

HUNTINGDON AREA MONEY ADVICE

Trustees' Annual Report 2021

Report for the period 01/01/2021 to 31/12/2021

<u>Charity Name</u>	Huntingdon Area Money Advice (HAMA)
<u>UK Charity Number</u>	1152382
<u>Charity Address</u>	83a High St, Huntingdon, Cambs, PE29 3DP
<u>Financial Conduct Authority</u>	Registration number 705295
<u>Information Commissioner's Office</u>	Registration number: ZA01845
<u>Web-site</u>	https://www.huntsmoneyadvice.co.uk

Trustees and staff

Trustees who have served in the course of the year: -

David Busk	Chair
Richard Hough	
Kevin Parks	
Rob Allott	(Appointed 01/01/2021) Treasurer & Trustee Responsible for Safeguarding
Chris Popplestone	
Paul Moxham	Appointed 19/02/2021

Volunteer staff:

John Pickersgill	Centre Manager & Adviser
Roger Hickling	Senior Adviser & Approved Intermediary
John Leigh-Brown	Adviser
Colin Borland	Adviser
Rachel Orton	Adviser
Nicola Harrison	Adviser-Resigned 24/06/2021
Claire Pitcher	Designated Person for Safeguarding
Sheena Glanville	Deputy Designated Person for Safeguarding

Independent Examiner

Mr Steven Sheppard ACA

Structure, Governance and Management

HAMA is a Charitable Incorporated Organisation. The governing document is the Constitution dated 29 May 2013. Trustees are appointed by the existing Trustee body.



HAMA works with and is supervised by the national charity **Community Money Advice** (Charity number 1111436) to provide the debt advice service. HAMA is authorised and regulated by the Financial Conduct Authority.

Objectives and Activities

The objective of HAMA is the relief of financial hardship or poverty amongst persons in the Huntingdon area by any such means that are exclusively charitable at law, particularly but not exclusively by providing debt counselling services, advice and assistance in financial matters.

Public Benefit

HAMA has demonstrated public benefit in providing free advice to those in financial hardship or poverty in order to provide relief. Since the inception of the Charity in 2013 675 people have been registered for our services and many have ongoing contact with our advisers to help them remain free of debt. Our services are available to all who have need of them within our local area, without any limitations of race, beliefs, gender or any other discrimination other than need. Although a Christian organisation, run and mainly financed by Christians HAMA does not use protected characteristics as defined in the Charity Commission guidance. We do not take advantage of the provision in Annex A of the guidance which allows those Charities whose purpose is for the relief of poverty to restrict those who may benefit. Anyone from outside of our local area would not be denied help, but where appropriate would be signposted to another similar organisation closer to them.

The founding Trustees had regard for the Charity Commission's guidance on public benefit in setting up the Charity and subsequent Trustees have not departed from that guidance in exercising their powers.

Summary of Achievements in the reporting year

The table below provides an overview of the cases received and worked through the year. A total of 181 people were helped in some way during 2021.

	2021
New clients approaching HAMA in year	115
Clients still active from previous years at beginning of year	66
Total contacting or being helped during year	181
Clients whose debt help was completed during year	73
- <i>Including those from previous years</i>	40
Clients still being helped at end of year	70
Clients on waiting list at end of year	7
Clients terminating (usually they ceased to engage with us) in the year	31
Total	181

As we had anticipated in last year's report, where we noted that the moratorium on evictions during the pandemic may have meant that the urgency for addressing debt issues was reduced for some

clients, this reversed as the furlough scheme and the moratorium ended. New referrals were up 67% year on year to 110.

As of 31 December 2021, there were 7 cases that remained on the waiting list, less than half of the peak waiting list during the year.

In 2021 we helped clients with:

- 40 Debt Relief Orders granted; (24 in 2020)
- 3 Bankruptcies granted; (10 in 2020)
- 5 Debt Management Plans set up;
- 3 referrals to external agencies to arrange IVAs;
- 2 cleared debts by sale of assets;
- 1 write-off of debts negotiated; and
- 28 clients to whom advice was given, but no formal debt solution implemented.

