

COMPANY REGISTRATION NUMBER 6078667

**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2016**

Charity Number 1121320



HAS LTD
Chartered Accountants
Prince Albert House
2b Mather Avenue
Prestwich
Manchester
M25 0LA

**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

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**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE
TRUSTEES AND PROFESSIONAL ADVISERS**

Registered charity name	The MSE Charity
Charity number	1121320
Company registration number	6078667
Principal office	38 Elm Grove Lane Norwich NR3 3LF
Registered office	c/o Tesciuba Limited The Chambers 13 Police Street Manchester M2 7LQ
Trustees	K A Birkett V Bissessur C Coleman K M Dew A J Tesciuba
Secretary	A J Tesciuba
Independent examiner	Howard Schwalbe ACA Prince Albert House 2b Mather Avenue Prestwich Manchester M25 0LA
Bankers	Unity Trust Bank Plc Nine Brindleyplace Birmingham B1 2HB

THE MSE CHARITY COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2016

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 March 2016.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of trustees and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the company during the year were as follows:

K A Birkett
V Bissessur
C Coleman (appointed 8 December 2015)
K M Dew
J E Hewison (retired 8 October 2015)
A J Tesciuba

The trustees are not paid for acting in that capacity. Details of any related party transactions are disclosed as applicable in the notes to the accounts.

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 approval 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 no employees 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 COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

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

The Charity made grants to 23 organisations to deliver financial capability projects.

Strategic review

The trustees suspended regular grant making in January 2016 for one year, in order to undertake a strategic review of all the Charity's activities, systems and procedures, taking stock of past performance, and to re-focus the Charity's position for the years ahead.

Whilst the Charity is reviewing its operations, the trustees have resolved to progress the following plans in 2016/17: implement a new grant making programme with a focus on supporting innovative ways of delivering financial capability projects in the constantly changing socioeconomic environment; make sure the Charity gains the best value from its financial resources; and commission and launch a new website.

ACHIEVEMENTS AND PERFORMANCE

Financial performance

The Charity received donations during the year amounting to £62,737. The Charity paid out £84,855 by way of grants for projects. These grants and other charitable expenditure were made in line with the stated objects of the Charity. The Charity also incurred £18,615 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 MSE CHARITY
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

The Charity incurred insurance premiums in the year amounting to £713. The policy includes trustees' liability insurance.

There was an overall net outflow of funds for the year amounting to £39,718, which was met from reserves.

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

FINANCIAL REVIEW

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.

INDEPENDENT EXAMINER

It will be proposed at the annual general meeting that Howard Schwalbe ACA be re-appointed as independent examiner for the year to 31 March 2017.

Registered office:
c/o Tesciuba Limited
The Chambers
13 Police Street
Manchester
M2 7LQ

Signed on behalf of the trustees



A J TESCIUBA
Company Secretary

29 September 2016

THE MSE CHARITY COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MSE CHARITY

YEAR ENDED 31 MARCH 2016

I report on the accounts of the company for the year ended 31 March 2016 which are set out on pages 6 to 11.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of The MSE Charity for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company 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 you as 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 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities 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.


Howard Schwalbe ACA
Independent examiner

Prince Albert House
2b Mather Avenue
Prestwich
Manchester M25 0LA

10/10/16

**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
INCOME AND ENDOWMENTS					
Donations and legacies	2	49,950	12,787	62,737	89,813
Investment income	3	1,015	–	1,015	1,280
TOTAL INCOME		<u>50,965</u>	<u>12,787</u>	<u>63,752</u>	<u>91,093</u>
EXPENDITURE					
Expenditure on charitable activities	4/5	(90,683)	(12,787)	(103,470)	(113,357)
TOTAL EXPENDITURE		<u>(90,683)</u>	<u>(12,787)</u>	<u>(103,470)</u>	<u>(113,357)</u>
NET EXPENDITURE AND NET MOVEMENT IN FUNDS FOR THE YEAR					
		(39,718)	–	(39,718)	(22,264)
RECONCILIATION OF FUNDS					
Total funds brought forward		136,531	725	137,256	159,520
TOTAL FUNDS CARRIED FORWARD		<u>96,813</u>	<u>725</u>	<u>97,538</u>	<u>137,256</u>

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

All of the above amounts relate to continuing activities.

