

**DEBT JUSTICE**  
**(FORMERLY JUBILEE DEBT CAMPAIGN)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2021**

**Charity Registration No. 1055675**  
**Company Registration No. 3201959 (England and Wales)**

**DEBT JUSTICE**  
**(FORMERLY JUBILEE DEBT CAMPAIGN)**

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<b>Contents</b>	<b>Page</b>
Trustees' report	3-15
Statement of Trustees' responsibilities	16
Auditors' report	17-19
Statement of financial activities	20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts	23-33
Legal and Administrative Information	34
Registered groups and organisations	35

## **DEBT JUSTICE**

### **TRUSTEES' REPORT**

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The Trustees present their report and accounts for the year ended 31 December 2021.

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011.

## **Strategic Report**

### **Our Purpose, Vision & Mission**

#### **1.0 Structure, governance and management**

##### **1.1 Structure**

Debt Justice (known as Jubilee Debt Campaign until 28 March 2022) is governed by our Board of Trustees according to our Memorandum and Articles of Association, as a charitable company limited by guarantee. We have a staff team of 11 people, a growing community of online activists, a network of affiliated local groups and national agencies, and an Academic Advisory Network who advise on our research and policy work. We work in partnership with the global debt justice movement, including international partners across Africa, Asia, Latin America, the US and Europe.

##### **1.2 Board and sub-committees**

The Board has a skills-based model and Trustees are appointed to the Board, after hearing recommendations from a sub-committee of the Board and can serve for a maximum of two terms of three years.

The Board is limited to a maximum size of 12 Trustees (with 10 as an ideal number).

The Board of Trustees met three times in 2021 and had four sub-committees (all continuing):

- The Finance & Resources Committee oversees all aspects of the budget including banking, insurance and fundraising
- The Management Committee oversees staffing and office issues
- The Risk Committee leads on assessment and management of strategic risks
- The Recruitment Committee oversees the appointment and re-appointment of Trustees

An Executive Director is appointed by the Trustees to manage the staff and the day-to-day operations of the charity.

##### **1.3 Secretariat**

The staff team consisted of:

Executive Director (until June)	Sarah-Jayne Clifton
Executive Director (from July)	Heidi Chow
Head of Policy	Tim Jones
Head of Campaigns and Engagement	Eva Watkinson
Head of Advocacy (from February)	Jerome Phelps
Head of Finance and Operations	Matt Gardner
Senior Digital Campaigner	Zak Suffee
Senior Community Organiser	Louie Herbert
Organiser (from June)	Skye Golding

## DEBT JUSTICE

### TRUSTEES' REPORT

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Senior Policy Officer (Household debt) (from July)	Joe Cox
Senior Policy Officer (Global South) (from February)	Tess Woolfenden
Operations Support Officer (from October)	Fin Fitzgerald

The Executive Director and Heads comprise the key management personnel of the charity.

#### 1.4 Remuneration

Staff are paid salaries in line with the charity's pre-agreed salary scales. These are adjusted every year by negotiation between the Board and the trade union, taking RPI as a benchmark but also considering the financial position of the charity. The organisation's salary policy was last reviewed and salary scales benchmarked in 2020. The ratio between the highest and lowest points of the salary scales may never be greater than 2.5 to 1. In 2021, the actual ratio between the highest and lowest paid staff members was 2.0 to 1 (2020: 1.8 to 1).

All staff are offered pension contributions and we meet the requirements of pension auto-enrolment legislation.

No Trustee receives remuneration for their time spent on behalf of the charity.

#### 1.5 Induction

New Trustees receive an induction session to the organisation and its staff, as well as information on the role and responsibility of being a Trustee. Changes in Trustee responsibilities are discussed at Board meetings. Role descriptions exist for the Chair, Vice-Chair and Honorary Treasurer, as well as a standard description for all Trustees to help them fulfil their role.

#### 1.6 Risk Management

The Board's Risk Management Committee leads on assessment and management of the major risks to which the Charity is exposed, and the systems established to mitigate those risks. The full Board has overall responsibility for risk management and oversight and decides membership of the Risk Committee.

In 2021 the Risk Management Committee undertook a review of the charity's risk register, including assessment of the likelihood, financial impact and reputational impact of each identified risk.

The risk register forms the basis of the organisation's risk management and is reviewed regularly by senior staff and annually by the Board's Risk Management Committee and then the full Board. The register identifies the major risks faced by the organisation in relation to the following areas, along with control mechanisms and mitigation actions: regulatory compliance, financial, legal, safeguarding, reputational, business continuity, strategic, and organisational.

A further Board discussion considered and approved the risk register and agreed a shared understanding of the Board's risk appetite in respect of the most significant risks. Trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems and procedures are established in order to manage those risks.

## 2.0 Fundraising

The Trustees wish to thank the many individuals, trusts and affiliated groups/ organisations who have provided vital funding or given freely of their time and expertise in support of the charity.



## DEBT JUSTICE

### TRUSTEES' REPORT

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Fundraising is overseen by the Executive Director and undertaken as part of their role by five other employees. Debt Justice is registered with the Fundraising Regulator and follows the Fundraising Regulator's rules and guidelines to ensure that members of the public are protected from unreasonable fundraising practices and to protect their privacy. No professional fundraisers were used during the year.

### 3.0 Purpose, Vision and Mission

Debt Justice is a UK charity working to end poverty, inequality and exploitation caused by unjust debt. Our charitable objectives, as set out the Memorandum and Articles of Association, are: *The relief of global poverty in particular by advancing education relating to the problems of accumulating debts.*

Founded in 1996, we are the successor for the Jubilee 2000 campaign. Our original focus was the sovereign debt problems of countries in the global South, and this continues to be a major focus for us. In 2015 we broadened our charitable purpose to be able to work on the connection between debt and poverty at both the UK and global level.

Our vision is of a world that is fair, democratic and sustainable, where everyone has their basic needs met, their human rights respected, and the opportunity to flourish, live a dignified life, and contribute to their community and to society as a whole. This is a world where finance and the banks serve the public interest, and where no-one is exploited, oppressed or driven into poverty by debt.

To advance our objectives, we undertake research, education, organising and campaigning, in partnership with allies in the UK and around the world. We aim to tackle exploitative and irresponsible lending, to secure the write-off of unjust and unsustainable debts to give people and countries a fresh start, and to address the underlying reasons why so many people and countries have no option but to borrow just to survive.

We have a highly skilled team of staff with an agile, creative and flexible approach, a network of local activists across the UK, a growing community of online activists, and a strong network of allies in the UK and around the world. We seek to strengthen the global movement for economic justice through everything we do.

### 4.0 Strategy

Our current strategy covers a five year period, between 2020 and 2025. Our strategic objectives from our organisational strategy are:

- To support people and governments who are directly affected by problem debt to stand up for their rights against creditors and to take a leadership role in debt justice campaigning.
- To increase the number and diversity of strategically relevant organisations who are actively and effectively campaigning for an ambitious, systemic debt justice agenda.
- To build a critical mass of UK individuals who are supportive of debt justice and willing and empowered to take action in support of it.
- To help drive a shift in UK public attitudes and values in relation to debt.
- To secure strategic policy and legislative change to advance our vision and mission.
- To ensure a strong, effective and dynamic Debt Justice, operating fully in line with our values and our strategy, and with the resources, culture, policies, and governance in place to deliver our strategic objectives.