The acceptance criteria for a Debt Relief Order were changed from 28th June 2021 so that now more clients are eligible for a DRO costing £90 instead of a bankruptcy costing £680. This is the reason for the increase in DROs and the fall in bankruptcies.

Our model of engagement with clients recognises that many come with multiple issues, particularly mental health issues, which mean their debt problems are just part of the spectrum of challenges they are facing. This often requires us to have multiple appointments with clients over many months – making slow but positive steps forward each time in helping them to manage their finances and regain control of their lives. We work closely with a number of other agencies who are also providing support to the client and his or her family – thus together providing a package of care and support to the client. As well as managing debts, this support has included helping clients obtain benefits to which they are entitled, supporting them in addressing tax issues with HMRC and with helping them put together a budget to ensure their finances remain under control.

We work with the clients to assess their assets and debts, to maximise income and minimise expenditure, and then to agree a way forward which is best for the client – usually one of several repayment or insolvency options. For most of the debt solutions the adviser is able to contact the creditors and negotiate on behalf of the client

Our Senior Adviser is also an “Approved Intermediary” which allows us to submit applications to the Insolvency Service for Debt Relief Orders for clients.

In Jan 2021 we had six active volunteer advisers and one temporarily inactive. During the year the inactive adviser and one other adviser have resigned, so we ended the year with five advisers. Of these, one started volunteering for us whilst on furlough from her paid employment. This reduced her time availability for HAMA. Two other advisers also had to step back from accepting new clients due to family responsibilities. Therefore during the autumn the waiting list increased to double figures, resulting in an eight week wait.

The pandemic has affected the way we work, but the provision of our services has continued throughout the year. Many interviews have been conducted by telephone or video calls, with documents exchanged electronically or by post. Where face-to-face interviews have taken place, Government guidance on distancing, face covering and hand sanitising has been followed.

We have worked closely with local Foodbanks, referring some of our clients to them so that they can receive food parcels. 20 of our clients received Christmas Hampers from Godmanchester, Sawtry or Ramsey Foodbanks as a result of requests from the HAMA adviser, and other clients received them from Godmanchester Foodbank via their children's schools.

Annual appraisals of the advisers have been conducted by the Centre Manager, who has himself been appraised by a Trustee. Regular educational and case review meetings for the advisers have continued by Zoom during the year, so that they can learn from each other in order to benefit the clients through the quality of advice provided.

The Trustees meet every 3 months. Since the beginning of the Covid pandemic, from mid-2020 meetings have been held via Zoom.

The Trustees are mindful of the need for an awareness of Safeguarding in our work. This includes training our personnel to follow best practice in their own conduct as well as to be aware of potential issues in the lives of clients who may be vulnerable adults, or in the lives of children in their family. We have a Safeguarding Team comprised of the Centre Manager, the Trustee Responsible for Safeguarding and two Designated Persons for Safeguarding (DPS). The Trustees are satisfied that the four safeguarding concerns raised during the year have been appropriately handled. None of the concerns raised were directed against HAMA personnel.

We remain very grateful to Gerald Thulbourn of Websanity for his continued technical support and updating of our website, www.huntsmoneyadvice.co.uk, which he constructed for us in 2018.

Policy on Reserves

The Trustees seek to retain reserves equivalent to 3 months of total budgeted expenditure. Should the reserves fall below this amount the Trustees will propose a plan to restore the reserve within a defined time period.

At the start of the year the 2021 budget gave a reserve (3 months of expenditure) of £2,200 and at the time the unrestricted balance was £2,322. We have maintained a balance above the reserve limit throughout the year, with a closing unrestricted balance of £5,528.

HAMA is totally reliant on donations and grants for its income and the continued availability of these are outside of our control. Nevertheless, the income is from a variety of sources, reducing the risk that all income would be lost at the same time. A reserve of 3 months of expenditure allows the Trustees time to react if a major source of income is lost without notice, but is not an excessive reserve in comparison to the level of risk.

