

Charity Registration No. 1111436
Scottish Charity No. SC040728
Company Registration No. 5123444 (England and Wales)

COMMUNITY MONEY ADVICE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022



COMMUNITY MONEY ADVICE LIMITED

CONTENTS

	Page
Trustees report	2 - 5
Statement of trustees responsibilities	1
Independent auditor's report	6 - 7
Statement of financial activities	8 - 9
Balance sheet	10
Statement of cash flows	13
Notes to the financial statements	11 - 22

COMMUNITY MONEY ADVICE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	H R Keates T D Jackson S E Vinson J S Mander Ms A Padfield	(Appointed 13 January 2022)
-------------------------------	--	-----------------------------

Secretary	S E Vinson
------------------	------------

Charity number	1111436
-----------------------	---------

Company number	5123444
-----------------------	---------

Principal address	18 Wyle Cop Shrewsbury Shropshire SY1 1XB
--------------------------	--

Registered office	The Barnabas Centre Longden Coleham Shrewsbury Shropshire SY3 7DN
--------------------------	---

Auditors	James Holyoak & Parker Limited 1 Knights Court Archers Way Battlefield Enterprise Park Shrewsbury SY1 3GA
-----------------	--

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MAY 2022

The trustees, who are also the directors of Community Money Advice Limited for the purpose of company law, are responsible for preparing the Trustees 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 company 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 company 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 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2022

The trustees present their annual report and financial statements for the year ended 31 May 2022.

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 company's [governing document], the Companies Act 2006 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)" (effective 1 January 2019).

Objectives and activities

The main objects of the charity are to relieve poverty by providing advice and training to community groups and non-profit making organisations in order for them to assist persons who have been affected by debt.

The main activities of the charity are the development of church based social and community action especially in the field of debt and money advice to people in need. Also the establishment of completely free money advice centers in every community in the nation together with publication of education and training materials related to the above activities.

In planning the activities of the charitable company the directors have considered the Charity commission's guidance on public benefit.

The charity provides advice to persons in debt and also provides training to debt advisors. In addition, the charity advises Government, the national press and TV on personal indebtedness.

We summarise our overall aims in the statement, 'Freedom from Debt, hope for the future'.

Achievements and performance

In the year CMA centres helped 8950 families manage over £49 million of debt. Of these 32% go into repayment plans and a further 48% have their debts cleared through an insolvency option. The centres also enabled clients gain over £790,000 of additional income, client feedback detailed 76% were less stressed and more motivated because of the advice and support we provide.

The grant funding we had gained throughout 2021 has continued to enable us to develop our services to centres, enhance the staff team, continue redeveloping our bespoke casework software to reduce the administrative burden on advisers and provide training and DROs to both in house and third party debt advisers. In addition, we have implemented adviser access to client credit reports at the touch of a button and begun to look at other additions to Catalyst to streamline the advice process. Our staff team has grown to 30 with their varied roles continuing to help, support and train both existing and new centres' staff. All of this is putting the foundations in place to help prepare for the expected growth in demand for debt advice, especially face to face where the provision nationally is diminishing.

CMA Connect and CMA Hub, continue to grow the access to debt advice especially for those in harder to reach areas. We have continued to create new training courses; seen numerous new churches and community groups set-up CMA services to be ready for the forthcoming demand; and more. Developed a web based chatbot to be hosted on centre's websites enabling clients to access basic information before attending an advice session. All of this has required us to establish the enhanced management structure and take on new staff to support a rapidly expanding workload. Extensive internal consultation led to the establishment of a departmental structure consisting of: Operations; CMA Hub (central debt advice); Business Development; Training; Administration; IT; and Policy. Continuing to appoint new staff/roles across the period has seen the CMA team grow 31 over the year. A strong structure and a strong team; we are confident and ready to help meet the money advice needs of more people across the UK than ever before.

CMA Head Office has had an exciting period of development throughout the period, mainly in the administration and support of the growing CMA staff team, and the increasing enquiries and affiliations that are resulting from the Business Development and Operations Departments. Meg's role grew from one day per week as Head Office Administration Assistant to two days per week as HR Administrator. Much work has been completed on payroll, staff handbook, expenses and staff leave revisions, and updating staff joining and induction procedures.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2022

Finance and accounting has seen the largest overhaul in the department to date, with a move from manual bookkeeping and accounting spreadsheets to full integration into QuickBooks online accounting software. This is a big step forward for financial reporting, production of the year end accounts and efficiency, and we managed a dual system for the year to ensure the transfer has been complete and effective.