#### 5.0 Public Benefit

Charity trustees have a duty to develop strategic plans to ensure that they provide public benefit and achieve the objectives as set out in the charity's governing document. In shaping our objectives and planning our activities for the year, our Trustees have paid close regard to the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Debt Justice delivers benefit to a wide range of stakeholders in the UK and overseas. Our beneficiaries include:

- **Individuals and communities in countries in debt crisis or at risk of falling into debt crisis:** We work to tackle and prevent debt crises in order to safeguard public resources for poverty alleviation, social protection, public services, and climate action.
- **Individuals and communities in the UK who face problem debt or are at risk of it:** We work to tackle the structural causes of the debt-poverty trap and to lift the debt burdens of households who are caught in problem debt.
- **The general public, civil society, the media, policy-makers and decision-makers in the UK and overseas:** We work to advance knowledge, education and understanding about the structural causes of unjust debt; the role that accumulating debts play in creating and perpetuating poverty and inequality; and the policy changes needed to prevent problem indebtedness and build financial resilience and sustainability for people and countries.

#### 6.0 Organisational Performance in 2021

Our work focused on two main campaigns during 2021: the sovereign debt crisis in the global south and the household debt crisis in the UK. The following summarises key activities and outcomes from each of these campaigns as well as key organisational development activities.

##### 6.1 The Global South Debt Crisis

###### 6.1.1 Building support for global South debt relief

###### *Activities:*

- We continued to coordinate a coalition of organisations campaigning on debt, members include Global Justice Now, CAFOD and Christian Aid.
- We invested in building cross-party parliamentary support for global south debt cancellation through developing relationships with opposition and Conservative backbench MPs to create parliamentary pressure. We also met with two Conservative networks to explore engaging backbenchers and continued our policy dialogue and engagement with key officials at the World Bank, IMF and Paris Club.
- Ahead of the UK government hosted G7 summit in June, we coordinated a joint letter from the CEOs of six UK charities to the Chancellor, calling on him to use the summit to push for substantive action. While the pandemic limited the scope for public mobilisation, we generated pressure through various activities including raising public awareness by running a crowdfunding campaign to buy sticks of rock with the message 'Cancel the Debt' to distribute in Cornwall during the summit.

###### *Outcomes:*

- We exposed the shortcomings of the G20 Debt Service Suspension Initiative (DSSI) through our research showing that just 23% of debt payments have been suspended for countries applying for the G20 debt service suspension scheme. This was covered by The Financial Times and the Guardian and widely cited by other commentators. The DSSI was extended to



## DEBT JUSTICE

### TRUSTEES' REPORT

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the end of 2021, allowing up to 73 global South countries up to \$12b of fiscal space to respond to the pandemic.

- The Opposition joined our demands for unconditional debt cancellation for low-income countries through open letters to the government and strong statements from (then) [Shadow Chancellor](#) and [Shadow Secretary of State for International Development](#).
- The UK government strengthened its rhetoric on the need for private creditors to participate in debt restructurings. In response to a Parliamentary Question on 30 March 2021, the government stated its position that 'private sector creditors will be required to implement debt restructurings on at least as favourable terms as official creditors'.
- Sudan secured \$1.4 billion of [debt relief](#) from the IMF enabling the government to apply to the HIPC initiative to restructure its debt with bilateral and commercial creditors.
- The IMF cancelled \$283 million for 28 poorest [countries](#) in April, the third tranche of debt cancellation they have conducted since the onset of the pandemic, and the only debt cancellation (rather than suspension) that has taken place.

#### 6.1.2 Private creditors

##### *Activities:*

- We launched a new campaign aimed at highlighting private creditor debt with our campaigning allies CAFOD, Christian Aid and Global Justice Now. We convened this campaigning coalition to target the refusal of private creditors to cancel debt and mobilised 13,000 supporters to email four major private creditors, took part in a projection stunt where we projected 'cancel the debt' onto their offices and wrote to them directly.
- In May we organised a protest outside HSBC's AGM as well as asked a question on global South debt inside the AGM.

##### *Outcomes:*

- Increased public awareness about the role of private creditors through social media and media. Our HSBC AGM campaigning activities were covered and got coverage in the [Guardian](#) and Reuters.
- Growing international pressure for more far-reaching debt relief, with strong statements issued by David Malpass, President of the World Bank and IMF Managing Director Kristalina [Georgieva](#) calling for private sector involvement in the G20 Common Framework, and by Secretary of the US Department of the Treasury [Janet Yellen](#) on the need to expand the Common Framework to middle income countries.

#### 6.1.3 Climate and debt

##### *Activities:*

- We published a briefing [Debt and the climate crisis: a perfect storm](#) to set out a shared narrative about climate and debt working with allies from all regions: African Forum and Network on Debt and Development (Afrodad), Asian Peoples' Movement on Debt and Development (APMDD), CAFOD, Christian Aid, Global Justice Now, Jubilee Scotland, and Latin American Network for Economic and Social Justice (Latindadd) signed on to the briefing. Our narrative was published before COP26 as part of [Progressive International's Blueprint for Debt Justice](#), as an article setting out why the debt and climate crises intersect and must be addressed together.
- We took eight supporters to the COP26 global climate summit in Glasgow to provide an opportunity for our supporters to take more engaged actions with us. Our supporters planned and led a series of campaigning actions during the week including engagement activities on the climate march.
- We planned a successful public media stunt by launching on a giant inflatable loch Ness monster onto the Govan Docks with the venue of the COP26 negotiations in the backdrop. The inflatable Nessie was seized by the police which sparked widespread global media and social

## DEBT JUSTICE

### TRUSTEES' REPORT

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media coverage and helped to spread the message of "Cancel the debt for climate justice" to global audiences and decision makers.

- Our advocacy team also engaged with key delegations inside of the blue zone at COP26 to discuss our collaboration on our campaigns.
- We organised a public webinar on Climate and Debt in the lead up to COP26 to raise public awareness on the intersection of these two issues.

#### *Outcomes:*

- Influenced media with our campaign messages and platformed the voices of affected global South communities in mainstream media, for example through our pro-active media strategy, Chris Sinckler, from our partner the Caribbean Policy Development Centre, was quoted commenting on the Caribbean debt situation in four major mainstream media outlets (The Scotsman, Herald, Northern Times, STV News) in the UK during COP26. Our Loch Ness Monster media stunt generated worldwide media interest, including over 100 media hits including in mainstream outlets such as the Washington Post and the Daily Mail carrying our core campaign message to cancel the debt for climate justice. The campaign also trended on twitter for over five hours with 600k impression and 144.7k video views.
- Created a narrative around debt and climate through securing extensive media coverage, including a Guardian exclusive, for our analysis that lower income countries are spending over five times more on external debt payments than on tackling the climate crisis. The statistic has been quoted in at least 31 articles in multiple languages.
- Debt was acknowledged as an issue for global South countries in the final text of the Glasgow Climate Pact, for the first time in a COP agreement, and the need for grant-based climate finance was also highlighted in outcome documents.

#### **6.1.4 Caribbean debt**

##### *Activities*

- We collaborated with the Caribbean Policy and Development Centre to gain funding and start planning capacity building activities to strengthen Caribbean civil society to advocate for debt restructuring and cancellation. We have already created opportunities to platform their voices in UK media and in public events.
- We have also met with various Caribbean governments and intergovernmental bodies such as the Alliance of Small Island States to share our expertise on debt policy.

