



*Finding Financial Freedom Together*

## **TRUSTEES' REPORT AND ACCOUNTS**

**2<sup>nd</sup> year from 1<sup>st</sup> October 2019 to 31<sup>st</sup> December 2020**

### **GENERAL INFORMATION**

Trustees	John Barr David Chubb Tony Cornfield (Chair) Harry Pepper
Manager	Amanda Heath, IMA Cert.
CIO Registration Number	1180798
FCA registration number	728612
Registered Offices	Phoenix House, Melton Mowbray, LE13 0UL until 31.03.20, then The Fox, Leicester St, Melton Mowbray LE13 0PP
Operational Address	Phoenix House, Melton Mowbray, LE13 0UL until 31.03.20, then The Fox, Leicester St, Melton Mowbray LE13 0PP
Bankers	Charities Aid Foundation NatWest (Client Funds)
Independent Examiner	Mike Alexander, CPFA (Retired)

The trustees present their report and accounts for the period ending 31<sup>st</sup> December 2020. This represents a change of year end, from 30<sup>th</sup> September to 31<sup>st</sup> December so as to realign the collection of statistical data with the financial year.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements and the charity's constitution and have been prepared on the basis of section 133 of the Charities Act 2011.

## **INTRODUCTION**

MADMAC is an independent, local, community-focused charity working to alleviate poverty caused by problem debt and lack of financial capability. Our service is completely free, and we offer face-to-face advice, education, practical assistance and ongoing support to anyone who needs it, regardless of background or circumstance. Our aim is simple; to help people lift themselves out of their current difficulties and get them back on their feet.

Our service is available to any adult client who is struggling with problem debt regardless of any background, ethnicity, sexuality, religion, age or any other factor. Our model is one of collaboration and partnership.

We operate on a whole person basis, working with individuals and families who are typically on low incomes or unemployed, often with long term physical or mental health problems and with complex social and family issues.

By working with our clients one-to-one and face-to-face where possible, we're able to help them understand and work through the implications of the budgeting and money management advice they are being given so as to facilitate long term financial independence.

Most clients make contact, or are referred to MADMAC at a point of debt crisis, where eviction is being threatened or bailiffs are at the door and they are faced with mounting debts. Being available to listen to each of their unique stories helps us build relationships which engender trust and commitment to see the process through to life changing outcomes. MADMAC can sometimes be their last hope.

## **OBJECTS AND ACTIVITIES**

MADMAC's purposes are, the prevention and relief of poverty for the public benefit in Melton Mowbray and the District, by providing a free, confidential and impartial advice service concerning money and debt.

MADMAC's activities are, the provision of a personalised package of care until financial freedom is gained, encouraging the reduction and occurrence of future debt problems.

MADMAC's vision is to restore dignity and hope to those in need by reducing debt poverty and improving financial capability, through the following means:

- a) Advise - We aim to reduce the harmful effect of unmanageable debt on individuals and families, by providing a comprehensive debt advice service which includes casework.
- b) Equipping - We aim to reduce the number of individuals and families who fall into unmanageable debt, by providing education and resources on budgeting and practical day-to-day money management.

- c) Encouragement - We aim to increase the number of people who feel empowered to address the wider causes of their financial difficulties, by providing training, support and guidance wherever possible.

We act as advocates for our clients to ensure their voices are heard, mediating on their behalf whenever necessary. Our approach is to journey with our clients and support them each step of the way, working at their pace and adapting to their individual needs and abilities. Our open-ended support is available for as long as is needed.

## **REVIEW OF THE YEAR**

### **Covid**

Early on in Covid we had quite a few emergency situations to deal with.

- We lost our previous home and storage as the local Council wanted all partners to stop using their premises.
- We had to work out how to store various files in our homes while meeting data protection standards.
- We also got the keys to our new building on April 1st and buying building materials before everywhere shut down and during the lockdown was a real challenge.
- The Previous occupants rubbish couldn't be disposed of as all tips were closed.

