICE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Ethical Matters

In common with many other charities of our size and nature, we use our auditors to assist with the preparation of the financial statements.

19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	19,609	5,309
Between two and five years	16,117	8,103
	<u>35,726</u>	<u>13,412</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

21 Cash generated from operations

	2019 £	2018 £
Surplus for the year	135,460	75,250
Adjustments for:		
Investment income recognised in statement of financial activities	(138)	(54)
Depreciation and impairment of tangible fixed assets	26,190	8,480
Movements in working capital:		
Decrease/(increase) in debtors	62,670	(75,908)
(Decrease)/increase in creditors	(57,249)	69,132
Cash generated from operations	<u>166,933</u>	<u>76,900</u>