



# Cambridge Money Advice Centre

Breaking the hold of debt

Annual Report and Financial Statements 2023



# Cambridge Money Advice Centre General Information 2023

## Trustees

Stephen Nation (Chair)

Alison Green (Treasurer)

Shevanti Roser

Adeline-Fleur Fleming

Leon Shapiro (from July 2023)

## Centre Manager

Fiona Charge

**Charity number** 1107655

**FCA registration number** 709737

## Office

Cambridge Money Advice Centre

c/o Barnwell Baptist Church

Howard Road

Cambridge CB5 8QS

**Bankers** Co-operative Bank



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# Introduction & Chair of Trustees' Welcome

Once again, it's a privilege to be presenting a positive Annual Report and Financial Statements for the year ended 31 December 2023.

2024 is a significant year for Cambridge Money Advice Centre for it was founded in 2004 as a practical Christian response to the growing problem of debt in the city. Twenty years ago the seeds of an idea of running a debt advice charity were sown by some church members, with a passion (and compassion) for helping the people of Cambridge with money problems. The Centre started up in 2005 and has been operating continuously through a steady stream of dedicated volunteer advisers, trustees, and various Centre Managers holding everything together.

I am pleased to say that the funding position continues to be positive and for 2024 we are fully funded. The upgraded IT system which we were able to purchase in 2022 has helped our team enormously through 2023.

There is a constant demand for our services due to the continuing economic circumstances, along with unforeseen issues in peoples' lives. With the present economic situation, high energy costs, the increasing cost of living, many people are being pushed further into financial hardship. Against this backdrop, I am delighted at what we have achieved in 2023, supporting clients.

Our volunteer adviser team is strong and experienced and doing wonderful, compassionate work with the clients that we see. In 2023 the team continued to work tirelessly with their clients to understand the clients' situations and come up with the best financial solutions. We are truly grateful to them for their time, expertise, and dedication in helping those who are in need of debt advice.

Our trustee board remains strong with the addition of Leon, who has supported us with strategy and fundraising. I am grateful to our team of, Centre Manager, volunteer advisers and trustees who have again given their time and energy, with grace throughout the year.

A huge thank you goes out to our regular supporters and funders in recognising the work we do, without you we would not be able to offer this FREE service to those in need.

Thank you!

Stephen Nation, Chair of Trustees

January 2024



## CMAC's Mission and Purpose

The Cambridge Money Advice Centre is a small charity supporting Cambridge residents struggling with problem debt to find long-term financial stability. We offer free, non-judgmental expert advice on all debt-related aspects of personal finance, as stated in point 3 of our Constitution, delivered by our team of expert volunteer advisers. Crucially, we work with our clients for as long as they need to reach stability with the right solution for them.

We welcome any client from the Cambridge area dealing with problem debt, regardless of background, ethnicity, religion, sexuality, age, or other factors. Our advisers are all highly trained volunteers, who continue with learning and training throughout their time with CMAC.

Our clients often face complex social and/or family issues which we will always handle sensitively, working with other support services as needed. Our approach is entirely client-centred and responsive to the client's needs. Often our clients turn to us in desperation, for example when eviction threatens, and without any real hope for a way out. A pair of advisers will work with someone for as long as they need to help them feel hope, see a path forwards, and achieve financial stability and capability.

We adhere to the Charity Commission's guidance on public benefit when reviewing our objectives and planning future activities.