##### *Outcomes*

- We are building recognition of our policy expertise with regional country grouping and Caribbean governments - CARICOM (Caribbean Community of 15 members states) caucus of High Commissioners as well as with AOSIS (Alliance of Small Island States) and Pacific Islands Forum Secretariat (PIFS).

#### **6.1.5 Debt transparency**

##### *Activities:*

- Recognised for our debt policy expertise, we were invited to join the OECD Advisory Group for the Debt Transparency Initiative where we have helped shape the initiative and push our demands on lending transparency, including on the need for the OECD to consult with global South governments and civil society.
- We met with the UK government Treasury team leading on debt to push the need for greater bilateral lending transparency.

##### *Outcomes:*

- Through its G7 Presidency, the UK got G7 governments to commit to disclose loan-by-loan information for the first time. The UK's championing of this issue was largely a result of our



## DEBT JUSTICE

### TRUSTEES' REPORT

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campaigning on loan transparency over recent years. The UK has begun releasing this data. In 2022 we plan to track its implementation and again name and shame the better and worse governmental lenders on transparency.

- The OECD Debt Transparency Initiative - a public registry for member banks of the Institute of International Finance (IIF) to disclose details of their loans to low-income countries – has now been launched. Increased transparency is a vital step towards more responsible lending and averting future debt crises. While the development and launch of the platform is an important step forward in debt transparency, it does not capture all private loan-making institutions and will not include information of loans to some middle-income countries. The OECD has told us loan-by-loan information from participating banks should be available from January 2022, which will allow us to name and shame those not taking part, while seeking to work constructively with those who do.
- UK Export Finance began quarterly publication of [data on loans](#) to other countries, an important step forward on debt transparency that followed our advocacy on the issue.
- The G7 finance ministers initiated a [Private Sector Working Group](#) to explore improving the terms of sovereign loan contracts with private creditors, including the use of state-contingent clauses which would allow for a debt moratorium in the event of an economic shock, such as a climate-extreme event.

#### 6.1.6 Mozambique fraudulent debt

##### *Activities:*

- In response to the announcement that Credit Suisse had been fined \$475 million for its involvement in fraudulent loans in Mozambique, we organised a rapid reaction with comments from ourselves and campaigners from the Mozambique Budget Monitoring Forum to put pressure on the government to cancel any debt outstanding and for new rules on loan transparency to prevent a similar case happening again. The quote from the Budget Monitoring Forum was quoted in the [Financial Times](#).
- We launched a supporter petition calling for the money to be spent on supporting the people of Mozambique and created a second version in Portuguese for partners in Mozambique to use.

##### *Outcomes:*

- Credit Suisse agreed to cancel \$200 million of debt owed to them on the fraudulent loan deals, in return for a smaller fine. This cancellation is welcome though the Financial Conduct Authority (FCA) has said \$390 million in total was still owed to Credit Suisse, so this leaves \$190 million the bank is still trying to get Mozambique to pay.
- We facilitated a meeting between the FCA and campaigners from Mozambique to force the FCA to explain themselves directly to a civil society group from the country. During the meeting the FCA agreed to suggest to HM Treasury that the fine money should be spent in Mozambique.

#### 6.2 The UK's Household Debt Crisis

##### 6.2.1 Building support for Covid response to household debt

##### *Activities*

- We launched a consultation action that facilitated people affected by debt to input into a government consultation on reforming Debt Relief Orders.
- In March we launched our first report on household debt and Covid, calling for a debt write-off to help people in debt recover from the pandemic. We produced this in collaboration with the Centre for Responsible Credit. The report included new demands and set out how a debt write off on the secondary debt market would work. We also launched a petition to support the demands from the report.



## DEBT JUSTICE

### TRUSTEES' REPORT

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- We collaborated with our campaigning ally, the Joint Public Issues Team (JPIT) to support a successful parliamentary debate. We secured MPs to speak at the debate and ran a supporter action ahead of the event to ask supporters to ask MPs to attend. We also amplified the debate on social media, producing a short video for feedback to supporters.
- In response to the roll back of several Covid-support measures at the end of September, we launched a local media action to enable our supporters to send letters to their local newspaper editors calling for the government to keep the Universal Credit uplift and provide grants to tackle Covid debts.
- We organised a public webinar on the household debt crisis in the UK including speakers from Stepchange and Astra Taylor from Debt Collective in the US who has over 10 years' experience of organising on debt. Louisa Coward from the South London Together Against Debt group also spoke at this event.
- We coordinated an informal coalition space with Stepchange, Reset the Debt, Christians Against Poverty and the Money Advice Trust to share information and identify key opportunities.
- We promoted the film, the Bank Job with its filmmakers. Our former Executive Director Sarah-Jayne Clifton features in the film and our Head of Campaigns spoke on a panel with John McDonnell, Johnna Montgomery (an academic) and the filmmakers as part of the launch.

#### *Outcomes*

- Through our consultation action on Debt Relief Orders, we facilitated the voice of debtors to share their views and won some positive changes in policy. The improvements announced, following this consultation, are projected to widen access to this insolvency mechanism to a further 15,000 people a year.
- We have won media coverage in local and national press calling for debt write-down as a key response to Covid. We mobilised over a thousand letters to local press about the impact of scrapping the uplift to Universal Credit and got letters published in the Brighton Argus, Blackpool Gazette, Buxton Advertiser, North Somerset Times in order to raise awareness with constituency MPs. On national media, our press statements were covered in the [Daily Express](#), [Daily Telegraph](#) and the [Daily Mirror](#). We carried out some polling that showed public support for a debt write down and was covered on [politics.co.uk](#).
- In October 2020 the UK government announced two separate funding packages for local authorities of £500 million and £65 million, making support available to households struggling with rent arrears, utility bills and Council Tax debt. This was an important step forward in the campaign, but the funds by themselves don't add up to a serious plan to tackle the worsening debt crisis.

#### **6.2.2 Together against Debt**

##### *Activities*

- We set up a small group in Manchester who have met several times and met local council candidates in the run up to the local elections, raising the issue of bailiff visits which is a significant source of stress for people in debt.
- We set up our second Together Against Debt group in South London through our community organising approach. Following initial outreach and a meeting organised by a local foodbank, a group was set up to campaign for repairs to address poor insulation of council housing that had forced some of its residents into energy debt. Supported by our community organiser, the group defined its own priorities and led the campaign. They have engaged their MP, gained publicity for their campaign by getting coverage in local media, and launched a petition. In late November the group submitted a deposition to Lambeth council, which enabled members to speak at a full council meeting.
- Our Community Organiser has also been supporting an existing group of debtors organising in East London: the Unfair Debt Group. This includes training on developing campaign strategy, how to grow the group and supporting the group coordinator. The group has engaged local

## DEBT JUSTICE

### TRUSTEES' REPORT

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councillors, spoken at parliamentary meetings and at other political roundtable events, bringing the voices of people with lived experience of debt into these spaces. They have also engaged in outreach, speaking about the work of the group at social justice events as well as building solidarity within the group, for example, holding supportive events where people can share their experiences of the impact of debts.

