

COMPANY REGISTRATION NUMBER: 6078667
CHARITY REGISTRATION NUMBER: 1121320

The MSE Charity
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2019

HAS LTD

Chartered accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

The MSE Charity

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2019

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The MSE Charity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 March 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name	The MSE Charity
Charity registration number	1121320
Company registration number	6078667
Principal office and registered office	c/o Tesciuba Limited The Chambers 13 Police Street Manchester M2 7LQ
The trustees	K A Davies V Bissessur C Coleman K M Dew M G Herbert (appointed 8 May 2019) A J Tesciuba
Company secretary	A J Tesciuba
Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

The MSE Charity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2019

Structure, governance and management

Description of the charity's trusts

The charity is constituted by its memorandum and articles of association and is a company limited by guarantee. It was incorporated on 1 February 2007 and registered in England & Wales with company number 6078667. It was registered as a charity on 19 October 2007 with charity number 1121320.

Recruitment and appointment of new trustees is in line with the articles and with the consent of the trustees. Suitable candidates are those who are sensitive to the needs and demands of the organisation and have relevant skills and experience.

New trustees are briefed by the trustees on the objects and operations of the charity and are referred to the guidance for new trustees published by the Charity Commission.

Additional governance issues

The charity is funded by donations from the website moneysavingexpert.com and others.

Grant applications are received and processed by the operations manager, and reviewed by the grant advisory panel (GAP). The GAP reports to the trustees and includes independent members with substantial experience of the voluntary sector. Donees are required to report on their application of grants made to them.

The charity had one employee during the year.

The trustees have assessed the major risks to which the charity is exposed, in particular those related to its operations and finances, and are satisfied that systems are in place to manage their exposure.

The MSE Charity

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2019

Objectives and activities

Registered objects

The objects of the charity are the advancement of education of the general public in the United Kingdom by providing information and improving education about debt, money and consumer issues.

Main activities

The MSE Charity addresses the UK's massive problem of financial illiteracy by funding relevant guidance and education.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year. The charity carries out its objects by supporting eligible groups who want to help eradicate debt illiteracy in the general public through self-development or innovative projects.

Summary of the main achievements during the year

This year operations have continued, with themed grant rounds in September 2018, and February 2019 respectively. £97,746 has been committed to 19 not for profit groups to deliver financial capability projects across the UK.

September 2018 - Building and Developing Resilience

Group Name	Grant	Category
Lampeter Family Centre, mid Wales	£6,000	Cook Well for Less
G11 Community Hub, Dursley, Gloucestershire	£5,990	Independent Living Skills
Faithworks Wessex, Bournemouth, Dorset	£5,670	Independent Living Skills
Trinity Winchester, Hampshire	£5,000	Independent Living Skills
Manningham Project Ltd, Bradford	£4,000	Independent Living Skills
PACE, (Pro Active Community Endeavours) Loughborough	£5,000	Mental Health / Well Being
Work Skills South West, Callington, Cornwall	£6,040	Mental Health / Well Being
Money A&E, Enfield East London	£7,480	Peer Mentoring
Citizens Advice St Albans, Hertfordshire	£6,050	Training Others
Total	£51,230	

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2019

February 2019 - Raising the Next Generation

Group Name	Grant	Category
Arun and Chichester Citizens Advice	£6,000	Domestic Abuse
Surviving Economic Abuse, London	£7,455	Domestic Abuse
St Andrews Clubmoor, Liverpool	£6,839	Families
Newbigin Community Trust, Birmingham	£6,925	Families
Community Stuff CIC, Eastbourne	£2,500	Families
Oasis Community Hub Mayfield, Southampton	£1,500	Families
Warm Hut, Manchester	£5,000	Migrants
North Bristol Advice Centre	£5,345	Schools-based work
The Community Bureau - SCIO, Argyll, Scotland	£1,309	Youth
Speaking Out CIC, Birmingham	£6,000	Youth
Total	£48,873	

Further details of all the projects supported are available online at www.msecharity.com.

To support the Charity's grant-making, internal systems have been further developed. In particular implementing procedures to limit the Charity's exposure to grant fraud by design into the online application system and grant feedback processes. Formal feedback from grantees is requested as part of the end of grant project feedback report, so that the Charity can seek to continually improve the grant administration systems and processes.

The Grant Advisory Panel met formally 3 times over the year. GAP members have undertaken site visits to projects we have funded. This has further developed their knowledge and given valuable feedback and insight to other members of the Panel and the Trustees.

The Charity's website is the main communication tool to connect the Charity with potential applicants. The site was migrated this year onto the new Google Sites platform. Pages are more streamlined, consistent and better optimized for viewing on desktops, mobile phones, and tablets.

The Charity continues to use various communication channels to promote the grant rounds, namely the Charity's website, the Money Saving Expert Weekly Tips Email, Twitter, and third sector funding sites such as Funding Central and Trustfunding.