*"It was a big debt and most of the time I didn't know how I would ever pay it off, but I was determined not to declare myself bankrupt, and pay off the debt in full. Then very suddenly I was able to pay it all off, and MAC's advisers helped me do that, they on numerous occasions spoke to creditors for me, and sent them letters, and helped me deal with creditors letters. I can't praise them enough. It's so nice to be debt free. it wasn't just financial help, many times I felt in a very dark place, so they helped me emotionally too."*



## Our activities and achievements in 2023

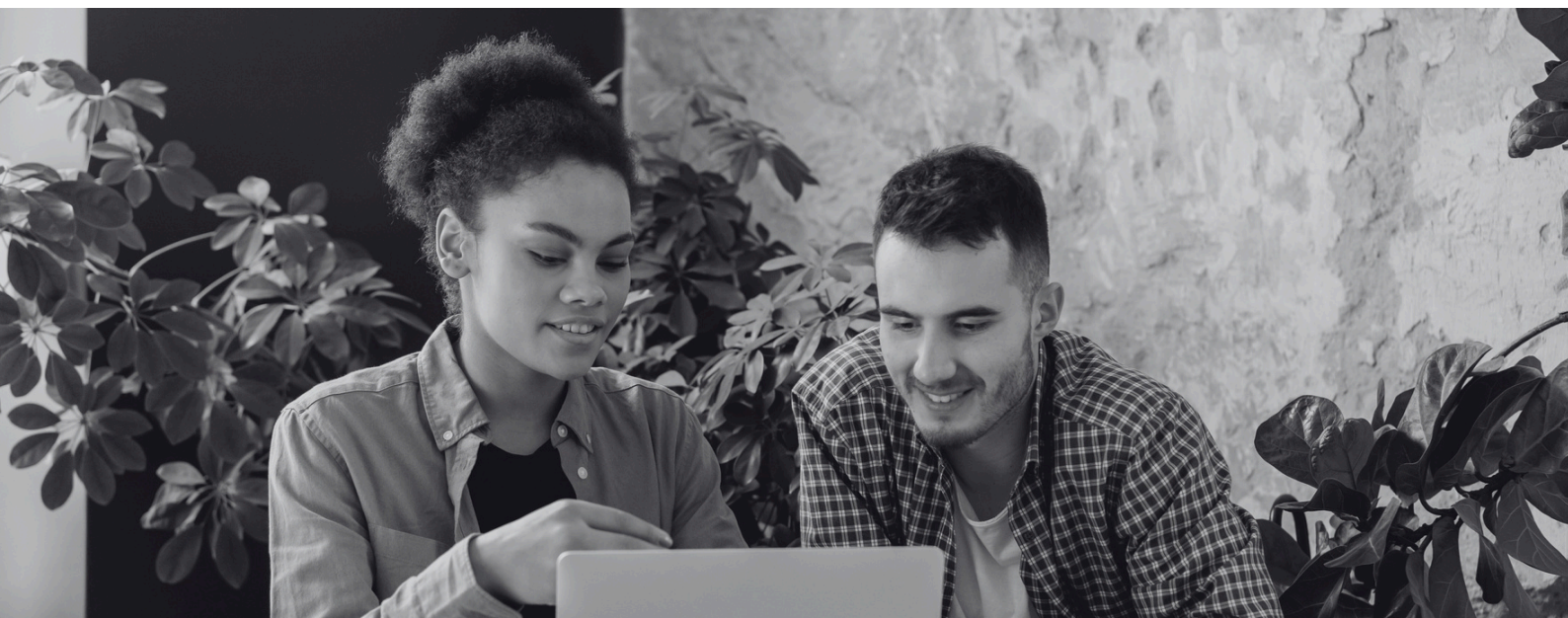
At the close of 2023 the total client debt had risen from £401k to £453k. At around £12,800 per person this is still more than 3 times the national average for unsecured debts reported by the Money Charity this year.<sup>1</sup>

We began 2023 with 32 clients and we worked with a further 18 clients during the year so have helped 50 people struggling with problem debt in total this year. (In 2021 we only took on 13 new clients and 15 in 2022 so this increase is significant.)

Our Centre Manager fields the calls and email enquiries, it was notable this year that many were attempts to speak to the council about the household support fund but others were people seeking more general guidance or talking about issues which are outside of our scope. We do still get people contacting us directly to get debt help but more are now being referred to us by other agencies who perceive the need for the very personalised debt advice process we can offer. This year in particular we took on referrals via P3, Hope into Action, the probation service, mental health support teams and social prescribers.