#### *Outcomes*

- Ahead of the local elections participants in the Manchester group met with local Labour councillors and the chair of the Conservative party to discuss bailiff visits. Councillors in both Manchester and Salford have committed to looking at the current policies around bailiff usage and bringing them back to the group to discuss.
- The Together Against Debt group in south London has won commitments from the council to carry out home improvement works to prevent residents building up high levels of energy debt. This could save residents thousands of pounds; the group intends to keep campaigning (they are also calling for compensation) and meeting regularly. The work of this group has not only generated tangible benefits that will directly improve the lives of residents on this estate, but the group members are no longer struggling in isolation and shame but have built their collective power to enable them to win other campaigns.
- Participants who have regularly attended meetings across our Together Against Debt groups have reported feeling more confident in their ability to speak about their debt and the problems it causes in their lives. Following training they also report feeling more confident in meeting with politicians and putting their case forward, and in outreaching in their communities to ask others to join the group. The Manchester group have also decided to put together a guide to support others in how to respond to bailiff visits.
- Following training and support from our Community Organiser, the Unfair Debt Group in East London has successfully secured commitment from debt collectors Lowell's to write off £7,000 of debt for one of the group members. This was motivating for the group, demonstrating that campaigning and collective action can deliver real concrete benefits for members.

## 7.0 Organisational development

### 7.1 Staff team

The organisation has undergone significant expansion and has grown from six members of staff at the start of the year to eleven members of staff at the end of 2021. The organisation now has the following new roles: Head of Advocacy, two Senior policy officers, Operations Support Officer and an Organiser. All new staff members have rapidly built knowledge and expertise and are all settled in their new roles.

Sarah-Jayne Clifton, the Director for seven years, left the organisation in 2021 and was replaced by Heidi Chow who joined the organisation from Global Justice Now, where she was a senior campaigns and policy manager with over a decade of experience leading economic justice campaigns. The board would like to record their gratitude for all of the excellent work Sarah-Jayne has done for the organisation and the wider debt justice movement over many years. This year's expansion and strength of impact are another indicator of her effectiveness, ambition and vision.

With an expanded team and new staff members, building culture and a sense of team has been a priority. We have created a new senior leadership team to strengthen collective leadership of the organisation, updated our processes for how we work, introduced the extensive use of Microsoft Teams to facilitate all work-based communications, revised our sign-off process and introduced a new appraisal and probationary review system.

The staff team continued to work remotely throughout 2021 because of continued uncertainty of the pandemic with plans to move back into an office in 2022.



#### 7.2 Anti-oppression strategy

We started the first stage of developing our anti-oppression strategy. Working with external consultants, a comprehensive review was conducted of our current organisational strategy, structure and culture. This audit stage has highlighted key areas that need addressing. In 2022, the consultants will continue the strategy development by facilitating a process to develop a three-year organisational anti-oppression strategy and plan based on the review.

#### 7.3 Supporter engagement and fundraising

We implemented a new online supporter platform this year to host supporter e-actions and fundraising asks. This gives us the technical capability to create integrated campaigning and fundraising actions, develop engaging digital fundraising asks and opens new opportunities for online fundraising. Towards the end of the year, we commissioned fundraising consultants to develop fundraising strategies for both grant and supporter fundraising which will be delivered in early 2022.

#### 7.4 Brand Review and name change

Our brand review concluded in early 2021 which recommended a name change for the organisation which was approved by the board. We developed a robust process of developing name options based on analysis from our Identity and Landscape Review conducted by the communications agency, Neo. The new name was then selected by a rigorous process of stakeholder and supporter consultation, following by testing of the visual identity. The implementation of the new name will take place by relaunching the organisation with a new name, new visual identity and refreshed narrative in 2022.

### 8.0 Principal risks and challenges

**Sustaining our growth:** During 2021, the charity grew rapidly from six members of staff to eleven, due to a round of successful grant applications. This expansion has enabled us to increase our policy, advocacy, media and activism capacity and has significantly expanded our campaigning influence and impact. It also ensures we are well placed to respond to the opportunities for transformative change in the coming years due to the worsening global South debt crisis, inaction around grant-based climate finance and cost of living crisis in the UK. However, we are now faced with the challenge of growing and diversifying our income both in the short and long term to sustain the size that we have become. We have commissioned both grant and individual fundraising reviews to develop robust strategies in 2022 to increase income from all sources to meet this challenge.

### 9.0 Plans for 2022

Our key priorities for 2022 are as follows:

#### Global South debt crisis

- Campaigning for the cancellation of debts across all creditors to bring debt down to a sustainable level and give countries fiscal space to recover from the pandemic and address the climate crisis, especially for countries that going through the G20 Common Framework.
- Mobilising pressure on the G20 to take steps to strengthen the Common Framework, including by widening eligibility and providing political and financial support for Global South governments to default on creditors who refuse restructurings.
- Working with the wider climate movement and climate activists to raise awareness and put pressure on rich countries to give significantly more climate finance as grants not loans, including for Loss and Damage.



## DEBT JUSTICE

### TRUSTEES' REPORT

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- Working closely with key partners in the Caribbean to support capacity building to mobilise debt justice campaigning by civil society groups in the region and offer our debt expertise to governments and regional grouping of Small Island Developing States.
- Using our role on the OECD Advisory Board to monitor implementation of the IIF and G7 commitments on lending transparency and put public pressure on creditors who are failing to disclose loan information while encouraging lenders who are disclosing to get other lenders to disclose.
- Develop political education project to disseminate the narratives that connect debt, climate and colonialism.

#### Household debt

- Raising public awareness and interest in debt as a social justice issue in the wider cost of living crisis context and ensuring that the voices of people in debt are heard in the debate.
- Building wider support for our write-off ask through parliamentary advocacy, media coverage and connecting with other social justice movements.
- Campaign for wider access to insolvency solutions including engagement with the government's Insolvency Review in 2022.
- Public pressure on local councils to change their practices around debt enforcement in the run up to local elections in May 2022.
- Establish a total of five Together Against Groups in strategic locations across the UK.

#### Activism and supporters

- Relaunching the organisation with our new name, visual identity and narrative to appeal to new supporters.
- Launching a new Activist Network to create a structure to engage with supporters who want more involved actions with a monthly newsletter and regular meetings.
- Creating new supporter journeys to enable supporters to have more engagement with the organisation.

#### Organisational development

- Securing a new office space that meets the needs of staff and the organisation.
- Integrating new staff and team-building efforts after a period of rapid growth in capacity.
- Integrating organisational values and commitment to anti-oppression into all aspects of our work including organisational culture.
- Developing and implementing a three-year anti-oppression strategy.
- Developing a new organisational operational handbook consolidating guidance and instruction on a range of organisational functions and processes.
- A diversity audit of the Board, and a review of the Board skills matrix, both feeding into the recruitment of new Trustees.

## Financial Review

The income of the Charity was £558,382 (of which £381,012 was restricted) and the expenditure £518,881 (£381,763 restricted), resulting in a surplus of £39,501. This surplus includes a decrease of £751 to restricted funds and a decrease of £4,160 to designated funds, so the general unrestricted surplus for the year was £44,412.

In 2021 total expenditure was significantly higher than 2020 (an increase of £165k or 47%). This reflects an increase in the charity's activity and staffing levels as a result of successful fundraising in 2020 and 2021. Total income was £132k higher than 2020 (a 31% increase) thanks to continued successful fundraising from trusts and individuals. A significant new grant was awarded by the Oak

## DEBT JUSTICE

### TRUSTEES' REPORT

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Foundation, and a significant portion of a large grant awarded in 2020 by the Open Society Foundations was deferred and recognised as income in 2021. The trustees are very grateful for the continued support of many individual donors (totalling £196k, 33% of the charity's income), which along with the contributions of grant funders (£357k) make the charity's work possible.