Financial Review

The Trustees are grateful to those Churches, individuals and grant-making bodies who have supported us financially in 2021. Compared to 2020, our unrestricted income has increased by 9.8%.

Following a significant (>200%) increase in restricted income in 2020, this item fell 55% to £2,493, though this remains higher than the level in 2019. See page 7 for information on the grants. Compared to the 2021 budget, income for the year was 5% ahead at just over £8,000. Within the sources of funds, grant income was significantly lower than the budgeted figure, at just over 50% of the budget. However this was more than offset by the higher level of personal donations and Gift Aid.

Compared to the prior year, expenditure showed a 53% drop in unrestricted spending (notably on computer & web costs, where significant investment was made in 2019) and a decrease of 11% in restricted spending (a drop insolvency application support but other restricted spending was in different categories due to the terms of the grants). Compared to the 2021 budget, expenditure was 36% lower than expected, with Insolvency Fees at 46% below the budget figure and Computer & Web costs being 79% below the level assumed in the budget as we have not needed to replace any laptops this year.

As previously mentioned, there was a change in the eligibility criteria for a DRO during 2021, meaning that more of our clients were eligible for a DRO instead of a bankruptcy. Although we have arranged more insolvencies, the cost has dropped and 95% has been covered by grants and client/relative contributions. See the table below.

Year	DRO	Bankruptcy	Total Cost	Paid by HAMA	Paid by Client or relatives	Grant Funded
2017	15	0	£1,350	£819 (60.7%)	£531 (39.3%)	-
2018	35	3	£5,070	£622 (12.3%)	£2,185 (43.1%)	£2,263 (44.6%)
2019	25	6	£6,330	£1,030 (16.3%)	£3,650 (57.7%)	£1,650 (26.0%)
2020	24	10	£8,960	£1,055 (11.8%)	£3,555 (39.7%)	£4,350 (48.5%)
2021	40	3	£5,640	£282 (5.0%)	£2,835 (50.3%)	£2,523 (44.7%)

We are particularly grateful to Huntingdonshire Community Church who have continued to provide us, without charge, with dedicated office accommodation and rooms for meetings with clients. This generosity greatly enables and enhances the service which HAMA is able to provide to our clients. In addition, Godmanchester Baptist Church have also temporarily provided an office for the use of HAMA for which we are grateful. We are also very grateful for the support, financial, practical and in prayer, which is received from various Churches and individuals.

Above all we thank, and give thanks to God for, our small team of advisers who selflessly give of their time and skills to bring help and hope to those in the grip of debt.

Approved by the Trustees at the meeting on 09 March 2022.

Rev David Busk (Chair)

Dr Rob Alliot (Treasurer)

HUNTINGDON AREA MONEY ADVICE**Accounts for the year ended 31 December 2021**

			<u>2021</u>	<u>2020</u>
<u>INCOME</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
Donations - Church	£2,387	£0	£2,387	£2,874
Donations - Personal	£2,552	£0	£2,552	£2,375
Donations - Corporate	-	-	-	-
Grants	-	£2,120	£2,120	£4,390
Fund raising	-	£373	£373	£251
Gift Aid	£569	£0	£569	£634
Total Income	£5,508	£2,493	£8,002	£10,524
<u>EXPENDITURE</u>				
CMA	£0	£950	£950	£995
Insolvency Fees	£717	£1,998	£2,715	£4,165
Training	£0	£345	£345	£494
Publications	£0	-	£0	£43
Accommodation and Travel	£0	-	£0	£0
Stationery & Copying	£203	-	£203	£96
Postage	£343	-	£343	£140
Telephone	£156	-	£156	£458
Computer & Web costs	£211	-	£211	£1,608
Memberships	£108	-	£108	£100
Insurance	£396	-	£396	£395
Miscellaneous	£169	-	£169	£2
Fundraising	£0	-	£0	£96
Total Expenditure	£2,303	£3,293	£5,595	£8,592
Balance 1st January	£2,323	£1,840	£4,162	£2,230
Annual Surplus/(Deficit)	£3,206	(£800)	£2,406	£1,932
Balance 31st December	£5,529	£1,040	£6,569	£4,162
STATEMENT OF ASSETS			31/12/2021	31/12/2020
HSBC Bank Account	£5,529	£1,040	£6,569	£4,162
Liabilities	-	-	-	-