Around half of those who get in touch are offered a meeting, of these a further half will fail to engage for a number of reasons not least the overwhelming nature of debt and their personal circumstances. We work hard to make our provision as available as possible within the bounds of the legal requirements of regulated debt advice. Our clients are always at the centre of all we do.

We do not underestimate the value of the listening ear when many companies seem unwilling to communicate with those who are struggling. We believe that every conversation we are having can make a difference to someone's life. Our Centre Manager has also begun to speak regularly on the local radio offering small nuggets of useful advice.



## Our activities and achievements in 2023 (continued)

When we provide debt advice our impact goes beyond the individual into their whole family, child dependents and sometimes parents. We often hear of a parent helping their grown-up children, equally many still carry debt alone due to the stigma which lies heavily upon them. 18 of our clients (36%) had child dependents living with them in 2023, a total of 40 children, while 7 of our clients had a partner in the household.

Debt is also a trap which can lead to serious consequences such as imprisonment or homelessness. At CMAC we are proud to be able to help our clients before such awful events are reached and assist them in getting their life back on track.

As part of our commitment to the FCA Consumer Duty we are now recording the vulnerability of our clients, more than half of our clients have vulnerabilities noted.

<sup>1</sup> Our client debt figure is calculated from the active clients at a single time point, as the year closed we had 34 clients active with us having closed some cases throughout the year.

## Outcomes

Of the clients seen in 2023:

- 3 completed their DRO moratorium year, wiping £73,631 of debt which they could not have paid in any other way\*
- 7 entered a DRO, so £96,837 will be written off next year\*
- 19 are in a payment plan with their creditors with our continuing support, giving our clients stability and reducing stress
- 1 client was able to pay off their debts in full with our support
- 4 clients received either budgeting or advice and guidance about a specific issue
- 2 clients have had their debts placed on hold long term whilst issues are resolved
- 14 clients are still in the early stages of advice and decision making for the best solution

\* With a Debt Relief Order a client's debts are held in moratorium for a year before being written off, so we report both the start and the end of this period.

All of our clients are unique, some need a little guidance and direction, others need us to walk with them every step of the way. This year we have seen more clients who have unopened post to deal with, in some cases because they cannot read it. We anticipate it taking 3-6 months to find a resolution but in some cases due to clients circumstances this will take considerably longer.

## Outcomes (continued)

We aim to work with someone until a solution is found and in place. Occasionally we acknowledge that this is not possible in which case we will signpost to other agencies.

We include one of our client stories in our report to help demonstrate that what we are doing is not just dealing with complex debt issues but also changing people's lives. These things are not easily measurable but the relief when a person realises that things can be brought under control is incredible, the lightening of the load when a way forward is made possible, the grateful thanks when they look back and see what has been achieved.

## Funding

We are extremely grateful to the foundations, organisations, individuals and churches who have supported CMAC financially in 2023. We would like to record particular thanks to Cambridge City Council and the Frank Jackson Foundation who have again provided funding. We also received grant funding from Cambridgeshire Community Foundation and Arm Cambridge Community Fund at the end of 2022 which has been spent in the first six months of 2023. Thanks to CMAC's volunteer-based model, all funding has a disproportionately positive impact helping those who need it most.

We would also like to record our thanks to all the individual donors and churches who have supported CMAC's work for many years and continue to do so. Without this loyal support, which provides an essential foundation for our activity, we would not be able to carry out our important work.

Details of the grants and donations received can be read in the Accounts below.





## Our volunteer team

We are fortunate at CMAC to have a team of ten volunteer advisers, two of whom are also trustees. Our four most recent recruits have continued on their training program and are now regularly seeing clients. All our advisers take part in three stages of professional training, attending specific training courses as well as acting as 'second adviser' to a qualified colleague to gain experience of client meetings. In addition, all advisers are given the opportunity for ongoing training, in complementary skills such as active listening or information sessions, for example about loan sharking.