We were all working from home, so bought a few more mobile phones to sharing the workload. Eventually we reached a point where a new system was established. We never closed during lockdown in fact we did more hours due to the need and the longer time it was taking to work with clients. Face to face works best for debt advice but we had to give telephone advice, post forms to clients and wait for them to be returned, so everything slowed down and it took longer to deal with the administration of clients cases. We were all trying to work through the new Government legislation that came into place to give people support such as furlough schemes, shutting courts to delay evictions, creditors limitations etc. during this period.

After the office renovations were completed, we were able to return there, but as guidelines changed during different periods we had to keep up with our Covid risk assessment to make sure we were compliant and did seek advice from our local MP on this. We saw ourselves as key workers as we were working with people who have mental health issues, stopping bailiffs, disconnections, redundancies, losing incomes and a whole mind field of scenarios. Some volunteers chose to come into the offices and some stayed at home for different periods of time. Due to the commitment of all staff and volunteers we were all very flexible on the amount of time we worked each week, putting our clients' needs first resulting in overtime and more hours from the Team at crucial times.

We have seen an increase in mental health issues and more complex cases as can be imagined. It has been a challenge but also a huge privilege to provide support and answers to so many during these unprecedented times, bringing hope and a future.

## **Funding**

With Big Lottery funding in place, we had a firm foundation from which to plan and seek funding opportunities for both current and future needs.

We are grateful for Amanda's passion and enthusiasm in presentations and grant applications that have secured all necessary funds with which to provide the MADMAC service. The details of these are in the Financial Report and Accounts that will follow. Unusually, the Covid pandemic has given rise to additional funding streams that will be most helpful going forward with the increased demand for our services, anticipated in the coming months.

## **Clients**

What a strange year it has been, with the last months of 2019 and the beginning of 2020 seeing steady demand (at times limited by available space to see clients) to then be locked down and experience all the access restrictions and travel limitations that followed from mid March to the end of December when a second lockdown was implemented. Understandably, client referrals dropped away dramatically to begin with, but increasing self referrals began to compensate as the year progressed.

It has been a real challenge having to move away from being a primarily face to face personal support service, to reliance on the phone and email, necessitated by Government lockdown restrictions. However, the team of staff and volunteers have pulled together to provide the support needed. Inevitably, clients without access to technology have suffered most, though limited face to face support has been carried out with social distancing and disinfection regimes in place.

Quarterly numbers for clients "seen" tell their own story:

1<sup>st</sup> Q 66, 2<sup>nd</sup> Q 26, 3<sup>rd</sup> Q 60 and 4<sup>th</sup> Q 48, making a total of 200 compared to 266 seen in 2019. It is anticipated that there's a backlog of people needing support who will be coming forward as lockdown restrictions and Government interventions come to an end.

## **Stats**

- 200 new clients were supported in the 12 months to 31<sup>st</sup> December and at the year end there were 103 live cases.
- Of the 200, 32% were self referrals, 29% were from different Council or Housing departments and 20% were from the two local drug and alcohol recovery centres. The remainder were from the NHS (6%), DWP (5%) and 4 other agencies.
- 36% of referrals failed to engage for one reason or another.
- The remaining 64% had an average of £11.7K of debt (a median and mode of £7K).
- They had an average of 10 debtors, 2 of which were priority debts.
- Just over half were solely reliant on benefits.

## **Volunteers**

MADMAC couldn't offer the service that it does without our volunteers.

During the year, a total of 7 volunteers provided a full range of support services, ranging from in depth one to one client support through to spreadsheet data input and analysis. It had been hoped to significantly increase volunteer recruitment and training once the new premises were operational, but Covid largely put a stop to that, with just one new volunteer joining the team.

### **Premises**

The year began with limited space provided by Melton Borough Council at Phoenix House, up to 31<sup>st</sup> March. From 1<sup>st</sup> April we secured what it is hoped will be our long term base at the Fox in Leicester Street, Melton Mowbray. Significant reordering and refurbishing took up all of April using a grant that had been agreed to be used for that purpose.