Signed:

Dr Rob Alliot, Treasurer

Notes to Accounts for the year ending 31 December 2021

1. These accounts are prepared on a Receipts and Payments basis.
2. All monetary assets of HAMA are held in the HSBC bank account.
3. HAMA has no Endowment Funds or Investments.
4. HAMA has no liabilities at 31/12/2021.
5. The non-cash assets of HAMA are restricted to office equipment and stock. Other than the cost of purchase, their value is not considered in these accounts.

6. Restricted income received in the course of the year were:-

St Martin-in-the-Fields (London) Vicar's Relief Fund	£620
<i>Granted towards the Insolvency fees of 3 clients at risk of eviction.</i>	

Localgiving Foundation – Community Match Challenge	£373
<i>With £1,119.65 carried forward from 2020, £1492.86 was available to spend. Of this, £345 was spent on training and £1,147.86 on insolvency fees for 9 clients.</i>	
<i>This grant had to be used by November 2021 or the matched funding repaid, therefore it was used in preference to the Huntingdon Freeman's Trust grant. There is no balance to be carried forward into 2022</i>	

Huntingdon Freeman's Trust	£1,000
<i>In April 2019 we were granted £1,000 per year for 3 years to go towards the insolvency fees of clients who meet the Trust's eligibility criteria. At the end of 2020, £220 of the total grant remained and was carried forward to 2021. With the £1,000 grant for 2021, £1,220 was available. Because of the preferential use of the Localgiving Foundation grant, only £180 was used towards the insolvency fees of 3 clients leaving £1,040 carried forward to 2022.</i>	

Godmanchester Foodbank	£500
<i>For insolvency fees. £500 was carried over from 2020, which combined with the grant of £500 in 2021 resulted in £1,000 available. During the year, £950 was used to cover the affiliation fee to CMA and £50 towards the insolvency fees for 1 client. There is no balance to be carried forward into 2022.</i>	

7. Unrestricted donations received from Churches were:-

Godmanchester Baptist Church	£1,507
All Saints, Hartford	£420
Medway Christian Fellowship	£300
Christ Church, Huntingdon	£160

8. Payments to Trustees are solely for the reimbursement of expenditure on behalf of HAMA, on production of a receipt. In 2021 there were no repayments to any Trustees.

Independent examiner's report on the accounts



CHARITY COMMISSION
FOR ENGLAND AND WALES

Section A

Independent Examiner's Report

Report to the trustees/ members of

Charity Name
Huntingdon Area Money Advice

On accounts for the year ended

31/12/2021

**Charity no
(if any)**

1152382

Set out on pages

1-7

(remember to include the page numbers of additional sheets)

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. ~~[The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Accountants.]~~

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.



**Independent
examiner's statement**

In connection with my examination, no matter has come to my attention (~~other than that disclosed below~~ *)

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:

Date:

Name:

Steven Sheppard

Relevant professional
qualification(s) or body (if
any):

ACA

Address:

Section B

Disclosure

Only complete if the examiner needs to highlight material problems.(E.g. accounting records have not been kept in accordance with s132 of the Charities' Act 2011 and those accounts do not comply with the requirements of the 2008 Regulations setting out the form and content of charity accounts; any material expenditure or action which appears not to be in accordance with the trusts of the charity; any failure to be provided with information and explanations by any past or present trustee, officer or employee; and any material consistency between the accounts and the trustees' annual report.)

Give here brief details of
any items that the
examiner wishes to
disclose.