Administration work has continued to be shaped by growth in other areas of CMA and the introduction of the IT Department has meant we have worked on handover of aspects of our IT work and maintained the system elements relating to website content, and centre affiliations and closures. We have worked on the overhaul of the Centre Resources members' area of the CMA website and development of the CMA document register as part of the Document Control planning group.

Whilst no CMA conference was held in the Autumn of 2021, we administered a successful two-day staff and trustee away day at that time, which was a helpful and informative time together to consider how we continue to best serve our CMA centres.

Operations As things return to a semblance of normality in the post-covid era, a great deal of work has been necessary to review and re-establish (where required) our working protocols and relationships with our centres and build upon the 'Zoom' relationships that have been forged with the many new centres who have affiliated with CMA since the early part of 2020 and one of the new things that CMA has introduced in 2022 are the regional meetings. As part of our ongoing commitment to improving our service and in response to feedback from last years' Annual Survey, CMA has been rolling out geographically based regional networking meetings (led by the OSMs) since the beginning of 2022. These meetings have allowed our centres the opportunity to come together, share learning and provide support to one another as well as enjoying regular fellowship. This is proving to be very popular and will continue to be rolled out across all of our regions by early 2023.

in mid 2021, CMA recruited three new OSMs as existing OSMs have moved to take up new roles with CMA and a new region, East Anglia, was established.

The Operations Team now includes two Specialist Support Managers (SSM) who provide additional support across the network via Adviceline, Catalyst support and DRO applications. A dedicated Operations Manager continues to co-ordinate the services of the Operations Team, providing a welcome increase in the support that we can now offer our centres.

CMA Hub

In numbers

835 clients seen through the Pound Advice and Chatbot projects in last 18 months

100 Connect clients helped in last 12 months

24 Connect Centres referring

39 clients come through Chatbot

10 members of the team at 4.3 FT equivalents

10-15 new clients dealt with per week

The Hub comprises of three current projects: a) the Connect project; b) Delivering a contract for Pound Advice; c) delivering advice for client accessing CMA via the Chatbot

Connect: We have continued to add new Connect centres to the CMA family and we now have 24 referring centres. We have recently delivered admin training to help Money Mentors feel more confident in how to manage the practical side of having a client. We have employed a staff member for the sole purpose of working with Connect clients enabling us to increase our capacity. We have rewritten the handbook for Centre Managers and Money Mentors this year as processes have evolved and we have also augmented the training to 1.5 days which has helped give stronger preparation.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2022

Pound Advice: We continue to work with L&Q Housing group and We are Digital in delivering remote debt advice throughout London and the Southeast to around 40-50 new clients per month. This is a combination of benefits and debt advice as well as grant applications and we get some great financial and emotional outcomes for clients through this project alongside a challenge for many of them to engage with us.

Chatbot: This has had a number of challenges over this year but we have had a small stream of clients coming through and engaging. Around 30% have been able to be transferred to centres in the network for face to face advice but the other 70% have been from areas where there is no CMA centre and so we have seen them in the Hub. Marketing now needs to take place as well as creating an income stream to enable us to make the most of this opportunity. We hope that in time we will be able to target areas where there is significant take up but no centre.

The Hub team is a highly motivated, efficient team who do a brilliant job in helping hundreds of people each year with their debt and supporting the network of Connect Centres.

Network Development and Webinars The objective is growing the number of CMA Debt Advice and CMA Connect Centres across the UK. We commenced by creating a database of churches, food banks and community groups across the UK (now standing at over 1000 contacts). This is used regularly to send invitations out for CMA webinars, which commenced in March and monthly thereafter, with plans to continue until the end of the year.

The webinars have so far seen 105 organisations attend. As a result of these conversations, 16 people have volunteered to work in existing CMA Centres, 18 new centres have affiliated, 51 where the enquiry is still bubbling but not yet ready to work with us and 44 new enquiries that we are working with. We are delighted with how this has developed so far and look forward to more centres affiliating to the CMA Family.