#### Reserves and Investment Policy

The trustees reviewed their reserves policy in 2015 and confirmed that it accurately meets the organisation's needs:

"In order to allow for fluctuations in funding and in recognition of long-term funding commitments, such as to staff, the trustees aim to have funds equivalent to around six months' total unrestricted forecast expenditure<sup>1</sup> in reserves. The minimum acceptable level of reserves shall be three months' total unrestricted forecast expenditure and the maximum shall be nine months' total unrestricted forecast expenditure."

"To ensure we keep within this range, we will monitor reserve levels every three months and take action if reserves fall below six months' expenditure and three months' expenditure, and if they rise above nine months' expenditure."

"A minimum of three months' reserves would normally be deposited in a high-interest instantly accessible account. The balance of the reserves may be invested in a no – or very low – risk ethical investment with longer-term access, at the discretion of the Honorary Treasurer and Director."

The current general unrestricted reserves (of £161,678) is about eight months of unrestricted expenditure budgeted in 2022. The charity is also carrying forward a high level of restricted reserves due to the timing of many restricted grants (which are awarded part-way through the year and expended gradually over a 12 month period). All restricted fund balances at the balance sheet date (£165,894) are planned to be spent in 2022, although some restricted income from a longer-term grant has been deferred to 2023 and 2024. The 2022 budget agreed by the trustees therefore shows a deficit on restricted funds, but aims to break even on unrestricted funds. Unrestricted reserves are not projected to fall below three months expenditure in 2022.

#### Going concern

The trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern. In reaching that conclusion the trustees have considered forecasts of secured and likely income and associated expenditure for a period of three years from the balance sheet date. Sufficient funds are already available to fulfil the charity's obligations for a period in excess of 12 months from the reporting date and it remains appropriate to treat the charity as a going concern.

#### Auditors

We appointed Jacob Cavenagh & Skeet as auditors, following a selection process, on 28 October 2008. The Finance and Resources Committee of the Board reviewed their appointment in 2019/20 and concluded that it was appropriate for the relationship to continue. Our 2019 and 2020 accounts were only subject to independent examination. Jacob Cavenagh & Skeet were reappointed as auditors by the trustees at our Annual General Meeting on 22 June 2021. They have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed they be re-appointed as auditors or independent examiners for the ensuing year.

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<sup>1</sup> This should be based on a detailed forecast for the preceding three months

## DEBT JUSTICE

### TRUSTEES' REPORT

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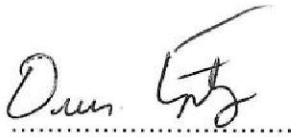
#### Disclosure of information to auditors

So far as each Board member at the date of approval of this report is aware, there is no relevant audit information of which the company's auditors are not aware.

The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees' report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the Board of Trustees



Owen Espley  
Trustee

Dated: 28 June 2022

## DEBT JUSTICE

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees (who are also directors of Debt Justice for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires that trustees must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its operations.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

## DEBT JUSTICE

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DEBT JUSTICE

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#### Opinion

We have audited the financial statements of Debt Justice for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). The 2020 financial statements were not audited.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the PCC in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report, including the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## DEBT JUSTICE

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DEBT JUSTICE

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of the directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment, financial reporting legislation and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

## DEBT JUSTICE

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DEBT JUSTICE

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#### **Auditor's responsibilities for the audit of the financial statements (continued)**

We determined that the principal risks were related to: management bias in accounting estimates, recognition of income in the correct accounting period, presentation of separately disclosed items and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates, reviewing legacy and grant documentation, agreeing financial statement disclosures to underlying supporting documentation, identifying and testing journal entries, reviewing Board and sub-committee meeting minutes and evaluating the company's internal controls.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

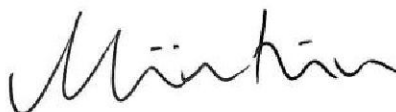
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Other matter**

The company's income was below the threshold where an audit was required in the prior year, therefore the comparative figures are not audited.

#### **Use of our report**

This report is made solely to the PCC members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its directors as a body, for our audit work, for this report, or for the opinions we have formed.



**Miriam Hickson FCA (Senior Statutory Auditor)**  
**for and on behalf of Jacob Cavenagh & Skeet**  
**Statutory Auditor**  
**Chartered Accountants**

5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

Dated: 15/07/2022

## DEBT JUSTICE

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>					
Donations and legacies	3	175,608	381,012	556,620	421,576
Charitable activities	5	140	-	140	5,097
Other income: Coronavirus Job Retention Scheme grant		1,611	-	1,611	-
Investments and other income	4	11	-	11	75
<b>Total</b>		<b><u>177,370</u></b>	<b><u>381,012</u></b>	<b><u>558,382</u></b>	<b><u>426,748</u></b>
<b>Expenditure on:</b>					
Raising funds		24,147	32,073	56,220	52,242
Charitable activities	6,7				
Public education and campaigning		82,874	170,144	253,018	186,622
Advocacy		8,522	42,218	50,740	22,587
Policy and research		7,084	59,277	66,361	35,680
Movement building		14,491	78,051	92,542	56,368
		<u>112,971</u>	<u>349,690</u>	<u>462,661</u>	<u>301,257</u>
<b>Total</b>		<b><u>137,118</u></b>	<b><u>381,763</u></b>	<b><u>518,881</u></b>	<b><u>353,499</u></b>
<b>Net income/(expenditure)</b>		<b>40,252</b>	<b>(751)</b>	<b>39,501</b>	<b>73,249</b>
Transfers between funds	16	-	-	-	-
<b>Net movement in funds</b>		<b>40,252</b>	<b>(751)</b>	<b>39,501</b>	<b>73,249</b>
Total funds brought forward (1 January)		<u>139,426</u>	<u>166,645</u>	<u>306,071</u>	<u>232,822</u>
<b>Total funds carried forward (31 December)</b>		<b><u>179,678</u></b>	<b><u>165,894</u></b>	<b><u>345,572</u></b>	<b><u>306,071</u></b>

The £40,252 surplus of unrestricted funds includes a decrease to designated funds of £4,160 (see note 17). The net movement of general unrestricted funds in 2021 therefore shows a surplus of £44,412.

There were no recognised gains or losses other than those included above.  
None of the charity's activities were acquired or discontinued during the above two years.  
The notes on pages 23 to 33 form part of the accounts.