The notes on pages 8 to 11 form part of these financial statements.

**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2016

	Note	2016 £	£	2015 £
CURRENT ASSETS				
Debtors	7	14,336		12,809
Cash at bank		84,222		130,273
		<u>98,558</u>		<u>143,082</u>
CREDITORS: Amounts falling due within one year				
	8	(1,020)		(5,826)
NET CURRENT ASSETS			97,538	137,256
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>97,538</u>	<u>137,256</u>
NET ASSETS			<u>97,538</u>	<u>137,256</u>
FUNDS OF THE CHARITY				
Restricted income funds	9		725	725
Unrestricted income funds	10		96,813	136,531
TOTAL CHARITY FUNDS			<u>97,538</u>	<u>137,256</u>

For the year ended 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

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

These financial statements were approved by the trustees and authorised for issue on 29 September 2016 and are signed on their behalf by:



A J TESCIUBA



K M DEW

Company Registration Number: 6078667

The notes on pages 8 to 11 form part of these financial statements.

THE MSE CHARITY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (SORP 2015).

Incoming resources

Donations are included in the period in which they are receivable, which is when the Charity becomes entitled to the resource.

Investment income is accounted for in the period in which the Charity is entitled to the receipt.

Donated services and facilities are included in both incoming resources and resources expended and are stated at estimated value to the Charity of the service or facility received.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

The trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Costs in furtherance of charitable objects are made up of grants paid out by the trustees in line with the memorandum and articles of association.

Governance costs are included on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure.

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.

Restricted funds held by the Charity represent the MSL Overhead Fund that Mr M S Lewis donates to the Charity specifically for the payment of the operational management contractor and certain other professional fees.

**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
Donations	<u>49,950</u>	<u>12,787</u>	<u>12,787</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Donations			
Donations	<u>55,000</u>	<u>34,813</u>	<u>89,813</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
Bank interest receivable	1,015	1,015	1,270	1,270
Other interest receivable	-	-	10	10
	<u>1,015</u>	<u>1,015</u>	<u>1,280</u>	<u>1,280</u>

4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Projects	84,855	-	84,855
Support costs	5,828	12,787	18,615
	<u>90,683</u>	<u>12,787</u>	<u>103,470</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Projects	73,148	-	73,148
Support costs	5,396	34,813	40,209
	<u>78,544</u>	<u>34,813</u>	<u>113,357</u>

**THE MSE CHARITY
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Grant funding activities £	Support costs £	Total Funds 2016 £	Total Funds 2015 £
Projects	84,855	4,807	89,662	77,584
Operational management	–	8,587	8,587	30,613
Governance costs	–	5,221	5,221	5,160
	<u>84,855</u>	<u>18,615</u>	<u>103,470</u>	<u>113,357</u>

6. STAFF COSTS AND EMOLUMENTS

No salaries, wages or expenses have been paid to employees, including the trustees, during the year.

7. DEBTORS

	2016 £	2015 £
Income tax recoverable	13,946	7,448
Other debtors	–	4,853
Prepayments	390	508
	<u>14,336</u>	<u>12,809</u>

8. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	–	13
Accruals and deferred income	1,020	5,813
	<u>1,020</u>	<u>5,826</u>

9. RESTRICTED INCOME FUNDS

MSL Overhead Fund		£	£
Balance at 1 April 2015			725
Donations			12,787
Operational management		8,587	
Governance costs		4,200	
			<u>(12,787)</u>
Balance at 31 March 2016			<u>725</u>

**THE MSE CHARITY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

10. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2015	Expenditure	Balance at 31 Mar 2016
	£	£	£
General Funds	<u>136,531</u>	<u>(39,718)</u>	<u>96,813</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net current assets	Total
	£	£
Restricted Income Funds:		
MSL Overhead Fund	725	725
Unrestricted Income Funds	<u>96,813</u>	<u>96,813</u>
Total Funds	<u>97,538</u>	<u>97,538</u>

12. CONTINGENT LIABILITY

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 2016, was £7,045.

13. RELATED PARTY TRANSACTIONS

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 £4,200 including VAT. This cost has been met out of the MSL Overhead Fund.

14. COMPANY 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.

15. 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.