Training

The last year has been like no other for many of us. CMA training has seen an exponential rise the demand for our training as people are available to train (due to lockdown and furlough) and debt centres knowing that now is the time to train people, ready for the tsunami of debt that we are expecting to hit this nation.

CMA training has embraced the new landscape by launching and developing an amazing online training programme which has seen 1,468 people trained over 169 training days during this financial year. These figures are unprecedented in CMA history and although they will fall as life returns to some normality, it shows us that the demand for training is still ever present and will continue into the future.

Along with Debt Free London, we have developed a Level 4 Specialist debt advice training programme which is accredited by MaPS and we have started delivering to delegates. We continue to deliver successful Budget Coach training courses and Money Mentor training for CMA Connect centres.

This last year has also seen us able to increase the dedicated staffing hours given to CMA training from 16 to 48, which puts us in a great position to drive and develop the training programme into the future.

Fundraising

It has been another busy year for applications submitted to Charitable Trusts and Foundations. 14 applications have been written and submitted with six being successful and between them raising over £190,000 for CMA. Some have been awarded for "core costs" which includes staff wages and other central expenditure, and some for specific projects such as the development of Catalyst and for the opening of new centres in Scotland. Two were to support CMA development and respond to the COVID-19 pandemic and two of the grants were spread over two years. We are really grateful to all our partners who support us financially and to God for His faithful provision.

Our centres will always be at the heart of everything that we do, and CMA remains committed to ensuring we continue to provide each of our centres with the best possible service at all times, based upon individual needs, whilst seeking always to improve and enhance what we do.

This enables our centres to help thousands of families become debt free giving them real hope for the future.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MAY 2022

Financial review

The total income for the year was £818,544 (2021: £719,847) and total expenditure on charitable activities amounted to £628,843 (2021: £439,338).

At the year end the charity had £494,551 (2021: £271,407) in unrestricted reserves and £4,547 (2021: £59,056) in restricted reserves.

The trustees have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Governing Document

Community Money Advice Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4th May 2004 which have subsequently been amended. It is registered as a charity with the Charity Commission. Members of the charitable company guarantee to contribute amounts not exceeding £10 to the assets of the charitable company in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

H R Keates

T D Jackson

S E Vinson

H R Wilson

(Resigned 16 October 2021)

J S Mander

Ms A Padfield

(Appointed 13 January 2022)

All trustees keep the composition of the board under review and will seek to appoint additional members with appropriate skills and expertise should the need arise. The trustee board aims to have a broad representation of trustees. The opportunity for new trustees is advertised across the CMA network together with the outline of the type of person required. Generally, trustees will have a knowledge of the sector, of a specific skill set that is needed to be a Christian. Interested parties are given details of the background of the charitable company in order to make them aware of current activities.

Once a year the Trustees review the salaries of the team and agree an increase that covers the annual inflation plus any regradings. If there are any role changes in the year the Chief Exec can agree those salary increases as they occur.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.



H R Keates

Board of trustees

Dated: 7 December 2022

COMMUNITY MONEY ADVICE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COMMUNITY MONEY ADVICE LIMITED

Opinion

We have audited the financial statements of Community Money Advice Limited (the 'company') for the year ended 31 May 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 May 2022 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.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 and Reports) Regulations 2008 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 trustees report; or
- sufficient 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.

COMMUNITY MONEY ADVICE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY MONEY ADVICE LIMITED

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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

COMMUNITY MONEY ADVICE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY MONEY ADVICE LIMITED

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)
for and on behalf of James Holyoak & Parker Limited

9 January 2023

Chartered Accountants
Statutory Auditor

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2022

		Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		2022	2022	2022	2022	2021	2021	2021
	Notes	£	£	£	£	£	£	£
Income from:								
Donations	3	34,085	-	6,505	40,590	85,379	16,664	102,043
Charitable activities	4	661,013	44,325	72,602	777,940	425,389	192,378	617,767
Investments	5	14	-	-	14	37	-	37
Total income		<u>695,112</u>	<u>44,325</u>	<u>79,107</u>	<u>818,544</u>	<u>510,805</u>	<u>209,042</u>	<u>719,847</u>
Expenditure on:								
Raising funds	6	-	-	-	-	1,188	-	1,188
Charitable activities	7	<u>501,281</u>	<u>5,006</u>	<u>122,556</u>	<u>628,843</u>	<u>266,041</u>	<u>172,297</u>	<u>438,338</u>
Total resources expended		<u>501,281</u>	<u>5,006</u>	<u>122,556</u>	<u>628,843</u>	<u>267,229</u>	<u>172,297</u>	<u>439,526</u>
Net incoming/(outgoing) resources before transfers		193,831	39,319	(43,449)	189,701	243,576	36,745	280,321