We now have purpose designed and built space for reception, interviewing and administration which will see us into the future once Covid restrictions permit.

### **Partnership**

There are 3 key partnerships that underpin all that we do.

The first is with all the organisations that refer people, pointing them towards us, getting a conversation and a relationship started that can literally change people's lives.

The second is with our funders, large and small to whom we are so grateful for their commitment and support. Thank you for catching the vision and enabling us to serve our community in this way.

The third is with the Community Money Advice (CMA) network, our membership of which provides invaluable technical and managerial resources from software to expert advice.

### **Staffing**

Amanda Heath is our founder, the Centre Manager and the inspiration behind all that MADMAC stands for and represents.

With the help of a Big Lottery Grant, we brought onboard Hetty Simpson in a half time role as Assistant Manager, with her knowledge of and background in charity administration together with debt advice skills. During the year, Hetty studied to enhance these skills, working towards and completing the certMAP Institute of Money Advice examination.

### **Future Plans**

- To plan for and obtain ongoing sustainable funding with a special emphasis on recruiting local supporters giving regularly with Gift Aid where appropriate.
- Recruit an additional trained debt adviser so as to free up Amanda to manage and develop the service in the following ways:
- To market customised training packages on money management and debt prevention, to schools, colleges and local business
- To investigate the potential of expanding MADMAC's model and capability to neighbouring districts.
- To recruit and train additional volunteers.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

MADMAC is a registered Charitable Incorporated Organisation (CIO) which is governed by a Board of Trustees who are either recruited by the Centre Manager or appointed by the existing trustees. All new trustees receive an induction to their role and the work of MADMAC. All trustees give their time voluntarily and receive no benefits from the charity. The day-to-day management of MADMAC is delegated to the Centre Manager, supported by a part-time staff member and volunteers.

## **FINANCIAL REVIEW**

Total incoming resources for the period amounted to £124,442 and resources expended on charitable activities were £108,162.

Unrestricted funds amounted to £21,392 at the year end.

### **Reserves Policy**

In this our second year of existence, we recognised the need for free reserves, and have resolved to work towards having 25% of expected annual expenditure over the first 5 years. This will be achieved by increasing by 5% per year until 25% is reached at the end of the 5<sup>th</sup> year of existence.

The Trustees believe that this provides sufficient flexibility to cover temporary shortfalls in income, allowing MADMAC to continue its work whilst alternative plans are implemented.