CMAC depends upon the generosity of our volunteers in giving their time and wisdom, and we are very grateful. This year we have also had two volunteers supporting us in small projects around our branding and website content.

## Our staff

The Cambridge Money Advice Centre depends on our excellent Centre Manager, Fiona Charge, who handles all our administration with expertise and endless good cheer.

## Our trustees

The Cambridge Money Advice Centre had a team of four trustees at the beginning of 2023. During the year we have been joined by Leon Shapiro who has been particularly looking at fundraising and strategy.

Our trustees have responsibility for a number of administrative duties, as well as strategy, accountancy and fundraising. Two of our trustees, Stephen Nation and Shevanti Roser, are also trained advisers.

## Our partnerships

We are pleased to be part of the Community Money Advice (CMA) network. Their support, particularly with governance and policy-making, is invaluable.



# Governance and management

CMAC is a registered charity (number 1107655), and is governed by a declaration of trust dated 7 December 2004 as amended 19 October 2019. CMAC is overseen by a board of between four and six trustees, appointed by decision of the Centre Manager and current trustees after an open recruitment process. All trustees receive an induction to their role and CMAC's work, and give their time and efforts voluntarily, receiving no benefit from the charity. Our Centre Manager is responsible for the day-to-day running of CMAC, supported in particular by Stephen Nation and Shevanti Roser.

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## Flexible meetings

The pandemic has made us all more cautious so here at CMAC we asked both our clients and team what works best for them and to talk about their concerns.

The majority of our client meetings are now back to face to face at our offices in Barnwell. This has many benefits, especially in building a good working relationship with the client. However, we ask that clients do not attend if they might be infectious, instead we will re-book. We continue to keep our distance, sanitize our hands and minimize our contact.

All our furniture is easy to clean and we have screens and face coverings available if requested. As a small team we understand that if we can reduce infection we will be able to deliver our service effectively. If the last few years have taught us anything it is to be adaptable and flexible in the ways we work and we will continue to monitor the situation. We continue to use Zoom for those clients who prefer it. It can be very helpful for those who find it difficult to attend the office or who are still cautious about being with other people. Our team trustee and adviser team meetings are now a mixture of face to face and via Zoom.





## Daniel's\* story

Daniel came to us via a referral through his landlord. Often social landlords support their tenants and it had become obvious that Daniel had some pressing debts. Daniel lives with his young son and is working part time to enable him to work around school hours. As our two advisers worked with Daniel, they realised that the debt issue had begun with the breakdown of his relationship. Many of our clients have long term debts hanging over them with frequent letters, texts or phone calls from collection agencies to try to collect the outstanding money.

We worked with Daniel to understand what money was coming into the household and how it was being spent. Often when we do this, we can highlight possible cost savings such as social tariffs or applications for grants for support. Daniel was on Universal Credit to top up his income and cover the housing costs. With Daniel's agreement we wrote to the people he owed money to and asked some time to look into the situation without them increasing the debt. We used credit reports and the letters which he had provided to establish his debts.

## Daniel's\* story (continued)

One of the companies he owed money to had applied for a county court judgement and then had appointed bailiffs. Despite our communication with them they would only stop action when we placed Daniel into a government approved scheme called Breathing Space which is designed to protect someone for 60 days whilst a long-term debt solution is found.

We found a total of 25 debts with a value of just under £20,000. We discussed the various options available to Daniel to be able to deal with his debts. We all agreed that in his present situation the best option would be a debt relief order (DRO) which as long as he remains within the conditions will allow for his debt to be written off in 12 months with no further payments. Although there are significant impacts in having a DRO the removal of the debt and the anxiety it was causing was worth this for Daniel especially with court and bailiff activity beginning to occur.

In many ways Daniel was a model client as he knew a lot about his debts and had paperwork to show us, this meant we could get everything in place in 3 months. We applied to Cambridge Aid to obtain the £90 funding required for the DRO as Daniel did not have it available. His DRO completes in October and then he will be debt free.