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2022

Net incoming/(outgoing) resources before transfers	193,831	39,319	(43,449)	189,701	243,576	36,745	280,321
Gross transfers between funds	11,060	-	(11,060)	-	(8,005)	8,005	-
Net income/(expenditure) for the year/ Net movement in funds	204,891	39,319	(54,509)	189,701	235,571	44,750	280,321
Fund balances at 1 June 2021	271,407	-	59,056	330,463	35,836	14,306	50,142
Fund balances at 31 May 2022	476,298	39,319	4,547	520,164	271,407	59,056	330,463

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.

COMMUNITY MONEY ADVICE LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

		2022		2021	
	Notes	£	£	£	£
Current assets					
Debtors	12	80,112		60,068	
Cash at bank and in hand		495,875		336,246	
		<u>575,987</u>		<u>396,314</u>	
Creditors: amounts falling due within one year	13	<u>(55,823)</u>		<u>(65,851)</u>	
Net current assets			520,164		330,463
Income funds					
Restricted funds	16		4,547		59,056
<u>Unrestricted funds</u>					
Designated funds	15	39,319		-	
General unrestricted funds		<u>476,298</u>		<u>271,407</u>	
			494,551		271,407
			<u>520,164</u>		<u>330,463</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 7 December 2022

H R Keates
Trustee



T D Jackson
Trustee



Company Registration No. 5123444

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Charity information

Community Money Advice Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Barnabas Centre, Longden Coleham, Shrewsbury, Shropshire, SY3 7DN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the company's Articles of Association and Memorandum, the Companies Act 2006 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) (effective 1 January 2019)". The company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the company 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.

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 company 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 company 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, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Where entitlement is dependent on the fulfilment of one or more specified conditions, grants received by the charity are recognised and taken into revenue unless the conditions are within the charity's control and uncertainty exists as to whether the conditions will be fulfilled.

1.5 Expenditure

Expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.6 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.

1.7 Financial instruments

The company 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 company's balance sheet when the company 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.

1.8 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.9 Employee benefits

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	19		159,615		218,156
Investing activities					
Investment income received		14		37	
Net cash generated from investing activities			14		37
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			159,629		218,193
Cash and cash equivalents at beginning of year			336,246		118,053
Cash and cash equivalents at end of year			495,875		336,246

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Critical accounting estimates and judgements

In the application of the company'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.

3 Donations

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	34,085	6,505	40,590	85,379	16,664	102,043

4 Charitable activities

	Grants £	Affiliates fees £	Conference & training £	Other income £	Total £	2021 £
Sales within charitable activities	132,242	181,226	74,370	390,102	777,940	617,767
Analysis by fund						
Unrestricted funds	60,000	181,226	74,010	345,777	661,013	
Designated funds	-	-	-	44,325	44,325	
Restricted funds	72,242	-	360	-	72,602	
	132,242	181,226	74,370	390,102	777,940	
For the year ended 31 May 2021						
Unrestricted funds	-	145,106	122,696	157,587		425,389
Restricted funds	192,378	-	-	-		192,378
	192,378	145,106	122,696	157,587		617,767

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	14	37

6 Raising funds

	Total	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	-	1,188
	-	1,188

7 Charitable activities

	Unrestricted £	Designated £	Restricted £	Total £	2021 £
Staff costs	380,284	-	62,742	443,026	294,351
Contractors	16,840	-	6,125	22,965	-
Training tutor fees	7,499	-	-	7,499	23,431
Advice UK	1,600	-	-	1,600	1,569
Conference costs	6,079	-	-	6,079	430
Marketing and PR	799	-	-	799	550
Travel expenses	3,071	-	-	3,071	8,488
Hospitality	1,142	-	-	1,142	128
Postage, telephone and office costs	19,908	-	966	20,874	38,244
Insurance	884	-	282	1,166	257
Bank charges	929	-	-	929	138
IT costs including Catalyst	43,926	-	16,566	60,492	62,152
Accountancy	-	-	-	-	30
Audit	6,800	-	-	6,800	8,570
Client support costs	-	-	29,985	29,985	-
Charitable Giving	11,520	5,006	5,890	22,416	-
	501,281	5,006	122,556	628,843	438,338

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

8 Trustees

No payments were made during the year or the prior year in respect of the reimbursement of trustee expenses.