Current Grant Making Criteria and Process

The Trustees intend to continue with the present criteria for grant-making in order to fulfil the charity's mission statement 'Dedicated to supporting UK voluntary groups deliver financial life skills which make a lasting impact on the way people think, behave and manage their money'

The MSE Charity

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2019

The Charity accepts applications from organisations that have an annual income up to £500,000 and less than 6 months' unrestricted reserves. Applicants can check their eligibility by completing a short Eligibility Quiz on the website before they apply.

In January 2018, the trustees raised the upper grant limit for projects from £5,000 to £7,500. It remains the policy of the trustees to make grants to constituted groups (not individuals) in the United Kingdom only.

There are four grant themes all focused on building the financial capability skills assisting specific people groups which rotate through a two year cycle;

1) Raising the Next Generation – February 2019 / February 2021

Children, Youth, Families; schools-based work, migrants, lone parents, victims and survivors of domestic abuse, family outreach services.

2) Life Changing Transitions – September 2019 /September 2021

Bereavement, Redundancy, Retirement, Relationship Breakdown, Homelessness, Offenders, Resettlement.

3) Living with Long Term Challenges – February 2020 /February 2022

Dementia, Autism, Learning Difficulties, Disabilities, Carers, Mental Illness, Brain Injury, Stroke.

4) Building and Developing Resilience – September 2020/September 2022

Mental Health, Well Being, Cook Well for Less, Training Others, Independent Living Skills, Peer Mentoring

Applicants can only apply online through the website during February or September respectively. They are required to complete an application form; submit a funding proposal including a project budget. The Operations Manager initially screens and assesses the applications against the charity's eligibility criteria. The number of accepted applications is capped to 40 per grant round, which is deemed a manageable number for the GAP to assess. The GAP assess all 40 accepted applications against a grant assessment scorecard. The GAP subsequently meet to discuss and make recommendations for the Trustees to ratify. Once grants have been agreed, potential grantees are asked to sign a Funding Agreement which outlines what the project will deliver and the Charity's standard grant terms and conditions. 90% of the grant is paid out after the Funding Agreement is signed and returned. The final 10% is payable after the grantee has submitted the End of Grant Project Feedback Report and the survey data collected from beneficiaries who have completed the Manage Your Money Survey.

For more details please review the Charity website www.msecharity.com.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

The MSE Charity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2019

Achievements and performance

Financial performance

The charity received donations during the year amounting to £78,400. The charity paid out £84,987 by way of grants for projects and is committed to further payments of up to £9,343, provided that Grantees reach certain project milestones. These grants and other charitable expenditure were made in line with the stated objects of the charity. The charity also incurred £23,697 of support and governance costs during the year.

The charity has governance costs that comprise professional fees. This is in addition to the support costs of the charity as disclosed in the notes to the accounts.

There were no material fundraising costs during the year.

The charity incurred insurance premiums in the year amounting to £626. The policy includes trustees' liability insurance.

There was an overall net expenditure and net movement in funds for the year amounting to £29,385.

The trustees are grateful to MoneySavingExpert.com for its support and separately to Mr Martin Lewis who has kindly given to the charity sufficient support from his charitable resources to meet the costs of the operational management and accountancy, company secretarial and administrative services.

Reserves policy

The charity requires reserves to protect the organisation and its charitable program by providing time to adjust to changing financial circumstances, such as an unexpected reduction in income or increase in costs. The charity aims to balance its obligations to spend the maximum amount of its income as soon as possible after receipt and to ensure that grant applications fall within its objects, while maintaining a minimum level of reserves to ensure its operations are not interrupted. The trustees aim to hold in reserves sufficient to meet one year's anticipated outgoing resources.

The trustees' investment policy is to minimise investment risk by holding reserves in interest earning bank accounts, diversifying to reduce institutional risk.

The reserves stand at £69,753, all of which are unrestricted.

The trustees' annual report and the strategic report were approved on 18 September 2019 and signed on behalf of the board of trustees by:

A J Tesciuba
Trustee

The MSE Charity

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The MSE Charity

Year ended 31 March 2019

I report to the trustees on my examination of the financial statements of The MSE Charity ('the charity') for the year ended 31 March 2019.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Mr Howard Schwalbe ACA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

7 October 2019

The MSE Charity

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2019

		2019	2018
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	78,400	77,750
Investment income	6	899	888
Total income		<u>79,299</u>	<u>78,638</u>
Expenditure			
Expenditure on charitable activities	7,8	108,684	119,753
Total expenditure		<u>108,684</u>	<u>119,753</u>
Net expenditure and net movement in funds		<u>(29,385)</u>	<u>(41,115)</u>
Reconciliation of funds			
Total funds brought forward		99,138	140,253
Total funds carried forward		<u>69,753</u>	<u>99,138</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 10 to 15 form part of these financial statements.