We remain in contact with Daniel to ensure all is going well, recently he told us "Thank you. I do really appreciate all your hard work and help" We have been able to offer Daniel and his son a chance at a fresh start, and given them hope for a brighter future together after what have been some very bleak times.

More info on a DRO can be found here: <https://www.gov.uk/guidance/how-to-get-a-debt-relief-order-dro>



## Our future plans

Looking into 2024 and beyond it seems that there will be no let up in the increasing need for help with debt advice. It is clear that for many there is more good advice to be had via reputable websites and phone lines however for most of the people MAC supports this is not sufficient.

We are seeing a growth in clients with more complex debt and support needs so we will need to continue to address this with the support of other local professionals.

We plan to recruit more advisers in 2024. Recognising the time required to support them as they grow in skills and confidence we anticipate perhaps two new team members as we continue to develop our other team members.

We will be looking at ways to support the growth of quality debt advice in the area, the need is clearly there and we would like to know there are more people to turn to.

We are continuing to look at the process we use and trying to see if it can be improved whilst still retaining the needs of our client at the centre.

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Having added one member to our trustee board this year, we are also hoping to find a further trustee with a passion for helping people in debt. It would also be great to find someone who has the skills and interest in social media and website either as an additional volunteer or within the trustee team.

We are fortunate to have a strong support base, not only receiving funding from grants but also churches and individuals across Cambridge. We plan to continue our regular cycle of grant applications but also to encourage a wider network of support from smaller donors and supporters.

## Financial review

Total income for the year amounted to £20,353 (2022: £23,030) and total charitable expenditure was £18,697 (2022: £22,120). Our surplus for the year was £1,656 (2022: £910). Total funds at 31 December 2023 were £27,680 (2022: £26,024).

## Risk management and reserves policy

We aim to hold sufficient reserves to cover six months' expected operating costs. We believe this is necessary for two reasons. First, we work with many of our clients for an extended period and almost never less than six months. We would never want to be forced to abandon a client whilst supporting them. Secondly, we depend heavily on grant income which can be unpredictable both in amount and timing.

Although we do all we can to ensure a steady flow of grants and donations, this policy helps to reduce this risk. Six months' running costs currently equate to £10,600. The level of unrestricted reserves at 31 December 2023 was £27,680 which exceeds this target.

The Trustees' Report on pages 1-13 was approved by the Trustees on 26 January 2024 and signed on their behalf by:

*Stephen Nation*

Stephen Nation

Chair of Trustees

*AE Green*

Alison Green

Treasurer

*"These guys were an absolute god send to me and the help and support and their knowledge is outstanding. "*



# Cambridge Money Advice Centre

## Receipts and payments accounts for the year ended 31 December 2023

	Notes	2023	2022
	Unrestricted Funds	Restricted Funds	Total
	£	£	£
<b>Receipts</b>			
Grants	7,000	5,000	<b>12,000</b>
Gifts from churches	3,100	-	<b>3,100</b>
Gifts from businesses	-	-	-
Gifts from individuals	3,200	-	<b>3,200</b>
Localgiving, Amazon Smile, Easyfundraising & Paypal giving	1,163	-	<b>1,163</b>
Gift aid reclaimed	297	-	<b>297</b>
Interest	143	-	<b>143</b>
Other income	-	450	<b>450</b>
<b>Total Receipts</b>	<b>14,903</b>	<b>5,450</b>	<b>20,353</b>
<b>Payments</b>			
Staff costs	6,527	6,666	<b>13,193</b>
Rent	175	925	<b>1,100</b>
Insurance	88	778	<b>866</b>
Subscriptions	1,321	30	<b>1,351</b>
Telephone & internet	476	295	<b>771</b>
Software licences	152	72	<b>224</b>
Training	130	60	<b>190</b>
Travel	-	-	-
Publicity	-	-	-
Office costs	198	174	<b>372</b>
Insolvency Service costs	-	450	<b>450</b>
Cost of fundraising	180	-	<b>180</b>
Other costs	-	-	-
<b>Subtotal</b>	<b>9,247</b>	<b>9,450</b>	<b>18,697</b>
<b>Asset &amp; investment purchases</b>			
Computer equipment	-	-	-
Office equipment	-	-	-
<b>Total payments</b>	<b>9,247</b>	<b>9,450</b>	<b>18,697</b>
Net receipts / (payments)	5,656	(4,000)	<b>1,656</b>
Transfers between funds	-	-	-
Cash funds last year	22,024	4,000	<b>26,024</b>
<b>Cash funds this year end</b>	<b>27,680</b>	<b>-</b>	<b>27,680</b>