9 Auditors' remuneration

The analysis of auditor's remuneration is as follows:

	2022 £	2021 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	6,800	4,000
	<u> </u>	<u> </u>

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable Activities	21	9
Administration	3	1
	<u> </u>	<u> </u>
Total	24	10
	<u> </u>	<u> </u>

Employment costs

	£	£
Wages and salaries	443,026	294,351
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was £60,000 or more.

11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	80,112	60,068
	<u> </u>	<u> </u>

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		5,818	4,132
Deferred income	14	27,455	40,367
Accruals and deferred income		22,550	21,352
		<u>55,823</u>	<u>65,851</u>

14 Deferred income

	2022 £	2021 £
Arising from government grants	19,300	23,967
Other deferred income	8,155	16,400
	<u>27,455</u>	<u>40,367</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>27,455</u>	<u>40,367</u>
Movements in the year:		
Deferred income at 1 June 2021	40,367	75,847
Released from previous periods	(12,912)	(35,480)
Deferred income at 31 May 2022	<u>27,455</u>	<u>40,367</u>

15 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 June 2021 £	Movement in funds		Balance at 31 May 2022 £
		Incoming resources £	Resources expended £	
Kenya	-	22,162	(5,006)	17,156
Trust Fund	-	22,163	-	22,163
	<u>-</u>	<u>44,325</u>	<u>(5,006)</u>	<u>39,319</u>

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 June 2021	Incoming resources	Resources expended	Balance at 31 May 2022
	£	£	£	£
Centre Fees	11,060	-	(11,060)	-
Catalyst	9,950	-	(9,950)	-
Trust Fund	11,924	6,260	(10,461)	7,723
Community Fund	16,499	69,567	(93,670)	(7,604)
Scotland	9,623	-	(5,890)	3,733
Acts 435	-	2,675	(2,585)	90
CMA 25th Anniversary	-	605	-	605
	<u>59,056</u>	<u>79,107</u>	<u>(133,616)</u>	<u>4,547</u>

Trust Fund

To support centres and clients in financial difficulty.

Catalyst

Funds given to cover the changes and updates made to the Catalyst system.

Community Fund

Funds received to develop the Connect centres as an alternative basis of providing debt advice at a local level.

Scottish Funds

Provision of Scottish specific services.

Acts 435

Funds received to directly meet clients needs

CMA 25th Anniversary

Funds to commemorate 25 years of CMA in the anniversary year conference.

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 May 2022 are represented by:							
Current assets/(liabilities)	477,425	39,319	3,420	520,164	283,135	47,328	330,463
	<u>477,425</u>	<u>39,319</u>	<u>3,420</u>	<u>520,164</u>	<u>283,135</u>	<u>47,328</u>	<u>330,463</u>

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

18 Related party transactions

Trustee Remuneration

During the year the charity paid remuneration and fees to one of the directors and key management personnel of the charity as follows:

	2022	2021
	£	£
Heather Keates		
Salaries and wages	46,290	44,652
Social security	5,171	4,948
Employer's national insurance	1,389	1,340
	<u>52,850</u>	<u>50,940</u>

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of goods	
	2022 £	2021 £
The Fayre	10,551	12,327
	<u>10,551</u>	<u>12,327</u>

The Fayre is a joint partnership between H Keates and her partner T Keates.

The payments are in respect to advertising and graphic design, and are paid on a fair market value.

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

19	Cash generated from operations	2022 £	2021 £
	Surplus for the year	189,701	280,321
	Adjustments for:		
	Investment income recognised in statement of financial activities	(14)	(37)
	Movements in working capital:		
	(Increase) in debtors	(20,044)	(49,225)
	Increase in creditors	2,884	22,577
	(Decrease) in deferred income	(12,912)	(35,480)
	Cash generated from operations	<u>159,615</u>	<u>218,156</u>
20	Analysis of changes in net funds		
	The company had no debt during the year.		