The MSE Charity
Company Limited by Guarantee
Statement of Financial Position
31 March 2019

	Note	2019 £	£	2018 £
Fixed assets				
Tangible fixed assets	15		–	63
Current assets				
Debtors	16	439		490
Cash at bank and in hand		71,435		104,574
		<u>71,874</u>		<u>105,064</u>
Creditors: amounts falling due within one year	17	<u>2,121</u>		<u>5,989</u>
Net current assets			<u>69,753</u>	<u>99,075</u>
Total assets less current liabilities			<u>69,753</u>	<u>99,138</u>
Net assets			<u>69,753</u>	<u>99,138</u>
Funds of the charity				
Unrestricted funds			<u>69,753</u>	<u>99,138</u>
Total charity funds	19		<u>69,753</u>	<u>99,138</u>

For the year ending 31 March 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 18 September 2019, and are signed on behalf of the board by:

K M Dew
Trustee

A J Tesciuba
Trustee

The notes on pages 10 to 15 form part of these financial statements.

The MSE Charity

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2019

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is c/o Tesciuba Limited, The Chambers, 13 Police Street, Manchester M2 7LQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates. Expenditure on charitable activities includes all costs incurred by a 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 MSE Charity

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2019

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% straight line

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Limited by guarantee

The MSE Charity is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations	78,400	78,400	77,750	77,750

6. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest receivable	899	899	886	886
Other interest receivable	—	—	2	2
	<u>899</u>	<u>899</u>	<u>888</u>	<u>888</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Projects	84,987	84,987	98,993	98,993
Support costs	23,697	23,697	20,760	20,760
	<u>108,684</u>	<u>108,684</u>	<u>119,753</u>	<u>119,753</u>

The MSE Charity

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2019

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2019 £	Total fund 2018 £
Projects	63	84,924	17,759	102,746	113,813
Governance costs	—	—	5,938	5,938	5,940
	<u>63</u>	<u>84,924</u>	<u>23,697</u>	<u>108,684</u>	<u>119,753</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2019 £	Total 2018 £
Staff costs	15,844	15,844	12,848
General office	1,915	1,915	1,972
Governance costs	5,938	5,938	5,940
	<u>23,697</u>	<u>23,697</u>	<u>20,760</u>

10. Analysis of grants

	2019 £	2018 £
Grants to constituted groups		
Projects	84,924	98,930
Total grants	<u>84,924</u>	<u>98,930</u>

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	<u>63</u>	<u>62</u>

12. Independent examination fees

	2019 £	2018 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,620</u>	<u>1,620</u>

The MSE Charity

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2019

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019 £	2018 £
Wages and salaries	15,098	12,098
Social security costs	—	168
Employer contributions to pension plans	746	582
	<u>15,844</u>	<u>12,848</u>

The average head count of employees during the year was 1 (2018: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2019 No.	2018 No.
Administrative staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees other than those disclosed in the related party note.

15. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1 April 2018 and 31 March 2019	<u>188</u>	<u>188</u>
Depreciation		
At 1 April 2018	125	125
Charge for the year	63	63
At 31 March 2019	<u>188</u>	<u>188</u>
Carrying amount		
At 31 March 2019	<u>—</u>	<u>—</u>
At 31 March 2018	<u>63</u>	<u>63</u>

16. Debtors

	2019 £	2018 £
Prepayments and accrued income	439	438
Other debtors	—	52
	<u>439</u>	<u>490</u>

The MSE Charity

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2019

17. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	1,620	5,940
Social security and other taxes	434	—
Other creditors	67	49
	<u>2,121</u>	<u>5,989</u>

18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £746 (2018: £582).

19. Analysis of charitable funds

Unrestricted funds

	1 April 2018 £	Income £	Expenditure £	31 March 2019 £
General funds	<u>99,138</u>	<u>79,299</u>	<u>(108,684)</u>	<u>69,753</u>
	1 April 2017 £	Income £	Expenditure £	31 March 2018 £
General funds	<u>140,253</u>	<u>78,638</u>	<u>(119,753)</u>	<u>99,138</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	—	—
Current assets	71,874	71,874
Creditors less than 1 year	(2,121)	(2,121)
Net assets	<u>69,753</u>	<u>69,753</u>
	Unrestricted Funds £	Total Funds 2018 £
Tangible fixed assets	63	63
Current assets	105,064	105,064
Creditors less than 1 year	(5,989)	(5,989)
Net assets	<u>99,138</u>	<u>99,138</u>

The MSE Charity

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Notes to the Financial Statements

Year ended 31 March 2019

21. Contingencies

The charity retains 10% of all grants made, pending the submission of the feedback form by the donee. The contingent liability for these retentions, as at 31 March 2019, was £9,343.

22. Related parties

During the year Tesciuba Limited, a company of which A J Tesciuba is a director and shareholder, provided professional accountancy, company secretarial and administrative services amounting to £4,320 including VAT.

During the year Ms K Birkett, trustee of The MSE Charity, received £15,098 in remuneration for administrative work. She was not paid for her role as trustee.

23. Taxation

The MSE Charity is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.