## DEBT JUSTICE

### BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	10		2,721		1,090
<b>Current assets</b>					
Debtors	11	118,517		358,092	
Cash at bank and in hand		<u>392,712</u>		<u>211,988</u>	
<i>Total current assets</i>		511,229		570,080	
<b>Creditors: amounts falling due within one year</b>	12	(116,256)		(141,536)	
<b>Net current assets</b>			<u>394,973</u>		<u>428,544</u>
<b>Total assets less current liabilities</b>			<b>397,694</b>		<b>429,634</b>
<b>Creditors: amounts falling due after one year</b>	13		(52,122)		(123,563)
<b>Net assets</b>			<u><b>345,572</b></u>		<u><b>306,071</b></u>
<b>The funds of the charity:</b>					
Restricted income funds	16		165,894		166,645
Designated funds	17	18,000		22,160	
General funds		<u>161,678</u>		<u>117,266</u>	
Unrestricted funds			<u>179,678</u>		<u>139,426</u>
<b>Total charity funds</b>	18		<u><b>345,572</b></u>		<u><b>306,071</b></u>

The financial statements were prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and were approved by the Board on 23 June 2022 and signed on their behalf by:



.....  
Owen Espley  
Trustee

Company number: 3201959

## DEBT JUSTICE

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
<b>Cash provide by operating activities</b> (see below)	183,564	36,981
<b>Cash flows from investing activities</b>		
Interest received	11	75
Payments to acquire tangible fixed assets	( 2,851)	( 599)
<b>Cash (used in) investing activities</b>	( 2,840)	( 524)
<b>Net cash inflow</b>	180,724	36,457
Cash and cash equivalents at 1 January	<u>211,988</u>	<u>175,531</u>
<b>Cash and cash equivalents at 31 December</b>	<u><b>392,712</b></u>	<u><b>211,988</b></u>
 <b>Cash flows from operating activities</b>		
Net income for the year	39,501	73,249
Interest received shown in investing activities	( 11)	( 75)
Depreciation	1,220	717
Decrease in stock	-	344
Decrease/(increase) in debtors	239,575	(280,115)
(Decrease)/increase in creditors	(96,721)	242,861
<b>Cash provided by operating activities</b>	<u><b>183,564</b></u>	<u><b>36,981</b></u>

## **DEBT JUSTICE**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **1 ACCOUNTING POLICIES**

Debt Justice (known as Jubilee Debt Campaign until 28 March 2022) is a private Company limited by guarantee incorporated in England and Wales (company no. 3201959) and registered with the Charity Commission in England and Wales (charity no. 1055675). Its registered office is: Oxford House, Derbyshire Street, London E2 6HG.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### **1.1 Basis of preparation**

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011. The financial statements are drawn up on the historical cost basis of accounting.

Debt Justice meets the definition of a public benefit entity under FRS102. The financial statements are prepared in sterling, which is the functional currency of the charity, and rounded to the nearest £.

The Trustees have prepared detailed forecasts and cash flow projections which they believe are based on reasonable assumptions. The forecasts show that the charity should be able to operate for the foreseeable future and there are no material uncertainties about the charity's ability to continue, so the trustees consider it appropriate to prepare the financial statements on the going concern basis.

##### **1.2 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be reliably measured.

Grants received for expenditure that must take place in future periods are deferred until the expenditure occurs. Where grant agreements contain conditions that specify the services to be performed, income is recognised only to the extent that the charity has provided the specific services.

Investment income is recognised on an accruals basis.

Gifts in kind are valued at estimated open market value at the date of the gift in the case of assets for retention or consumption, or at the value to the charity in the case of donated services or facilities. No amounts are included in the financial statements for services donated by volunteers.

Legacies are accounted for as soon as the charity is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the charity is probable.

The Coronavirus Job Retention Scheme grant is recognised in the period to which the underlying furloughed staff costs relate.

All other income is included in the Statement of Financial Activities in the year in which it is received.

##### **1.3 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is discounted to present value for longer term liabilities. All expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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to a particular functional activity category are apportioned in proportion to the direct costs associated with each activity.

Staff costs are allocated to various categories of expenditure based on an estimate of the proportion of time spent on different activities.

Costs of raising funds comprise activities for which the main purpose is generating income for charitable expenditure.

Costs of charitable activities comprise the costs of the primary activities of the charity.

#### **1.4 Leasing and hire purchase commitments**

Rents payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### **1.5 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.6 Pensions**

The charity contributes to certain employees' personal pension plans. These are defined contribution schemes, the assets of which are held separately from those of the charity. Contributions are charged to the Statement of Financial Activities on an accruals basis.

#### **1.7 Accumulated funds**

##### ***Restricted funds***

Restricted funds are those which are subject to donor imposed conditions and can only be used for those purposes.

##### ***Unrestricted funds***

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

##### ***Designated funds***

These are unrestricted funds which have been designated by the trustees for specific purposes.

#### **1.8 Fixed assets**

Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives over the following number of years:

Fixtures, fittings and equipment	3 years
----------------------------------	---------

Expenditure on tangible fixed assets over £250 is capitalised.

#### **1.9 Debtors**

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **1.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

#### **1.11 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

#### 1.12 Deferred income

Income that has been received but the charity is not yet entitled to recognise as income, is treated as deferred income.

#### 1.13 Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 1.14 Exchange rate gains / losses

Assets and liabilities in foreign currencies have been valued at the rates of exchange at the balance sheet date. Realised exchange rate differences, as well as exchange rate gains or losses resulting from the valuation of receivables and liabilities, have been included in the Statement of Financial Activities.

## 2 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income from:</b>				
Donations and legacies	3	189,236	232,340	421,576
Charitable activities	5	5,097	-	5,097
Investments and other income	4	75	-	75
<b>Total</b>		<b><u>194,408</u></b>	<b><u>232,340</u></b>	<b><u>426,748</u></b>
 <b>Expenditure on:</b>				
Raising funds		28,092	24,150	52,242
Charitable activities	6,7			
Public education and campaigning		88,338	98,284	186,622
Advocacy		8,683	13,904	22,587
Policy and research		13,221	22,459	35,680
Movement building		<u>22,835</u>	<u>33,533</u>	<u>56,368</u>
		<u>133,077</u>	<u>168,180</u>	<u>301,257</u>
<b>Total</b>		<b><u>161,169</u></b>	<b><u>192,330</u></b>	<b><u>353,499</u></b>
<b>Net income/(expenditure)</b>		<b>33,239</b>	<b>40,010</b>	<b>73,249</b>
Transfers between funds	16	-	-	-
<b>Net movement in funds</b>		<b>33,239</b>	<b>40,010</b>	<b>73,249</b>
Total funds brought forward (1 January)		<u>106,187</u>	<u>126,635</u>	<u>232,822</u>
<b>Total funds carried forward (31 December)</b>		<b><u>139,426</u></b>	<b><u>166,645</u></b>	<b><u>306,071</u></b>

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 3 VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
Donations and gifts	175,608	381,012	556,620	403,576
Legacies receivable	-	-	-	18,000
	<u>175,608</u>	<u>381,012</u>	<u>556,620</u>	<u>421,576</u>

#### Donations and gifts

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
abrdn Financial Fairness Trust (formerly Standard Life)	-	60,000	60,000	60,000
Anonymous	9,860	26,450	36,310	29,500
Christian Aid	-	10,000	10,000	10,000
European Commission	-	-	-	5,621
Eva Reckitt Trust Fund	1,000	-	1,000	-
Gift Aid from donors	23,866	6,156	30,022	27,448
Joffe Charitable Trust	-	-	-	20,000
Kristina Johansson	-	-	-	1,000
Mr P Linsey	1,500	-	1,500	2,000
Mr P Merson	960	400	1,360	1,360
Network for Social Change	-	20,000	20,000	18,636
North East Call to Action on Poverty	-	-	-	1,374
Oak Foundation	-	31,749	31,749	-
Open Society Foundations	-	143,107	143,107	11,958
Others (each under £1,000)	98,422	33,150	131,572	124,679
Reed Foundation – International	-	10,000	10,000	10,000
The Tudor Trust	40,000	-	40,000	40,000
Trust for London	-	40,000	40,000	40,000
<b>Total</b>	<u>175,608</u>	<u>381,012</u>	<u>556,620</u>	<u>403,576</u>

Debt Justice has benefited from volunteer time; however, this Gift in Kind cannot be quantified in financial terms.



## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 4 INVESTMENT INCOME

	2021 £	2020 £
Interest receivable on UK bank accounts	11	75

#### 5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Promotional activities	140	-	140	168
Payment for provision of services	-	-	-	4,789
Income from events	-	-	-	140
<b>Total income from charitable activities</b>	<u>140</u>	<u>-</u>	<u>140</u>	<u>5,097</u>

#### 6 EXPENDITURE

	Activities undertaken directly £	Grant funding of activities £	Support costs (note 7) £	Total 2021 £	Total 2020 £
Raising funds	48,644	-	7,576	56,220	52,242
Charitable expenditure	<u>400,313</u>	<u>-</u>	<u>62,348</u>	<u>462,661</u>	<u>301,257</u>
<b>Total expenditure</b>	<u>448,957</u>	<u>-</u>	<u>69,924</u>	<u>518,881</u>	<u>353,499</u>

	Activities undertaken directly £	Grant funding of activities £	Support costs (note 7) £	Total 2021 £	Total 2020 £
Charitable expenditure					
Public education and campaigning	218,921	-	34,097	253,018	186,622
Advocacy	43,903	-	6,837	50,740	22,587
Policy and research	57,418	-	8,943	66,361	35,680
Movement building	<u>80,071</u>	<u>-</u>	<u>12,471</u>	<u>92,542</u>	<u>56,368</u>
<b>Total charitable expenditure</b>	<u>400,313</u>	<u>-</u>	<u>62,348</u>	<u>462,661</u>	<u>301,257</u>

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 7 SUPPORT COSTS

Support cost	Raising funds	Public education and campaigning	Advocacy	Policy and research	Movement building	Total
	£	£	£	£	£	£
Finance and admin	88	398	80	104	146	816
Office and IT costs	1,292	5,816	1,166	1,525	2,127	11,926
Professional fees	71	315	63	83	116	648
Governance costs: fees payable to auditors for audit	544	2,450	491	642	895	5,022
payroll	68	307	62	81	112	630
Rent and rates	140	631	127	166	231	1,295
Staff & volunteer expenses	109	490	98	128	179	1,004
Staff costs	<u>5,264</u>	<u>23,690</u>	<u>4,751</u>	<u>6,213</u>	<u>8,665</u>	<u>48,583</u>
<b>Total support costs</b>	<u><b>7,576</b></u>	<u><b>34,097</b></u>	<u><b>6,838</b></u>	<u><b>8,942</b></u>	<u><b>12,471</b></u>	<u><b>69,924</b></u>

Included in support costs are depreciation of £1,220 (2020: £712) and operating lease payments; nil in respect of rent included in rent and rates (2020: £16,709), and plant and machinery of £4,598 included in office & IT costs (2020: £2,107).

#### 8 TRUSTEES AND RELATED PARTY DECLARATIONS

No trustees received any reimbursement of travelling or other expenses (2020: two were reimbursed £72). No trustees received any remuneration in 2021 or 2020. In 2021, a company owned by trustee Rachel Collinson was paid £1,060 for consultancy services (2020: none). No trustees received any other benefits in 2021 or 2020. There were no other related party transactions during the year.

#### 9 STAFF COSTS

	2021 £	2020 £
Wages and salaries	325,967	231,806
Social security costs	30,569	20,041
Other pension costs	22,154	12,145
Recruitment costs	5,227	2,341
Training costs	<u>941</u>	<u>2,515</u>
	<u><b>384,858</b></u>	<u><b>268,848</b></u>

The average monthly number of employees during the year was:

	2021 No.	2020 No.	2021 FTE No.	2020 FTE No.
Charitable activities	7	5	7.2	4.4
Support services	<u>2</u>	<u>1</u>	<u>1.1</u>	<u>1.1</u>
	<u><b>9</b></u>	<u><b>6</b></u>	<u><b>8.3</b></u>	<u><b>5.5</b></u>

Aggregate employee-benefits of 4.4 FTE key management personnel were £219,957 (2020: 3.6, £187,373).

There were no (2020: nil) employees whose annual emoluments were £60,000 or more.



## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 10 FIXED ASSETS

	Fixtures, fittings and equipment £	2021 £	2020 £
<b>Cost</b>			
At 1 January	6,394	6,394	5,795
Additions	2,851	2,851	599
Disposals	-	-	-
At 31 December	<u>9,245</u>	<u>9,245</u>	<u>6,394</u>
<b>Depreciation</b>			
At 1 January	5,304	5,304	4,587
Charge for the year	1,220	1,220	717
Disposals	-	-	-
At 31 December	<u>6,524</u>	<u>6,524</u>	<u>5,304</u>
<b>Net Book Value</b>			
At 1 January	<u>1,090</u>	<u>1,090</u>	<u>1,208</u>
At 31 December	<u>2,721</u>	<u>2,721</u>	<u>1,090</u>

#### 11 DEBTORS

	2021 £	2020 £
Gift aid receivable	26,136	23,223
Other debtors and accrued income	89,622	333,527
Prepayments	<u>2,758</u>	<u>1,342</u>
	<u>118,516</u>	<u>358,092</u>

Included in other debtors are four grant payments totalling £70,040 awarded in 2021 but not yet received at the balance sheet date.

#### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	8,663	5,197
Taxes and social security costs	11,811	8,139
Deferred income	84,275	115,591
Credit cards	493	315
Accruals	<u>11,014</u>	<u>12,294</u>
	<u>116,256</u>	<u>141,536</u>

The deferred income balance comprises a grant of £84,275 awarded by Open Society Foundations to which the charity will be entitled in the following year.

#### 13 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021 £	2020 £
Deferred income	<u>52,122</u>	<u>123,563</u>
	<u>52,122</u>	<u>123,563</u>

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

The deferred income balance comprises a grant of £52,122 awarded by Open Society Foundations to which the charity will be entitled in 2023-24.

Deferred income movement in the year ended 31 December:	2021 £	2020 £
Balance brought forward	239,154	-
Grant awarded in year to be used within one year	84,275	115,591
Grant awarded in year to be used in more than one year	52,122	123,563
Released in year	(239,154)	-
	<u>136,397</u>	<u>239,154</u>

## 14 PENSION COSTS

Eligible staff members belong to individual pension schemes to which contributions were due from the charity totalling £22,154 (2020: £12,145). At the balance sheet date £1,759 (2020: £587) was outstanding.

## 15 CONTROL

The charity is a company limited by guarantee. In the event of the charity being wound up, the maximum amount which each member has undertaken to contribute is £1.

No one member has overall control of the charity.