# Cambridge Money Advice Centre

## Statement of assets and liabilities at 31 December 2023

	Notes	2023	2022
	Unrestricted Funds	Restricted Funds	Total
	£	£	£
<b>Cash funds</b>			
Current account	7,895	-	17,252
Savings account	19,785	-	8,772
<b>Total</b>	<b>27,680</b>	<b>-</b>	<b>26,024</b>

### Assets retained for the charity's own use

3 laptop computers  
1 printer & copier  
3 filing cabinets  
5 chairs & 1 large table  
Desks  
Protective perspex screens  
Various items of small office electrical equipment

The estimated value of these assets at 31 December 2023 is £3,150.

The financial statements on pages 14 to 17 were approved by the Trustees on 26 January 2024 and signed on their behalf by:

*Stephen Nation*

Stephen Nation

Chair of Trustees

*AE Green*

Alison Green

Treasurer

# Cambridge Money Advice Centre

## Notes to the accounts

### **1. Accounting Policies**

#### **Basis of accounting**

The Trustees have taken advantage of section 133 of the Charities Act 2011 and have prepared the accounts on a receipts and payments basis.

#### **Taxation**

As a registered charity, Cambridge Money Advice Centre is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

#### **Fund accounting**

Funds held are either:

##### *Unrestricted funds*

These are funds which can be used in accordance with the charitable objects at the discretion of the Trustee.

##### *Restricted funds*

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

##### *Designated funds*

These are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

# Cambridge Money Advice Centre

## Notes to the accounts

### 2. Reserves

The following movements on reserves took place during the year:

	Balance at 1 January 2023	Income	Expenditure	Transfer to/from general fund	Balance at 31 December 2023
	£	£	£	£	£
<i>Restricted Funds</i>					
Cambridge City Council	-	5,000	(5,000)	-	-
Cambridgeshire Community Foundation	4,000	-	(4,000)	-	-
Debt relief orders	-	450	(450)	-	-
<b>Total Restricted Funds</b>	<b>4,000</b>	<b>5,450</b>	<b>(9,450)</b>	<b>-</b>	<b>-</b>
<i>General Funds</i>					
General fund	22,024	14,903	(9,247)	-	27,680
<b>Total</b>	<b>26,024</b>	<b>20,353</b>	<b>(18,697)</b>	<b>-</b>	<b>27,680</b>

As set out in the reserves policy, the target level of reserves is £10,600 representing six months' expected operating costs.

All restricted grants received were fully spent by 31 December 2023.

*"MAC are life savers who helped me out of a desperate dark place to a position where I could see the light again. I would not be here now without their help and support, not all heroes wear capes."*

## **REPORT OF THE INDEPENDENT EXAMINER**

### **To the Trustees of Cambridge Money Advice Centre**

I report on the accounts of Cambridge Money Advice Centre (registered charity number 1107655) for the year ended 31<sup>st</sup> December 2023 and set out on pages 14 to 17 of the Annual Report.

### **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. 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.

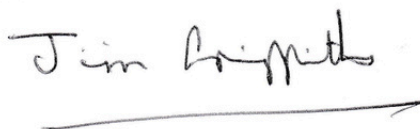
### **Basis of independent examiner's report**

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 the course of 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.



**Jim Griffiths**  
*I, Alfred Close*  
Cambridge  
CBI 7BW

**Date: 16th April 2024**