### **Accounts**



CHARITY COMMISSION  
FOR ENGLAND AND WALES

Helston and District Money Advice Centre

130738

## Receipts and payments accounts

CC16a

For the period  
from

01/10/2019

To

31/12/2020

### Section A Receipts and payments

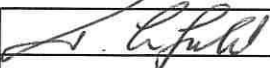
	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
<b>A1 Receipts</b>					
Donations - For Clients	-	9,690	-	9,690	-
Donations - Fundraising	2,895	-	-	2,895	-
Donations - Individuals	5,950	-	-	5,950	20,425
Donations - Organisations	10,089	500	-	10,589	7,126
Grants	5,000	90,317	-	95,317	29,398
Sundry Receipts	2	-	-	2	-
	-	-	-	-	-
<b>Sub total (Gross income for AR)</b>	<b>23,935</b>	<b>100,507</b>	<b>-</b>	<b>124,442</b>	<b>56,949</b>
<b>A2 Asset and investment sales, (see table).</b>					
	-	-	-	-	-
	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total receipts</b>	<b>23,935</b>	<b>100,507</b>	<b>-</b>	<b>124,442</b>	<b>56,949</b>
<b>A3 Payments</b>					
Accountancy	130	153	-	283	641
Advertising	90	-	-	90	160
Catering	-	48	-	48	30
Client Aid	-	344	-	344	888
Client Debt Solutions	560	9,560	-	10,120	6,380
Consultancy	-	6,000	-	6,000	-
Insurance	593	590	-	1,183	1,013
Other Admin (IT & Safeguarding)	473	467	-	940	683
Premises	-	11,895	-	11,895	-
Professional Association Fees	2,453	128	-	2,581	-
Salaries	8,038	56,847	-	64,884	26,474
Stationery, Printing & Postage	864	1,357	-	2,221	1,168
Sundry Expenses	3	35	-	38	16
Telephone	-	738	-	738	273
Training	279	270	-	549	523
Travel	526	135	-	661	408
Volunteer Expenses	-	134	-	134	53
Volunteer Welfare	160	-	-	160	90
	-	-	-	-	-
<b>Sub total</b>	<b>14,167</b>	<b>88,700</b>	<b>-</b>	<b>102,868</b>	<b>38,800</b>
<b>A4 Asset and investment purchases, (see table)</b>					
Office Equipment	29	5,265	-	5,294	678
	-	-	-	-	-
<b>Sub total</b>	<b>29</b>	<b>5,265</b>	<b>-</b>	<b>5,294</b>	<b>678</b>
<b>Total payments</b>	<b>14,197</b>	<b>93,965</b>	<b>-</b>	<b>108,162</b>	<b>39,478</b>
<b>Net of receipts/(payments)</b>	<b>9,739</b>	<b>6,541</b>	<b>-</b>	<b>16,280</b>	<b>17,471</b>
<b>A5 Transfers between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>A6 Cash funds last year end</b>	<b>11,654</b>	<b>26,578</b>	<b>-</b>	<b>38,232</b>	<b>20,760</b>
<b>Cash funds this year end</b>	<b>21,392</b>	<b>33,119</b>	<b>-</b>	<b>54,512</b>	<b>38,231</b>



## Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B1 Cash funds</b>	Bank a/c current	-	7,740	-
	Bank a/c - savings	20,183	24,819	-
	Bank a/c - client funds	1,210	560	-
	<b>Total cash funds</b>	<b>21,392</b>	<b>33,119</b>	<b>-</b>
	(agree balances with receipts and payments account(s))			
		Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B2 Other monetary assets</b>		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<b>B3 Investment assets</b>		Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
<b>B4 Assets retained for the charity's own use</b>		Fund to which asset belongs	Cost (optional)	Current value (optional)
	Computing equipment	Restricted	-	-
	Photocopier	Restricted	-	-
	Office furniture	Restricted	-	-
	Various small office items	Restricted	-	-
			-	-
			-	-
			-	-
			-	-
			-	-
<b>B5 Liabilities</b>		Fund to which liability relates	Amount due (optional)	When due (optional)
			-	
			-	
			-	
			-	
			-	

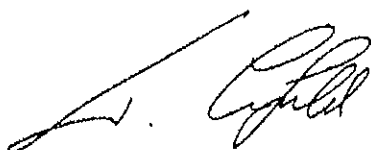
  

Signed by one or two trustees on behalf of all the trustees	Signature	Print Name	Date of approval
		T. CORNFIELD	20.10.21



## NOTES

- There were no guarantees outstanding as at 31<sup>st</sup> December 2020
- There were no debts outstanding as at 31<sup>st</sup> December 2020

A handwritten signature in black ink, appearing to read 'Tony Cornfield', written in a cursive style.

Tony Cornfield  
Trustee (Chair)

Dated: . . 20 October . . . 2021

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

### **PERIOD ENDED 31 DECEMBER 2020**

I report on the accounts for the period ended 31.12.20 which are set out on pages 7 & 8.

#### **Respective responsibilities of trustees and independent 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. It is my responsibility to:

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

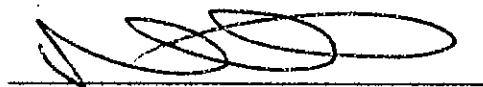
#### **Basis of independent examiner's report**

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

- 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 Act have 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.



Date: . . 20 October . . . 2021

MADMAC is a registered Charitable Incorporated Organisation (charity no. 1180798) and is authorised and regulated by the Financial Conduct Authority (registration no. 728612).  
MADMAC is part of the Community Money Advice network of debt advice agencies.