## 16 RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 Dec 2021 £
Christian Aid grant	-	10,000	(10,000)	-	-
Climate Debt	-	43,845	(57,320)	13,475	-
Global South	83,641	195,418	(185,238)	(13,475)	80,346
Household Debt project	82,377	121,749	(129,205)	-	84,921
Student Debt project	627	-	-	-	627
	<u>166,645</u>	<u>381,012</u>	<u>(381,763)</u>	<u>-</u>	<u>165,894</u>

### 2020 comparative statement:

	Balance at 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 Dec 2020 £
Christian Aid grant	-	10,000	(10,000)	-	-
Climate Debt	26,971	-	(26,971)	-	-
Global South	93,662	103,704	(113,725)	-	83,641
Household Debt project	5,375	118,636	(41,634)	-	82,377
Student Debt project	627	-	-	-	627
	<u>126,635</u>	<u>232,340</u>	<u>(192,330)</u>	<u>-</u>	<u>166,645</u>

## **DEBT JUSTICE**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Christian Aid grant**

We have a three-year (2018-21) partnership agreement with Christian Aid. The objectives of the agreement are to provide ongoing monitoring and analysis of global debt justice issues, to ensure an ongoing UK civil society advocacy and campaigning voice on global debt justice issues, and to provide Christian Aid with advice, expertise and strategic support. In 2021 we received a grant of £10,000 under this agreement, which was spent on related staff time.

#### **Climate Debt project**

This project aims to tackle the runaway public debts faced by countries on the frontline of the climate crisis, especially small island developing states such as those in the Caribbean. We have been awarded a 3-year grant for this project from Open Society Foundations, which began in February 2021. This year we also used some funds for this project raised through the Big Give Christmas Challenge in 2020.

#### **Global South**

This project aims to raise awareness of and secure solutions to the current global south debt crisis, and support debt campaigners in the countries affected or most at risk (principally in Africa) in their efforts to avert or mitigate debt crises. This has been our main project for a number of years and as well as grant funding we raise funds for this project through the Big Give Christmas Challenge most years. The grant funds expended on this project in 2021 comprised Open Society Foundations (£99,262), the Joffe Trust (£18,333 of a £20,000 grant awarded in 2020) and Network for Social Change (£16,667 of a £20,000 grant awarded in 2021). We also spent a total of £50,166 raised for this project in through the 2020 Big Give Christmas Challenge, and raised a further £75,347 for 2022 expenditure through the 2021 Big Give Christmas Challenge.

#### **Household Debt project**

This project aims to tackle the accumulation of unjust household debt in the UK economy and secure policy change to prevent it from building up again in future.

In 2021 we received funds for this project from the Oak Foundation (£31,748), the Standard Life Foundation (£60,000), and Trust for London (£40,000). Activities funded by this project included our Community Organising project on household debt, as well as significant new capacity on policy work to support this project. The amount carried forwards represents the balance of these three grants, which will be spent in 2022.

#### **Student Debt project**

In 2015 we agreed a partnership with Create London to receive all donations collected through their art exhibition 'Day after Debt' from 2015-17, and to use them for educational and campaigning activities related to student debt. A small amount of income was received from this source in 2016 and 2017. There was no expenditure on this project in 2021, and the balance of the funds will be spent in 2022.

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 17 DESIGNATED FUNDS

The unrestricted income funds of the charity include funds comprising the following unexpended balances of donations designated by the trustees for specific purposes:

	Balance at 1 January 2021	Income	Expenditure	Balance at 31 December 2021
	£	£	£	£
Windfall income designated fund	<u>22,160</u>	-	(4,160)	<u>18,000</u>
	<u>22,160</u>	-	(4,160)	<u>18,000</u>

	Balance at 1 January 2020	Income	Expenditure	Balance at 31 December 2020
	£	£	£	£
Windfall income designated fund	<u>7,660</u>	<u>18,000</u>	(3,500)	<u>22,160</u>
	<u>7,660</u>	<u>18,000</u>	(3,500)	<u>22,160</u>

#### Windfall income designated fund

The trustees have a policy of designating one-off windfall income such as legacies, to be spent on discrete projects which could not otherwise have been afforded, and which will either increase the sustainability of the charity or are campaign-related. This helps to ensure that the core running costs of the charity do not increase unsustainably as a result of income that is unlikely to be repeated.

In 2021 this fund received no income. Expenditure from the fund was incurred on part of the cost of a rebranding process.

At the balance sheet date, the remaining designated funds balance is planned to be spent on the conclusion of a branding review, and additional investment in the charity's individual fundraising capacity.

#### 18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2021 are represented by:			
Fixed assets	2,721	-	2,721
Current assets	206,613	304,616	511,229
Creditors: amounts falling due within one year	(29,656)	(86,600)	(116,256)
Creditors: amounts falling due after one year	-	(52,122)	(52,122)
	<u>179,678</u>	<u>165,894</u>	<u>345,572</u>

## DEBT JUSTICE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2020 comparative analysis:

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2020 are represented by:			
Fixed assets	1,090	-	1,090
Current assets	164,281	405,799	570,080
Creditors: amounts falling due within one year	(25,945)	(115,591)	(141,536)
Creditors: amounts falling due after one year	-	(123,563)	(123,563)
	<u>139,426</u>	<u>166,645</u>	<u>306,071</u>

#### 19 COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are payable:

	Land and Buildings		Plant and Machinery	
	2021	2020	2021	2020
	£	£	£	£
Within one year	-	-	-	1,967
Between one and five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>286</u>

The above commitments represented the annual rental of a photocopier and franking machine. The lease payments expended during the year were £4,598 (2020: £2,107)

## **DEBT JUSTICE**

### **LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021**

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Debt Justice is registered in England and Wales as a company limited by guarantee holding no share capital (no. 3201959) and a registered charity (no. 1055675).

#### **Registered Office**

Oxford House  
Derbyshire Street  
London  
E2 6HG

#### **Independent Examiners**

Jacob Cavenagh & Skeet  
5 Robin Hood Lane  
Sutton  
SM1 2SW

#### **Solicitors**

Bates, Wells & Braithwaite  
2-6 Cannon Street  
London  
EC4M 6YH

#### **Bankers**

Unity Trust Bank  
Nine Brindleyplace  
Birmingham  
B1 2HB

The Co-operative Bank  
Kings Valley Yew Street  
Stockport  
SK4 2JU

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
ME19 4JQ

#### **Trustees / Company directors**

Rachel Collinson ..... (from 23 February 2021)  
Simon Davey ..... (Treasurer)  
Owen Espley  
Kamaljeet Gill  
David Golding ..... (until 22 June 2021)  
Jesse Griffiths  
Luke Harman ..... (Vice-chair)  
Jannat Hossain ..... (until 22 June 2021)  
Sarah Jane Mace  
Peter Merson ..... (Chair)  
Ruth Tetlow

#### **Company Secretary**

Matt Gardner

#### **Director**

Sarah-Jayne Clifton ..... (until 25 June 2021)

#### **Executive Director**

Heidi Chow ..... (from 28 June 2021)

## **DEBT JUSTICE**

### **REGISTERED GROUPS AND ORGANISATIONS FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **REGISTERED GROUPS**

ACTSA (Richmond)  
All Saints Kings Heath Social Justice Action Group  
Christ Church with St Philip, Worcester Park  
Churches Together in Mold District  
Cotham Parish Church  
Dinas Powys Council of Churches  
Global Justice Reading  
Global Justice Portsmouth  
Global Justice Sheffield  
Greater Manchester Jubilee Debt Campaign  
Hartlepool for Global Peace and Justice  
Hexham St Mary's Justice & Peace  
Jubilee Debt Campaign Birmingham  
Ombersley Road Methodist Church  
St Dominic's Haverstock Hill Overseas Aid Group  
UNITE Clerkenwell Branch  
Wolverhampton World Poverty Action

#### **REGISTERED ORGANISATIONS**

Christian Aid  
Commitment for Life (United Reformed Church)  
Jubilee Scotland